E-MARKET SDIR CERTIFIED

OPEN POWER FOR A BRIGHTER FUTURE.

WE EMPOWER SUSTAINABLE PROGRESS.

INTEGRATED ANNUAL REPORT 2020

enel

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ENEL IS OPEN POWER

VISION

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

POSITIONING

Open
Power

PURPOSE

MISSION

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

PRINCIPLES OF CONDUCT

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

Open power for a brighter future.

We empower sustainable progress.

VALUES

- Trust
- Proactivity
- Responsibility
- Innovation

Michele Crisostomo

Chairman of the Board of Directors

Francesco Starace

Chief Executive Officer and General Manager

Letter to shareholders and other stakeholders

Dear shareholders and stakeholders,

Our sustainable and fully integrated business model has allowed us to maximize shared value with all our stakeholders, even during a year characterized by the global recession triggered by the COVID-19 pandemic, confirming our leading role in the energy transition.

We are the largest private renewable energy operator in the world, with 49 GW of managed capacity, and the largest private electricity distribution company globally, with 74 million end users connected to the world's most advanced digitalized grids. We manage the largest customer base in the world among private companies, with approximately 70 million customers.

END USERS
74
million

MANAGED RENEWABLES CAPACITY
49
GW

Our strategy of basing all our business on digital platforms, together with industrial leadership, allows us to optimally seize opportunities arising from the energy transition now under way around the globe.

Our solid financial and sustainability performance in recent years has enhanced investor confidence in us. This is demonstrated by the 17% increase in the Enel stock price during the year, outperforming both the sector index (EURO STOXX Utilities: +10%) and the general Italian index (FTSE-MIB: -5%).

Enel's leadership in sustainability is also confirmed worldwide by the Group's presence in a number of important sustainability ratings, indices and rankings, including the AAA rating from MSCI and confirmation of our presence in the MSCI ESG Leaders Indexes, the Dow Jones World and Europe sustainability indices, the CDP Climate "A" List, the Vigeo Eiris rating in which the Group is ranked first in all sectors and the Euronext Vigeo Eiris 120 index, the ESG rating of Refinitiv and the FTSE4Good index, being the sector leader in both cases. Enel is also present in the three main indices that monitor corporate gender diversity performance: Bloomberg Gender Equality Index, Refinitiv Top 100 Diversity and Inclusion Index, and Equileap Gender Equality Top 100 ranking.

In 2020 we confirmed ourselves as the leading European utility by market capitalization and the second in the world.

The macroeconomic environment

The global economic environment in 2020 was characterized by an unprecedented recession, caused by the COVID-19 pandemic. The health crisis and the resulting restrictions have had a negative impact on supply and demand, leading to a contraction in world GDP estimated at around 3.7% in 2020.

The waves of the pandemic had a strong impact on the euro area, with GDP contracting by about 6.8% during the year, and on the United States, where the contraction in GDP was 3.5%.

In response to the recession, the European Central Bank has pursued an expansionary monetary policy, keeping its main interest rates at very low levels through the Pandemic Emergency Purchase Program. For its part, the European Commission is using the Next Generation EU program to channel €750 billion, divided into loans and subsidies, to the Member States.

The US government has also adopted major expansionary fiscal policies to support families and firms, and the Fed has implemented an unlimited public and private debt purchase program.

In Latin America, economic developments were highly influenced by the pandemic and the consequent responses of the individual countries, which varied considerably and in some cases exacerbated existing structural problems. The Chilean economy was among the most resilient thanks to its considerable openness, with exports driven by the Chinese recovery (GDP -6.1%), while in Brazil economic activity in 2020 was supported by a broad fiscal stimulus program in support of families (GDP -4.4%).

During 2020, the oil market was characterized by sharp volatility, with oil prices collapsing during the 1st Quarter due to weak demand, followed by a sharp rise in the 2nd Half of the year thanks to the reopening of the main world economies.

The gas market also experienced strong volatility during 2020. During the 1st Half of the year, the benchmarks of all the main European hubs contracted by almost 50% compared with the same period of 2019, while prices in the last quarter returned to the average levels seen in 2019.

The price of CO_2 displayed excellent resilience. Recent statements by the European Commission about the central role of the ETS in achieving decarbonization and climate neutrality goals have supported the market, leaving prices on a gradually rising path towards long-term equilibrium.

Performance

Performance achieved in 2020, which was also the fruit of our business model, based on the central role of digitalization and platforms, key tools in dealing with the pandemic emergency, underscored the resilience of the Group from both an operational and financial point of view. Despite the economic crisis, the Group continued its growth path by continuing to generate value.

The 2020 financial year closed with ordinary EBITDA of €17.9 billion, in line with last year's results. Ordinary profit, on which the dividend is calculated, reached €5.2 billion, up 9% compared with the previous year. The dividend for 2020 amounts to about €0.36 per share, up 8% compared with 2019. The FFO/net debt ratio, an indicator of financial strength, reached 25% at the end of the year. Net debt is equal to €45.4 billion, lower than the forecasts previously provided to the market.

Main developments

As in previous years, Enel reached a new record for renewables generation capacity in 2020, adding 3,106 MW of new renewables capacity globally, while at the same time increasing our pipeline of future renewables projects, reaching 180 GW worldwide at the end of the year.

The consolidated installed renewables capacity reached 45 GW, again exceeding thermal generation capacity, which fell to about 36 GW (-3.3 GW compared with 2019). Furthermore, 2020 was the first year in which consolidated renewable generation also surpassed thermal output, with 105.4 TWh. This is an important step in the Group's journey towards a cleaner and more sustainable energy mix and an acceleration of the decarbonization process, which was also underscored by the rapid decline in specific CO_2 emissions, which reached 214 gCO_{2eq}/kWh, a decrease of 28% compared with 2019.

Thanks to our investments in grids and the simultaneous focus on the digitization of systems and processes, we continued to improve the quality of the service offered to our customers, reducing the average per-customer duration of outages by 12% compared with the previous year, registering a global SAIDI of 258.9 minutes. Furthermore, with the Grid Blue Sky project, we are completely overhauling the operating model of the distribution grids. The goal is to create a single global operating platform by 2022, which will enable the efficient integrated management of our grids in all the geographical areas in which we operate, supporting the sustainable development of the asset portfolio in order to maximize value. The benefits associated with the project are manifold. These include increasing the value of our services for customers, the rapid implementation of innovative solutions, an increase in the efficiency of our processes and the creation of shared value in the communities in which we operate.

During 2020, the development of public and private charging infrastructure for electric vehicles continued and, thanks in part to interoperability agreements, we have exceeded 185,000 charging points worldwide. The Group has also supported the electrification of public transport thanks to the supply of charging stations for electric buses, with Enel X closing 2020 with over 900 electric buses managed globally. We were once again the leader in terms of the number of lighting points operated, at 2.8 million worldwide. We also confirmed our ability to assist industrial customers in using energy more efficiently, bringing active demand management capacity to 6.0 GW and total battery capacity installed at those customers or directly connected with distribution and transmission grids to 123 MW.

With regard to the digital transformation, the decision to migrate 100% of applications to the cloud has enabled Enel to guarantee the continuity of supply of essential services even during the pandemic. The digitalization of plants and grids has enabled remote operation of our infrastructure, significantly reducing the number of interventions in the field. The complete transition to the cloud has also facilitated the adoption of continuous flexible working measures for all employees whose activities can be managed remotely. Between April and December 2020, approximately 53% of personnel worked remotely, supported by the robustness and resilience of the Group's digital infrastructures and the enhanced IT equipment swiftly made available to those without appropriate devices, enabling a massive transition to working from home.

Among extraordinary corporate transactions, in December 2020, the Extraordinary Shareholders' Meeting of Enel Américas approved the merger of EGP Américas into Enel Américas, as well as the removal of the limits in that company's articles of association that currently do not permit a single shareholder to own more than 65% of shares with voting rights. In 2020, as part of the restructuring of the joint venture with General Electric, Enel Green Power North America closed the sale of 255 MW of hydroelectric capacity and 27 MW of wind capacity in Canada and 25 MW of hydroelectric capacity in the United States.

From a financial point of view, on September 1, 2020, an equity-accounted perpetual hybrid bond of €600 million was issued, the first of its kind for an Italian industrial group. At the same time, Enel also launched a voluntary purchase offer for hybrid bonds maturing in 2076 with a nominal value of £250 million.

In October, after the issue in 2019 of the world's first general-purpose bonds linked to the United Nations Sustainable Development Goals (SDGs), Enel successfully launched a £500 million "Sustainability-Linked Bond", the first of its kind in that currency. The issue is linked to the achievement of a target for the percentage of consolidated installed renewables capacity, in line with the commitment to achieve the United Nations SDGs. Thanks to its success on the market, Enel has obtained savings of about 15 basis points compared with financial instruments with the same characteristics but not linked to the pursuit of the SDGs.

Strategy and forecasts for 2021-2023

The energy transition, driven by the fight against climate change and facilitated by decarbonization, the electrification of energy consumption and digitalization, is revolutionizing not only the energy sector but all areas of the economy, in a world in which the role of electricity will be increasingly significant.

In this context, it is essential to extend the time horizon of our strategic vision to the medium and long term. Guided by this intuition, in November 2020 the Group presented the new Strategic Plan with a vision that reaches 2030, placing the acceleration of the energy transition at the center of the strategy, which, in enabling sustainable and profitable growth, offers the concrete prospect of simultaneously generating significant shared value for all stakeholders and a satisfactory return for shareholders.

With the new Strategic Plan, the Group has indicated its direction for the next ten years, mobilizing approximately €190 billion between direct and third-party investments, in order to achieve our objectives in a decade that promises to be full of opportunities, to be seized through two complementary business models: the traditional Ownership model, based on direct investments to support long-term sustainable development, in which platforms contribute to business growth and value maximization; and a new Stewardship model, in which the use of platforms enables new services, products and know-how by catalyzing third-party investments.

The 2021-2023 Strategic Plan is ideally placed as the first step in a growth path that spans the entire coming decade. The Group's ambitions are reflected in a marked increase in investments, both direct and indirect, to enable the acceleration of trends in decarbonization and electrification.

In the 2021-2023 period, the Group expects to directly invest around €40 billion, of which €38 billion through the Ownership model, mainly in expanding and upgrading grids and developing renewables, and around €2 billion through the Stewardship model, while mobilizing an additional €8 billion in investment by third parties.

These investments will allow the Group to increase the renewables capacity it manages from around 49 GW in 2020 to around 68 GW at the end of 2023, with renewables capacity reaching around 70% of the total by the end of 2023.

The Group also plans to invest in improving the service quality and resilience of our distribution grids, in new connections and digitalization. The acceleration of investment will grow the Group's regulatory asset base (RAB) by 14% to about €48 billion in 2023.

The remainder of the investments envisaged in the plan will be allocated to the retail businesses and Enel X, to support the electrification of consumption by offering new "beyond commodity" services through platforms, generating an increase in the value of B2C and B2B customers of 30% and 45%, respectively, and supporting the decarbonization of cities. In support of these objectives, by 2023 the Group plans to achieve some 780,000 charging points, 10.6 GW of active demand management capacity and 5,500 electric buses globally.

About 90% of 2021-2023 consolidated investment is in line with the United Nations SDGs and it is estimated that between 80% and 90% of investments will be aligned with the criteria of the European taxonomy, given their substantial contribution to climate change mitigation.

This testifies to how sustainable development represents the intrinsic basis of our strategy, helping to direct all our actions towards increasingly sustainable and consequently less risky choices and approaches.

The Group's strategy is aligned with a target of reducing direct CO_2 emissions to 82 gCO_{2eq}/kWh by 2030, down 80% compared with 2017 in accordance with a scenario that limits global warming to 1.5 °C compared with pre-industrial levels, as certified by the Science Based Targets initiative (SBTi), and achieving carbon neutrality by 2050.

As for performance, the Group expects that ordinary EBITDA will reach between €20.7 and 21.3 billion by 2023, with a CAGR of 5%-6% over the results achieved in 2020. At the same time, ordinary profit is expected to reach between €6.5 and 6.7 billion, with a CAGR of between 8% and 9%. The intrinsic sustainability of our business model, combined with a determination to achieve strategic objectives, has enabled Enel to establish a guaranteed fixed dividend per share that will increase over the Plan period to €0.43 per share in 2023.

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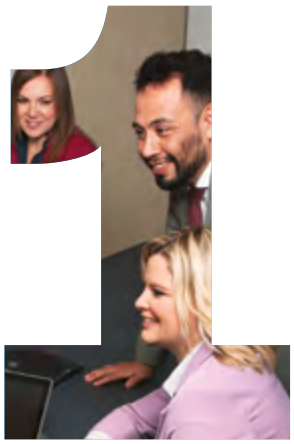

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CONSOLIDATED FINANCIAL STATEMENTS

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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, summarized in the equation "sustainability = value", and to present its results and the medium- and long-term outlook for a sustainable and integrated business 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 connected, 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 sustainable and integrated business model and the related value creation process, including the qualitative and quantitative financial and non-financial 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 prepared 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

INTEGRATED ANNUAL REPORT

REPORT ON REMUNERATION POLICY

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

REPORT ON CORPORATE GOVERNANCE AND THE 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

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 all 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, with a view to creating shared value.

The financial and non-financial 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 financial statements".

The Report on Operations includes financial and non-financial information selected on the basis of a materiality analysis performed in accordance with the requirements set out in Practice Statement 2 "Making Materiality Judgments", issued by the International Accounting Standards Board (IASB), with specific consideration of 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 the materiality analysis in accordance with the Sustainability Report.

As part of the analysis, the main stakeholders of the Group are identified and assessed on the basis of their relevance to the Group. They may prioritize business and governance issues, social issues and environmental issues. The priorities thus defined by the stakeholders are then compared against those of the Group and the business strategy. This joint view of the two perspectives makes it possible to identify the issues of greatest importance both for the Group and for the stakeholders (material issues), and to verify the "alignment" or "misalignment" between external expectations and internal importance. The result of this analysis is represented in the Group's priority matrix (or materiality matrix), which, in giving a comprehensive view of all stakeholders, provides complete sustainability disclosure that incorporates the positive and negative impacts on society, the environment and the economy, and therefore the Group's contribution to sustainable development, as illustrated in the Sustainability Report.

For the purposes of the Integrated Annual Report, the issues that have a direct impact on the creation of entrepreneurial value were identified, applying a filter to so-called primary users, i.e. the "financial community" stakeholders. [(1)] The analysis identified the following three priority issues:

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

In addition to the concept of materiality, the qualitative and quantitative financial and non-financial 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, unless otherwise indicated.

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

For the purposes of preparing non-financial information, especially quantitative information, the Group mainly applies the provisions of the Global Reporting Initiative (GRI) Standard, 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 "Towards Common Metrics and Consistent Reporting of Sustainable Value Creation" of the World Economic Forum (WEF) and the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), the details of which are highlighted in the section below on the WEF and in the "Performance & Metrics" chapter of this document.

Taking account of the results of the priority matrix and the

(1) Includes financial institutions and their governance bodies, investors, rating agencies and financial analysts.

significant climate impacts on the Group's value creation process, each section (entitled after the four pillars of the TCFD: Governance, Strategy & Risks, Performance & Metrics and Outlook) includes information relating to climate change as proposed by the TCFD, which published specific recommendations in June 2017 and 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 ", which emphasize that this risk must be considered in the assumptions of management 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 non-financial information have been identified and presented in the Report on Operations for each of the four sections indicated above.
For the purposes of greater and easier access to information, the Integrated Annual Report has also been published in the "Investors" section of the Enel website (www.enel.com) in a navigable format with specific hyperlinks.

Connectivity matrix

In order to represent the connectivity of information, the Enel Group has developed a matrix delineating the relationships between:

- strategic objectives that also clearly represent Enel's contribution to achieving the United Nations Sustainable Development Goals (SDGs) and in particular to the four key objectives of the Strategic Plan (i.e. SDG 7, SDG 9, SDG 11 and SDG 13);
- the governance, risks and opportunities, performance and outlook for each Business Line.

Connectivity matrix

Enel business	Value creation and business model	Governance	Strategy	SDG
Global Power Generation & Global Trading	GENERATION	> ENEL'S CORPORATE GOVERNANCE SYSTEM > ENEL'S ORGANIZATIONAL MODEL	**DECARBONIZATION** The use of capital is targeted at decarbonization through the development of renewable generation assets.	7 AFFORDABLE AND CLEAN ENERGY 13 CLIMATE ACTION
End-user Markets Enel X	CUSTOMERS		**ELECTRIFICATION** The development of renewable generation assets and technological and digital evolution will foster the electrification of energy consumption and the development of new services for customers.	7 AFFORDABLE AND CLEAN ENERGY 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES 13 CLIMATE ACTION
Global Infrastructure and Networks	GRIDS		**PLATFORM & DIGITAL** Investments in enabling infrastructure for the development of grids and the implementation of platform-based models, expertly exploiting technological and digital evolution.	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES 13 CLIMATE ACTION

Risk & Opportunities	Performance & Metrics (KPIs)	Outlook (Targets)
Strategic > Legislative and regulatory developments > Macroeconomic and geopolitical trends > Climate change > Competitive environment **Financial** > Interest rates > Commodities > Currency risk > Credit and counterparty > Liquidity **Digital Technology** > Cyber security > Digitalization, IT effectiveness, Service continuity **Operational** > Health and safety > Environment > Procurement, logistics & supply chain > People and organization **Compliance** > Data protection	Innovation and digitalization People centricity **Enel Green Power** Operations > Net electricity generation > Net efficient installed capacity Performance > Revenue > Gross operating profit > Operating profit > Capital expenditure **Thermal Generation and Trading** Operations > Net electricity generation > Net efficient installed capacity Performance > Revenue from thermal and nuclear generation > Revenue > Gross operating profit > Operating profit > Capital expenditure	**2021-2030** Reduction of direct CO_2 emissions by 80% compared with 2017, saving the extraction of about 200 million barrels of oil equivalent. **2021-2023** More than €19 billion invested in Global Power Generation, with about €17 billion dedicated to expanding renewable generation capacity, which will rise to 60 GW on a consolidated basis by 2023. **2021** Acceleration of investment in renewables, especially in Latin America and North America, supporting industrial growth within the scope of the Group's decarbonization policy.
	Innovation and digitalization People centricity Operations > Sale of electricity > Sale of natural gas Performance > Revenue > Gross operating profit > Operating profit > Capital expenditure	**2021-2030** The electrification process will enable customers to save about 25% on their energy bills while reducing their emissions. **2021-2023** About €3 billion invested in the Customer business: the customer value of the Business to Consumer segment is expected to increase by about 30%, while that of the Business to Business segment is expected to expand by about 45%, thanks to the elimination of regulated rates, mainly in Italy, and trends in the electrification of energy consumption, which will promote "beyond commodity" services. **2021** An increase in investments in electrification of consumption, especially in Italy, in order to leverage the growth of the customer base, while continuing to implement efficiency gains, supported by the creation of global business platforms.
	Innovation and digitalization People centricity Operations > Demand response > Lighting points > Storage > Charging points Performance > Revenue > Gross operating profit > Operating profit > Capital expenditure	**2021-2030** The process of digitalization and the creation of platforms will make it possible to offer a level of service quality three times greater than current levels, with the System Average Interruption Duration Index falling to about 100 minutes in 2030. **2021-2023** More than €16 billion invested in Infrastructure and Networks. The acceleration of investment is expected to increase the Group RAB to €48 billion by 2023. **2021** An increase in investments to improve the quality and resilience of distribution grids, especially in Italy and Latin America, with even more progress in their digitalization.
	Innovation and digitalization People centricity Operations > Electricity distribution and transmission grids > Average frequency of interruptions per customer > Average duration of interruptions per customer > Grid losses (% avg) Performance > Revenue > Gross operating profit > Operating profit > Capital expenditure	

1 ENEL GROUP

- **Value creation and the business model**
  The integrated presentation of how the Group transforms its resources into outcomes and value created for stakeholders, prioritizing the pursuit of Sustainable Development Goals (SDGs) 7, 9, 11 and 13.

- **WEF metrics and the European taxonomy**
  Clear, transparent and comparable disclosure through WEF metrics and the European taxonomy. Enel is increasingly a driver of change in achieving the energy transition.

- **Sustainable development in 5 continents**
  The Enel Group is present in 47 countries with more than 1,000 companies.

HIGHLIGHTS

Total revenue

-19.1%

€64,985
million
€80,327 million in 2019

GROSS OPERATING PROFIT

-5.0%

€16,816
million
€17,704 million in 2019

ORDINARY GROSS OPERATING PROFIT

+0.2%

€17,940
million
€17,905 million in 2019

Profit attributable to owners of the Parent

+20.1%

€2,610
million
€2,174 million in 2019

ORDINARY PROFIT ATTRIBUTABLE TO OWNERS OF THE PARENT

+9.0%

€5,197
million
€4,767 million in 2019

NET FINANCIAL DEBT

+0.5%

€45,415
million
€45,175 million in 2019

Capital expenditure on property, plant and equipment and intangible assets

+2.5%

€10,197
million
€9,947 [1] million in 2019

CASH FLOWS FROM OPERATING ACTIVITIES

+2.3%

€11,508
million
€11,251 million in 2019

Total employees

-2.3%

66,717
no. of employees
68,253 in 2019

"HIGH CONSEQUENCE" ACCIDENTS

3
no.
3 in 2019

(1) Does not include €4 million regarding units classified as "held for sale" in 2019.

HIGHLIGHTS – BUSINESS LINES

Global Power Generation

TOTAL NET EFFICIENT INSTALLED CAPACITY -0.4%

84.0

GW

84.3 in 2019

NET ELECTRICITY GENERATION -9.6%

207.1

TWh

229.1 in 2019

7 AFFORDABLE AND CLEAN ENERGY

NET EFFICIENT INSTALLED RENEWABLES CAPACITY

+6.9%

45.0

GW(1)

42.1 in 2019

NET EFFICIENT INSTALLED RENEWABLES CAPACITY AS % OF TOTAL

+7.2%

53.6

%

50.0 in 2019

ADDITIONAL EFFICIENT INSTALLED RENEWABLES CAPACITY

-18.7%

2.91(2)

GW

3.58 in 2019

NET RENEWABLE ELECTRICITY GENERATION

+6.0%

105.4

TWh

99.4 in 2019

13 CLIMATE ACTION

SPECIFIC DIRECT GREENHOUSE GAS EMISSIONS – SCOPE 1

-28.2%

214

gCO_{2eq}/kWh

298 in 2019

(1) Net efficient installed renewables capacity, including managed capacity, amounted to 48.6 GW at December 31, 2020 and 45.8 GW at December 31, 2019.
(2) Additional efficient installed renewables capacity including managed capacity was equal to 3.1 GW at December 31, 2020 and 3 GW at December 31, 2019.
(3) The figure for 2019 reflects a more accurate calculation of the numbers.
(4) The figure for 2019 reflects a more accurate calculation of quantities transported.
(5) To ensure a uniform comparison, the figure for 2019 has been adjusted on the basis of the new calculation method, which excludes digital meters with an active contract that are not managed remotely.

Global Infrastructure and Networks

END USERS
+0.7%

74,303,931
no.[3]
73,811,964 in 2019

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

ELECTRICITY DISTRIBUTION AND TRANSMISSION GRID
+0.6%
2,231,961
km[3]
2,219,008 in 2019

ELECTRICITY TRANSPORTED ON ENEL'S DISTRIBUTION GRID
-4.5%
484.6
TWh[4]
507.7 in 2019

END USERS WITH ACTIVE SMART METERS
+1.1%
44,292,794
no.[5][6]
43,821,596 in 2019

End-user Markets

ELECTRICITY SOLD BY ENEL
-7.4%
298.2
TWh[7]
322.0 in 2019

RETAIL CUSTOMERS
-1.4%
69,517,932
no.[8]
70,471,612 in 2019

of which free market
+0.7%
23,164,875
no.[8]
23,013,224 in 2019

Enel X

11 SUSTAINABLE CITIES AND COMMUNITIES

STORAGE
+11.8%
123.0
MW
110.0 in 2019

CHARGING POINTS
+32.3%
105,237[9]
no.
79,565 in 2019

DEMAND RESPONSE
-4.1%
6,038
no.
6,297 in 2019

(6) Of which 18.2 million second-generation meters in 2020 and 13.1 million in 2019.
(7) Volumes include sales to large customers by generation companies in Latin America. The figure for 2019 has consequently been adjusted to ensure comparability.
(8) Also includes the large customers of generation companies in Latin America. The figure for 2019 has consequently been adjusted to ensure comparability.
(9) The number of charging points including interoperable points was equal to about 186 thousand at December 31, 2020 and about 82 thousand at December 31, 2019.

WORLD ECONOMIC FORUM (WEF)

The International Business Council (IBC) of the World Economic Forum has developed 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 Development 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.

WORLD ECONOMIC FORUM			Integrated Annual Report 2020		
Pillar	**Theme**	**CORE KPIs**	**KPIs representing the 21 CORE KPIs of the WEF**	**2020**	**Chapter/Section reporting all KPIs and disclosure on the 21 CORE KPIs of the WEF**
PRINCIPLES OF GOVERNANCE	Governing purpose	Setting purpose			Enel is Open Power
	Quality of governing body	Governance body composition	No. of women on Board	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 (%)	40.0	"Values and pillars of corporate ethics" section in "Governance" chapter
			Confirmed violations for conflict of interest/ corruption (no.)	2	
		Protected ethics advice and reporting mechanisms	Reports received for violations of Code of Ethics	151	"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 "Strategy & Risk Management" chapter
PLANET	Climate change	Greenhouse gas (GHG) emissions	Direct greenhouse gas emissions - Scope 1 (million/t_{eq})	45.26	"Fighting climate change and ensuring environmental sustainability" section in "Performance & Metrics" chapter
			Indirect greenhouse gas emissions - Scope 2 - Purchase of electricity from the grid (location based) (million/t_{eq})	1.43	
			Indirect greenhouse gas emissions - Scope 2 - Purchase of electricity from the grid (market based) (million/t_{eq})	2.28	
			Indirect greenhouse gas emissions - Scope 2 - Distribution grid losses (location based) (million/t_{eq})	3.56	
			Indirect greenhouse gas emissions - Scope 3 (million/t_{eq})	47.70	
		TCFD implementation			"Governance", "Strategy & Risk Management", "Performance & Metrics" and "Outlook" chapters

WEF			Integrated Annual Report 2020		
Pillar	**Theme**	**21 CORE KPIs**	**KPIs representing the 21 CORE KPIs of the WEF**	**2020**	**Chapter/Section reporting all KPIs and disclosure on the 21 CORE KPIs of the WEF**
PLANET	Nature loss	Land use and ecological sensitivity	No. of protected areas	187	"Fighting climate change and ensuring environmental sustainability" section in "Performance & Metrics" chapter
	Fresh water availability	Water consumption and withdrawals in water-stressed areas	Water withdrawals (millions of m^3)	51.5	"Fighting climate change and ensuring environmental sustainability" section in "Performance & Metrics" chapter
			Water withdrawals in water-stressed areas (%)	22.9	
			Total water consumption (millions of m^3)	20.4	
			Water consumption in water-stressed areas (%)	31.6	
PEOPLE	Dignity and equality	Diversity and inclusion	Women as proportion of total employees (%)	21.5	"People centricity" section in "Performance & Metrics" chapter
		Pay equality	Equal Remuration Ratio (%)	83.3	"People centricity" section in "Performance & Metrics" chapter
		Wage level	CEO Pay Ratio (%) (1)	146	
		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.)	1	"People centricity section" in "Performance & Metrics" chapter
			Frequency of fatal accidents - Enel (i.)	0.008	
			High consequence accidents - Enel (no.)	3	
			Frequency of high consequence accidents - Enel (i.)	0.024	
	Skills for the future	Training provided	Average hours of training per employee (hrs/person)	40.9	"People centricity section" in "Performance & Metrics" chapter
			Employee training costs (millions of euro)	19	
PROSPERITY	Employment and wealth generation	Absolute number and rate of employment	People hired (no.)	3,131	"People centricity" section in "Performance & Metrics" chapter
			Hiring rate (%)	4.7	
			Terminations (no.)	3,696	
			Turnover (%)	6.0	
		Economic contribution			"Value created and distributed to stakeholders" section in "Performance & Metrics" chapter
		Financial investment contribution	Total investment (millions of euro)	10,197	"Analysis of the Group's financial position and financial structure" section in "Performance & Metrics" chapter
			Purchase of treasury shares and dividends paid	4,755	Consolidated financial statements
	Innovation in better products and services	Total R&D expenses	Investment in R&D (millions of euro)	111	"Innovation and digitalization" section in "Performance & Metrics" chapter
	Community and social vitality	Total tax paid	Total tax paid (millions of euro) (2)	4,245	"Value created and distributed to stakeholders" section in "Performance & Metrics" chapter

(1) Ratio of total remuneration of the CEO/General Manager of Enel and the average gross annual remuneration of Enel employees (CEO Pay Ratio equal to 143% in 2019).

(2) The amount represents "total taxes borne", which is costs for taxes borne by the Group. For more information, see the 2020 Sustainability Report and the Consolidated Non-Financial Statement.

VALUE CREATION AND THE BUSINESS MODEL

The value chain

The integrated presentation of financial and non-financial 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, constituting an important input for a process of

Our resources

PROSPERITY

€45,415 million Net financial debt
€42,357 million Equity
€10,197 million Capital expenditure
€78,718 million Property, plant and equipment
84.0 GW Net efficient installed capacity
45.0 GW Net efficient installed renewables capacity
2.2 million km Electricity distribution and transmission grid
44.3 million End users with active smart meters
74.3 million End users
69.5 million Retail customers
23.2 million Retail customers, free market
105.2 thousand Charging points
€17,668 million Intangible assets
€13,264 million Concessions

PEOPLE

66,717 Employees
21.5% Women as proportion of total employees
3,825 Women in management positions

PLANET

22.9% Water withdrawals in water-stressed areas

Context: Opportunity and Threats

Circular Cities | Peer2Peer | Innovate to Zero | Freemium Business Model | Autonomous World | Zero Latency (5G) | Turmoil of Competition

Enel is Open Power

PRINCIPLES OF GOVERNANCE

PURPOSE Open Power for a brighter future.

We empower sustainable progress.

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

How we do

GOVERNANCE > **STRATEGY & RISK MANAGEMENT** >

What we do

Business strategy
Direction, Ambition

GENERATION

GRIDS

CUSTOMERS

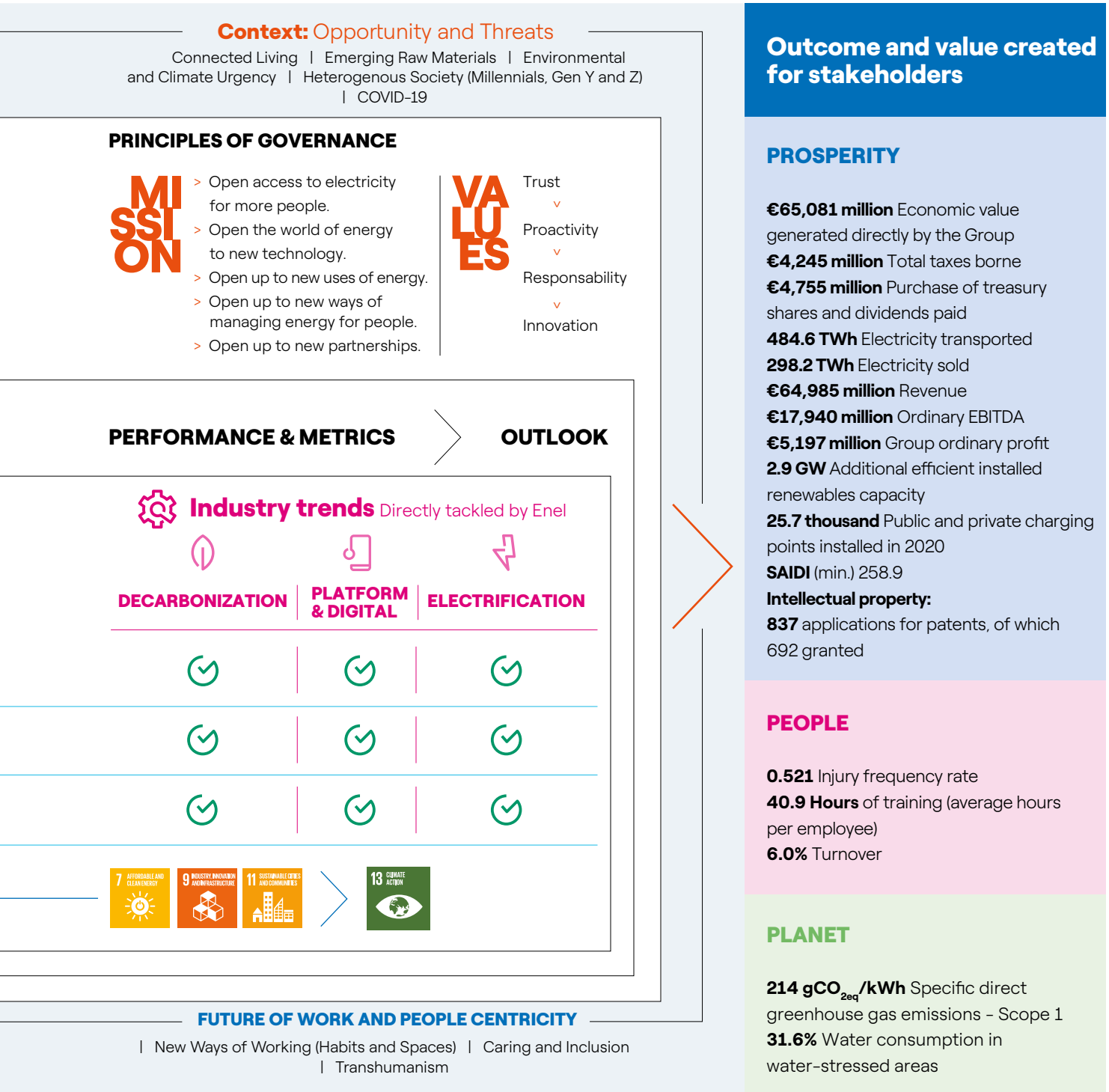
CREATING SUSTAINABLE VALUE IN THE LONG TERM

FUTURE OF WORK AND PEOPLE CENTRICITY

Automation and Robotics | Gig Economy | Creativity and Design Thinking | Competition for Talents and STE(A)M

informed financial decisions by investors and other stakeholders, especially in consideration of the fact that environmental, social and economic aspects are increasingly significant in terms of assessing the ability to create financial value for all categories of stakeholders.

The following graphical representation summarizes the value chain of the Enel Group with the main inputs used and how they are transformed into outcomes and value created for stakeholders by the organization and the business model of the Group, which is characterized by sound and transparent governance and a sustainable strategy that prioritizes the pursuit of SDGs 7, 9, 11 and 13, among other things.



Outcome and value created for stakeholders

PROSPERITY

€65,081 million Economic value generated directly by the Group
€4,245 million Total taxes borne
€4,755 million Purchase of treasury shares and dividends paid
484.6 TWh Electricity transported
298.2 TWh Electricity sold
€64,985 million Revenue
€17,940 million Ordinary EBITDA
€5,197 million Group ordinary profit
2.9 GW Additional efficient installed renewables capacity
25.7 thousand Public and private charging points installed in 2020
SAIDI (min.) 258.9
Intellectual property:
837 applications for patents, of which 692 granted

PEOPLE

0.521 Injury frequency rate
40.9 Hours of training (average hours per employee)
6.0% Turnover

PLANET

214 gCO_{2eq}/kWh Specific direct greenhouse gas emissions - Scope 1
31.6% Water consumption in water-stressed areas

Business model

Enel's business model has been structured so as to support the commitments made by the Group in the fight against climate change. In 2019, Enel, responding to the call for action from the United Nations, signed a commitment to act to limit the increase in global temperatures to 1.5 °C and be net zero across its entire value chain by 2050.

The business model delineates how the organizational units of the Company, linked to our three main businesses, must work to reap all the possible benefits from the main trends in the sector, possibly accelerating their implementation as well.

The role defined for all the major organizational units is also intended to enable them to effectively address all the risks posed by developments in the rapidly changing energy industry.

Working transversally across organizational units, thanks to the platform-based digital models implemented to connect assets, data and solutions, it will also be possible to seize new opportunities to create value through two complementary business models:

- the Ownership business model, in which platforms are promoters of the business in support of the profitability of direct investments in renewables, grids and customers, supporting sustainable long-term growth, in which platform-based operating models also play an important enabling role;
- the Stewardship business model, in which the Group offers important services, products or know-how through platforms that mobilize investments, including third-party investors, to maximize value creation. More specifically, this comprises:
  - operating platforms, which deliver services to third parties using know-how and best practices developed over time;
  - business platforms, which generate new products and services and thus new business opportunities for a broad range of customers;
  - joint ventures and partnerships, in which joint investment opportunities foster the creation of value thanks to platforms that enable third-party investments.

In this design, each Country organization acts within its territory in a matrix relationship with the broader and more Global Business Lines, managing activities such as relations with local communities, regulation, the retail market and local communication. The mission of each business can be summarized as follows:

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

By exploiting the synergies between the different business areas, implementing actions through the lever of innovation and deploying Open Power approaches, the Enel Group seeks to develop solutions to 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.

Context

OPPORTUNITY and **THREATS**

Circular Cities | Peer2Peer | Innovate to Zero | Freemium Business Model | Autonomous World | Zero Latency (5G) | Turmoil of Competition | Connected Living | Emerging Raw Materials | Environmental and Climate Urgency | Heterogenous Society (Millenials, Gen Y and Z) | COVID-19

Business strategy

Direction, Ambition

Industry trends

Directly tackled by Enel

	DECARBONIZATION	PLATFORM & DIGITAL	ELECTRIFICATION
GENERATION	✓	✓	✓
GRIDS	✓	✓	✓
CUSTOMERS	✓	✓	✓

Future of work and people centricity

Automation and Robotics | Gig Economy | Creativity and Design Thinking | Transhumanism | Competition for Talents and STE(A)M | New Ways of Working (Habits and Spaces) | Caring and Inclusion

EUROPEAN UNION TAXONOMY

The European Commission has established a specific classification system to identify environmentally sustainable economic activities, acting as an important enabler to support sustainable investment and to implement the European Green Deal.

By providing appropriate definitions of the economic activities that can be considered environmentally sustainable, it is intended to create security and transparency for investors, protect private investors from greenwashing, help companies plan the transition, mitigate market fragmentation and, ultimately, bridge the sustainable investment gap.

The European taxonomy established six environmental objectives to identify environmentally sustainable economic activities: climate change mitigation, climate change adaptation, the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control and the protection and restoration of biodiversity and ecosystems. An economic activity is defined as environmentally sustainable if:

- it makes a substantive contribution to at least one of the six environmental objectives;
- it does no significant harm (DNSH) to the other five environmental objectives;
- it meets minimum safeguards.

In July 2018, the European Commission established a Technical Expert Group (TEG) on sustainable finance to develop recommendations for technical screening criteria for economic activities that can make a substantial contribution to climate change mitigation or adaptation while avoiding significant harm to the four other environmental objectives.

Based on the contribution of the TEG and a wide range of stakeholders and institutions, the taxonomy regulation was published in the Official Journal of the European Union on June 22, 2020 and entered into force on July 12, 2020.

Starting from January 2022, companies which are subject to the obligation to publish a Non-Financial Declaration (NFD) must make public the share of their turnover, capital expenditure and ordinary operating expenditure that qualify as environmentally sustainable.

Based on this approach, Enel has classified all its economic activities in the value chain into the following three categories:

Eligible: an economic activity that meets both of the following two conditions:

- it was explicitly included in the European taxonomy regulation because it contributes substantially to climate change mitigation or adaptation;
- it satisfies the criteria set out in the European taxonomy regulation for the two environmental objectives.

Ineligible: an economic activity that meets both of the following two conditions:

- it was explicitly included in the European taxonomy regulation because it contributes substantially to climate change mitigation or adaptation;
- it does not satisfy the criteria set out in the European taxonomy regulation for the two environmental objectives.

Not covered: an economic activity that:

- was not included in the European taxonomy regulation because it does not contribute substantially to climate change mitigation or adaptation and therefore no specific technical criteria have been developed. The European Commission believes that this type of activity may not have a significant impact on climate change mitigation/adaptation or could be integrated into the European taxonomy regulation at a later stage.

The existence of this third category makes it impossible to achieve a business model that is fully compliant with the European taxonomy criteria, since currently some activities within the electric utilities value chain are not considered to substantially contribute to climate change mitigation.

Statement on the compliance of Enel's business with the European taxonomy

Although the European taxonomy regulation establishes an obligation for companies to declare compliance with the taxonomy starting from January 2022, given its importance

for the financial community and policymakers, Enel has decided to highlight this in the 2020 Integrated Annual Report and in the 2020 Sustainability Report, to which reference should be made for further information.

The summary of results and results by Business Lines in the "Performance & Metrics" chapter contain the results of the statement on compliance with the European taxonomy for the activities of the Enel Group in 2020 and 2019.

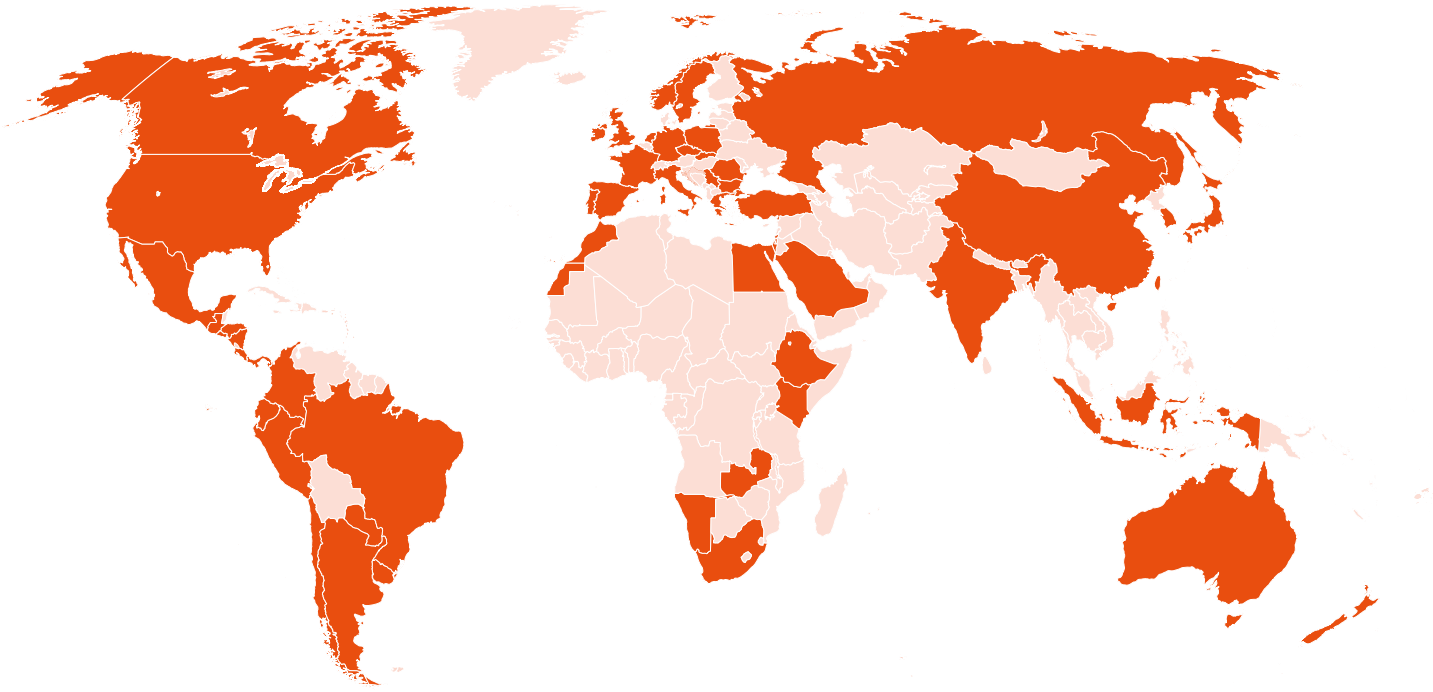
In analyzing these results, it is helpful to consider the following elements as they are relevant for the preparation of the statement:

- the statement was prepared exclusively following the criteria established in the draft version of the delegated act of the European taxonomy concerning the climate change mitigation goal because at the time of the preparation of the 2020 annual reports the final version had not yet been published. Final publication could introduce important changes that might significantly affect the result presented in this statement;
- one change that could significantly affect the final result concerns the manner in which the retail business segment will finally be represented in the European taxonomy. Enel, together with other utilities, has asked the European Commission to include this business activity because, similarly to electricity distribution, it contributes substantially to climate change mitigation as an enabler of the decarbonization of other industries by promoting the electrification of energy consumption;
- Enel performed a detailed mapping of all its hydroelectric assets on the basis of the "power density" metric required in the draft delegated acts. For plants with a power density lower than 5 W/m^2, a further analysis was conducted to verify that the emissions (calculated over the entire life cycle) were below the specific emission limit of 100 gCO_{2eq}/kWh. The findings indicated that 99% of the installed hydroelectric capacity is eligible in accordance with the European taxonomy criteria for climate change mitigation only, while only 1% – for which it was not possible to conduct a timely assessment due to the lack of robust data – was ruled out on a conservative basis;
- in order to maintain this conservative approach, the business activity relating to the generation of electricity from geothermal sources was considered almost entirely ineligible pending certification by an independent third party of compliance with the threshold for geothermal plants of 100 gCO_{2eq}/kWh for the entirety of Group's geothermal assets;
- activities relating to the infrastructure and networks business in Chile, Colombia, Peru and Argentina were considered ineligible, again adopting a conservative approach. However, during 2021 an in-depth analysis will be performed for the distribution and transmission system, which could lead to a change in eligibility status;
- the Enel X portfolio was analyzed at the Business Line and product cluster level, as it was not possible to associate all the financial metrics required by the European taxonomy with each individual product. However, as a precaution, only the Business Lines and product clusters that fully meet the criteria were designated as eligible, excluding the others (for example "e-home" and "distributed energy");
- the statement was prepared without performing an exhaustive review of the DNSH criteria, which will be carried out once the delegated acts are approved in the second quarter of 2021. Nonetheless, Enel is confident that it can demonstrate a high level of performance, as over the years it has implemented complete and comprehensive environmental management systems that go beyond legal requirements and are applied throughout the value chain. Additional information on Enel's environmental performance is available in the "Environmental Sustainability" chapter of the 2020 Sustainability Report;
- the European Commission has not yet finished drafting the delegated acts for the other four environmental objectives. The latter could strengthen the compliance of Enel's business model with the European taxonomy, considering that the current statement only covers the climate change mitigation objective;
- the aggregates being analyzed refer to the "sector" level and only include items in respect of third parties. Accordingly, they do not include inter-sectoral exchange between sectors;
- although not explicitly required, Enel has also performed an assessment in terms of the ordinary gross operating profit, as it believes that this metric represents the effective financial performance of integrated utilities such as Enel. A metric that only considers revenue is strongly influenced by business activities with a high volume of revenue (such as the wholesale market) that do not contribute proportionately to the growth of the gross operating profit like other business activities.

The statement also gives a view that excludes "not covered" activities to underscore the compliance of the Group for only the economic activities for which the European taxonomy has developed criteria and therefore the most significant from the point of view of the climate change mitigation objectives.

ENEL AROUND THE WORLD

The Enel Group has a presence in 47 countries on the various continents, with more than 1,000 subsidiaries.
The following map shows the distribution of the Enel Group across the globe.



PRESENCE

47 countries

more than **1,000** subsidiaries

2

GOVERNANCE

- Corporate governance system focused on achieving sustainable success.
- Governance model compliant with international best practice.
- Transparency and integrity its fundamental values.

enel

ENEL SHAREHOLDERS

At December 31, 2020, 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, 2019. In 2020 the Company purchased a total of 1,720,000 treasury shares to support the 2020 Long-Term Incentive Plan ("LTI Plan") for the management of Enel and/or its subsidiaries pursuant to Article 2359 of the Italian Civil Code. Considering the number of treasury shares already owned, Enel SpA holds a total of 3,269,152 treasury shares, all supporting the 2019 and 2020 LTI Plans.

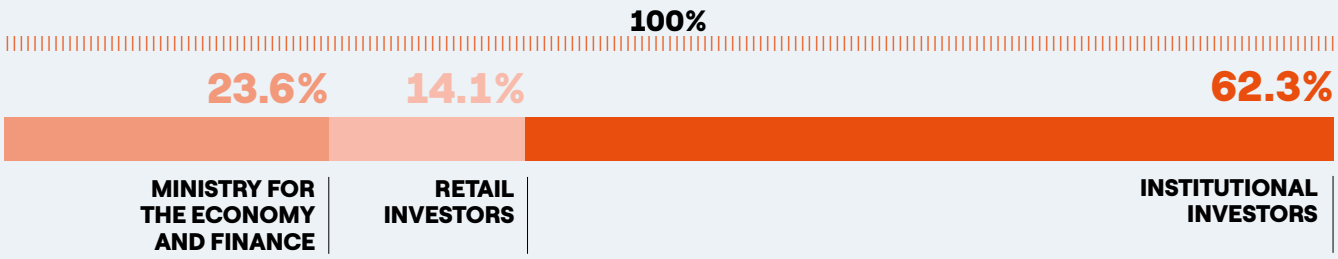
Significant shareholders

At December 31, 2020, 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), BlackRock Inc. (with a stake of 5.081% held for asset management purposes) and Capital Research and Management Company (with a 5.029% stake held for asset management purposes).

Composition of shareholder base

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

Composition of shareholders base at December 2020



The number of Environmental, Social and Governance (ESG) investors in Enel has been rising steadily: at December 31, 2020, socially responsible investors (SRIs) held around 14.6% of the share capital (compared with 10.8% at December 31, 2019), while investors who have signed the Principles for Responsible Investment represent 47.8% of the share capital (compared with 43% at December 31, 2019).

CORPORATE BOARDS

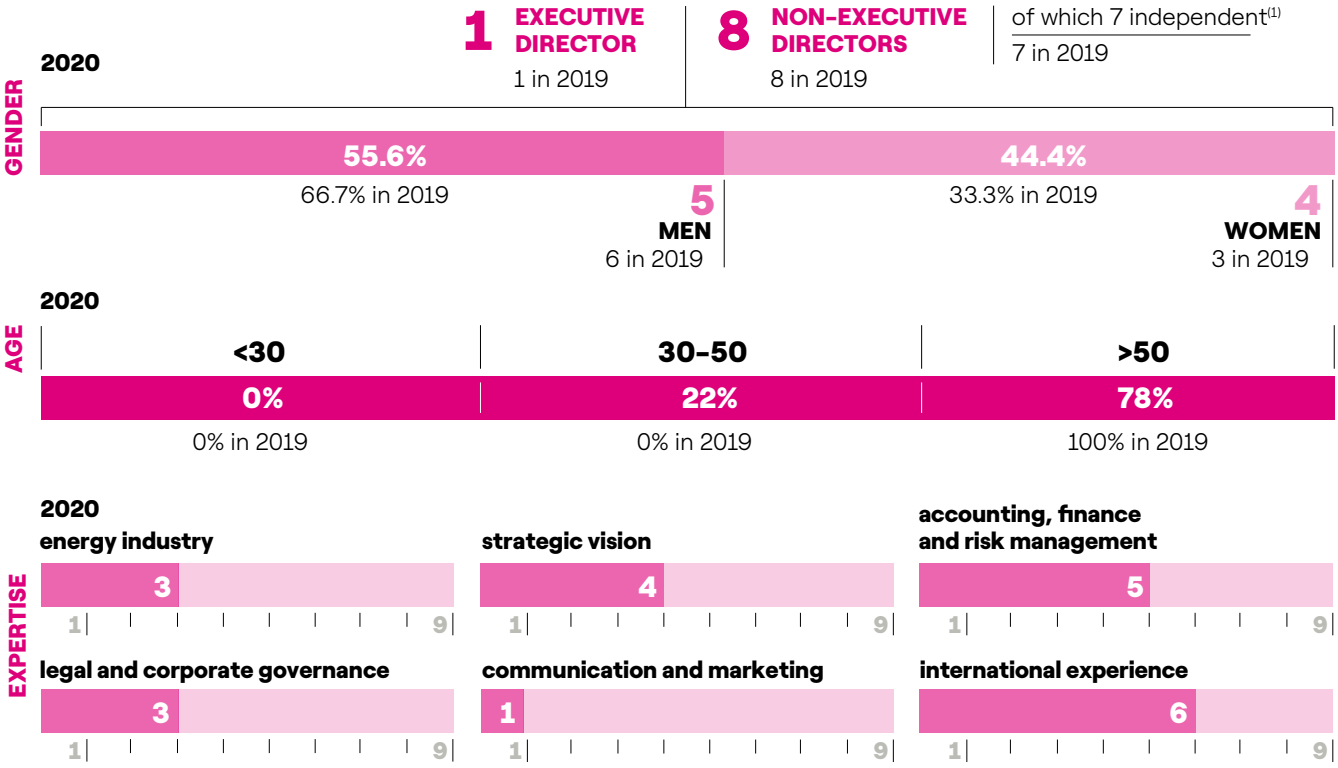
Board of Directors

CHAIRMAN
Michele Crisostomo

CHIEF EXECUTIVE OFFICER AND GENERAL MANAGER
Francesco Starace

SECRETARY
Silvia Alessandra Fappani

DIRECTORS
Cesare Calari
Costanza Esclapon de Villeneuve
Samuel Leupold
Alberto Marchi
Mariana Mazzucato
Mirella Pellegrini
Anna Chiara Svelto



(1) The figures for 2020 and 2019 refer to directors qualifying as independent pursuant to the Corporate Governance Code (2018 edition).

Board of Statutory Auditors

CHAIRMAN
Barbara Tadolini

AUDITORS
Romina Guglielmetti
Claudio Sottoriva

ALTERNATE AUDITORS
Maurizio De Filippo
Francesca Di Donato
Piera Vitali

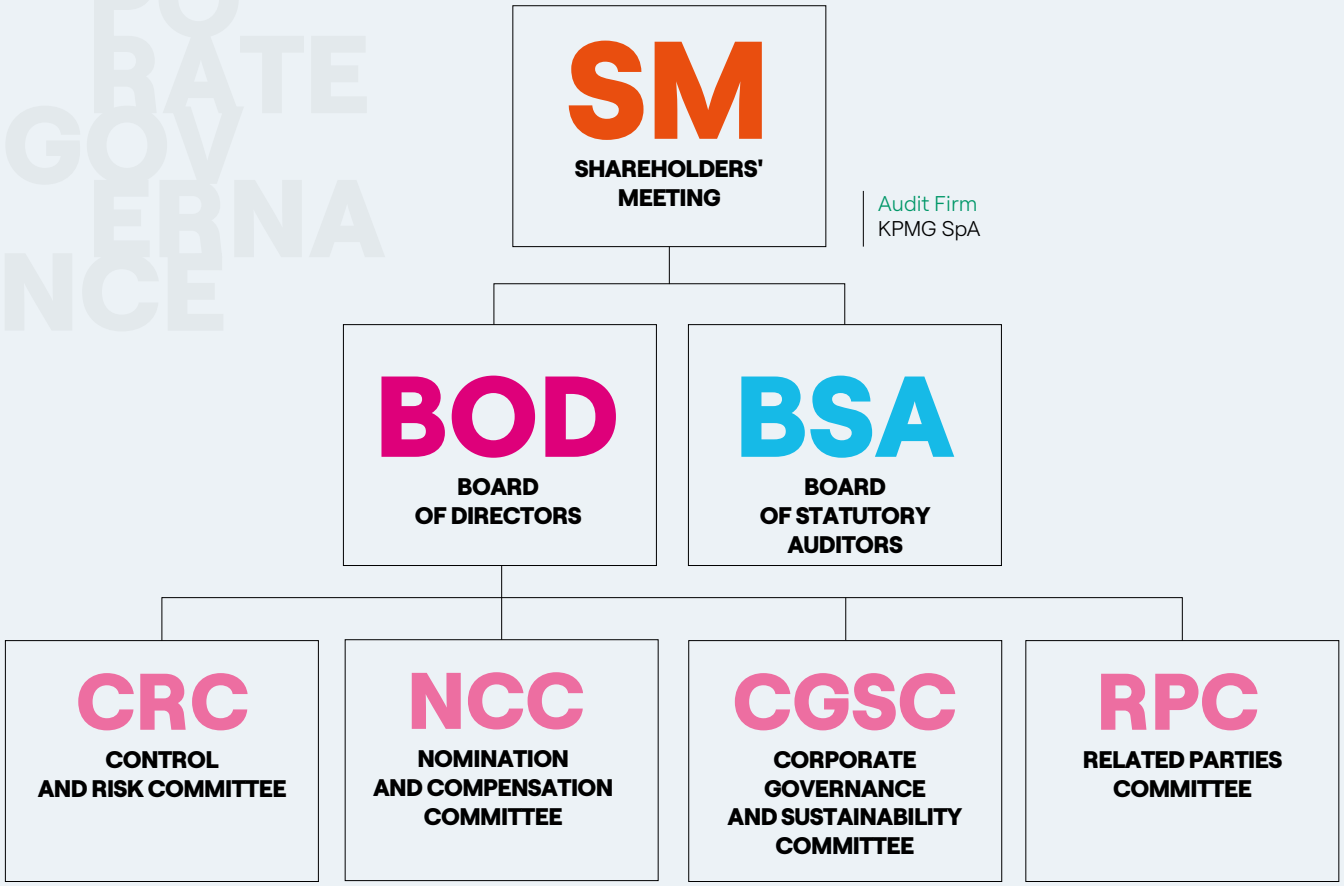
Audit Firm

KPMG SpA

THE ENEL CORPORATE GOVERNANCE SYSTEM

In 2020, the corporate governance system of Enel SpA ("Enel" or the "Company") was compliant with the principles set forth in the July 2018 edition of the Corporate Governance Code for listed companies, adopted by the Company, and with international best practice. The corporate governance system adopted by Enel and its Group is essentially aimed at creating value for the shareholders over the long term, taking into account the social importance of the Group's business operations and the consequent need, in conducting such operations, to adequately consider all the interests involved.

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



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

16

meetings held by the Board in 2020, in 12 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 is responsible for examining and approving the corporate strategy, including the annual budget and business plan, which incorporate the main objectives and planned actions, including with regard to sustainability,(2) to lead the energy transition and tackle climate change, promoting a sustainable business model that creates long-term value.
- It also performs a policy-setting role and provides an assessment of the adequacy of the internal control and risk management system (the ICRMS), determining the nature and level of risk compatible with the strategic objectives of the Company and the Group. The ICRMS consists of the set of rules, procedures and organizational structures designed to enable the identification, measurement, management and monitoring of the main business risks to which the Group is exposed. These include the risks that could arise in a medium- to long-term perspective, including 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.
- During 2020, it addressed climate-related issues at various meetings, including: (i) an in-depth analysis of possible future climate scenarios with a view to defining the Group's strategy, taking account of the related risks and opportunities; (ii) the management of the impacts of the just transition and decarbonization on workers, providing for upskilling and reskilling programs; (iii) an analysis of investor expectations for climate change, through updates on the related engagement activities; and (iv) the inclusion of the fight against climate change and the reduction of direct and indirect emissions among the parameters taken into consideration in analyzing the positioning of the Group with respect to peers.
- It also examined issues relating to enhancing diversity, with reference to both disabilities and gender. With regard to disabilities, a Value for Disability plan was developed to promote the empowerment of disabled workers and the inclusion of people with disabilities who live in the communities where the Group operates.
- At each meeting, starting from the end of February 2020, it received updates on the impact of the COVID-19 pandemic in the countries in which the Group operates, constantly monitoring the actions taken to prevent or mitigate the effects of the emergency on the workplace and to ensure business continuity, with a focus on specific issues, including: (i) developments in the disease contagion among employees and obtaining a specific insurance policy to cover hospitalizations; (ii) the efficiency of remote work and the digital operation of plants and infrastructures; (iii) the impacts on individual Business Lines and on the Group's results; and (iv) solidarity and charity initiatives.

(2) 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 CEO and, in accordance with the recommendations of the Corporate Governance Code and the provision of the applicable CONSOB regulations, has appointed the following committees from among its members to provide recommendations and advice:

CORPORATE GOVERNANCE AND SUSTAINABILITY COMMITTEE

11

meetings held by the Committee in 2020, in 4 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 for all of 2020 it was composed of the Chairman of the Board of Directors and two independent directors.
- 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 approach to implementing the sustainability policy;
  - the general approach of the Sustainability Report, which includes the Non-Financial Statement, and the structure of its content as well as the comprehensiveness and transparency of the disclosures – including with regard to climate change – provided in that document, issuing a prior opinion to the Board of Directors, which is called upon to approve that document.

CONTROL AND RISK COMMITTEE

12

meetings held by the Committee in 2020, in 5 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. For all of 2020 it was made up of four independent directors.
- It has the task of supporting the assessments and decisions of the Board of Directors relating to the internal control and risk management system, as well as those relating to the approval of periodic financial reports. In particular, it issues its prior opinion to the Board of Directors, *inter alia*: (i) on the guidelines of the internal control and risk management system, so that the main risks concerning Enel and its subsidiaries – including the various risks that may be relevant from the perspective of medium- to long-term sustainability – 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 management consistent with the strategic objectives identified; and (iii) on the adequacy of the internal control and risk management system with respect to the characteristics of the Company and the risk profile assumed, as well as the effectiveness of the system itself.
- It also examines the content of the Sustainability Report, which includes the Non-Financial Statement relevant for the purposes of the ICRMS 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 that document.

NOMINATION AND COMPENSATION COMMITTEE

12

meetings held in 2020

- It is composed of non-executive directors, the majority of whom (including its Chairman) are independent. For all of 2020 it was made up of four independent directors.
- It supports the Board of Directors in evaluations and decisions relating to the size and composition of the Board itself, as well as the remuneration of directors and key management personnel. In this regard, the remuneration policy for 2020 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, in the 2020 Long-Term Incentive Plan, starting from 2020, an additional ESG target was introduced concerning the ratio between consolidated net installed renewables capacity and the total consolidated net installed capacity, in line with the provisions for SDG-linked bond issues by Enel linked to SDG 7 (Affordable and Clean Energy). Furthermore, the Long-Term Incentive Plan retains the reduction of specific carbon dioxide emissions among the performance objectives, in line with the Group's decarbonization strategy, which provides for the progressive reduction of CO_2 emissions in line with the Paris Agreement. As regards the short-term variable component of the remuneration of the Chief Executive Officer/General Manager, the ESG target concerning the further improvement of safety parameters in the workplace was retained in the remuneration policy for 2020 and its weight was increased. Furthermore, in light of the state of the COVID-19 health emergency, a new performance target was introduced that measures the Group's ability to remotely manage company activities where possible, guaranteeing service continuity and excellent levels of operational efficiency.

RELATED PARTIES COMMITTEE

4

meetings held in 2020

- It is composed of independent non-executive directors. For all of 2020 it was made up of four 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 in 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

27

meetings held in 2020

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.

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.
- Presides over Shareholders' Meetings.
- Convenes the meetings of the Board of Directors, establishes the agenda and presides over its proceedings, ensuring that sufficient information on the issues being addressed in the agenda is provided in a timely manner to all members of the Board of Directors and the Board of Statutory Auditors.
- Ascertains that the Board's resolutions are carried out.
- Pursuant to a Board resolution of May 15, 2020, 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.
- In addition, during 2020 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 15, 2020 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.
- 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 United Nations Global Compact and the Global Investors for Sustainable Development (GISD) Alliance launched by the United Nations in 2019.
- The CEO has also been designated as the director responsible for the ICRMS.

STATUTORY AUDIT OF THE ACCOUNTS

- This 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

- In 2020, the Company organized a comprehensive induction program – also taking account of the significant change in the Board membership following the appointment of the Board of Directors approved by the Shareholders' Meeting of May 14, 2020 – in order to provide the directors with an understanding of the sectors in which the Group operates, including issues related to sustainability.
- At the end of 2020 and during the first two months of 2021, 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. The board review also specifically sought to verify the directors' perception of the Board's involvement with sustainability issues and the integration of sustainability into corporate strategy.

> 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 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 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.

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

C

ENEL GROUP CHAIRMAN
M. Crisostomo

CEO

ENEL GROUP CEO
F. Starace

HLD Holding Function

ADMINISTRATION, FINANCE AND CONTROL
A. De Paoli

COMMUNICATIONS
R. Deambrogio

INNOVATION AND SUSTAINIBILITY
E. Ciorra

GLOBAL PROCUREMENT
F. Di Carlo

PEOPLE AND ORGANIZATION
G. Stratta

LEGAL AND CORPORATE AFFAIRS
G. Fazio

AUDIT
S. Fiori

GLOBAL DIGITAL SOLUTIONS
C. Bozzoli

CR Country and Region

ITALY
C. Tamburi

IBERIA
J. Bogas Gálvez

EUROPE
S. Mori

AFRICA, ASIA AND OCEANIA
S. Bernabei

NORTH AMERICA
E. Viale

LATIN AMERICA
M. Bezzeccheri

GBL Global Business Line

Global Infrastructure and Networks	Global Trading	Global Power Generation	Enel X
A. Cammisecra	C. Machetti	S. Bernabei	F. Venturini
✓	✓	✓	✓
✓	✓	✓	✓
✓	✓	✓	✓
	✓	✓	✓
	✓	✓	✓
✓	✓	✓	✓

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

GLOBAL BUSINESS LINES

The Global Business Lines 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. The Business Lines are also tasked with improving the efficiency of the processes they manage and sharing best practices at the global level. The Group, which also draws on the work of an Investment Committee,[3] 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, which reflect the new strategic line adopted, explicitly integrating the SDGs within our financial strategy and promoting a low-carbon business model. 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. In 2019, Global Power Generation was created with the merger of Enel Green Power and Global Thermal Generation to confirm the Enel Group's leading role in the energy transition, pursuing an integrated process of decarbonization and the sustainable development of renewables capacity. In addition, the Grid Blue Sky project was launched. Its objective is to innovate and digitalize infrastructures and networks in order to make them an enabling factor for the achievement of the Climate Action objectives, thanks to the progressive transformation of Enel into a platform-based group.

REGIONS AND COUNTRIES

Countries and Regions are responsible for managing relationships with institutional bodies and regulatory authorities, as well as selling electricity and gas, in each of the countries in which the Group is present, 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. In 2020, the Group's geographical organization in the Americas was revised with the creation of the North America Region, which includes Mexico, and the integration of Costa Rica, Guatemala and Panama into the Latin America Region.

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

GLOBAL SERVICE FUNCTIONS

The Global Service Functions are responsible for managing information and communication technology activities and procurement at the Group level. They are also responsible for adopting sustainability criteria, including climate change issues, 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 FUNCTIONS

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

(3) The Group Investment Committee is made up of the heads of Administration, Finance and Control, Innovability, Legal and Corporate Affairs, Global Procurement, and the heads of the Regions and the Business Lines.

INCENTIVE SYSTEM

Enel's remuneration policy for 2020, 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 14, 2020, was formulated on the basis of national and international best practice, the guidance provided by the favorable vote of the Shareholders' Meeting of May 16, 2020 on the remuneration policy for 2019 as well as the results of a benchmarking exercise on the remuneration of the Chairman of the Board of Directors, the Chief Executive Officer/General Manager and the non-executive directors of Enel for the 2017-2019 term conducted by the independent consultant Willis Towers Watson.

In line with the recommendations of the Corporate Governance Code for listed companies (2018 edition), Enel's remuneration policy for 2020 is designed to attract, motivate and retain personnel possessing the professional skills most suitable to successfully managing the Company, incentivizing achievement of our strategic objectives and ensuring sustainable growth. It is also structured so as to align the interests of management with the priority objective of creating sustainable value for shareholders in the medium/long term and promoting the Enel mission and our corporate values.

The 2020 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. More specifically:
  - for the Chief Executive Officer/General Manager, the 2020 MBO establishes the following annual objectives:
    - consolidated ordinary profit;
    - Group operating expenditure;
    - funds from operations/consolidated net financial debt;
    - managing COVID-19 emergency: implementing remote operations;
  - workplace safety;
  - for key management personnel, the associated MBOs establish objective annual goals connected with their business area, differentiated by the functions and responsibilities assigned to them;
- a long-term variable component linked to participation in specific long-term incentive plans (LTI Plans). The adoption of long-term incentive plans for the management personnel of Enel SpA and/or its subsidiaries pursuant to Article 2359 of the Civil Code has been approved annually by the Shareholders' Meeting of Enel SpA since 2019. Each of the incentive plans approved envisages, subject to the achievement of specific performance targets, the grant of ordinary shares of the Company ("Shares") to the respective beneficiaries, as discussed in note 49 of the consolidated financial statements, which readers are invited to consult for more information on incentive plans and the share buyback programs in support of those plans. For 2020, this component is linked to participation in the 2020 LTI Plan.

For more information on the 2020 Remuneration Policy, please see Enel's Report on Remuneration Policy for 2020 and Compensation Paid in 2019, which is available on the corporate website (www.enel.com).

For more information on the LTI Plans, please see the information document prepared pursuant to Article 84-*bis* of the CONSOB Regulation issued with Resolution no. 11971 of May 14, 1999 (the "Issuers Regulation"), which is available to the public in the section of Enel's website (www.enel.com) dedicated, respectively, to the Shareholders' Meeting of May 14, 2020 (2020 LTI Plan) and that of May 16, 2019 (2019 LTI Plan).

VALUES AND PILLARS OF CORPORATE ETHICS

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

Code of Ethics

In 2002, Enel adopted a Code of Ethics, which expresses the Company's ethical responsibilities and commitments in conducting business, governing and standardizing corporate conduct on the basis of standards aimed to ensure the maximum transparency and fairness with all stakeholders.
The Code of Ethics is valid in Italy and abroad, taking due account of the cultural, social and economic diversity of the various countries in which the Group operates. Enel also requires that all associates and other investees and its main suppliers and partners adopt conduct that is in line with the general principles set out in the Code. Any violations or suspected violations of Enel Compliance Programs can be reported, including in anonymous form, through a single Group-level platform (the "Ethics Point"). In 2020, the Code was updated to reflect the main international measures concerning human rights and align the duties of the units responsible for updating the document with current organizational arrangements. In particular, the Code expresses our commitments and ethical responsibilities in the conduct of business, regulating and standardizing corporate conduct in accordance with standards based on maximum transparency and fairness towards all stakeholders. In February 2021, the Board of Directors approved a further update of the Code of Ethics in order to align its content with the current context, including the current corporate mission and the United Nations Sustainable Development Goals, the current organizational structure and the system of procedures, as well as national and international best practices in the areas of diversity and privacy.
With regard to the Code of Ethics, the following table reports the average number of training hours per person, total reports of violations received and violations confirmed.

		2020	2019	Change
Average number of hours of training per person	no.	**38.6**	**42.3**	**(3.7)**
Total reported violations of the Code of Ethics received	no.	**151**	**166**	**(15)**
Confirmed violations of the Code of Ethics (1)	no.	**26**	**38**	**(12)**
- of which violations involving conflicts of interest/bribery	no.	*2*	*10*	*(8)*

(1) The analysis of reports received in 2019 was completed in 2020. For that reason, the number of verified violations for 2019 was restated from 36 to 38. The two additional violations are attributable to minor cases of private conflicts of interest in Brazil.

Compliance Model (Legislative Decree 231/2001)

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

Enel Global Compliance Program (EGCP)

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

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

In compliance with the tenth principle of the Global Compact, according to which "businesses should work against corruption in all its forms, including extortion and bribery", Enel is committed to combating corruption. For this reason, in 2006 we adopted the "Zero-Tolerance-of-Corruption 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.

		2020	2019	Change	
Training in anti-corruption policies and procedures	no.	**26,660**	**19,798**	**6,862**	**34.7%**
	%	40.0	29.0	11.0	37.9%
Training in anti-corruption policies and procedures by geographical area					
Italy	%	47.7	35.3	12.4	35.1%
Iberia	%	20.2	33.9	-13.7	-40.4%
Latin America	%	26.8	18.1	8.7	48.1%
Europe	%	80.7	24.4	56.3	-
Africa, Asia and Oceania	%	28.4	6.8	21.6	-
North America	%	56.7	43.5	13.2	30.3%

Human Rights Policy

In order to give effect to the United Nations Guiding Principles on Business and Human Rights, in 2013 the Enel SpA Board of Directors approved the Human Rights Policy, which was subsequently approved by all the subsidiaries of the Group. This policy sets out the commitments and responsibilities in respect of human rights on the part of the employees of Enel SpA and its subsidiaries, whether they be directors or employees in any manner of those companies. Similarly, with this formal commitment, Enel explicitly becomes a promoter of the observance of such rights on the part of contractors, suppliers and business partners as part of its business relationships.

Enel conducts specific human rights due diligence for the entire value chain in the various countries in which it operates. The process was developed in accordance with the main international standards such as the United Nations Guiding Principles on Business and Human Rights, the OECD guidelines and international best practices. During the due diligence process, opportunities for improvement were identified and incorporated in specific action plans for each country in which we operate, as well as an improvement plan to be managed centrally in order to harmonize and integrate processes and

policies developed globally and applied locally. In total, around 170 actions have been planned, covering 100% of the operations and sites.

With regard to the sustainability of the supply chain, Enel evaluates suppliers' human rights performance, regardless of the level of risk, through a dedicated questionnaire in which the characteristics of potential suppliers are analyzed with regard to inclusion and diversity, protection of workers' privacy, verification of their supply chain, forced or child labor, freedom of association and collective bargaining, and application of fair working conditions (including adequate wages and working hours). During 2020, the questionnaire was supplemented with additional questions in order to obtain a more accurate assessment of the potential supplier. Among other things, the Group requires its contractors/providers and subcontractors to respect and protect internationally recognized human rights and comply with ethical and social obligations regarding: the protection of children and women in the labor force, equal treatment, the prohibition of discrimination, freedom of trade unions and the right of association and representation, the prohibition of forced labor, the protection of health, safety and the environment, the safeguarding of health and hygiene conditions and compliance with regulatory, remuneration, contribution, insurance and tax requirements. Suppliers are also expressly asked to undertake to adopt and implement the principles of the Global Compact and to ensure that these are satisfied in the performance of all their activities, whether performed by their employees or subcontractors. In addition, suppliers must undertake to comply with the principles set out in Enel's Code of Ethics, or in any case to be inspired by principles equivalent to those adopted by Enel in the management of their business. Finally, it is specified that the provisions of International Labor Organization conventions or applicable legislation in the country in which the activities must be carried out, if more restrictive, shall apply.

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

3

STRATEGY AND RISK MANAGEMENT

Long-term planning
The energy transition is revolutionizing not only the energy sector but all economic spheres in a world in which the role of electricity will be increasingly important in the medium and long term.

The new 2021-2023 Business Plan
Within the broader ambitions for the positioning of the Group by 2030, the 2021-2023 Business Plan is ideally positioned as the first effective step on a journey that spans the entire decade.

Reference scenarios
Assessing the impacts of climate change and the energy transition is crucial for long-term planning. To this end, the Group has created an comprehensive framework and a process that can translate data into useful information to maximize opportunities and mitigate risks.

GROUP STRATEGY

The determination of the Group's strategy is based on multiple factors, beginning with an evaluation of the external environment and its evolution. In particular, the following analyses are performed:

- an analysis of macroeconomic, energy and climate scenarios: assessments and projections at the global and local levels to identify the main macroeconomic, energy and climate drivers in the short, medium and long term;
- competitive landscape analysis: a comparison of the economic, financial, industrial, ESG (Environmental, Social & Governance) performance of companies in the utilities sector and other industries (for example, automotive, technology, oil & gas) in order to monitor, shape and support the Group's competitive advantage and leadership position;
- industrial vision: an overview of the macro-trends in new technologies affecting the company's business, with an assessment of the potential impacts on the Group's business based on a broad internal and external collaborative effort to identify actions to prevent, adapt to and manage disruption and changes in our business.

The analysis of what is happening and what could happen in the external environment underpins the phase of designing our strategic options and consequent positioning and planning, which is structured into the following main activities:

- strategic dialogue: the definition of the Group's strategy is based on a continuous process of active dialogue throughout the year, through which the issues relevant 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 between executives in different businesses makes a valuable contribution to developing new strategic options, with an emphasis on the need for cultural or organizational change and synergies between businesses. This process, which is coordinated at the Group level, first involves the identification of topics through consensus among top managers and approval by the CEO. The next phase of the strategic dialogue process involves the structuring of working groups with all the professional expertise necessary for the proper analysis of each topic. They prepare dedicated workshops or strategic options to be discussed. This process enables the correct definition of the opportunities associated with each specific topic (including any operational, economic or financial impacts) and the eventual roadmap for implementing the necessary initiatives. These outputs are then discussed by top management in dedicated meetings. These meetings include one special event, called Top Team Offsite, usually scheduled in June, where the most relevant topics are discussed by all top management. Following this meeting, some of the conclusions are incorporated in the Group's long-term planning, then become part of the storytelling and are presented to the Board of Directors at the Strategic Summit, usually organized in October in order to agree the annual update of the Strategic Plan. This type of framework enables adequate governance of the treatment of strategic issues, while at the same time ensuring swift identification of emerging trends and the necessary cross-business involvement for a complete analysis of complex and interdependent issues in the presence of an organizational structure based on the Country/Business Line/staff matrix;
- strategic planning process: 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 obtain an overview of the industrial, economic and financial evolution of the Group, supplemented by possible extraordinary transactions and active portfolio management operations. 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) analysis based on stress testing for various factors, including the evolution of the industrial sector, technology, competitive structure and policies;
- long-term positioning: the analyses and decisions described in the previous points generate information for long-term positioning on multiple topics and the assessment of ambitions and targets for the Group;
- analysis of ESG factors and assessment of materiality in the field of sustainability: the method Enel uses to perform ESG and materiality analysis was developed on the basis of the guidelines set out in numerous international standards (for example, the Global Reporting Initiative, UN Global Compact, SDG Compass, etc.), with the aim of identifying and evaluating priorities for stakeholders and

correlating them with Group strategy (for more information, please see the materiality analysis in the "Basis of Presentation" chapter).

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

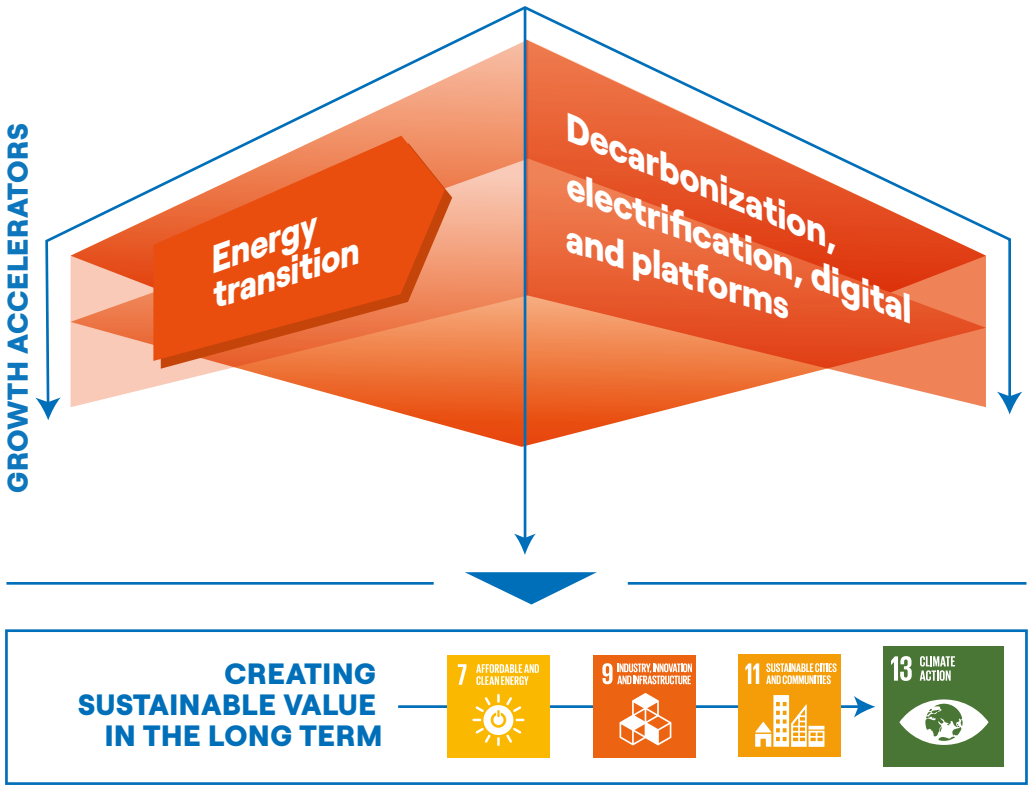
The Group is among the leaders guiding the energy transition through the decarbonization of electricity generation and the electrification of energy consumption, which represent opportunities both to increase value creation and to contribute positively to more rapid achievement of the Sustainable Development Goals set by the United National (SDGs) in the 2030 Agenda.

value for all stakeholders, benefiting from the opportunities that are emerging from the energy transition while at the same time limiting the related risks.

The Group has therefore again confirmed its strategic direction based on the trends connected with the energy transition. The use of capital is in fact focused on decarbonization, through the development of renewable generation assets, on the enabling infrastructures linked to the development of networks and on the implementation of platform models, exploiting technological and digital evolution, which will foster the electrification of energy consumption and the development of new services for customers. All of this is aimed at achieving the SDGs of the United Nations. Our ambition is to accelerate the processes related to decarbonization and electrification to enable achievement of the objectives of limiting global warming in line with the Paris Agreement.

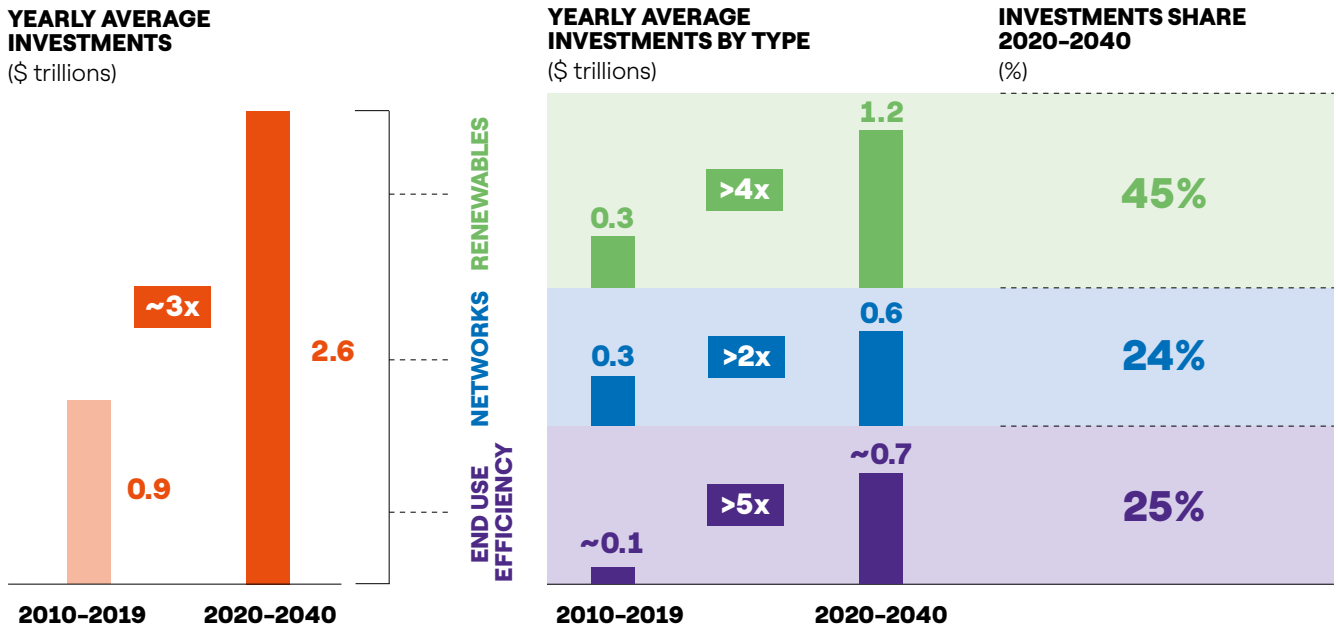
Strategic Plan

The sustainability strategy developed in recent years and the integrated business model have enabled the Group to create



The energy transition, impelled by the fight against climate change and characterized by the trends in the decarbonization and electrification of consumption, is revolutionizing not only the energy sector but all economic areas in a world in which the role of electricity will be increasingly significant.

Precisely because of this transformation, investment in the energy sector is expected to surge, tripling its annual value in 2020-2040 compared with 2010-2019.



Source: IEA, World Energy Investments 2020 and IEA, World Energy Outlook 2020, Sustainable Develpoment Scenario.

In this context, it is essential to extend the strategic vision to the medium/long term. Driven by this need, in November 2020 the Group presented a new Strategic Plan with a vision that extends to 2030, placing the acceleration of the energy transition at the center of our strategy, together with sustainable and profitable growth to create significant shared value for customers, society and the environment, as well as an attractive return for shareholders over time.

In order to respond more effectively to the expected acceleration of investments, and to contribute to more rapid achievement of the main objectives necessary to fight climate change, the Enel Group intends to leverage its progress in digitalization as well as its positioning as (i) the leading private operator in the renewables sector worldwide, with 48.6 GW of capacity under management;(1) (ii) the world's leading private grid operator, with over 74 million end users; and (iii) the private operator with the largest retail customer base worldwide, with around 70 million customers worldwide.

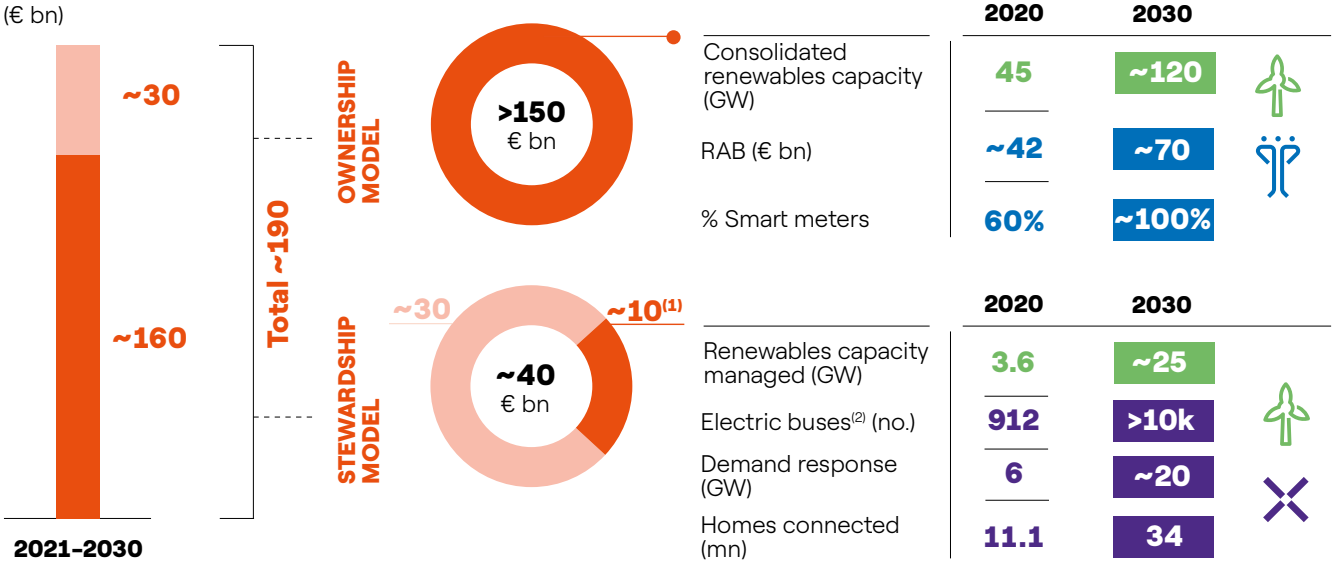
Thanks to platform-based models, in this decade utilities will strengthen their leadership role at the top of increasingly complex systems, which will include a growing number of distributed generation assets with a consequently more active role being played by final customers. A platform-based and multi-layer digital model (discussed in the "Business model" section) that connects data and solutions will therefore be essential to successfully complete this transformation.

Thanks to this comprehensive approach, the Group is ideally positioned to fully benefit from emerging opportunities, capturing the value that will become available to accelerate the energy transition.

In this way, the Group plans to mobilize investments of €190 billion in the period 2021-2030, promoting decarbonization, the electrification of consumption and the development of platforms to create shared and sustainable value for all stakeholders and profitability in the medium and long term. The Group expects to directly invest around €160 billion, of which over €150 billion through the Ownership business model and around €10 billion through the Stewardship business model, while mobilizing another €30 billion from third parties.

(1) In addition to installed capacity, this includes the capacity of associates or joint ventures (about 3.6 GW).

INVESTMENTS ACTIVATED FOR THE ENERGY TRANSITION
(€ bn)



Enel Third parties

(1) Includes equity injections. (2) Includes managed and leased e-buses.

This level of investment will support achievement of the long-term ambitions that the Enel Group has identified, namely:

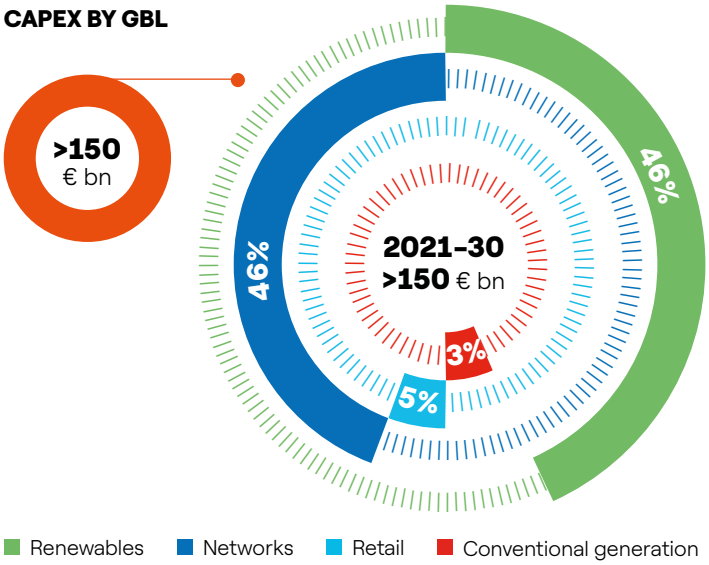
- becoming a "Renewable Supermajor", tripling the renewables capacity operated from around 49 GW in 2020 to around 145 GW in 2030, thanks to the planned investments and the joint action of Ownership and Stewardship models, to reach a global market share of more than 4%;
- becoming a world leader in networks for reliability, quality of service and efficiency. The investments are intended to make grids more resilient and increase the degree of digitalization to enable more effective and efficient management and transform distributors into real system operators;
- becoming the reference energy partner for all customer segments (domestic customers, offices, industrial customers, cities, etc.), promoting decarbonization, the electrification of consumption and circularity, enabling the creation of benefits in terms of emissions, costs and efficiency.

Long-term planning

Consistent with the above vision, as regards the approximately €150 billion of investments planned in the Ownership business model, almost half will be dedicated to Global Power Generation, with a total of around €65 billion allocated to renewable energy, which is expected to enable the Group to add some 75 GW of renewables capacity, balanced between solar and wind, to the current consolidated total of 45 GW, for about 120 GW of total renewables capacity by 2030 (2.7 times current levels). The investments will mainly be focused on the countries in which the Group has an integrated presence, but the involvement of a variety of areas will enable natural derisking of the volatility of renewable resources. To achieve this, the Group will capitalize on a pipeline of renewable projects (some 206 GW in December 2020), combined with a global platform-based model for business development, engineering and construction and operation and maintenance activities. In addition, the Group plans to invest an additional €5 billion in the hybridization of renewable sources and storage systems, the potential of which is expected to reach around 20 TWh by 2030. Significant opportunities will also come from the green hydrogen segment, in which the Group plans to integrate electrolyzers into renewables plants that produce electricity for direct sale or for dispatching services, while also selling green hydrogen to industrial customers. The Group plans to increase its green hydrogen capacity to over 2 GW in 2030.

The increase in renewables capacity and the simultaneous reduction in thermal capacity, which includes the early closure of coal plants by 2027, represent the two main strategic levers that the Group intends to use to decarbonize its generation mix.

CAPEX BY GBL

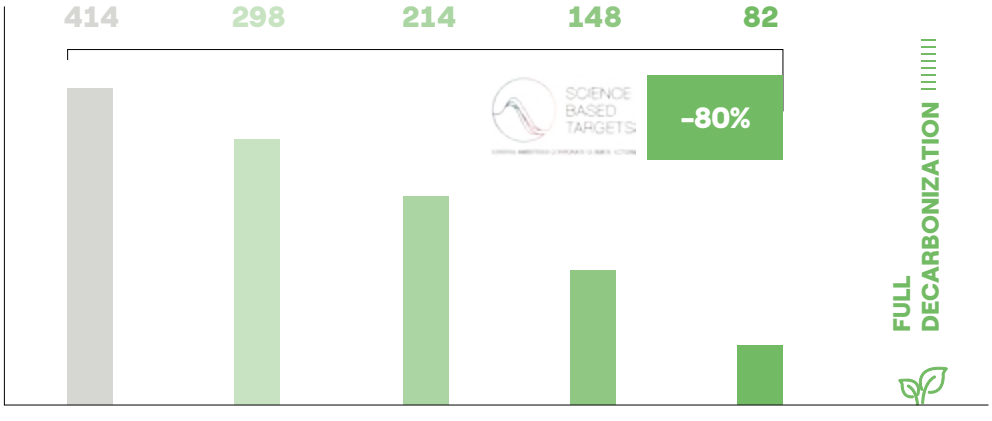


VALUE CREATION KPIs

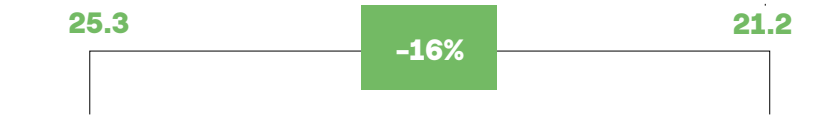
	2021-2030
EBITDA/ Capex (%)	~11%
RAB/End user	+35%
B2C customer value (€/cl/y)	2x

In 2019, Enel, responding to the call for action from the United Nations, signed a commitment to act to limit the increase in global temperatures to 1.5 °C and be net zero across its entire value chain by 2050, including both direct (Scope 1) and indirect (Scope 2 and 3) emissions. This objective requires not only a sharp acceleration in renewables and energy efficiency, but also a complete rethinking of the economic model and investment planning. With regard to the latter, in particular, future investments will be aimed at achieving the objectives that Enel has set itself in terms of reducing greenhouse gas emissions in order to limit the increase in global temperatures to 1.5 °C. With particular reference to investment planning for the next 10 years, the Strategic Plan presented by Enel in November 2020 describes how the massive investments envisaged through the Ownership business model are consistent with the objective of reducing direct emissions to 82 gCO_{2eq}/kWh, an objective that has been certified by the Science Based Targets initiative (SBTi) as in line with the 1.5 °C scenario set out in the Paris Agreement. In particular, investments in new renewables capacity will enable the achievement of certain Key Performance Indicators (KPIs): renewable sources will account for more than 80% of total capacity and about 80% of electricity generation in 2030. This will allow the share of "emission-free" generation to grow from 65%

SCOPE 1(1) (gCO_{2eq}/kWh)



SCOPE 3(2) ($MtCO_2$)



(1) Includes all direct emissions (GHG Scope 1), of which 99% are attributable to electricity generation only, in line with the 1.5 °C scenario of the Science Based Targets initiative.

(2) Includes indirect emissions (GHG Scope 3 – Use of Sold Products) associated with the sale of gas on the retail market by 2030, in line with the 2 °C scenario of the Science Based Targets initiative.

in 2020 to about 85% in 2030 and, consequently, to cut direct emissions from 214 gCO_{2eq}/kWh in 2020 to 82 gCO_{2eq}/kWh in 2030.

The goal of achieving total decarbonization by 2050 requires not only a major acceleration in renewables and energy efficiency, but also a complete rethinking of the economic model in terms of circularity. It is estimated that about 45% of global emissions are currently associated with the extraction and production of materials, manufacturing, and disposal. This is an area in which action can be taken to achieve full decarbonization, as well as positively contributing to solving a series of further environmental problems connected with resource consumption and waste generation.

Accordingly, Enel is acting on the main lever of direct emissions and at the same time rethinking its business model in a broader sense to act on all other dimensions.

Investments related to the decarbonization of the generation mix, together with those related to the digitalization and efficiency of the distribution grid, as well as to the offer of new services to promote the electrification of consumption (such as electric mobility or demand response services), will all contribute to the fight against climate change (SDG 13). In fact, Enel expects that approximately 90% of consolidated investments in 2021-2023 will be aimed at achieving the objectives set by SDG 7 (Affordable and Clean Energy), SDG 9 (Industry, Innovation and Infrastructure) and SDG 11 (Sustainable Cities and Communities), thereby

Net-Zero commitment

Enel, as a signatory of the "Business Ambition for 1.5 °C" campaign promoted by the United Nations and other institutions, is committed to setting a long-term goal to achieve net-zero emissions across the entire value chain by 2050, including both direct emissions (Scope 1) and indirect emissions (Scope 2 and 3), together with science-based targets in all relevant areas and in line with the criteria and recommendations of the Science Based Targets initiative (SBTi).

	GHG Target	Scope	Climate scenario	Main drivers and actions to achieve target
Short term (2023)	**148** gCO_{2eq}/kWh by 2023	**100%** of Scope 1 GHG emissions (1)	1.5 °C (2)	> Gradual phase out of 90% of coal-fired capacity in 2021-2023 period (percentage weight of coal capacity in total consolidated capacity reduced from 10% in 2020 to about 1% in 2023) > Invest €16.8 billion to accelerate the development of renewable energy by installing 15.4 GW of new renewables capacity in 2021-2023 period, reaching 60 GW of consolidated renewables capacity by 2023
Medium-Long term (2030)	**82** gCO_{2eq}/kWh by 2030 (80% reduction compared with 2017)	**100%** of Scope 1 GHG emissions (1)	1.5 °C, SBTi certified	> Accelerate the exit from coal to 2027 from 2030 (phasing out of 16 GW of coal capacity over 2017-2027) > Invest €65 billion to accelerate the development of renewable energy by installing 75 GW of renewables capacity in 2021-2030 period, reaching 120 GW of consolidated renewables capacity by 2030 (3 times installed renewables capacity in the 2017 base year)
	21.2 $MtCO_{2eq}$ (16% reduction compared with 2017)	**100%** of Scope 3 emissions connected with sale of natural gas on end-user market (Scope 3, "use of products sold")	2 °C, SBTi certified	> Promote the switch of customers from gas to electricity (especially residential customers) > Optimization of the gas portfolio of customers (especially industrial customers)
Long term (2050)	**~0** gCO_{2eq}/kWh by 2050	**100%** of Scope 1 GHG emissions (1) (3)	1.5 °C (2)	> Aim for the gradual elimination of thermal capacity and achieve a 100% renewable energy mix

(1) Although Enel constantly monitors Scope 2 emissions and is actively committed to reducing them, the Group has not set a specific reduction target, as they represented less than 4% of total Scope 1 and Scope 2 emissions in 2017 (base year of the target certified by SBTi). Therefore they are considered marginal and fall within the exclusion criteria under the SBTi methodology, which sets a margin of 5% on total Scope 1 and Scope 2 emissions.

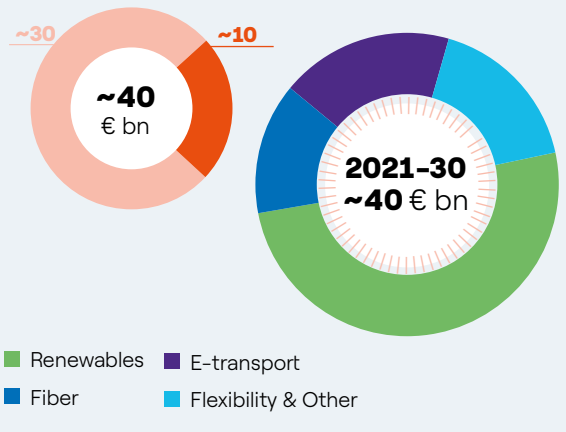
(2) The target could not be officially validated by SBTi because the targets must cover a minimum of 5 years and a maximum of 15 years from the date the target is presented to SBTi for official validation. However, they meet the 1.5 °C path established by the SBTi for the electricity services sector (sectoral decarbonization approach, SDA).

(3) In compliance with the Group's net-zero commitment, which comprises both direct and indirect emissions, targets will be set for Scope 2 and Scope 3 emissions in accordance with the Net-Zero Standard under development by SBTi.

all contributing to the fight against climate change (SDG 13 - Climate Action). Furthermore, it is estimated that between 80% and 90% of these investments will be aligned with the criteria of the European taxonomy, given the substantial contribution to climate change mitigation.
In particular, it is estimated that about 46% of investments in 2030 relating to the Ownership business model will be dedicated to the Infrastructure and Networks business, with the aim of obtaining improvements in terms of service quality and grid resilience, increasing the number of connections and increasing the digitalization of the infrastructure. Thanks to these initiatives, the Group expects to expand the number of end users to about 90 million, all equipped with smart meters, from the current 74 million, of which 60% are equipped with smart meters. The Group's RAB (Regulatory Asset Base) will reach around €70 billion in 2030, up about 70% from current levels (around €42 billion). These results will benefit from our unique operational dimensions, a very high level of expertise in digitalization and the significant value of intellectual property. The extensive use of digital platforms in the management of assets and end users should reduce operating expenses per user by about 27% in real terms compared with 2020.

The remainder of the investments related to the Ownership business model, about 5%, will be dedicated to the Customers sector, and it is expected that, in 2030, it will produce a net increase in customer value, i.e. the annual gross margin per customer. The Group will play an enabling role in the electrification process, accelerating the transition of customers towards sustainability and energy efficiency, combining its traditional range of services with "beyond commodity" services. This business will benefit from the largest customer base globally, digital platforms and a growing integrated portfolio of products and services. The Group's strategy will encompass all segments: B2C (business to customer), B2B (business to business) and B2G (business to government).

CAPEX BY CLUSTER
Enel's direct investments ~10 € bn



With regard to the Stewardship business model, in 2021-2030 the Group expects to invest approximately €10 billion directly, while at the same time mobilizing some €30 billion in third-party investments, for a total of around €40 billion, mainly in renewable energy, fiber optics, electric mobility and flexibility services.

In particular, in the Customers sector, the two business models will promote customer value in all segments through combined product offering:

- in the B2C segment, the Group will promote the electrification of the customer base through an integrated offer of power and services offered by Enel X. The volume of electricity sold on the free market in Europe is expected to increase by 2.5 times compared with 2020, reaching around 100 TWh in 2030 compared with 39 TWh in 2020;
- in the B2B segment, the Group intends to be a leading energy partner for global and local companies on their path towards sustainability and energy efficiency. Traditional products, such as PPAs, will be combined with new services, including flexibility services, solutions for electric mobility and the enhancement of circularity. The Group's gross margin in B2B operations in Europe is expected to reach €1.9 billion in 2030, compared with about €1.1 billion in 2020, driven by "beyond commodity" services;
- in the B2G segment, the Group will support city governments in achieving ambitious long-term decarbonization and sustainability objectives, through the electrification of public transport, supplementing the product range with digital mobility services (such as city analytics), intelligent lighting and other advanced services. By 2030, the Group expects to increase the number of electric buses to over 10,000 (12 times the number in 2020), while public lighting points are expected to exceed 4 million in 2030, up from 2.8 million in 2020 (up 1.5 times). In addition, charging points for electric vehicles are expected to increase to over 4 million and demand response solutions to grow by more than three times, to around 20 GW compared with about 6 GW in 2020.

Across the segments, the progressive digitalization of customer relationships, supported by the evolution of digital management platforms, should produce a substantial reduction in costs in real terms.

The strategic vision of an action based on sustainability, integrated along the entire value chain, will be rewarded by an increase in the value generated by the Group within the "sustainability = value" strategic paradigm. It is expected that the Group's ordinary EBITDA will achieve a CAGR of 5%-6%, while ordinary net profit will show a CAGR of 6%-7% between 2020 and 2030.

By promoting decarbonization, electrification and platform migration processes, the Group also plans to create shared and sustainable value for all stakeholders. Examples include:

- over €240 billion of gross domestic product in the countries in which the Group operates, through local investments in decarbonization and electrification;
- a tripling of service quality levels, with the system average interruption duration index (SAIDI) falling to about 100 minutes in 2030 from 258.9 minutes in 2020.

People centricity is one of the pillars of Enel's sustainability strategy.

The Enel Group promotes the economic and social growth of the local communities in which it operates, strengthening its commitment to supporting sustainable development: 5 million beneficiaries of quality education in 2015-2030 (SDG 4); 20 million beneficiaries of clean and accessible energy in 2015-2030 (SDG 7.1); 8 million beneficiaries of decent work and lasting, inclusive and sustainable economic growth in 2015-2030 (SDG 8).

We pay great attention to our people, developing plans designed to strengthen their roles and skills and provide the tools for managing the energy transition, with clear and precise goals in terms of performance assessment and business climate. We work to promote upskilling and reskilling programs as well as the development of digital skills. The Group also aims to promote diversity and inclusion by having 50% female participation in selection processes by 2023.

These effective objectives and actions are also confirmed by the signing in July 2019 of the "just transition" commitment promoted by the United Nations.

Unwavering attention continues to be devoted to workplace health and safety, to promoting a sustainable supply chain, to forging an increasingly integrated governance structure and to managing environmental impact through the reduction of atmospheric emissions and water consumption and the promotion of biodiversity.

Finally, technological transformation cannot be divorced from serious concerns about cyber security, where the Group confirms and expands its objectives for disseminating cutting-edge solutions supported by associated verification measures (ethical hacking, vulnerability assessment and cyber exercising involving plants and other industrial sites), and fostering an effective IT security culture.

The new 2021-2023 Business Plan

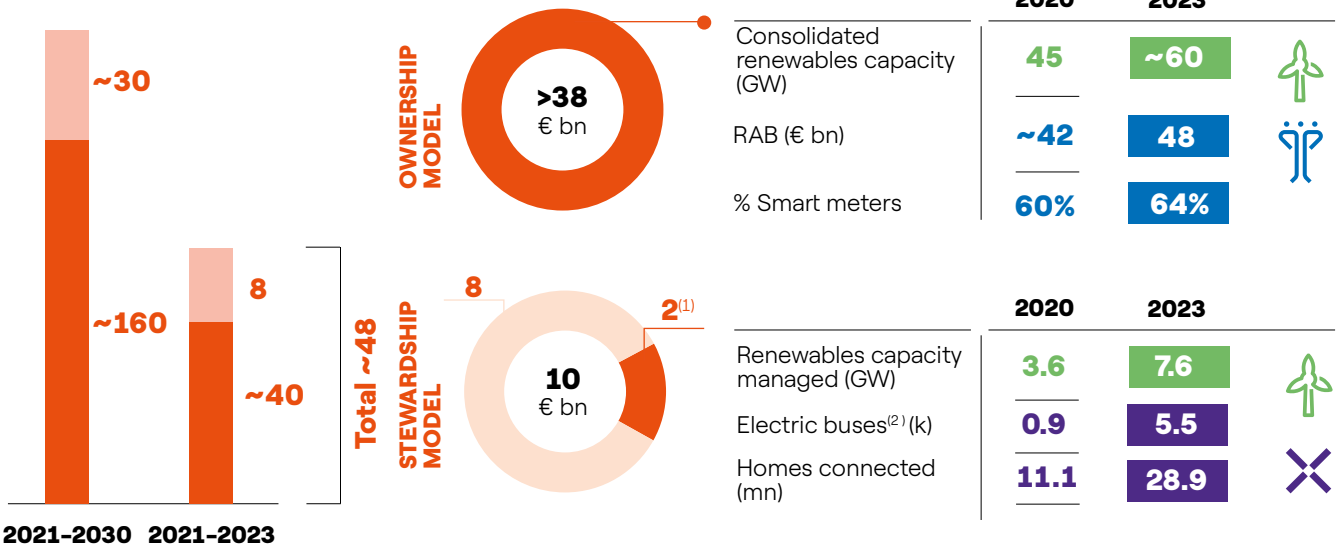
Within the broader ambitions for the positioning of the Group by 2030, the 2021-2023 Business Plan is ideally placed as the first step in a growth path spanning the entire decade. The effect of the ambitions on the long-term Strategic Plan will translate into a decisive increase in both direct and indirect investments to enable the acceleration of decarbonization and electrification trends.

In 2021-2023, the Group expects to directly invest around €40 billion, of which €38 billion through the Ownership business model, mainly on expanding networks and renewables, and around €2 billion through the Stewardship model, while mobilizing €8 billion in third-party investment. These investments will be earmarked for the development of renewable energy, fiber optics, electric mobility and flexibility systems.

This increase in investments of about 36% over the previous plan, considering the analyses of the various possible transition scenarios in the countries in which Enel operates, will put the Group in an advantageous position to respond to any acceleration in the energy transition.

INVESTMENTS ACTIVATED FOR THE ENERGY TRANSITION

(€ bn)



(1) Includes equity injections. (2) Includes managed and leased e-buses.

Almost 90% of the €38 billion of investment through the Ownership business model is planned to go to networks and renewables, for a total of €33 billion over the three years, with the remainder allocated to retail businesses and conventional generation. The €2 billion of investment attributable to the Stewardship business model are expected to be directed towards the development of renewable energy, fiber optics, e-mobility and flexibility systems.

As noted earlier, over 90% of Enel's consolidated investments will be consistent with the United Nations Sustainable Development Goals (SDGs). Furthermore, in line with Enel's initial estimates, between 80% and 90% of investments on a consolidated basis will be aligned with the European taxonomy criteria thanks to their substantial contribution to climate change mitigation.

With regard to the renewable energy business:

- as part of the Ownership business model, the Group plans to invest a total of €16.8 billion, of which €15.7 billion for the development of over 15.4 GW of new capacity, mainly in countries in which we have an integrated presence;
- as part of the Stewardship business model, the Group plans to mobilize a total of €3.8 billion, of which €500 million in direct investments and €3.3 billion in third-party investments. This investment will produce 4.1 GW of new capacity.

Investments under both business models will enable the Group to develop around 19.5 GW of new renewables capacity over the three years of the Plan.

As a result of the decarbonization strategy that the Group is implementing, the Group's Scope 1 CO_2 emissions (gCO_{2eq}/kWh) will decrease by more than 30% between 2020 and 2023, accompanying the Group towards achievement of its science-based decarbonization goal of an 80% reduction in greenhouse gas emissions by 2030 compared with 2017 levels, as well as the ultimate goal of full decarbonization by 2050.

	2020	2023
NET EFFICIENT INSTALLED RENEWABLES CAPACITY (1)	45 GW	60 GW
NET EFFICIENT INSTALLED RENEWABLES CAPACITY (2)	54 %	65 %
NET EFFICIENT INSTALLED COAL CAPACITY (2)	10.6 %	1 %
SPECIFIC DIRECT SCOPE 1 GREENHOUSE GAS EMISSIONS	214 gCO_{2eq}/kWh	148 gCO_{2eq}/kWh

(1) Net efficient installed renewables capacity, including managed capacity, was equal to 48.6 GW at December 31, 2020 and 45.8 GW at December 31, 2019.

(2) Renewables and coal capacity as a percentage of consolidated capacity assuming coal plant closures authorized by the competent authorities are completed within the timeframe set by the Group.

Global Power Generation's ordinary EBITDA is expected to reach about €7.7 billion in 2023, up 11% from about €7 billion in 2020. This growth will be driven by the renewables business, whose ordinary EBITDA is expected to rise to about €6.5 billion in 2023 (+€1.8 billion compared with about €4.7 billion in 2020), while ordinary EBITDA from thermal generation is expected to decline to about €1.2 billion in 2023, down from about €2.2 billion in 2020.

In the Infrastructure and Networks business, the Group expects to invest €16.2 billion over the three-year period, bringing average annual investment to around €5.4 billion. Of this, 65% will be dedicated to improving the service quality and grid resilience, about 23% to new connections and about 12% to digitalization. The acceleration of investments is also expected to expand the Group's RAB by 14%, reaching about €48 billion in 2023 (from about €42 billion in 2020).

At the operational level, the number of end users is expected to increase to around 77 million in 2023, of which 64% equipped with smart meters, from around 74 million in 2020 (of which 60% equipped with smart meters). Furthermore, on the service quality front, the SAIDI and the system average interruption frequency index (SAIFI) are expected to decline by 12% and 14%, respectively. Therefore, the Group's networks are expected to become more efficient, while net operating expenditure per user will drop to around €34 in 2023, from around €41 in 2020 (a reduction of 17%).

The ordinary EBITDA of Infrastructure and Networks is expected to reach about €9.5 billion at the end of 2023, an increase of 23% compared with about €7.7 billion in 2020, thanks in part to efficiency improvements linked to the implementation of operating platforms.

The remainder is associated with the Customers business, where the value of B2C customers is expected to increase by approximately 28%, while the value of B2B customers is projected to rise by about 45%, thanks to the expansion of the portfolio of free-market customers and developments in the electrification of energy consumption, which will drive demand for "beyond commodity" services.

In the B2C segment, free market sales volumes in Europe are expected to increase by 55% (from about 39 TWh in 2020 to around 62 TWh in 2023). In the B2B segment, the gross margin is expected to increase from around €1.1 billion in 2020 to around €1.4 billion in 2023 (+27%), mainly thanks to "beyond commodity" services. Finally, in the B2G segment, the Group plans to continue supporting the transition of cities towards electric mobility, adding around 200,000 public charging points in 2021-2023 and contributing, with direct and indirect investments, to putting about 5,500 electric buses into circulation (up about 6 times compared with 2020). Street lighting is expected to expand from 2.8 million points in 2020 to about 3.4 million in 2023 (+21%).

At the end of the Plan period, Enel X aims to reach about 780 thousand public and private charging points - including interoperable points - available globally, up from about 186 thousand in 2020 (+4 times), approximately 10.6 GW of demand response capacity, up from the 6 GW offered in 2020 (+1.8 times), as well as 527 MW of storage capacity, up from 123 MW in 2020 (+4.3 times).

Ordinary EBITDA associated with the Customers business is expected to reach €4.5 billion at the end of 2023, compared with €3.4 billion in 2020, with a contribution of about €500 million from B2C, about €400 million from B2B, and about €100 million from B2G. Efficiency improvements, driven by an operating platform that unifies and digitalizes operations for customers, will contribute about €300 million to ordinary EBITDA in 2023.

At the Group level, the aggregate effects of the Ownership and Stewardship business models will have a substantial impact on the creation of value, with ordinary EBITDA expected to reach between €20.7 billion and €21.3 billion in 2023, with a CAGR of 5%-6%. At the same time, ordinary profit is expected to rise to between €6.5 billion and 6.7 billion in 2023, with a CAGR of between 8% and 9%. The Group expects to achieve these results thanks to the continuous optimization of Enel's finance operations, notably an expansion of sources of sustainable funding, with a consequent reduction in the cost of borrowing.

FINANCIAL TARGETS

	2020	2021	2022	2023	CAGR 2020-2023
Ordinary EBITDA (€ billions)	17.9	18.7-19.3	19.7-20.3	20.7-21.3	+5%/+6%
Ordinary profit (€ billions)	5.2	5.4-5.6	5.9-6.1	6.5-6.7	+8%/+9%

The Group's net debt is expected to reach €57-58 billion by the end of 2023, driven by the acceleration of investments. In terms of credit metrics:

- the FFO/net debt ratio is expected to be at 26% in 2023, compared with 25% in 2020, driven by the improvement in cash conversion;
- the Group's net debt/ordinary EBITDA ratio is expected to be 2.7 in 2023;
- thanks to the sustainable financing strategy that the Group is implementing, the cost of the Group's gross debt is expected to reach 3.3% at the end of the Plan period, compared with 3.7% at the end of 2020.

Currently, sustainable funding sources, including sustainability-linked bond issues, green bonds and sustainable loans, represent about one third of the Group's total gross debt. These sources are expected to increase as a proportion of total gross debt to about 50% in 2023 and to over 70% in 2030, as the Group aims to progressively refinance maturing issues and raise new funds through sustainable instruments.

The cost of debt of the Group's sustainability-linked bond issues is on average about 15-20 basis points lower than conventional bond issues, a level that is expected to reduce Enel's borrowing costs.

Enel has implemented a simple, predictable and attractive dividend policy. Shareholders will receive a fixed dividend per share (DPS) guaranteed over the next three years, with a CAGR of approximately 6%.

The soundness of our business model, combined with confidence in our ability to achieve strategic objectives, enables Enel to pay a guaranteed fixed dividend per share that will increase over the Plan period, reaching €0.43/share in 2023.

DPS

Value creation	2020	2021	2022	2023	CAGR 2020-2023
Dividend per share (€)	0.358	0.38	0.40	0.43	~6%

REFERENCE SCENARIO

Macroeconomic environment

The global COVID-19 pandemic, which first emerged in the 1st Quarter of 2020, and the consequent restrictions implemented by governments triggered a recession unprecedented in recent history, producing a contraction in world GDP of around 3.7% on an annual basis in 2020.
In this regard, the measures to counter the recession implemented in the advanced economies involved a range of support programs for the various productive sectors, the labor market and domestic demand, as well as ultra-expansionary monetary and fiscal policy measures.

	ECONOMIC MEASURES
China	> Strict restrictive measures at the beginning of the pandemic and strong resilience of the economy, supported mainly by high spending on infrastructure
United States	> Expansionary fiscal policies to support families and companies > Cut in main interest rate to 0-0.25% and a program for the purchase of securities by the Federal Reserve
Euro area	> Massive government subsidies and other labor market support measures > Main interest rates at the European Central Bank unchanged, with no adjustment until the target inflation rate of 2% is achieved (the interest rate on main refinancing operations at 0% and the rate on the deposit facility of the ECB a negative 0.5%) > Pandemic Emergency Purchase Program (PEPP) with envelope of €1.85 trillion > €750 billion recovery plan (Next Generation EU), divided between loans (€360 billion) and grants (almost €390 billion)
United Kingdom	> Subsidies for the labor market, Coronavirus Job Retention Scheme, and ultra-expansionary monetary and fiscal policies

In Latin America, one of the most severely affected areas in the world, macroeconomic developments were strongly impacted by the pandemic and the diverse responses of the individual governments:

- in Argentina the pandemic has further exacerbated existing structural problems with growth and fiscal stability (GDP down 10%), compounded by doubts about the outcome of ongoing negotiations with the International Monetary Fund over the restructuring of public debt, which are weighing on the recovery;
- the Chilean economy has been among the most resilient in Latin America thanks to its considerable openness, with exports driven by the Chinese recovery. Doubts about the prospects for growth persist, however, given the strong political uncertainty in the country;
- in Brazil, a broad family support program prevented a severe recession, but it undermined the economic and fiscal soundness of the country, with an estimated deficit of over 15% of GDP. For 2021, projections remain positive given the country's large foreign currency reserves and its low exposure to foreign debt payments;
- in Colombia, despite the severity of the consequences of the pandemic (GDP contracted by 7.5%), expectations for 2021 are improving given the recovery of the oil sector and the absence of political instability in the medium term;
- although Peru was among the hardest hit countries (GDP down 12%), its good fiscal and financial position together with rising mineral prices put the country among the area's favorites to post a strong economic recovery in the short term despite the political instability linked to the elections scheduled for next April, which could worsen the economic outlook.

In general, despite the fact that the prospects for an exit from the pandemic in 2021 have improved thanks to progress in vaccine development and the beginning of vaccine distribution, uncertainty linked to the spread of new cases and the possible imposition of new restrictions persists, with its elimination depending significantly on the progress of vaccination on the global scale.

GDP GROWTH AND INFLATION [1]

%

	GDP		Inflation		
	2020	2019	2020	2019	Change
Italy	**-9.0**	**0.3**	**-0.1**	**0.6**	**-0.7**
Spain	-11.1	2.0	-0.3	0.7	-1.0
Portugal	-8.3	2.2	-	-	-
Greece	-9.6	1.6	-	-	-
Argentina	-10.5	-2.1	42.0	53.5	-11.5
Romania	-5.3	4.2	2.6	3.8	-1.2
Russia	-3.8	1.3	3.4	4.5	-1.1
Brazil	-4.4	1.4	3.3	3.7	-0.4
Chile	-6.1	1.0	3.0	2.3	0.7
Colombia	-7.5	3.3	2.5	3.5	-1.0
Mexico	-8.7	-	3.4	3.6	-0.2
Peru	-11.3	2.2	1.8	2.1	-0.3
Canada	-5.5	1.9	0.8	2.0	-1.2
United States	-3.5	2.2	1.2	1.8	-0.6
South Africa	-7.3	0.2	3.3	4.1	-0.8
India	-	-	6.8	3.7	3.1

(1) The GDP and inflation figures are the best estimate available at the publication date and are subject to revision by national statistical institutes in the coming months.

Source: national statistical institutes and Enel based on data from ISTAT, INE, EUROSTAT, IMF, OECD and Global Insight.

EXCHANGE RATES

	2020	2019	Change
Euro/US dollar	1.14	1.12	1.79%
Euro/British pound	0.89	0.88	1.14%
Euro/Swiss franc	1.07	1.11	-3.60%
US dollar/Japanese yen	107	109	-1.83%
US dollar/Canadian dollar	1.34	1.33	0.75%
US dollar/Australian dollar	1.45	1.44	0.69%
US dollar/Russian ruble	72.29	62.99	14.76%
US dollar/Argentine peso	70.68	48.17	46.73%
US dollar/Brazilian real	5.16	3.94	30.96%
US dollar/Chilean peso	791.61	702.85	12.63%
US dollar/Colombian peso	3,693	3,280	12.59%
US dollar/Peruvian sol	3.50	3.34	4.79%
US dollar/Mexican peso	21.48	19.25	11.58%
US dollar/Turkish lira	7.02	5.68	23.59%
US dollar/Indian rupee	74.08	70.42	5.20%
US dollar/South African rand	16.46	14.45	13.91%

The IBOR reform

The IBOR reform is a fundamental reform of the benchmarks used to determine interest rates being conducted by the regulatory bodies in the wake of various instances of rate manipulation by the banks that contribute data for their calculation. The reform includes the replacement of certain benchmark indices, including the Euribor and LIBOR, with alternative risk-free benchmark rates.
For more details on the reform of the IBORs and the results of the analyses conducted by the Group, please see note 47.1 of the consolidated financial statements.

The energy industry

Energy – commodity conditions

During 2020, the oil market experienced considerable volatility, with prices collapsing in the 1st Quarter, largely due to the impact of the pandemic, before partially reversing the losses in the 2nd Half of the year, thanks to the gradual reopening of the world's major economies and sharp production cuts by the OPEC countries. At the beginning of December, Brent and WTI prices reached their highest levels since March, thanks above all to expectations for a recovery in demand fueled by the arrival of vaccines and the agreement reached in the last OPEC meeting to increase production starting from January 2021, containing the fall in oil prices to about 33% compared with levels in 2019.

The gas market was also buffeted by strong volatility during 2020, with the 1st Half of the year characterized by a contraction of almost 50% in prices on all the main European hubs compared with 2019. A combination of record levels of stocks, resilient supply and mild weather put pressure on prices. The restrictions on mobility imposed to counter the pandemic and the pressure of a market already experiencing clear oversupply also caused European gas demand to contract by 5%.
In the 2nd Half of the year, demand for gas recovered thanks to low coal and nuclear generation in Europe, reduced flows from Russia, the decline in LNG imports and the recovery of Asian demand, as well as an increase in demand for gas for heating, which returned prices to a level in line with the averages for 2019, even though they were still well below the annual average levels registered in 2017 and 2018.

		2020	2019	Change
Brent	$/bbl	43	64	-32.8%
API2	$/ton	50	61	-18.0%
TTF	€/MWh	9	14	-35.7%
CO_2	€/ton	25	25	-

The price of CO_2 on the ETS displayed excellent resilience, remaining stable at around €25/ton and rapidly absorbing the initial shock experienced in March and May, months in which the first wave of COVID-19 cases triggered a temporary decline to around €15/20/ton.

Recent statements by the European Commission about the central role of the ETS in achieving decarbonization and climate neutrality goals have supported the market, leaving prices on a gradually rising path towards long-term equilibrium.

Electricity and natural gas markets

Electricity demand

DEVELOPMENTS IN ELECTRICITY DEMAND [1] [2]

TWh

	2020	2019	Change
Italy	**303**	**320**	**-5.3%**
Spain	236	249	-5.2%
Romania	59	62	-4.8%
Russia [3]	779	802	-2.9%
Argentina	132	133	-0.8%
Brazil	587	594	-1.2%
Chile	78	77	1.3%
Colombia	70	72	-2.8%
Peru	49	53	-7.5%
United States	3,651	3,750	-2.6%

(1) Gross of grid losses.
(2) The figures are the best estimate available at the publication date and could be revised by TSOs in the coming months.
(3) Europe/Urals.
Source: Enel based on TSO figures.

The past year was particularly bad for electricity consumption due to the onset of the COVID-19 pandemic in March, with Belgium, the United Kingdom, Italy, Spain and France the most severely affected countries, experiencing declines in demand due to the emergency of 5%-6% compared with 2019.

Italy and Spain saw electricity demand drop by 5.3% and 5.2% respectively. Examining developments at the sector level, in Spain, the decline in energy demand has returned to pre-COVID-19 levels in the industrial sector, while demand in services is still down.

In Latin America, electricity demand declined significantly in Peru (-7.5%), reflecting the prolonged closure of mining activities, and in Colombia (-2.8%), mainly attributable to

the closure of large and medium-sized firms. The decline in electricity consumption was smaller in Brazil, thanks to more localized restrictive measures that were not extended to the national level, and in Argentina, with falls of about 1.2% and 0.8% respectively. Electricity demand in Chile was more resilient, recording an increase, albeit a small one, of 1.3%.

Electricity prices

ELECTRICITY PRICES

	Average baseload price 2020 (€/MWh)	Change in average baseload price 2020-2019	Average peakload price 2020 (€/MWh)	Change in average peakload price 2020-2019
Italy	**38.9**	-25.6%	**51.4**	-11.8%
Spain	31.9	-32.8%	43.7	-14.5%

PRICE DEVELOPMENTS IN THE MAIN MARKETS [1]

Eurocents/kWh

	2020	2019	Change
Final market (residential) [2]			
Italy	0.1382	0.1430	-3.4%
Romania	0.1045	0.1004	4.1%
Spain	0.1178	0.1324	-11.0%
Final market (industrial) [3]			
Italy	0.0609	0.0785	-22.4%
Romania	0.0757	0.0715	5.9%
Spain	0.0519	0.0651	-20.3%

(1) The figures are the best estimate available at the publication date and could be revised by TSOs in the coming months.
(2) Annual price net of taxes - annual consumption of between 2,500 kWh and 5,000 kWh.
(3) 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 m^3

	2020	2019	Change	
Italy	**70**	**73**	**(3)**	**-4.1%**
Spain	31	34	(3)	-8.8%

The COVID-19 crisis and an exceptionally mild winter in the northern hemisphere caused global gas demand to suffer its largest year-on-year decline in history (-4% according to the latest estimates of the IEA).
In Europe, gas demand decreased by an average of 5% in 2020, with most of the decline coming in the 2nd Quarter. The countries most affected included Spain (-8.8%), with a decline mainly attributable to the thermal generation (-20%) and residential (-12%) sectors, France, the United Kingdom and finally Germany.

NATURAL GAS DEMAND IN ITALY

Billions of m^3

	2020	2019	Change	
Distribution grids	31	32	(1)	-3.1%
Industry	13	14	(1)	-7.1%
Thermal generation	25	26	(1)	-3.8%
Other [1]	1	1	-	-
Total	**70**	**73**	**(3)**	**-4.1%**

(1) Includes other consumption and losses.
Source: Enel based on data from the Ministry for Economic Development and Snam Rete Gas.

In Italy, demand contracted by 4.1% compared with 2019, with an especially steep decline in thermal generation (-3.8%) and industry (-7.1%), and a less marked decrease in the distribution grid segment (-3.1%), thanks to an increase in consumption in the 4th Quarter (+14% year on year), due to demand for heating.

Climate change and long-term scenarios

Enel promotes transparency in its climate-change disclosures and works to demonstrate to its stakeholders that it is tackling climate change with diligence and determination. Enel has therefore publicly committed itself to adopting the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) of the Financial Stability Board, which in June 2017 published specific recommendations for the voluntary reporting of the financial impact of climate risks. The Group is also taking on board the "Guidelines on reporting climate-related information" published by the European Commission in June 2019, which, together with the TCFD recommendations and the GRI Standard, constituted the main framework for the Group's reporting on climate change issues in 2020.

The Enel Group is committed to implementing a business model that is consistent with the objectives of the Paris Agreement (COP21) to contain the average increase in global temperature by 2100 below 2 °C compared with pre-industrial levels and to continue to limit this rise to 1.5 °C.

Furthermore, Enel, as a signatory of the "Business Ambition for 1.5 °C" campaign promoted by the United Nations and other institutions, is committed to setting a long-term goal to achieve net zero emissions along the entire value chain by 2050 and to pursue evidence-based targets in all relevant areas consistent with the criteria and recommendations of the Science Based Targets initiative (SBTi).

In 2020, Enel's decarbonization roadmap was updated to capture the acceleration in the spread of renewables and the reduction in thermal generation capacity envisaged in the new 2021-2023 Strategic Plan and in the 2030 ambitions presented on the 2020 Capital Markets Day, setting the following objectives in line with the Paris Agreement.

TIME HORIZON		GREENHOUSE GAS (GHG) REDUCTION TARGET
Short term	**2023**	> Direct emissions of Scope 1 greenhouse gases to 148 gCO_{2eq}/kWh (-32% compared with 2020)
Medium term	**2030**	> Direct emissions of Scope 1 greenhouse gases to 82 gCO_{2eq}/kWh (-80% compared with 2017, consistent with the 1.5 °C path as certified by the SBTi) > 16% reduction in indirect Scope 3 emissions associate with gas consumption by end users compared with 2017
Long term	**2050**	> Full decarbonization of energy mix

This acceleration in the reduction of greenhouse gas emissions is also a response to the appeal of the Intergovernmental Panel on Climate Change (IPCC) as part of its effort to strengthen the global response to the climate change threat. Included in the IPCC special report, the appeal warns of the impacts of global warming of 1.5 °C above pre-industrial levels and the related global greenhouse gas emission pathways.

From scenario to strategic decisions

The Group develops short-, medium- and long-term scenarios for the energy industry and for macroeconomic and financial conditions in order to support its strategic and industrial planning and the evaluation of investments and extraordinary corporate transactions. The role of climate change in these scenarios is increasingly important in terms of:

- acute phenomena (heat waves, flooding, hurricanes, etc.) and their potential impact on industrial assets;
- chronic phenomena related to structural changes in the climate, such as the rising trend in temperatures, rising sea levels, etc., which can bring about changes, for example, in the output of generation plants and in electricity consumption profiles in the residential and commercial sectors;
- transition of the various industrial and business sectors towards a green economy characterized by ever lower emission levels for climate changing gases.

The issues connected with future trends in climate variables (in terms of acute and chronic phenomena) define the so-called "physical scenario", while the issues associated with the industrial and economic transition towards solutions to reduce atmospheric concentrations of CO_2 are the characteristic elements of the "transition scenario". The scenarios are constructed within an overall framework that ensures consistency between climate projections and transition assumptions and can be used to evaluate the phenomena identified in the short, medium and long term. The adoption of these scenarios and their integration into corporate processes takes account of the guidelines of the TCFD and enables the assessment of the risks and opportunities connected with climate change. For this reason, the Group has established an ongoing dialogue and collaborative relationship with experts in the field of climate change, such as the International Centre for Theoretical Physics (ICTP) in Trieste. In addition, the Group has equipped itself to manage high resolution post-downscaling climate scenarios and has activated dedicated projects to develop the skills necessary to translate the complexity of climate modeling into useful information for understanding its local effects on the business and supporting strategic decisions.

The acquisition and processing of the large volume of data underlying the scenarios, and the identification of the methodologies and metrics necessary to interpret complex phenomena at very high resolution, require a continuous dialogue with both external and internal sources. To this end, the Group works with a platform approach, deploying tools that guarantee sound and accessible information. The process that translates scenario phenomena into useful information for industrial and strategic decisions can be summarized in five steps:

1. **Identification of phenomena** relevant to business (e.g. impact on electricity demand, heat waves)
2. Development of **link** functions between climate/transition scenarios and operational variables
3. Identification of event **trend** on the basis of scenario data (e.g. intensity and frequency)
4. **Calculate impact** (e.g. Δ margins, losses, capex)
5. **Strategic actions**: definition and implementation (e.g. capital allocation, resilience plans)

The physical climate scenario

Among the climate projections developed by the IPCC on a global scale, the Group has selected three representing a specific level of emissions connected with the so-called "Representative Concentration Pathway" (RCP):

SCENARIO	AVERAGE TEMPERATURE INCREASE COMPARED WITH PRE-INDUSTRIAL LEVELS (1850-1900)
RCP 2.6	**~ +1.5 °C by 2100** (the IPCC estimates a 78% probability of staying below +2 °C).(1) This scenario is used by the Group to assess physical phenomena and perform analyses that consider an energy transition consistent with ambitious mitigation objectives
RCP 4.5	**~ +2.4 °C by 2100**. This scenario has been identified by Enel as the most appropriate representation of the current global climate and political context and consistent with the temperature increase estimates that consider current policies announced globally(2)
RCP 8.5	**~ +4.3 °C by 2100**. Compatible with a worst case scenario where no particular measures to combat climate change are implemented

(1) IPCC Fifth Assessment Report, Working Group 1, "Long-term Climate Change: Projections, Commitments and Irreversibility".
(2) Climate Action Tracker Thermometer, estimates of global heating at 2100 considering existing "pledges & targets" (December 2020 update).

In the RCP 8.5 climate projections, the Mediterranean and Central/South America will experience an impact in terms of an increase in average temperatures and a decline in precipitation. These effects will probably become more pronounced in the 2nd Half of the century, with the impact increasing up to 2100. In the RCP 2.6 scenario, the effects will be similar but less intense, with the trend slowing in the 2nd Half of the century, thereby producing a substantial differential between the two scenarios by 2100.

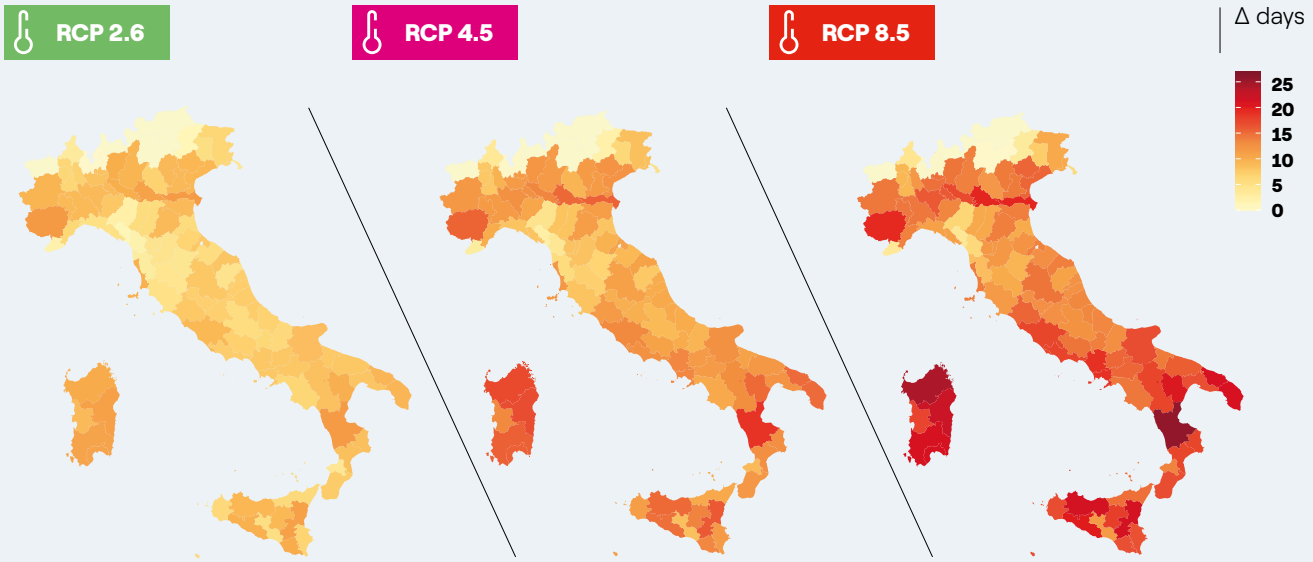
The climate scenarios are global in nature. Accordingly, in order to determine their effects in the areas of relevance for the Group, a collaborative initiative has been started with the Earth Sciences department of the International Centre for Theoretical Physics (ICTP) of Trieste. As part of this collaboration, the ICTP provides projections for the major climate variables with a grid resolution varying from about 12 km^2 to about 100 km^2 and a forecast horizon running from 2030 to 2050. The main variables are temperature, rainfall and snowfall and solar radiation. Compared with the analysis conducted in 2019, the current study is no longer based on the use of a single regional climate model (that developed by the ICTP) but rather on the union of three models, selected as being representative of the ensemble of climate models currently available in the literature. 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 single model.
In 2020, future projections were analyzed for Italy, Spain and Brazil, obtaining – thanks to the use of the set of models – a more highly defined representation of the physical scenario.

The analyses carried out for the physical scenarios considered both chronic and acute phenomena. Some of these phenomena require an additional level 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 "Strategic risks and opportunities connected with climate change", this tool is 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.

Italy

Acute phenomena: heat waves were defined in collaboration with the ICTP and Infrastructure and Networks to obtain the most appropriate description of the climate phenomenon for characterizing this critical event for the business. The conditions identified (persistence of high temperatures for at least five consecutive days with no precipitation) were sought in the projections to 2030-2050 provided by the ICTP, finding an increase in both the frequency and geographical distribution of such events in all the scenarios analyzed. In particular, there was a significant deterioration in the RCP 8.5 scenario, especially in the islands and in the southern regions of the country.

AVERAGE NUMBER OF HIGH TEMPERATURE DAYS IN THE VARIOUS RCP SCENARIOS COMPARED WITH HISTORIC VALUES (1990-2017)

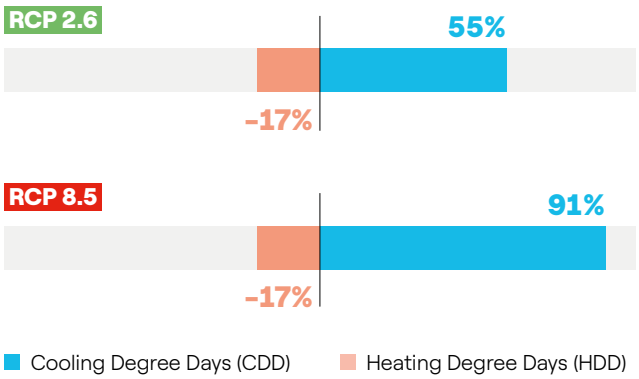


In such scenarios, the intensity of rainfall and extreme snowfall will increase, but their frequency will decline compared with historical data.

Fire risk can also be affected by climate change. The Group has analyzed it using the Fire Weather Index (FWI), which takes account of factors such as relative humidity, precipitation, wind speed and temperature. Days at extreme risk[2] were selected in the 2030-2050 period and compared with those in the 1990-2010 period. In all the scenarios analyzed, the number of days at extreme risk increases compared with historical levels, with different intensities at the geographical level. In some regions, the RCP 2.6 scenario shows a slightly higher number of extreme risk days than the other scenarios (RCP 4.5 and RCP 8.5) due to factors such as lower humidity, contributing to the fire risk assessment.

Chronic phenomena: the average annual temperature is expected to increase over the 2030-2050 period in all scenarios analyzed. In particular, an average temperature increase of around 1.4 °C is expected in 2030-2050 compared with the pre-industrial period, falling with a range of between 1.1-2.0 °C for the RCP 8.5 scenario. In the RCP 4.5 scenario, on the other hand, an increase of between 1.0-1.7 °C is expected with an average value of about 1.3 °C, while for the RCP 2.6 scenario the interval is 0.9-1.5 °C with an average value of around1.2 °C. The differential between the RCP 2.6 scenario and the RCP 4.5 and 8.5 scenarios will grow significantly in the 2nd Half of the century. Chronic temperature changes can be analyzed to obtain information about the potential effects on the cooling and heating demand of local energy systems. The indicators used to measure the thermal requirement are Heating Degree Days (HDDs), i.e. the sum, for all days of the year with a $T_{average} \leq 15$ °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 $T_{average} \geq 24$ °C, of the differences between the $T_{average}$ and the $T_{internal}$ (assumed to be 21 °C), respectively, for heating and cooling requirements. In 2030-2050, the heating requirement is expected to decrease by 17% compared with 1990-2017, which is constant in all scenarios, while CDDs are always greater than historical data, with an increasing trend going from the RCP 2.6 scenario (+55%) to RPC 8.5 (+91%).

(2) The value of the FWI considered to identify extreme risk days is based on an analysis of historical data and information provided by the European Forest Fire Information System (EFFIS).

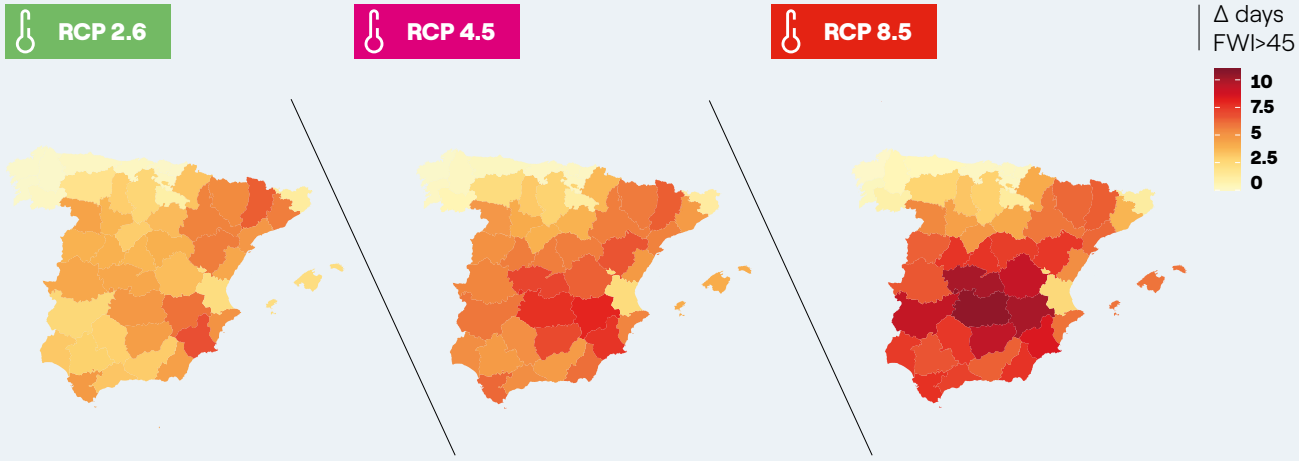


Note that compared with the analysis performed in 2019, the RCP 4.5 scenario was introduced and the ensemble of several models was used as a database, as described above. In addition, to give greater weight to the most populated areas, HDDs and CDDs were calculated as an average over the country, weighting each geographical node by population thanks to the use of the Shared Socioeconomic Pathways (SSPs) associated with each scenario.

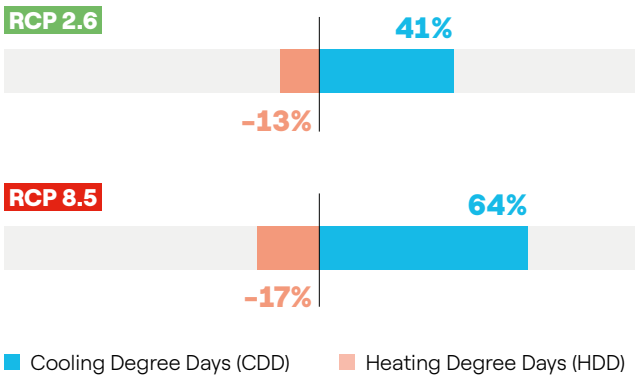
Spain

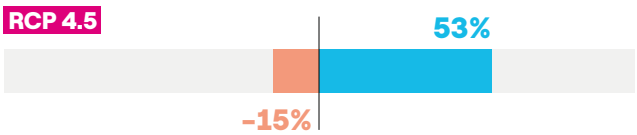
Acute phenomena: over the 2030-2050 period, heat waves are expected to increase appreciably in frequency, with their geographical spread expected to expand, especially in the southern area of the country. Extreme rainfall will increase in intensity but its frequency will decline. At the same time, extreme snowfalls will largely remain located in the current geographical areas but their frequency and intensity could decline sharply. As regards fire risk, the number of days at extreme risk is higher in the RCP 8.5 scenario than in the RCP 2.6 scenario, and is always greater than the historical average.

AVERAGE NUMBER OF EXTREME RISK DAYS: DIFFERENCES BETWEEN RCP SCENARIOS AND HISTORICAL VALUES



Chronic phenomena: the average annual temperature is expected to increase over the 2030-2050 period, with increases in all RCP scenarios considered. In particular, average temperature is expected to increase by about 1.4 °C compared with the pre-industrial period (within a range of between 1.2 and 1.8 °C) for the RCP 8.5 scenario. In the RCP 4.5 scenario, the average increase is forecast to be about 1.2 °C (in an interval of between 1.0 and 1.5 °C), while for the RCP 2.6 scenario the average increase is expected to be around 1 °C (in an interval of between 0.8 and 1.3 °C). The differential between the RCP 2.6 scenario and the RCP 4.5 and 8.5 scenarios grows significantly in the 2nd Half of the century. In terms of Heating Degree Days (HDDs) and Cooling Degree Days (CDDs), we expect a reduction of 13% in HDDs in 2030-2050 compared with 1990-2017 and an increase of 41% in CDDs in the RCP 2.6 scenario, and changes of -17% and +64% in HDDs and CDDs, respectively, in the RCP 8.5 scenario.

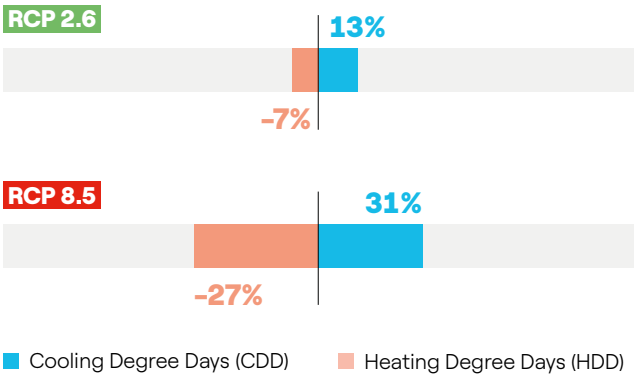


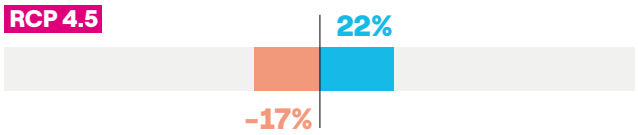


Brazil

Acute phenomena: the trend in acute phenomena in very large countries such as Brazil can differ significantly in the various areas of the country. Our analyses focus on the areas of interest for the Group. For example, the first studies carried out for the state of São Paulo show an increase in heat waves. In Brazil, climate projections point to a larger average reduction in precipitation in the north, with extreme phenomena to be explored on the local scale. According to the initial analyses, the number of days at extreme fire risk are projected to increase in both the RCP 8.5 scenario and the RCP 2.6 scenario compared with the historical average, with the most critical differences coming in the center-west and north-east areas of the country. As with precipitation, fire risk will also need to be investigated further on the local scale based on the needs of the Group. Note that these conclusions are the result of analyses carried out using a single climate model, not an ensemble of multiple models, as was done for Italy and Spain.

Chronic phenomena: the average annual temperature in the 2030-2050 period is expected to rise from pre-industrial levels in each scenario. More specifically, average temperature is expected to increase by about 1.6 °C in 2030-2050 compared with 1850-1900 (within a range of between 1.2 and 2.1 °C) for the RCP 8.5 scenario. In the RCP 4.5 scenario, the average increase is forecast to be around 1.3 °C (within an interval of between 1.0 and 1.7 °C), while for the RCP 2.6 scenario the average increase is expected to be about 1.1 °C (within a range of between 0.8 and 1.4 °C). In terms of Heating Degree Days (HDDs) and Cooling Degree Days (CDDs), HDDs decrease by 7% and CDDs increase by 13% in 2030-2050 compared with 1990-2017 in the RCP 2.6 scenario, while changes in HDDs and CDDs in the RCP 8.5 scenario come to -27% and +31%, respectively.





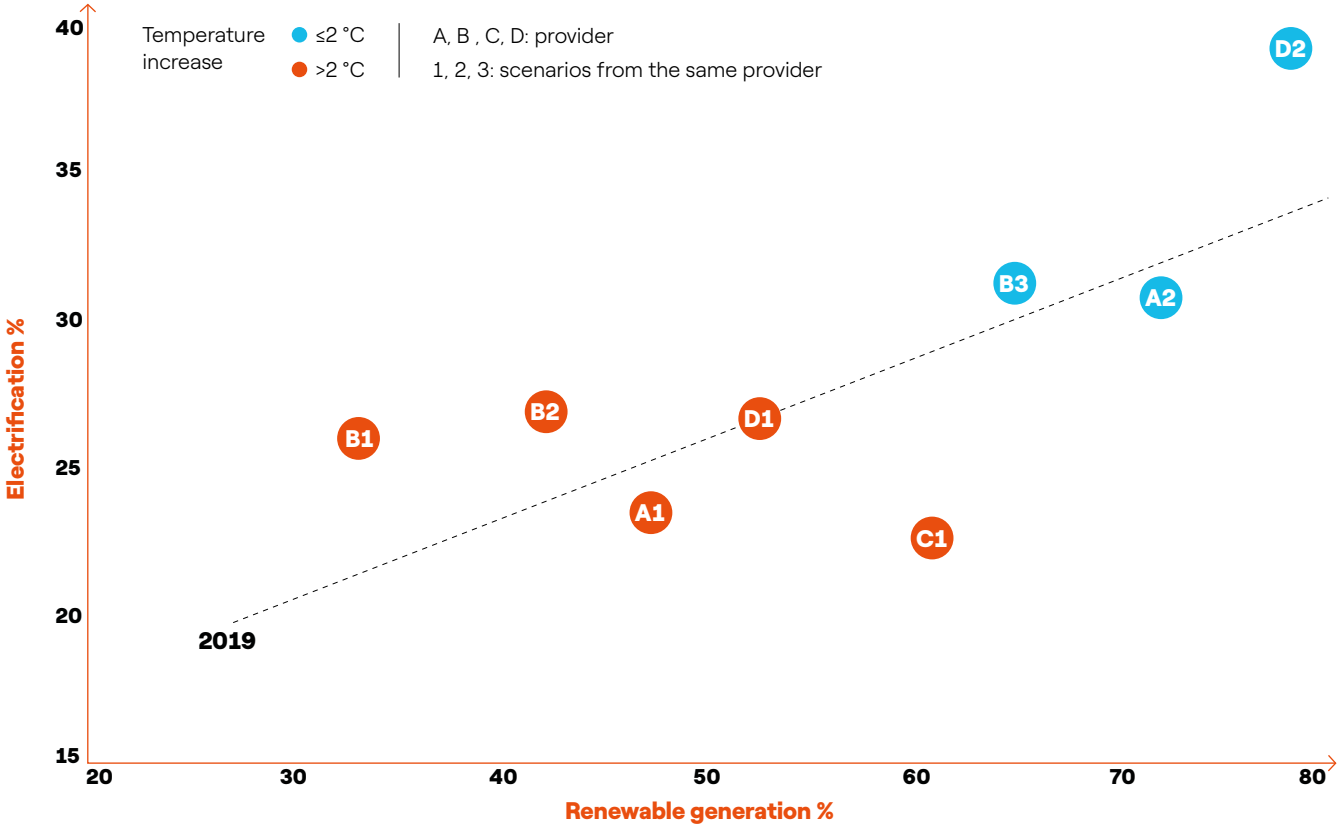
The transition scenario

The transition scenario refers to the description of how energy production and consumption evolve in the various sectors in an economic, social and regulatory context consistent with different greenhouse gas (GHG) emission trends correlated with RCP climate scenarios.

As for the global horizon, the literature contains abundant publications produced by institutions, international organizations and private companies. The panorama is varied and presents scenarios, sometimes from the same provider, which cover most of the spectrum delineated by the potential temperature increase linked to the different RCP trajectories: each scenario is associated, more or less strictly, with a specific RCP and consequently with a range of temperature increase.

The scenarios can be divided into two macro-categories: those that, in accordance with the Paris Agreement, seek to limit the temperature increase compared with the pre-industrial period to less than 2 °C, and those that describe developments in systems that will lead to higher temperatures. In general, a systematic analysis of the different sources found that the response to the most challenging scenarios for climate change mitigation efforts involves the strong penetration of decarbonized electricity.

Global transition scenarios to 2040-2050 and temperature increase



The available evidence, including the scenarios developed by the leading global agencies, indicates that the policies implemented by governments around the world are currently not sufficient to achieve the Paris objectives.[3] The most likely global climate pathway under existing policies, i.e. those declared by individual countries, is a RCP 4.5 scenario lying between RCP 2.6 and 8.5. Although it is a less ambitious path than the RCP 2.6, it is consistent with the policies approved or announced and which are unlikely to be disregarded.

The transition scenarios used by the Group globally are the result of the benchmark analysis of external scenarios and currently known policy objectives. For the main countries in which it operates, the Group develops consistent transition scenarios using system energy models. Where internal models are not available, risks and opportunities are assessed through the analysis of scenarios produced by third parties, as described above.

(3) Consider for example "UNEP Emissions Gap Report 2020" and "IEA World Energy Outlook 2020".

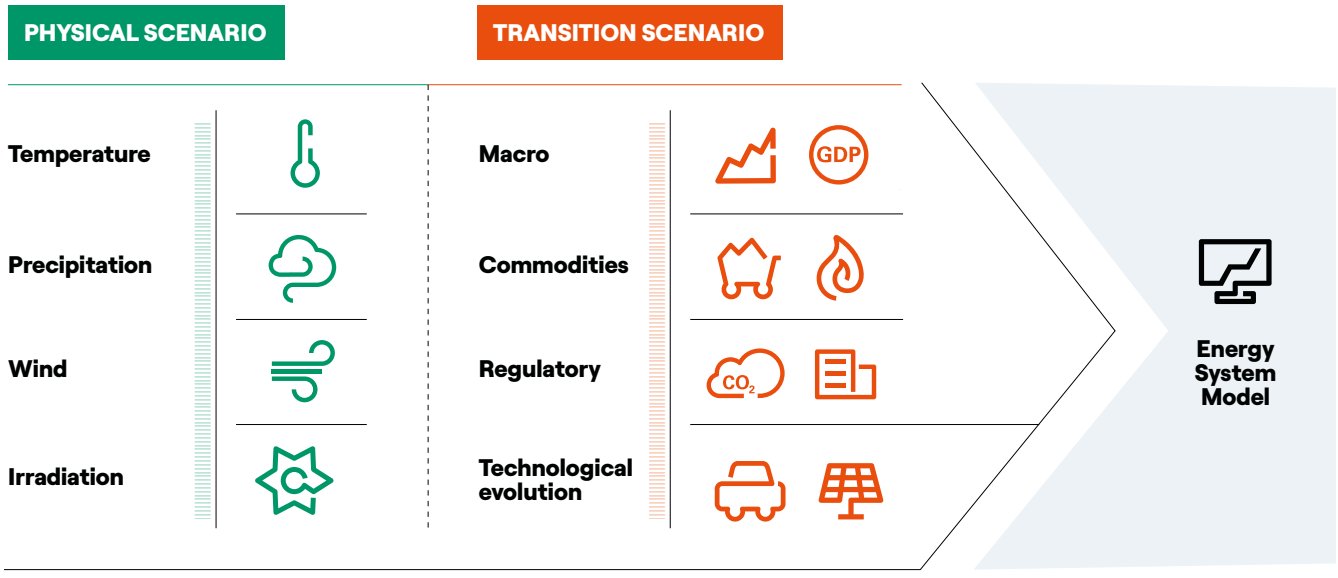
The main assumptions considered in developing the transition scenarios concern:

- local policies and regulatory measures to combat climate change, such as measures to reduce carbon dioxide emissions, increase energy efficiency, decarbonize the electricity sector and reduce oil consumption;
- the global macroeconomic and energy context (for example, gross domestic product, population and commodity prices), considering international benchmarks including those produced by the International Energy Agency (IEA), Bloomberg New Energy Finance (BNEF), the International Institute for Applied Systems Analysis (IIASA) and others. As regards the IIASA, for example, we have considered the fundamentals of commodity demand and the population underlying the "Shared Socioeconomic Pathways (SSPs)", which project different scenarios describing socioeconomic developments and policies consistent with climate scenarios. The information from the SSPs is used, together with the internal modeling, to support long-term forecasts, such as those for commodity prices and electricity demand;
- the evolution of energy production, conversion and consumption technologies, both in terms of technical operating parameters and costs.

On the basis of the framework described, the transition scenario framework with which the Group conducted the impact analyses relating to the risks and opportunities inherent in climate change envisages two scenarios: an "inertial" (Reference) scenario, constructed mainly on the basis of existing or announced policies and specific internal assumptions for the evolution of individual variables, and a more ambitious scenario (Brighter Future), consistent with the achievement of the Paris objectives, which presupposes more stringent targets for reducing carbon dioxide emissions or increasing energy efficiency, as well as a possible acceleration in the reduction of the costs of certain technologies. This second case assumes incremental growth in renewable generation and greater demand for electricity due to the greater electrification of final consumption, mainly driven by more ambitious objectives in terms of energy efficiency and decarbonization.

Of course, if the countries with the highest emissions do not adopt effective decarbonization policies, remaining on inertial or deteriorating paths, any particularly ambitious transition trajectories defined at the local level could coexist with climate change scenarios that are worse than the Paris scenarios. In fact, the ambitions of individual countries for mitigation actions are not sufficient on their own to determine the long-term trajectories of emissions and the consequent RCP pathways.

To develop the transition scenarios for the countries under analysis, the Group has equipped itself with quantitative tools that, given the assumptions regarding the evolution of policies, technologies and other contextual variables, produce the corresponding projections for energy demand, electricity demand, electricity production, penetration of renewables, electric vehicles, etc. In other words, all the relevant variables that characterize a national energy system with respect to the Group's activities.

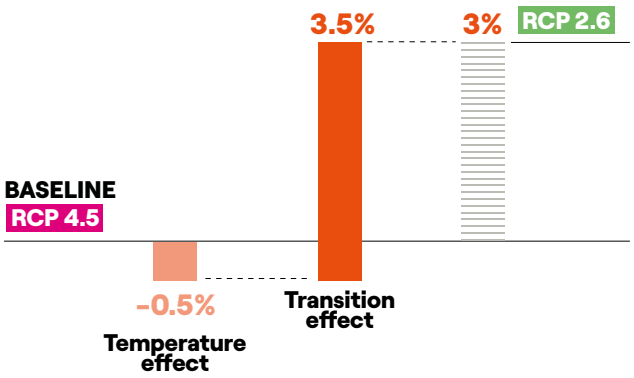


Once the medium/long-term transition scenarios have been determined, the scenario framework makes it possible to conduct analyses of the longer-term chronic physical effects determined locally by the climate pathways considered. One example is the analysis of the impact of the change in temperature on electricity demand. For this purpose, the Reference and Brighter Future scenarios for Italy and Spain have been supplemented with the Heating Degree Days and Cooling Degree Days under RCP 4.5 and RCP 2.6 respectively. It was thus possible to quantify the effect that the change in temperature will have on energy demand (total, not just electricity) for cooling and heating in the residential and commercial sectors. The time horizon of the analysis is 2030-2050, where the current policies of the European Union connected with the carbon neutrality objective, in both the Reference and Brighter Future scenarios, converge towards decarbonized and electrified energy systems in 2050.

The use of integrated energy system models makes it possible to quantify the individual service demand of a country. This level of detail therefore makes it possible to discriminate the specific effects that a change in temperature can have on energy requirements. Considering the entire time horizon analyzed, the greater speed of the Brighter Future scenario in achieving carbon neutrality makes it more efficient and electrified than the Reference scenario. This difference in the speed of the transition leads to an average increase of between 3% and 4% in electricity demand in the Brighter Future scenario compared with the Reference scenario in the 2030-2050 period. When the effect of temperature is also considered and the differences between the two scenarios associated with RCP 4.5 and 2.6 are analyzed, the average increase in electricity demand is less than 1% in both the Reference and Brighter Future scenarios. In the most extreme years, this impact can reach 2%. Considering the integrated view, the potential effect of more ambitious transition scenarios has a more significant impact on electricity demand than the increase in temperature resulting from climate change.

In order to investigate the effect of temperature on transition scenarios further and at the same time expand the range of assumptions regarding climate change, a sensitivity analysis was carried out by associating the Reference scenario with RCP 8.5, in addition to RCP 4.5. Assuming this additional increase in temperature, with the same energy transition, leads to an increase of less than 1% in demand in the RCP 8.5 Reference scenario compared with the RCP 4.5 Reference scenario.

Average impact on electricity demand (2030-2050) comparing RCP 2.6 and RCP 4.5



While on the one hand the trends in degree days are similar, the substantial difference between Italy and Spain concerns the energy system in 2030. For the latter, in fact, the Reference scenario is very similar to the Brighter Future scenario, in line with the national energy plan, which is already very challenging. It follows that the temperature effect between RCP 2.6 and 4.5 remains small as with Italy, less than 1% and in the same direction, and the transition effect is negligible.(4)

While the role of temperature is small for Italy and Spain, Brazil, another country of particular interest for the Group, could experience a more marked increase in demand in response to the increase in temperature, equal to a few percentage points of total demand. This would be driven by the higher cooling demand expected in the country. However, these estimates are subject to a significant degree of uncertainty, given the significant volatility of Brazilian economic growth.

(4) Significant electrification of heating in the residential sector in future years could change the sign and order of magnitude of the climate change effect for both Italy and Spain.

Assessment of the risks and opportunities connected with the Strategic Plan

The process of defining the Group's strategies is accompanied by an accurate 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 span the horizon of the Plan in an integrated manner.

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, 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 competition are identified.

Based on the nature of the risk and opportunity drivers, the analytical approach that best represents their volatility is selected. In practice, we perform a scenario analysis for all those variables whose market time series provide a robust foundation to estimate levels of correlation and representative volatility for future risk, and a deterministic analysis based on what-ifs and expert judgments of the possible evolution of the business with respect to the main risk factors for the execution of the Business Plan.

The validity of the results is also monitored with ex-post analyses by risk cluster. In 2020, most of the actual upside and downside events fell well within the limits estimated by the risk models of the Strategic Plan presented at the end of 2019, despite the strong downside impact of the COVID-19 emergency.

Focusing on the scenario risk analysis for the Strategic Plan, exchange rates, electricity demand and the volatility of energy and commodity prices 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. Nevertheless, the Group's very structure ensures that the volatility of the South American currencies has only a negligible impact on profit, as demonstrated in the presentation at the Capital Markets Day. 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 "acute" events is managed as part of investment for adaptation to climate change and the Group's insurance strategy.

With regard to risk factors estimated deterministically, the monitoring of all possible regulatory issues is crucial for assessing any upside or downside impact on the Group.

In general, correlations between all the risk factors create diversification effects that substantially mitigate total exposures.

RISK MANAGEMENT

The Group's governance model is in line with best risk management practices and envisages:

1 **SEPARATION**
of roles between management and control and their complementarity and independence (3 lines of defense)

2 **RISK CONTROL UNIT**
overseeing second-level defense and economic-financial impact of risks

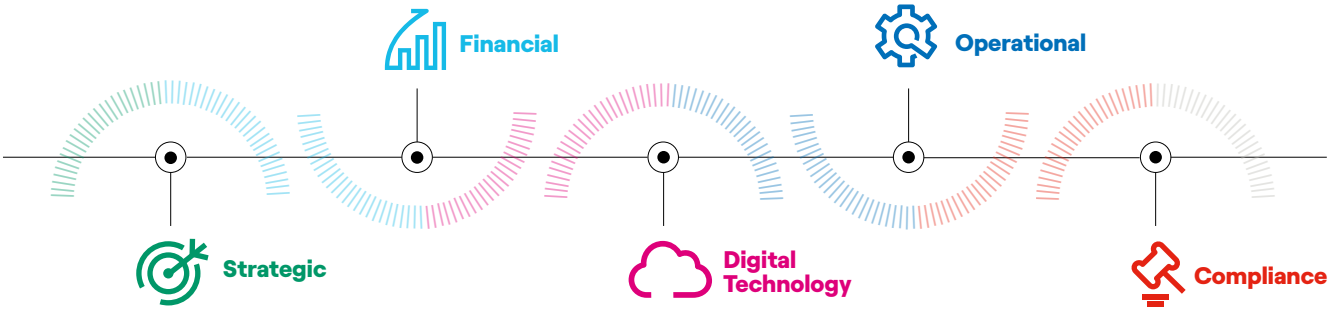
3 **SYSTEM OF RISK COMMITTEES**
focused on business or geographical areas, coordinated among themselves, with a Group Risk Committee at the top

4 **SYSTEM OF ORGANIZATIONAL POLICIES AND PROCEDURES**
setting out processes, tools and responsibilities

5 **SPECIFICATION OF EXPLICIT RISK LIMITS**, and control processes to ensure compliance

6 **A RISK REPORTING SYSTEM**
that ensures management remains informed and enables corrective and mitigation action

In view of the nature of its operations, Enel adopts a six-category classification of the risks to which it is exposed: Strategic, Financial, Operational, Governance & Culture, Digital Technology, and Compliance.
Risks are defined in a risk catalog that serves as a reference for all areas of the Group and for all the units involved in 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 those that impact Group processes and the roles of the organizational units involved in their management.
The most significant categories of risk in relation to the impacts on the Group are described as follows:



Category	Risk	Definition
Strategic	Legislative and regulatory developments	Possible effects from unfavorable legislative/regulatory changes.
	Macroeconomic and geopolitical trends	Potential effects of a deterioration of global economic and geopolitical conditions as a result of economic, financial or political crises.
	Climate change	Possible impacts of slow or inadequate responses to environmental and climate change.
	Competitive environment	Potential impacts of a weakening of competitive positioning in markets.
Financial	Interest rate	Potential impact of adverse fluctuations in interest rates.
	Commodity	Impacts due to greater volatility in commodity prices or a lack of demand or availability of raw materials.
	Currency risk	Impact of adverse changes in exchange rates.
	Credit and counterparty	Effect of a deterioration in creditworthiness, breach of contract or excessively concentrated exposures.
	Liquidity	Potential impact of short-term financial tensions.
Digital Technology	IT effectiveness	Potential impact of ineffective IT systems support for business processes and operational activities.
	Cyber security	Potential impact of cyber attacks and the theft of sensitive company and customer data.
	Digitalization	Organizational and operational impact on business processes with potential increase in costs due to inadequate level of digitalization.
	Service continuity	Possible impact of exposure of IT/OT systems to service interruptions and data loss.
Operational	Health and safety	Potential impact on the health and safety of employees and other parties involved as a result a violation of health and safety laws.
	Environment	Significant impact on the quality of the environment and the ecosystems involved as a result of a violation of environmental laws.
	Procurement, logistics & supply chain	Potential effects of ineffective procurement or contract management activities.
	People and Organization	Impact attributable to inadequate organizational structures or lack of internal skills.
Compliance	Data protection	Impact of violations of applicable data protection and privacy laws.

The Group also adopts a Risk Appetite Framework in order to enable the implementation – for each risk and with an integrated approach – of the appropriate management and control arrangements, as well as development and updating (metrics and models for measuring risks).
To effectively manage these risks, Enel has adopted an internal control and risk management system (the ICRMS), which is periodically updated. It strengthens the Group's awareness of its risk profile, identifying any opportunities it may offer, and supports management in the decision-making process to create value in a constantly evolving external environment. This system is the set of rules, procedures, and organizational structures aimed at identifying, measuring, monitoring and managing the main risks applicable to the Group.

In this context, the Board of Directors plays a guiding and coordinating role for risk management, ensuring, at every level of the Group, the adoption of decisions that are informed, structured and consistent with the nature and level of risks. To this end, the Board of Directors includes in its assessments all the risks, including those related to climate change, that may be relevant in any way, comprising opportunities in the context of business sustainability in the medium/long term, thus ensuring the compatibility of company operations with strategic objectives.
The Board draws on the expertise of the Control and Risk Committee, which issues prior opinions on a variety of matters, including the guidelines of the ICRMS.
The Group also has specific internal committees composed of senior management personnel that are responsible for governing and overseeing the identification, management, monitoring and control of the main risks, taking due account of the specific operations of each Business Line and their underlying processes in order to assess the potential impacts and opportunities. Finally, the internal committees ensure that the risk governance policy evolves in line with business dynamics and the applicable regulatory context.
With regard to the COVID-19 pandemic, the actions taken in recent years by the Group to increase its resilience to such a scenario can leverage a sound financial position, geographical diversification and an integrated business model capable of mitigating and addressing unforeseen events and their potential effects with mitigation actions and contingency plans.

The following discusses the main types of risks and opportunities facing the Group.

Strategic risks

This section provides disclosure on the following strategic risk:

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 Parent.
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.

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 South America, North America, Africa and Russia – requires Enel to consider economic and geopolitical trends at the global level in order to evaluate and appropriately measure systematic and idiosyncratic risks of a macroeconomic, financial, institutional, social or climatic 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 country risk assessment model capable of promptly monitoring the riskiness of the countries in which it operates.

The country risk model is intended to measure the economic resilience of each country, defined as the balance of its position with respect to the rest of the world, the effectiveness of internal policies, the vulnerabilities of its banking and corporate system that might portend systemic crises and its attractiveness in terms of economic growth. This process also includes an assessment of the robustness of the country's institutions and the political context and an in-depth analysis of social phenomena, measuring the level of well-being, inclusion and social progress. To complete the analysis, a quantification of extreme climate events as a cause of stress at the environmental and economic level is also performed and the effectiveness of the energy system and its positioning within the energy transition process is measured, as these are all essential factors for evaluating the sustainability of investments in the medium to long term.
In order to mitigate this risk, the model supports the capital allocation and investment evaluation processes. To further support the investment evaluation process, Enel has adopted a methodology called "Total Societal Impact" that, adopting an integrated approach based on advanced economic models, clearly and robustly expresses the direct, indirect and induced impacts of investment initiatives at the national, regional or local levels. By quantifying standard international metrics, Total Societal Impact covers a wide range of economic, social and environmental indicators that play a strategic role in correctly assessing the social and environmental contribution of Enel's projects. In fact, considering some of the indicators that can be analyzed, such as the contribution to GDP, the increase in income of the weakest social groups, the calculation of carbon dioxide emissions avoided and the recovery of end-of-life materials from a circular economy perspective, it is clearly now essential to have a broad overview of the situation in order to evaluate a specific project in a specific country with a view to creating shared value for all.

In 2020, the world economy was severely impacted by the COVID-19 pandemic, which spread rapidly around the world, significantly undermining the outlook for economic growth in the short to medium term. The crisis caused world GDP to contract by an estimated 4% on an annual basis in 2020, which should be followed by a rebound of around 5% in 2021.
The risks threatening the outlook for 2021 are mainly associated with the continued spread of COVID-19, which could generate a third wave of the disease in many countries, forcing local governments to extend restrictions on mobility and services (especially in the entertainment, restaurant and tourist industries).

Recent data show that growth prospects for 2021 are more optimistic than the previous year, thanks to recent developments in the production and subsequent distribution of vaccines. These changes have prompted an upward revision of forecasts, pointing to a significant rebound in the growth rates of many countries for 2021. However, there are severe risks associated with potential logistical obstacles to the production and distribution of vaccines that could slow the vaccination process and, consequently, delaying the emergence of many countries from the economic and health crisis. In addition, new variants of the virus have been identified that have significantly increased the number of cases in some countries (for example, the United Kingdom) and generated greater uncertainty about the efficacy of the new vaccines.
The governments and central banks of the major countries (first and foremost, the Federal Reserve, the European Central Bank and the Bank of England) have adopted ultra-accommodative monetary policies (interest rates on refinancing operations close to zero and large volumes of securities purchases on the market, ensuring the availability of inexpensive liquidity) and fiscal policies (subsidies) to support the economic recovery and reduce the damage to the labor market. These actions have heavily burdened the budgets of governments and other institutions. The ability of institutions to continue to implement these expansionary policies in support of the economy in 2021 is exposed to substantial risks.

In July, the European Council reached an agreement on a recovery plan, the Next Generation EU program, which envisages €750 billion in funding (around 5.5% of EU27 GDP in 2019), divided between loans (€360 billion) and grants (almost €390 billion) to Member States. The actual implementation of this plan depends on the national governments, who must present projects eligible to receive funding, and the methods of selecting projects vary at the country level. In this regard, Enel can turn to Total Societal Impact, which is an effective tool for exploring the relevant aspects that meet the needs of the Green Deal when selecting investments.

Economic and socio-political risk factors in Latin America, one of the areas most severely affected by the pandemic,

must be monitored carefully. In particular, the political uncertainty associated with presidential elections in Peru, the vote in a Chilean referendum at the end of 2020 for the creation of a new constitution by 2022, the Brazilian elections in the medium term and the presidential elections in Colombia in 2020 all contribute to fueling downward risks for the economic recovery, as they could push governments to implement populist (fiscally expansionary) measures that may not be welcomed by investors, accelerating capital outflows from their respective countries. On the latter point, Brazil, which implemented a very generous fiscal measures in 2020 (around 8% of GDP) in order to support families and stimulate domestic demand, now has debt equal to around 90% of GDP and a government deficit of around 14%, which undermine its resilience in the short-medium term. The possibility of a further extension of the family aid program ("Coronavoucher") in 2021 and delays in the approval of structural reforms could further compromise the economic stability and competitiveness of the country.

Finally, Argentina, which has been in a recession since 2017, is concerned about its fiscal instability and the uncertainties about ongoing debt restructuring negotiations with the International Monetary Fund.

Climate change

The identification and management of risks connected with climate change

Climate change and the energy transition 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 TCFD, we have adopted a framework that explicitly represents the main relationships between scenario variables and types of risk and opportunity, specifying the strategic and operational approaches to managing them, comprising mitigation and adaptation measures.

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

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.

The energy transition towards a more sustainable model characterized by a gradual reduction of CO_2 emissions has risks and opportunities connected both with changes in the regulatory and legal context and trends in technology development and competition, electrification and the consequent market developments.

Consistent with the climate and transition scenarios used by Enel to determine risks and opportunities, the main transition-related phenomena are beginning to emerge in relation to customer behavior, industrial strategies being adopted in all economic sectors and regulatory policies. By 2030, the transition trends will become visible in response to the evolution of the context: the Enel Group has decided to guide and facilitate the transition, preparing to seize all 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 category	Description	Impact	Management approach
Acute physical	Starting with short term (1-3 years)	Extreme events	**Risk**: especially extreme weather/climate events.	Extreme events 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**. 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. Looking forward, the assessments will also include the potential impacts of long-term trends in the most significant climate variables.
Chronic physical	Starting with long term (2030-2050)	Market	**Risk/opportunity**: increase or decrease in **electricity demand**; increase or decrease in **output**.	Electricity demand is also affected by temperature, whose fluctuation can impact our business.	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 plants and long-term climate scenarios.
Transition	Starting with medium term (2022-2030)	Policy & Regulation	**Risk/opportunity**: policies on CO_2 prices and emissions, energy transition incentives, greater scope for investment in renewables and resilience regulation.	Policies concerning the energy transition and resilience can impact the volume of and returns on investments.	The Group is minimizing its exposure to risks through the progressive **decarbonization** of its generation fleet. The Group's strategic actions, which are focused on investment in renewables, networks and customers, enable us to mitigate potential threats and 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 called "Energy Transition Roadmaps" that explore national decarbonization scenarios in the various countries in which Enel operates in environmental, economic and social terms.
Transition	Starting with medium term (2022-2030)	Market	**Risk/opportunity**: changes in the prices of commodities and energy, evolution of energy mix, changes in retail consumption, changes in competitive environment.	Considering two alternative transition scenarios, the Group assesses the impact of trends in the proportion of renewable sources in the energy mix, electrification and the penetration of EVs to estimate their potential impacts.	The Group is maximizing opportunities by adopting a strategy founded on the energy transition and the rapid expansion of **renewable generation** and the **electrification of energy consumption**.

Transition	Starting with medium term (2022-2030)	Product & Services	**Opportunity**: increase in margins and greater scope for investment as a consequence of the transition in terms of greater penetration of new electrical technologies for residential consumption and **electric transportation**.	Trends in the electrification of transportation and residential consumption will potentially have an impact on our business.	The Group is maximizing opportunities thanks to its strong positioning in **new businesses** and **"beyond commodity" services**.
	Starting with medium term (2022-2030)	Technology		Considering two alternative transition scenarios, the Group assesses the potential opportunities to scale up current businesses in response to trends in the electrification of transportation.	The Group is maximizing opportunities thanks to its **strong positioning** in global networks.

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 2020 can be performed; the medium term (until 2029), in which it is possible to assess the effects of the energy transition; and the long term (2030-2050), in which chronic structural changes in the climate should begin to emerge. The main sources of risk and opportunity identified, 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. These activities are performed on the foundation of an ongoing effort during the year to analyze, assess and manage the phenomena giving rise to the risks and opportunities identified. As declared by the TCFD, the process of disclosing information on the risks and opportunities connected with climate change will be gradual and incremental from year to year.

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

Taking the IPCC scenarios 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.

Chronic physical changes creating risks and opportunities

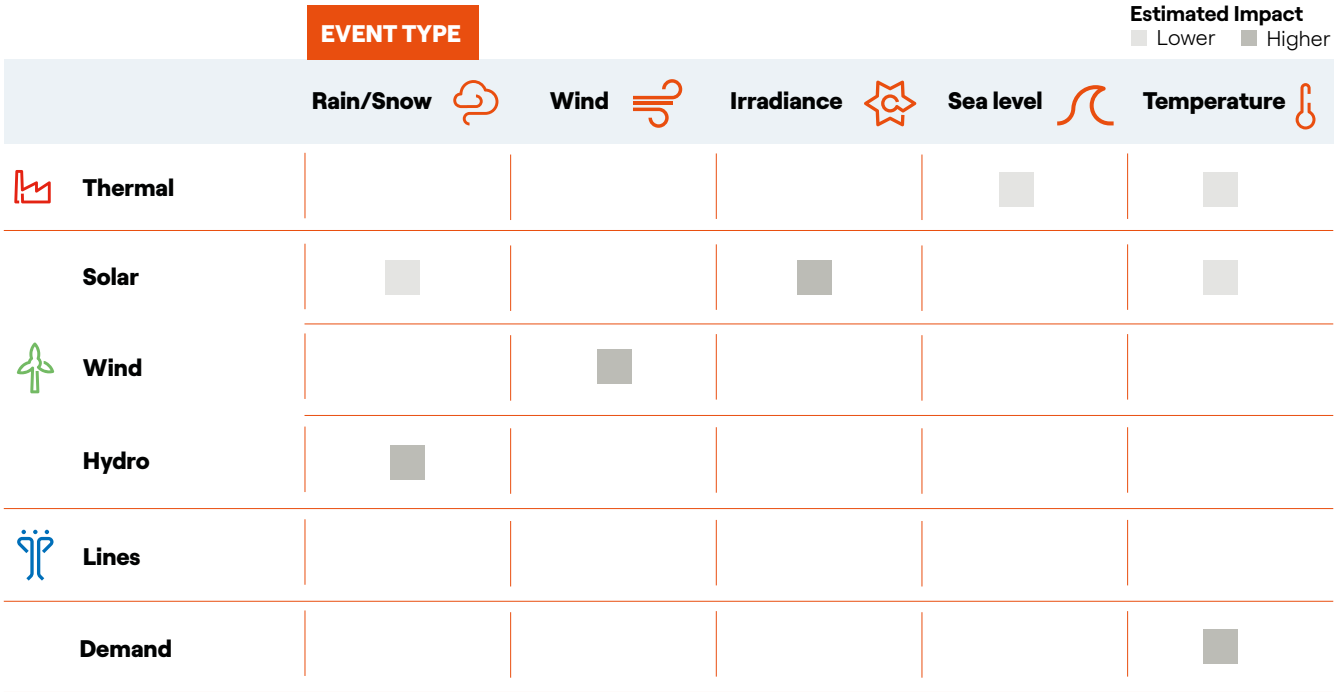
The climate scenarios developed with the ICTP do not provide definitive indications of structural changes before 2030, but changes could begin to emerge between 2030 and 2050. The main impacts of chronic physical changes would be reflected in the following variables:

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.

The Group will work to estimate the relationships between changes in physical variables and the change in the potential output of individual plants in the different categories of generation technology.

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 on potential output.



Scenario analysis has shown that chronic structural changes in the trends of physical variables will become significant beginning in 2030. However, in order to obtain an indicative estimate of the potential impacts, it is possible to test sensitivity of the Business Plan to the factors potentially influenced by the physical scenario, regardless of any direct relationship with climate variables. Of course, such stress testing has an extremely low probability of occurrence based on historical events and geographical diversification. The variables examined are electricity demand (+/-1% per year), whose variations can potentially impact the generation and retail businesses. It was stress tested for all countries in which the Group operates. The output potential of renewable plants was also stressed (+/-10% over a single year). Variations in this variable can potentially impact the generation business. It was stressed separately at the individual technology level around the globe. The data reported show the effect on a single year for a single generation technology and include both the volume and price effects.

Scenario phenomena	Risk & opportunity category	Time horizon(1)	Description of impact	GBL affected	Scope	Quantification - Type of impact		Quantification - range <100 €mn	100- 300 €mn	>300 €mn
Chronic physical	Market	Short term	**Risk/opportunity**: Increase or decrease in electricity demand. Electricity demand is also affected by temperature, whose fluctuations can have an impact on our business. Although structural changes should not emerge in the short/medium-term, in order to assess the sensitivity of Group performance to potential temperature variations, we have performed an analysis of sensitivity to changes of **+/- 1**% in electricity demand for the Group as a whole.	Global Power Generation and Global Infrastructure and Networks	Group	EBITDA/year	+1%	■		
							-1%		■	
Chronic physical	Market	Short term	**Risk/opportunity**: Increase or decrease in renewables generation. Renewables generation is also affected by the availability of resources, whose fluctuations can have an impact on our business. Although structural changes should not emerge in the short/medium-term, in order to assess the sensitivity of Group performance to potential temperature variations, we have performed an analysis of sensitivity to **changes of +/- 10% in potential electricity** output by technology.	Global Power Generation	Group Potential hydroelectric output	EBITDA/ year	+10%		■	
							-10%		■	
					Group Potential wind output	EBITDA/ year	+10%	■		
							-10%		■	
					Group Potential solar output	EBITDA/ year	+10%	■		
							-10%		■	

(1) Time horizon : short (2020-2022); medium (up to 2030); long (2030-2050).

■ Upside scenario current policies ■ Downside scenario current policies

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.

Within climate change scenarios, the acute physical component plays a leading role in defining the risks to which the Group is exposed, both due to the broad geographical diversification of its asset portfolio and the primary importance of renewable resources in electricity generation.

Acute physical phenomena, in different cases such as wind storms, 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, for the reasons described above, 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).

Extreme 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.[5] Through its insurance business units and the captive insurance company Enel 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.

The methodology is applicable to all extreme events that can be analyzed, such as wind storms, heat waves, tropical cyclones, flooding, etc. In all of these types of natural disaster, 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: the recurrence interval. In other words, a catastrophic event that has, for example, a recurrence interval of 250 years has a probability of occurrence in any given year of 0.4%. This information, which is necessary for assessing the level of frequency of the event, is then associated with the geographical distribution of Group assets.

  For this purpose, the Group adopts the hazard map tool, which associates the estimated frequency associated with an extreme event, for the different types of natural disasters, with each geographical point of the global map. This information, organized in geo-referenced databases, can be obtained from global reinsurance companies, 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: solar, wind and hydroelectric generation plants, transmission and distribution grids, primary and secondary substations, etc. These analyses are naturally focused on the extreme events that most impact the different types of technologies. This produces a sort of matrix that associates the significantly impacted type of asset with the individual natural catastrophic events.

> Exposure is 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

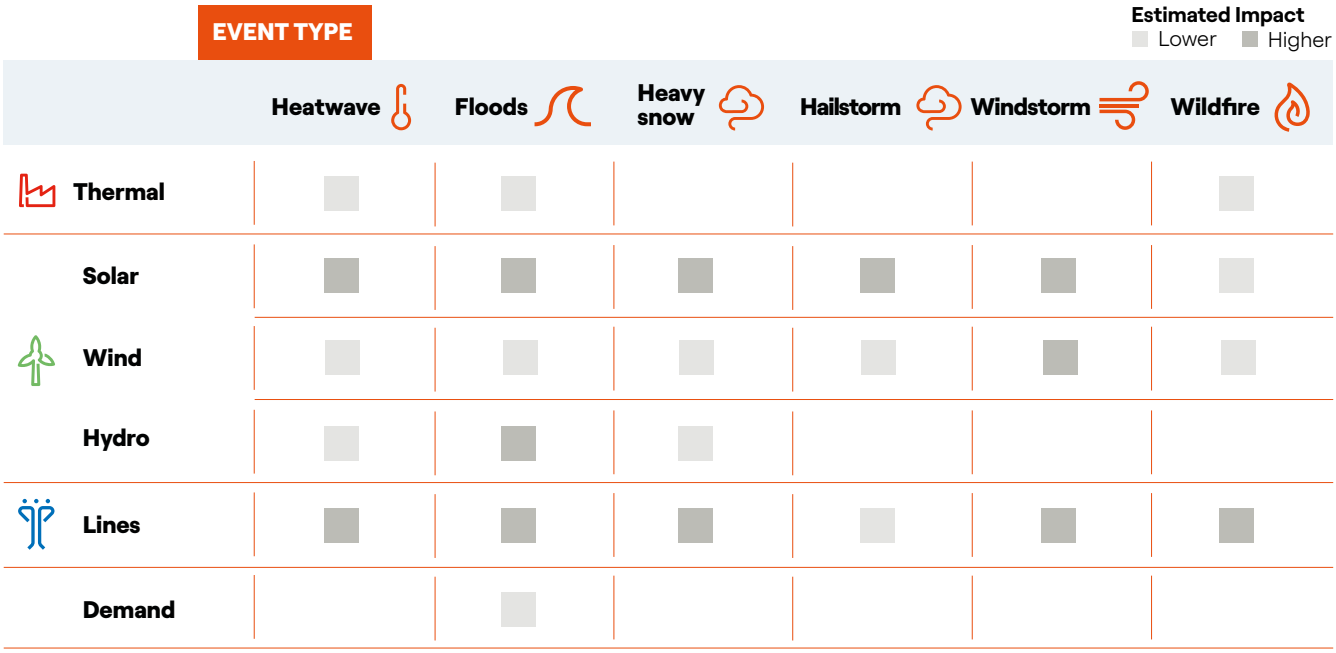
(5) L. Wilson, "Industrial Safety and Risk Management", University of Alberta Press, Alberta 2003.
T. Bernold. "Industrial Risk Management", Elsevier Science Ltd, Amsterdam, 1990.
H. Kumamoto and E.J. Henley, "Probabilistic Risk Assessment and Management for Engineers and Scientists", IEEE Press, 1996.
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", UNISDR, 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.

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 (1-3 years)	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
Long term (to 2050 and/or 2100)	Hazard maps and specific studies for the different RCP climate scenarios of the IPCC		Group values in the long term

In the case of the vulnerability of assets within the portfolio, therefore, a priority table of the impacts of the main extreme events on the various technologies was defined in collaboration with the relevant Global Business Lines of the Group.



Risk management from 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 preventing losses that could be caused by extreme events. The general characteristics of these actions are illustrated below and, naturally, in the case of damage prevention and mitigation activities, specific reference will be made to the Group's Power Generation and Infrastructure and Networks Global Business Lines.

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 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, which insures harm 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 Enel Insurance NV.

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 and minimizing the cost of the Group's global insurance coverage programs for its risks, including the risk associated with natural catastrophic events.

The intensification of the effects of climate change means it is essential to adopt adaptive behaviors: each catastrophic event represents a lesson learned for Enel, from which we draw inspiration to strengthen design techniques and preventive measures to ensure the resilience of the asset portfolio.

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.

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 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 on 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 policies:

No. 1106 Global Power Generation Maintenance

No. 1107 Global Power Generation O&M Operation

No. 1025 Dams and Hydraulic Infrastructure Safety

No. 1020 Global Power Generation 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 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 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);
- 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.

Infrastructure and Networks

In the Infrastructure and Networks Business Line, the Enel Group has adopted an approach in recent years called "4R" to cope with extreme climate events. A specific policy has been developed (No. 486: 4R Innovative Resilience Strategy for Power Distribution Networks) 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.

- 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 former, in particular, are not directed so much at improving service quality as they are at reducing the risk of prolonged and extended interruptions in the event of rare and high-impact critical events, using a probabilistic approach.
- 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.
- 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.
- Recovery: this is the last phase, in which the goal is to return the network 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:

Policy No. 1073: 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.

Policy No. 387: Guideline for Network Resilience Enhancement Plan

This policy seeks to identify the most impactful extraordinary climate events on the network, to evaluate the current status of the KPIs of the 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 network 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 already been implemented through the Resilience Plan that e-distribuzione has prepared each year since 2017, which represents an addendum to the Development Plan for 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 2017-2019, some €400 million were invested and a similar amount will be invested in the following three-year period (about €130 million/year), as specified in the addendum to the 2020-2022 Plan, affecting approximately 3 million customers and up to 4,000 km of medium voltage lines. For example, in the case of icing, a phenomenon linked to the breakage of the conductors of overhead lines in the event of accumulation of wet snow, the risk of such interruptions has been assessed on the basis of the probability of losing segments of the grid and then calculating the relative impact in terms of customers without power and the loss in terms of power not delivered. To address these risks, investments include the targeted replacement of uninsulated lines with insulated conductors, the creation of less vulnerable alternative routes to restore power and the use of remote control systems to isolate the section of the grid affected by the fault as quickly as possible.
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 networks to extreme events, taking due account of the distinctive characteristics of each territory.

Policy No. 439: Measures for Risk Prevention and Preparation in case of wildfires affecting the electrical installations

An integrated approach is taken to the emergency management approach applied in the case of forest fires, both where they are caused by the grid itself and where they are of external origin, that could potentially threaten Enel plants. The document provides guidelines to be implemented in the various territories involved to identify areas/plants 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 network and evaluating the impact of critical climate phenomena on the network, 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.

Moreover, with a view not only to assessing weather emergencies in the short/medium term, but also in consideration of the climate change we are witnessing, Infrastructure and Networks is collaborating with leading research institutes to analyze trends in most critical threats (Table 1) to the assets of the power distribution network in the various countries in which the Group operates, and to estimate their future impact on the network in the medium and long term. The following are some examples.

Heat waves

> During 2020, heat waves in the countries in which Infrastructure and Networks operates were investigated further. This critical event is characterized by the persisten-

ce 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. These analyses have provided initial results for Italy, given the especially extensive historical records of such events and the experience gained with the measures provided for in the Resilience Plan. In light of the climate scenarios developed to evaluate trends in heat waves in Italy and the historical correlation of the extreme event-costs, taking a particularly critical year as a reference (2017, selected both because of the intensity of heat waves that year and their extension across the entire country), an initial estimate was obtained for any costs associated with an increase in heat waves in 2030-2050. These estimates of the potential prospective annual extra cost were assessed in the three RCP scenarios (over the 2030-2050 horizon), finding that in the RCP 2.6 scenario they do not represent more than 3% of the annual value of the measures envisaged in the current 2020-2022 Resilience Plan described above and do not exceed 5% in the RCP 8.5 scenario.

Similar analyses are already planned in 2021 for the other countries in which Enel operates.

Wildfires

> With regard to fire risk, despite the insignificance of events recorded to date along Enel networks, which did not generate a need for an impact analysis, the Business Line, consistent with Policy no. 439 noted above, is preparing an in-depth analysis of the scenarios for 2030 -2050 concerning the evolution of the phenomenon, with a view to possible improvements in the Policy itself.

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, technological 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.

PRIORITY EXTREME EVENTS INFRASTRUCTURE AND NETWORKS AND MAIN POLICIES/DEEP-DIVES

	PRIORITY EXTREME EVENTS				
	Wildfires	**Heat waves**	**Icing**	**Wind storms**	**Flooding**
Policy	Policy 486 Policy 1073 Policy 439	Policy 486 Policy 1073 Policy 387 Italy: Resilience Plan	Policy 486 Policy 1073 Policy 387 Italy: Resilience Plan	Policy 486 Policy 1073 Policy 387 Italy: Resilience Plan	Policy 486 Policy 1073 Policy 387
Deep-dive	Studies under way with research institutions				

Policy & Regulation

LIMITS ON EMISSIONS AND CARBON PRICING

The enactment of laws and regulations that introduce more stringent emission limits by government action (non-market driven) and market-based mechanisms, such as a carbon tax in non-ETS (Emissions Trading System) sectors or an expansion of the ETS in other sectors.

> Opportunities: command & control regulations and market-based mechanisms strengthening CO_2 price signals to foster investment in carbon-free technologies.
> Risks: lack of a coordinated approach among the various actors and policy-makers involved and limited effectiveness of the policy instruments deployed, 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.

INCENTIVES FOR THE ENERGY TRANSITION

Development incentives and opportunities with a view to the energy transition, consequently guiding the energy system towards the use of low-emission 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, with a positive impact on the return on investment and new business opportunities.

> Opportunities: additional volumes and greater margins due to additional investment in the electricity industry, in line with the electrification strategy, decarbonization and the upgrading/digitalization of enabling infrastructure.
> Risks: obstacles to achieving energy transition targets due to regulatory systems that do no effectively support the energy transition (delays in permitting processes, no upgrading of the electricity grid, etc.).

RESILIENCE 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 service quality and continuity risks for the community.
> 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

Incentives for the energy transition through appropriate policy measures and financial instruments, which should be capable of supporting an investment framework and a long-term, credible and stable positioning of policy-makers. 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 provide incentives consistent with an overall positioning tailored to the energy transition, uncertainty or slowdown in the introduction of new instruments and rules due to the deterioration in the public finances or differences in application in the geographic areas in which the Group operates.

Market

MARKET DYNAMICS

Market dynamics, such as those connected with the variability of commodity prices, the increase in electricity consumption due to the energy transition and the penetration of renewables, have an impact on business drivers, with effects on margins and on production and sales volumes.

> Opportunities: positive effects associated with the growth in electricity demand and the greater room for renewables and all sources of flexibility.
> Risks: exposure of merchant technologies to market price volatility.

Technology

PENETRATION OF NEW TECHNOLOGIES

Gradual penetration of new technologies such as storage, demand response and green hydrogen; digital lever to transform operating models and "platform" business models.

> Opportunities: investments in developing technology solutions.

Products and Services

ELECTRIFICATION OF RESIDENTIAL ENERGY CONSUMPTION

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

> Opportunities: increase in electricity consumption against a background of declining energy consumption thanks to the greater efficiency of electricity.
> Risks: additional competition in this market segment.

ELECTRIC MOBILITY AND ELECTRIFICATION OF INDUSTRIAL ENERGY CONSUMPTION

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; electrification of industrial energy users.

> Opportunities: positive effects of the increase in electricity demand and greater margins connected with the penetration of electric transportation and associated "beyond commodity" service.

The Group has already taken strategic actions to mitigate potential risks and exploit the opportunities offered by the energy transition. Thanks to our industrial and financial strategy incorporating ESG factors, an integrated approach shaped by sustainability and innovation makes it possible to create long-term shared value.
A strategy focused on complete 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.
Unlike chronic climate impacts, developments in the transition scenario could have impacts in the short and medium/long term (by 2030) as well.

As with climate variables, we can test the current Business Plan (2021-2023) for its sensitivity to the factors potentially influenced by the transition scenario, with particular regard to the price of CO_2 (ETS). Examining the main transition variables, the price of CO_2 appears to be an especially reliable driver of regulatory measures that could accelerate the transition process.

To assess the impact of possible changes in this driver, the effects of a potential change of +/-10% in the CO_2 price for Italy and Spain are determined. This price change would modify the equilibrium price of both wholesale markets, with repercussions on the margins of Global Power Generation for both conventional and renewables plants.

To quantify the risks and opportunities engendered by the energy transition in the long term, the transition scenarios described in the section "The transition scenario" have been considered for Italy and Spain. The effects on the variables that can most influence the business were then identified. In the Brighter Future scenarios, these include electricity demand driven by greater electrification of con-

sumption and the power generation mix. These considerations offer ideas for determining what the Group's strategic positioning for resource allocation could be. The dynamics of the energy transition could bring growing opportunities for the Group in the context of greater ambition for decarbonization and energy efficiency. In particular, on the retail electricity market, the progressive electrification of final consumption – in particular in transportation and the residential segment – will lead to a significant increase in electricity consumption to the detriment of other forms of energy.

With regard to the financial impact of changes in transition scenarios, the Group analyzed the impact of the Brighter Future scenario on 2030 results in terms of EBITDA compared with the Reference scenario.

Given the ambition defined in the national plan, the two scenarios in Iberia would not see substantial increases in the penetration of renewable energy, and therefore no significant impacts deriving from changes in electricity prices are expected.

Conversely, in Italy the Brighter Future scenario enables a greater penetration of renewable energy, with additive effects on installed capacity, partially offset by a possible reduction in electricity prices. Similar effects are highly likely in other areas, such as North America.

With regard to the electrification of consumption, however, the Brighter Future scenario envisages higher penetration rates of the most efficient electrical technologies. In particular, a substantial increase in electric vehicles and heating/cooling systems based on heat pumps would give rise to a 5% increase in demand compared with the Reference scenario, with positive impacts both on the Retail business and on the "beyond commodity" services offered by Enel X. The greater penetration of heat pumps could at the same time lead to a reduction in gas sales in the Retail segment as a result of gradual switching to electricity. However, it is expected that the overall effect on EBITDA performance would be positive, accompanied by a reduction in Scope 3 CO_2 emissions connected with the SBTi targets.

As noted above, the Brighter Future scenario will entail a considerable increase in the complexities that will have to be managed by grids in the various geographical areas.

In fact, we expect a significant increase in distributed generation and other resources, such as storage systems, the greater penetration of electric mobility with the related charging infrastructures, as well as the growing rate of electrification of consumption and the appearance of new actors with new modes 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 network. 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 investments must be accompanied by consistent policy and regulatory scenarios to ensure adequate financial returns within the distribution Business Line.

TRANSITION

Risk & opportunity category	Time horizon[1]	Description and impact	GBL affected	Scope	Quantification - Type of impact		Quantification - range <100 €mn	100-300 €mn	>300 €mn
Policy & Regulation	Short/ medium term	**Risk**: Impact on margin due to measures affecting CO_2 price. Considering the potential impact of regulatory measures to incentivize energy transition, the Group assesses the exposure to changes of **+/- 10% in the price of CO_2** using sensitivity analysis.	Global Power Generation	Italy and Iberia	EBITDA/year	+10% -10%	■ ■		
Global Power Generation	Medium term	**Opportunity**: Greater room for investment in new renewables capacity. **Risk**: Decrease in power prices due to increased penetration of renewables. Considering the two alternative transition scenarios, the Group assessed the impact of an increase in the penetration of renewables on the benchmark power price and on additional capacity at 2030.	Global Power Generation	Italy and Iberia	EDITDA 2030/ Brighter vs Reference			■	
Mercato	Medium term	**Opportunity**: Increase in margins due to impact of transition on electrification of energy consumption. **Risk**: Increase in competition and possible decrease in market share. Considering two alternative transition scenarios, the Group assesses the impact of trends in efficiency, the adoption of electric devices and the penetration of EVs to estimate its potential effect on electricity demand, including the effect on gas customers associated with the increase in electrification.	End-user Markets	Italy and Iberia	EBITDA 2030 Brighter vs Reference		■		
Product & Services	Medium term	**Opportunity**: Increase in margins and greater scope for **investment** due to impact of transition in terms of penetration of new technologies and **electric transportation.** Considering two alternative transition scenarios, the Group has assessed the impact of trends in the electrification of transportation and residential consumption to assess the potential effects.	Enel X	Italy and Iberia	EBITDA 2030 Brighter vs Reference			■	

(1) Time horizon : short (2020-2022); medium (up to 2030); long (2030-2050).

■ Upside scenario current policies ■ Downside scenario current policies

Competitive environment

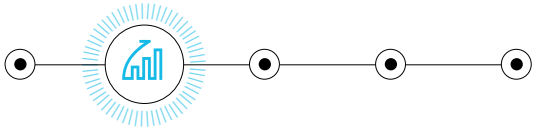
The markets and businesses in which the Group operates are exposed to steadily growing competition and evolution, from both a technological and regulatory point of view, with the timing of these developments varying from country to country.

As a result of these processes, Enel is exposed to growing competitive pressure and, as electricity is this century's energy vector, competition driven by contiguous sectors is also rising, although this offers utilities the opportunity to move into new businesses.

The differentiation on which the Group can count, both geographically and in the various sectors in which it operates, is an important mitigation factor, but in order to orient strategic development guidelines more effectively, the evolution of the competitive environment is constantly monitored, both inside and outside the world of utilities.

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 catalog, these risks include the following:



The internal control and risk management system 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 system of operating limits at the Group and individual Region and 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 45 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. The volatility that characterized the financial markets from the outset of the pandemic has in many cases returned to pre-COVID 19 levels and was offset by risk mitigation actions using derivative financial instruments.

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 commodity prices, such as the prices of fuels and electricity (price risk), or owing to a lack of demand or 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 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 fuel supplies, the Group has diversified fuel sources, using suppliers from different geographical areas.

In 2020, the spread of the COVID-19 pandemic triggered a complex global economic crisis, causing significant increases in commodity price volatility. Enel has contained the risk below the limits estimated in 2019 for the current year, thanks to careful and timely mitigation measures, the geographical diversification of our business, the growing impetus given to the energy transition through the decarbonization process and the use of renewable sources for power generation.

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 RISK

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 Group's consolidated financial statements are also exposed to the currency risk deriving from the translation into euros of the items relating to investments in companies whose presentation currency is not the euro (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.
The volatility that characterized the financial markets during the initial phase of the pandemic has in many cases returned to pre-COVID 19 levels and was offset by risk mitigation actions using derivative financial instruments.

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.

Accordingly, 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 (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.
Despite the deterioration in the collection status of certain customer segments, which was taken into consideration in determining impairment of trade receivables, the Group's portfolio has so far demonstrated resilience to the global pandemic. This reflects the expansion of digital collection channels and a solid diversification of commercial customers with a low exposure to the impact of COVID-19 (e.g. utilities and distribution companies).

LIQUIDITY

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.

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.
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 of the cost of funding, with consequent negative effects on the financial position, financial performance and cash flows of the Group.
In 2020, Enel's risk profile did not change compared with 2019. Accordingly, at the end of the year, Enel's rating was: (i) "BBB+" with a stable outlook for Standard & Poor's; (ii) "A-" with a stable outlook for Fitch; and (iii) "Baa2" with a positive outlook for Moody's. On January 15, 2021, Moody's increased its Enel rating to Baa1. The upgrade reflected the progress achieved in improving the

Group's risk profile, the result of constant investment in grids and renewable energy, greater geographical diversification and a focus on centralized financing.

Enel's liquidity risk management policies are designed to maintain a level of liquidity sufficient to meet its obligations over a specified time horizon, without having recourse to additional sources of financing, as well as to maintain a prudential liquidity buffer sufficient to meet unexpected obligations. In addition, in order to ensure that the Group can discharge its medium and long-term commitments, Enel pursues a borrowing strategy that provides for a diversified structure of financing sources to which it can turn and a balanced maturity profile.
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.

As regards the impact of COVID-19, despite the effects of the pandemic the liquidity risk indices monitored for the Group remained within the limits established for 2020.

Digital Technology risks

The risks discussed in this section are as follows:

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 (theft of company data on customers), making it increasingly difficult to promptly identify the source of threats. 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 resources that over the years have been increasingly integrated into the Group's daily operating processes.

The Group has adopted a holistic governance approach to cyber security that is applied to all the sectors of IT (Information Technology), OT (Operational Technology) and IoT (Internet of Things). The framework is based on the commitment of top management, on global strategic management, on the involvement of all business areas as well as on the units involved in the design and management of our systems. It seeks to use cutting edge technologies, to design *ad hoc* business processes, to strengthen people's IT awareness and to implement regulatory requirements for IT security.

In addition, the Group has developed an IT risk management methodology founded on "risk-based" and "cyber security by design" approaches, thus integrating the analysis of business risks into all strategic decisions. Enel has also created its own Cyber Emergency Readiness Team (CERT) in order to proactively respond to any IT security incidents.

Finally, back in 2019, the Group also took out an insurance policy for cyber security risks in order to mitigate IT threats.

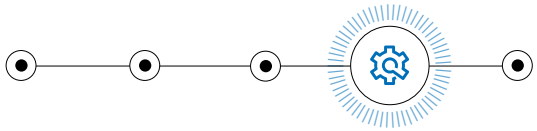
DIGITALIZATION, IT EFFECTIVENESS AND SERVICE CONTINUITY

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 Global Digital Solutions (GDS) unit, which is responsible for guiding the Group's 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 of the Global Digital Solutions unit 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

The main health and safety risks to which Enel personnel and contractors are exposed are associated with operations at the Group's sites and assets. The violation of the laws, regulations and procedures governing health and safety, work environments, management of corporate structures, assets and processes, which could have an adverse impact on the health of employees, workers or stakeholders, can give rise to the risk of incurring administrative or judicial penalties and related economic, financial and reputational impacts. These risks were identified through an analysis of the main events that have occurred in the last three years. In particular, 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 (possibly fatal injuries).

In addition, in relation to the presence of the Group in different areas of the world, employees and contractors could be exposed to health risks connected with potential emerging infectious diseases of a pandemic and potentially pandemic nature, which could have an impact on their health and well-being.

Enel has adopted a Declaration of Commitment to Health and Safety, signed by the Group's top management.

In implementing the policy, each Group Business Line has its own Occupational Health and Safety Management System compliant with the international standard BS OHSAS 18001, which is based on the identification of hazards, the qualitative and quantitative assessment of risks, the planning and implementation of prevention and protection measures, the verification of the effectiveness of the prevention and protection measures and any corrective actions. This system also considers the rigor employed in the selection and management of contractors and suppliers and the promotion of their involvement in programs for continuous improvement of safety performance.

The Enel Group has defined a structured health management system, based on prevention and protection measures, which also plays a role in the development of a corporate culture aimed at promoting the psycho-physical health and organizational well-being of workers, as well as helping to balance personal and professional life.

Furthermore, with regard to emergencies relating to health, safety and the environment, a unit has been set up within the HSEQ department of the Parent with liaisons in each Business Line and Country in order to ensure the definition of the global strategy and policies for emergency management and their adoption in every Group organization. In particular, this organizational structure and the related management processes make it possible to direct, integrate and monitor, both at Group level and in the individual countries in which it operates, all the prevention, protection and intervention actions aimed at protecting the health of employees and contractors, also in relation to exogenous health risk factors that may not be strictly related to work activities.

ENVIRONMENT

Recent years have seen the continuation of the growth in the sensitivity of the entire community to risks connected with development models that impact the quality of the environment and ecosystems with the exploitation of scarce natural resources (including raw materials and water). In some cases, the synergistic effects between these impacts, such as global warming and the increasing exploitation and degradation of water resources, have increased the risk of environmental emergencies in the most sensitive areas of the planet, with the risk of sparking competition among different uses of water resources such as industrial, agricultural and civil uses.

In response to these needs, governments have imposed increasingly restrictive environmental regulations, placing ever more stringent constraints on the development of new industrial initiatives and, in the most impactful industries, incentivizing or requiring the elimination of technologies no longer considered sustainable.

In this context, companies in every sector, and above all industry leaders, are ever more aware that environmental risks are economic risks. As a result, they are called upon to increase their commitment and accountability for developing and adopting innovative and sustainable technical solutions and development models.

Enel has made the effective prevention and minimization of environmental impacts and risks a foundational element of each project across its entire life cycle.

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 the environmental risks and opportunities associated with all corporate activities. A structured control plan combined with improvement actions and objectives inspired by the best environmental practices, with requirements exceeding those for simple environmental regulatory compliance, mitigate the risk of impacts on the environment, reputational damage and litigation. Also contributing are the multitude of actions to achieve the challenging environmental improvement objectives set by Enel, such as those regarding atmospheric emissions, waste production and water consumption, especially in areas with high water stress.

The risk of water scarcity 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. Special attention is also devoted to assets in areas with a high level of water stress, in order to develop technological solutions to reduce consumption. Ongoing collaboration with local river basin management authorities enables us to adopt the most effective shared strategies for the sustainable management of hydroelectric generation assets.

Finally, appropriate terrestrial, marine and river monitoring actions are being implemented in ecosystems to verify the effectiveness of the measures adopted to protect, restore and conserve biodiversity.

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.

The procedures governing procurement processes are all designed to ensure conduct imbued with the utmost respect for key values such as loyalty, professionalism, collaboration, transparency and traceability of decision-making processes.

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.

In this sense, the Global Procurement procedural system guides the daily operations of the various procurement units, which by systematically adopting tender procedures ensure maximum competition and equal access opportunities for all vendors meeting the specified technical, economic/financial, environmental, safety, human rights, legal and ethical requirements.

The supplier qualification system applies to the entire Enel Group and governs compliance with the aforementioned requirements. Enel uses the qualification system – even before the procurement process begins – to verify that its potential suppliers are in line with its strategic vision and expectations in all the areas mentioned and that they are inspired by the same values.
The global supplier qualification system enables the accurate assessment of companies wishing to participate in procurement procedures and represents a guarantee for Enel, since it gives the Group an updated list of suppliers of proven reliability to draw from and makes it possible, in compliance with applicable regulations, to call on suppliers in procurement tenders initiated by Group companies. The qualification procedure is completed by the Supplier Performance Management process, which monitors supplier performance with regard to the appropriateness of their conduct during the tender, quality, punctuality and sustainability in the execution of the contract.
Direct procurement without a competitive tender can only be used in exceptional cases, duly motivated, in compliance with applicable legislation.

The effectiveness of supply chain risk management is monitored using a number of performance indicators (including the concentration of contracts with individual suppliers or industrial groups, the supplier's dependence on Enel, the turnover rate of suppliers, etc.), for which thresholds are specified that guide the definition of the procurement strategy.

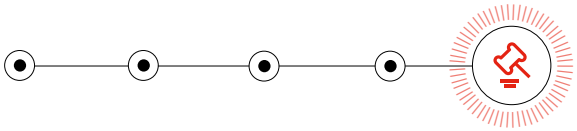
The actions taken to counter the impact of the COVID-19 emergency have focused in differentiating supply sources to avoid interruptions in the supply chain and the remote performance of activities that would ordinarily require physical interaction between Enel and the supplier (e.g. inspections at the company).

PEOPLE AND ORGANIZATION

The profound transformations of the energy sector, which has experienced sweeping technological developments, require companies in the industry to recruit people with new experience and professional skills, as well as imposing the need for major cultural and organizational changes. Organizations must move to adopt new, agile and flexible business models. Policies to enhance diversity and to manage and promote talent have become key factors for companies that are managing the transition and have a widespread geographical presence.
Enel places the people who work for it at the center of its business model: the management of human capital is a priority for which specific objectives have been established. The main goals include: the development of the digital capabilities and skills made necessary by the Fourth Industrial Revolution, as well as the promotion of reskilling and upskilling programs for employees in order to support the energy transition; the effective involvement of employees in the pursuit of the corporate purpose, which ensures the achievement of better results while offering greater satisfaction to our people; the development of systems for evaluating the working environment and performance; the dissemination of diversity and inclusion policies to 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, a key driver in ensuring that everyone can make an effective contribution. In addition, Enel is developing specific initiatives to foster the diffusion of agile working methods in business processes. The Group is committed to enhancing the resilience and flexibility of organizational models through simplification and digitalization in order to enable the effectiveness and autonomy of our people within new flexible working schemes, which have already been effectively tested in the response to the COVID-19 pandemic emergency, which will be a key element of future approaches to work.

Compliance

The risks discussed in this section are as follows:



RISKS CONNECTED WITH THE PROTECTION OF PERSONAL DATA

In the era of the digitalization and globalization of markets, Enel's business strategy has focused on accelerating the transformation towards a business model based on a digital platform, using a data-driven and customer-centric approach implemented along the entire value chain.

The Company, which is present in more than 40 countries, has the largest customer base in the public services sector (about 70 million customers), and currently employs some 67,000 people. Consequently, the Group's new 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 2021-2023 Strategic Plan.

This exposes Enel to the risks connected with the protection of personal data (an issue that must also take account of the substantial growth in privacy legislation in most of the countries in which Enel operates). These risks may result in the loss of confidentiality, integrity or availability of the personal information of our customers, employees and others (e.g. suppliers), 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 that provides for the establishment of positions 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.

4

PERFORMANCE & METRICS

- **Integrated disclosure**
  Financial and non-financial results are reported in integrated form to give an overall view of the Group's performance.

- **Ordinary net profit in 2020 up 9% on 2019**
  An improvement in ordinary operating performance including a reduction in depreciation and amortization for the period and efficient financial management.

- **Capital expenditure exceeds €10 billion**
  45.4% in Enel Green Power and 38.6% in Infrastructure and Networks.

- **33% of debt consists of sustainable financing**
  Consistent with its Sustainability-Linked Financing Framework, the Group is increasingly active in the development of sustainable finance tools with KPIs linked to the achievement of the Sustainable Development Goals (SDGs).

enel
Green Power

DEFINITION OF PERFORMANCE INDICATORS

In order to present the results of the Group and the Parent and analyze their financial structure, Enel has prepared separate reclassified schedules that differ from the schedules envisaged under the IFRS-EU adopted by the Group and Enel SpA and presented in the consolidated and separate financial statements, respectively. These reclassified schedules contain different performance indicators from those obtained directly from the consolidated and separate financial statements, which management believes are useful in monitoring the performance of the Group and the Parent and representative of the financial performance of our business.

With regard to those indicators, on December 3, 2015, CONSOB issued Communication no. 92543/2015, which gives force to the Guidelines issued on October 5, 2015, by the European Securities and Markets Authority (ESMA) concerning the presentation of alternative performance measures in regulated information disclosed or prospectuses published as from July 3, 2016. These Guidelines, which update the previous CESR Recommendation (CESR/05-178b), are intended to promote the usefulness and transparency of alternative performance indicators 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.

Accordingly, in line with the regulations cited above, the criteria used to construct these indicators are the following.

Gross operating profit: an operating performance indicator, calculated as "Operating profit" plus "Depreciation, amortization and impairment losses".

Ordinary gross operating profit: defined as "Gross operating profit" from core businesses connected with the new Ownership and Stewardship business models. It does not include costs connected with corporate restructurings and costs directly attributable to the COVID-19 pandemic.

Ordinary operating profit: defined as "Operating profit" from core businesses connected with the new Ownership and Stewardship business models.

It is calculated by adjusting "Operating profit" for the effects of transactions not connected with core operations referred to with regard to the gross operating profit and excluding significant impairment losses on assets and/or groups of assets following impairment testing (including reversals or impairment losses) or classification under "Assets held for sale".

Group ordinary profit: it is defined as "Group profit" generated by Enel's core business connected with the new Ownership and Stewardship business models.

It is equal to "Group profit" adjusted primarily for the items discussed under "Ordinary operating profit", net of any tax effects and non-controlling interests.

Low carbon ordinary EBITDA: it is the ordinary gross operating profit of the set of products, services and technologies included in the following Business Lines: Enel Green Power, Infrastructure and Networks, Enel X and End-user Markets (excluding gas).

Gross global value added from continuing operations: this is defined as value created for stakeholders and is equal to "Revenue", including "Net income/(expense) from commodity management" net of external costs defined as the algebraic sum of "cost of fuels", "cost of electricity purchases", "costs of materials", "capitalized costs of internal projects", "other costs" and "costs for services, rentals and leases", with the latter net of "costs for fixed water diversion fees" and "costs for public land usage fees".

Net non-current assets: calculated as the difference between "Non-current assets" and "Non-current liabilities" with the exception of:

- "Deferred tax assets";
- "Securities" and "Other financial assets" included in "Other non-current financial assets";
- "Long-term borrowings";
- "Employee benefits";
- "Provisions for risks and charges (non-current portion)";
- "Deferred tax liabilities".

Net working capital: calculated as the difference between "Current assets" and "Current liabilities" with the exception of:

- "Current portion of long-term loan assets", "Factoring

receivables", "Securities", "Cash collateral" and "Other financial assets" 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 borrowings" included in "Other current liabilities".

Net assets held for sale: calculated as the algebraic sum of "Assets held for sale" and "Liabilities included in disposal groups held for sale".

Net capital employed: calculated as the sum of "Net non-current assets" and "Net current assets", "Provisions for risks and charges", "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" and "Short-term borrowings and the current portion of long-term borrowings", taking account of "Short-term financial borrowings" included in "Other current liabilities";
- net of "Cash and cash equivalents";
- net of the "Current portion of long-term loan assets", "Factoring receivables", "Cash collateral" and "Other financial assets" included in "Other current financial assets";
- net of "Securities" and "Other financial assets" included in "Other non-current financial assets".

More generally, the net financial debt of the Enel Group is calculated in accordance with paragraph 127 of Recommendation CESR/05-054b implementing Regulation (EC) no. 809/2004 and in line with the CONSOB instructions of July 28, 2006, net of financial assets and long-term securities.

Main changes in the consolidation scope

In the two periods under review, the consolidation scope changed as a result of a number of transactions. For more information, please see note 7 of the consolidated financial statements.

PERFORMANCE OF THE GROUP

E-MARKET SDIR CERTIFIED

207.1 TWh

NET ELECTRICITY GENERATION

of which **105.4 TWh** of renewables

53.6 %

NET EFFICIENT INSTALLED RENEWABLES CAPACITY

for a total of **45.0 GW**

2.2 million km

ELECTRICITY DISTRIBUTION AND TRANSMISSION GRID

44.2 million

END USERS WITH ACTIVE SMART METERS

60% of end users are digitalized

69.5 million

RETAIL CUSTOMERS

of which **23.1 million** on free market

105,237 no.

CHARGING POINTS

+32.3% on 2019

Operations

The following presents the operating, environmental and financial performance of the Group.

SDG		2020	2019	Change
	Net electricity generation (TWh)	207.1	229.1	(22.0)
	of which:			
7	*- renewable (TWh)*	*105.4*	*99.4*	*6.0*
	Total net efficient installed capacity (GW)	84.0	84.3	(0.3)
7	Net efficient installed renewables capacity (GW) (1)	45.0	42.1	2.9
7	Net efficient installed renewables capacity (%)	53.6%	50.0%	7.2%
7	Additional efficient installed renewables capacity (GW) (2)	2.91	3.58	(0.67)
9	Electricity transported on Enel's distribution grid (TWh) (3)	484.6	507.7	(23.1)
9	End users with active smart meters (no.) (4) (5)	44,292,794	43,821,596	471,198
9	Electricity distribution and transmission grid (km) (6)	2,231,961	2,219,008	12,953
	End users (no.) (6)	74,303,931	73,811,964	491,967
	Electricity sold by Enel (TWh) (7)	298.2	322.0	(23.8)
	Gas sold to end users (billions of m^3) (7)	9.7	10.8	(1.1)
	Retail customers (no.) (8)	69,517,932	70,471,612	(953,680)
	- of which free market (8)	*23,164,875*	*23,013,224*	*151,651*
11	Demand response capacity (MW)	6,038	6,297	(259)
11	Charging points (no.) (9)	105,237	79,565	25,672
11	Storage (MW)	123	110	13

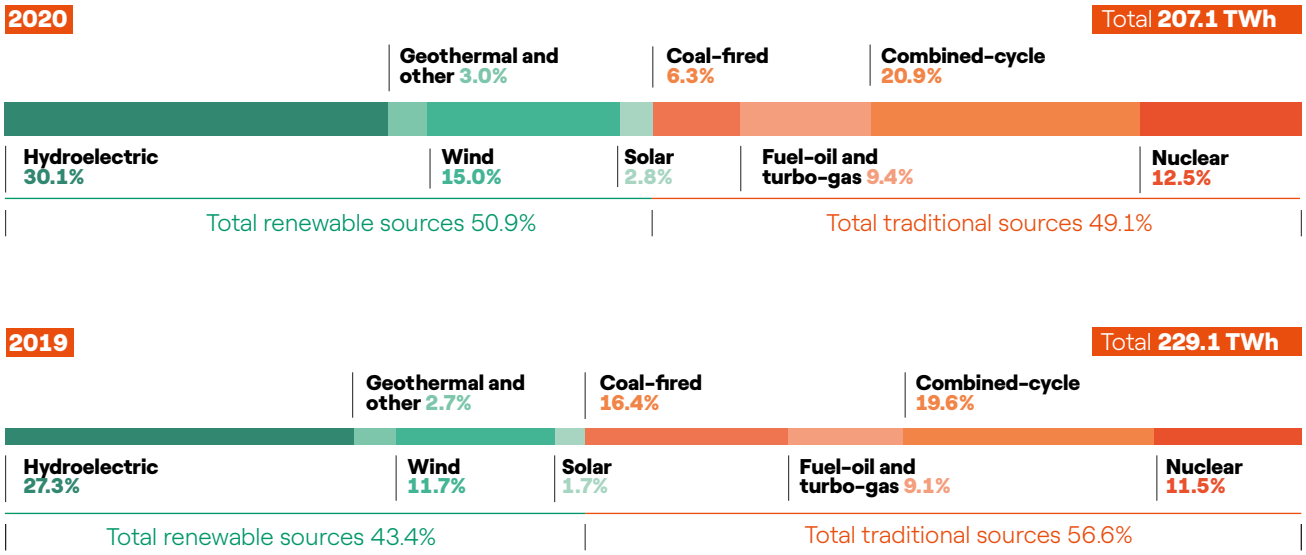
(1) Net efficient installed renewables capacity, including managed capacity, amounted to 48.6 GW at December 31, 2020 and 45.8 GW at December 31, 2019.
(2) Additional efficient installed renewables capacity including managed capacity was equal to 3.1 GW at December 31, 2020 and 3 GW at December 31, 2019.
(3) The figures for 2019 reflect a more accurate measurement of amounts transported.
(4) To ensure a uniform comparison, the figure for 2019 has been adjusted on the basis of the new calculation method, which excludes digital meters with an active contract that are not managed remotely.
(5) Of which 18.2 million second generation smart meters in 2020 and 13.1 million in 2019.
(6) The figures for 2019 reflect more accurate calculation of the numbers.
(7) Volumes include sales to large customers by the power generation companies in Latin America. The 2019 figure has been adjusted to ensure comparability;
(8) Also includes the large customers of generation companies in Latin America. The figure for 2019 has consequently been adjusted to ensure comparability.
(9) The number of charging points including interoperable points was equal to about 186 thousand at December 31, 2020 and about 82 thousand at December 31, 2019.

Electricity generation

Net electricity generated by Enel in 2020 decreased by 22 TWh (-9.6%) from 2019. This reduction reflects, in particular, a decrease in thermal power generation (-27.5 TWh) due mainly to a reduction in coal-fired generation (-24.4 TWh), which was partially offset by an increase in renewable output (+6.0 TWh). The increase can be attributed to greater wind output (+4.3 TWh) and solar generation (1.8 TWh), mainly in Spain and North America as a result of new plants coming online.

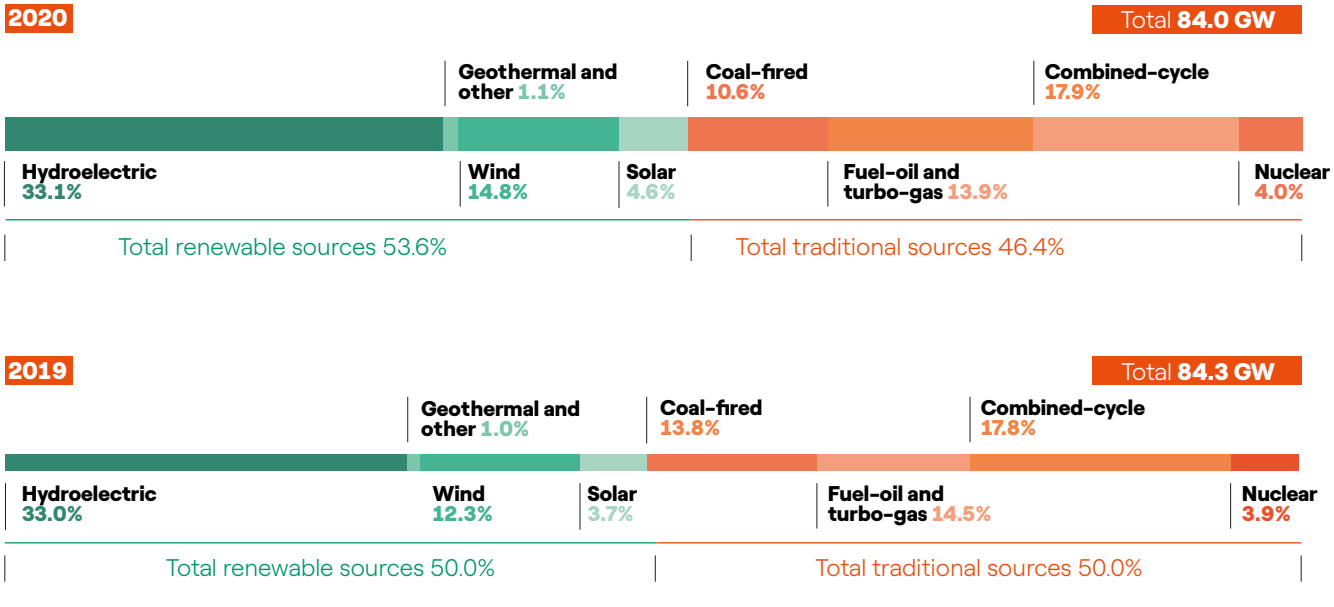
Nuclear generation, totaling 25.8 TWh, decreased by 0.4 TWh compared with 2019.

NET ELECTRICITY GENERATION BY SOURCE (%)



At the end of December 2020, the Group's total **net efficient installed capacity** totaled 84.0 GW, a decrease of 0.3 GW compared with 2019. The disposal of 3 GW of coal and fuel-oil plants in Italy and Spain was only partially offset by new renewables capacity, mainly in the form of wind and solar power in North America (1.4 GW), Brazil (0.9 GW), and Spain (0.4 GW).

NET EFFICIENT INSTALLED CAPACITY BY SOURCE (%)



Fighting climate change and ensuring environmental sustainability

214 (gCO_{2eq}/kWh)

SPECIFIC DIRECT GREENHOUSE GAS EMISSIONS - SCOPE 1

-28.2% on 2019

20.4 millions of m^3

TOTAL WATER CONSUMPTION

-64.9% on 2019

63.4%

ZERO-EMISSION GENERATION

(% of total)

€15,616 million

ORDINARY EBITDA FOR LOW-CARBON PRODUCTS, SERVICES AND TECHNOLOGIES

€9,575 million

CAPEX FOR LOW-CARBON PRODUCTS, SERVICES AND TECHNOLOGIES

Main climate change indicators

		2020	2019	2020-2019	
Direct greenhouse gas emissions - Scope 1 (1)	(million/t_{eq})	45.26	69.98	(24.72)	-35.3%
Indirect greenhouse gas emissions - Scope 2 - Purchase of electricity from the grid (location based)	(million/t_{eq})	1.43	1.55	(0.12)	-7.7%
Indirect greenhouse gas emissions - Scope 2 - Purchase of electricity from the grid (market based)	(million/t_{eq})	2.28	2.30	(0.02)	-0.9%
Indirect greenhouse gas emissions - Scope 2 - Distribution grid losses (location based)	(million/t_{eq})	3.56	3.82	(0.26)	-6.8%
Indirect greenhouse gas emissions - Scope 2 - Distribution grid losses (market based)	(million/t_{eq})	5.57	6.00	(0.43)	-7.2%
Indirect greenhouse gas emissions - Scope 3	(million/t_{eq})	47.70	56.92	(9.22)	-16.2%
- of which emissions connected with gas sales	(million/t_{eq})	*21.48*	*23.92*	*(2.44)*	*-10.2%*
Specific direct greenhouse gas emissions - Scope 1	(gCO_{2eq}/kWh)	214	298	(84)	-28.2%
Specific emissions of SO_2	(g/kWh)	0.10	0.59	(0.49)	-83.1%
Specific emissions of NO_x	(g/kWh)	0.36	0.60	(0.24)	-40.0%
Specific emissions of particulates	(g/kWh)	0.01	0.12	(0.11)	-91.7%
Zero-emission generation	(% of total)	63.4	54.9	8.5	15.5%
Total direct fuel consumption	(Mtoe)	23.9	30.1	(6.2)	-20.6%
Average efficiency of thermal plants (2)	(%)	44.2	42.0	2.2	5.2%
Water withdrawals in water-stressed areas (3)	(%)	22.9	25.4	(2.5)	-9.8%
Specific water withdrawals for total generation (4)	(l/kWh)	0.20	0.33	(0.13)	-39.4%
Reference price of CO_2	(€)	24.72	24.8	(0.1)	-0.3%
Ordinary EBITDA for low-carbon products, services and technologies (5)	(millions of €)	15,616	16,241	(625.0)	-3.8%
Capex for low-carbon products, services and technologies	(millions of €)	9,575	9,131	444.0	4.9%
Ratio of capex for low-carbon products, services and technologies to total	(%)	94.0	92.0	2.0	2.2%

(1) Specific emissions are calculated considering total emissions from thermal generation as a ratio of total renewable, nuclear and thermal generation (including the contribution of heat).
(2) The calculation does not consider Italian O&G plants being decommissioned or of marginal impact. In addition, the figures do not take account of consumption and generation for cogeneration relating to Russian thermal generation plants. Average efficiency is calculated on the basis of the plant fleet and is weighted by generation.
(3) The figure for 2019 has been recalculated on the basis of the change in scope of plants in water-stressed areas.
(4) Specific withdrawals consist of all water withdrawals from sources on the surface (including recovered rainwater), underground, third-party, the sea and wastewater (supplies from third parties) used for generation processes and for closed-cycle cooling, excluding sea water returned to the sea after the desalination process (brine).
(5) The comparative figure for 2019 has been adjusted to take account of the fact that in South America and Mexico the values relating to large customers managed by the generation companies have been reallocated to the End-user Markets Business Line.

The Group's ambition for leadership in the fight against climate change was further strengthened in 2020: the target for the reduction of direct emissions from generation by 2020, which was set in 2015 at 350 g_{eq}/kWh of CO_2 with a 25% reduction compared with 2007, had already been achieved in 2018, two years early. The year 2020 closed with a reduction of 40% in specific emissions from thermal generation compared with the base year of 2007. In 2020, direct emissions of CO_2 equivalent (Scope 1) amounted to 45.26 million tons equivalent, a decrease of 35.3% on 2019. As noted earlier, the reduction is attributable to a decline in thermal generation attributable essentially to a sharp decline in coal-fired generation as a result of the absence of the contribution of the Reftinskaya plant, which was sold in 2019, and a concomitant decrease in Italy, Spain and Chile owing to the acceleration of the energy transition. In addition, generation by other higher-emission plants also declined in favor of renewable generation.

The electricity generated by Enel in 2020 from zero-emission sources amounted to 63.4% of total output, a significant increase compared with 2019 (54.9%) due to the increase in the contribution of solar and wind power.

Due to the contraction in coal generation, SO_2 and particulate emissions fell sharply, with drops of about 83.1% and 91.7% respectively compared with 2019. NO_x emissions also decreased by 40% due to the decline in thermal generation.

Responsible water resource management

		2020	2019	Change	
Total withdrawals	(millions of m³)	51.5	77.3	(25.8)	-33.4%
Water withdrawals in water-stressed areas (1)	(%)	22.9	25.4	(2.5)	-9.8%
Specific water withdrawals for total generation (2)	(l/kWh)	0.20	0.33	(0.13)	-39.4%
Total water consumption	(millions of m³)	20.4	58.1	(37.7)	-64.9%
Water consumption in water-stressed areas	(%)	31.6	23.7	7.9	33.3%

(1) The figure for 2019 has been recalculated on the basis of the change in scope of plants in water-stressed areas.
(2) Specific withdrawals consist of all water withdrawals from sources on the surface (including recovered rainwater), underground, third-party, the sea and wastewater (supplies from third parties) used for generation processes and for closed-cycle cooling, excluding sea water returned to the sea after the desalination process (brine).

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

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

Site monitoring is conducted through the following levels of analysis:

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

About 11% of the Enel Group's total electricity output uses fresh water in water-stressed areas. In 2020 total water withdrawals were 51.5 million cubic meters, 33.4% less than in 2019, reflecting a decrease in thermal generation compared with the previous year. The specific withdrawals for 2020 were about 0.20 l/kWh, 39.4% less than in 2019.

Preserving biodiversity

Preserving biodiversity is one of the strategic objectives of Enel's environmental policy. The Group promotes specific projects in the various areas in which it operates in order to help protect local species, their natural habitats, and the lo-

cal ecosystems in general. These projects cover a vast range of areas, including: inventory and monitoring; programs to protect specific species at risk of extinction; methodological research and other studies; repopulation and reforestation; the construction of infrastructure supports to promote the presence and activities of various species (e.g. artificial nests along power distribution lines for birds or fish ladders at hydroelectric plants), and ecological restoration and reforestation programs.
In 2020, 187 projects were under way to safeguard species and natural habitats, with a total of 4,479 hectares involved in habitat recovery efforts.

Electricity distribution and access, ecosystems and platforms

Electricity transported on Enel's distribution grid totaled 484.6 TWh in 2020, down 23.1 TWh (-4.5%) from 2019, attributable essentially to Italy (-14.5 TWh), Brazil (-3.4 TWh) and Spain (-2.0 TWh).

The number of **Enel end users with active smart meters** increased by 471,198 in 2020, mainly in Spain (+211,228) and Romania (+288,859).

Electricity sold by Enel in 2020 came to 298.2 TWh, decreasing by 23.8 TWh (-7.4%) compared with the previous year. Quantities decreased in the following regions in particular: Italy (-7.3 TWh), Spain (-8.7 TWh), Latin America (-6.9 TWh) – mainly in Brazil (-2.7 TWh) – and Romania (-0.9 TWh). In addition, **gas sold by Enel** in 2020 totaled 9.7 billion cubic meters, a decline of 1.1 billion cubic meters compared with the previous year.

Enel's leadership position has been gained thanks to the attention we place on the customer in providing quality services: aspects that concern more than just the provision of electricity and/or natural gas, extending, above all, to intangible aspects of our service that relate to the perception and satisfaction of our customers.
Through our products for both the residential and business markets, Enel provides dedicated offers with a lower environmental impact and a concentration on the most vulnerable segments of the population. In fact, all the countries in which the Group operates provide forms of support (often linked to government initiatives) which assist these segments of the population in paying their electricity and gas bills, so as to give everyone equal access to electricity.
Enel has also established numerous processes to ensure customers receive a high level of service. In Italy, the commercial quality of all our contact channels (customer service calls, Enel Points and stores, utility bills, app, e-mail, social media, account manager, fax) is ensured through systematic monitoring of the sales and management processes.
The goal is to ensure compliance with applicable laws and regulations and respect for the privacy, freedom and dignity of our customers.
Enel is also continuing its efforts to expand digitalization, electronic invoicing and new services. With Enel X, we offer innovative solutions to residential customers (technological solutions for smart homes, home automation, solar and photovoltaic systems, boilers, maintenance services, lighting, etc.), government customers (public lighting, monitoring services for smart cities, security systems, etc.) and large customers (demand response services, consulting and energy efficiency solutions). We also promote electric mobility through the development of public and private charging infrastructures.

Enel charging points increased by 25,672 units in 2020 compared with 2019.
Private charging points increased by 21,033, mainly in North America and Italy, while public charging points increased by 4,639, primarily in Italy and Spain.

Group performance

€16,816 million

GROSS OPERATING PROFIT

€17,704 in 2019

€8,368 million

OPERATING PROFIT

+21.7% on 2019

€2,610 million

GROUP PROFIT

+20.1% on 2019

€17,940 million

ORDINARY GROSS OPERATING PROFIT

of which **64%** eligible under European taxonomy

€11,284 million

ORDINARY OPERATING PROFIT

of which **30.7%** from Enel Green Power

€5,197 million

GROUP ORDINARY PROFIT

+9.0% on 2019

Millions of euro				
	2020	**2019**	**Change**	
Revenue	64,985	80,327	(15,342)	-19.1%
Costs	47,957	61,890	(13,933)	-22.5%
Net expense from commodity derivatives	(212)	(733)	521	71.1%
Gross operating profit	**16,816**	**17,704**	**(888)**	**-5.0%**
Depreciation, amortization and impairment losses	8,448	10,826	(2,378)	-22.0%
Operating profit	**8,368**	**6,878**	**1,490**	**21.7%**
Financial income	4,607	3,953	654	16.5%
Financial expense	7,213	6,397	816	12.8%
Net financial expense	**(2,606)**	**(2,444)**	**(162)**	**-6.6%**
Share of profit/(loss) from equity-accounted investments	**(299)**	**(122)**	**(177)**	**-**
Pre-tax profit	**5,463**	**4,312**	**1,151**	**26.7%**
Income taxes	1,841	836	1,005	-
Profit from continuing operations	**3,622**	**3,476**	**146**	**4.2%**
Profit/(Loss) from discontinued operations	**-**	**-**	**-**	**-**
Profit for the year (owners of the Parent and non-controlling interests)	**3,622**	**3,476**	**146**	**4.2%**
Profit attributable to owners of the Parent	2,610	2,174	436	20.1%
Profit attributable to non-controlling interests	1,012	1,302	(290)	-22.3%

Financial impact of COVID-19

In compliance with recent recommendations of ESMA and CONSOB, the Group has initiated internal analyses to assess the real and potential impacts of COVID-19 on business activities, on the financial position and on performance.

In light of the macroeconomic scenario discussed earlier, the impact of COVID-19 is most significant for the business segments most closely involved with the market such as End-user Markets and Enel X, taking account of the fact that they have been affected by a significant reduction in demand and a general slowdown in the acquisition of new customers. More specifically, End-user Markets are affected by the overcontracting of electricity as demand and the related volumes decline, as well as the slowdown in collections on accounts receivable, due both to the effects of the crisis and the lockdowns that affected the timeliness of payments and the practices adopted in certain countries that suspended the possibility of cutting off electricity supply to defaulting customers. Enel X, on the other hand, has experienced a general slowdown in the development of its portfolio of new businesses in the first nine months of 2020, much of which it recouped in the 4th Quarter, especially in Italy, in light of the measures adopted by the government to encourage the revival of economic activity.

Bearing in mind the current climate of uncertainty and based on the best information available to date, the estimated financial impact of COVID-19 on the gross operating profit, the ordinary gross operating profit, operating profit, ordinary operating profit, Group profit and Group ordinary profit are reported below.

Millions of euro	Demand	COVID-19 costs	Impairment of receivables	Total
Gross operating profit	(727)	(133)	-	(860)
Operating profit	(727)	(133)	(290)	(1,150)
Group profit	(298)	(86)	(154)	(538)
Ordinary gross operating profit	(727)	-	-	(727)
Ordinary operating profit	(727)	-	(290)	(1,017)
Group ordinary profit	(298)	-	(154)	(452)

The gross operating profit was affected by the COVID-19 emergency mainly in terms of a decrease of €727 million in demand for electricity, with a decrease in sales volumes and the related margins, mainly in End-user Markets of Italy and Spain and in Distribution in Latin America. This figure was determined by using benchmark prices to measure the reduction in quantities distributed and sold, as observed during the peak of the COVID-19 pandemic in the various countries in which the Group operates.

Another factor impacting the gross operating profit was the direct cost of the health emergency (€133 million) for workplace sanitization activities, personal protective equipment and donations. These costs do not impact the determination of the ordinary gross operating profit.

At the same time, taking into account the most recent collection status and the results of the valuation model used to measure the recoverability of receivables, the Group recognized an increase in impairment losses on receivables of about €290 million at the marketing companies, in particular in Italy, Spain and Brazil.

Taking account of tax effects and minority interests, the overall impact of COVID-19 on the Group's profit at December 31, 2020 was a negative €538 million (€452 million on Group ordinary profit).

Revenue

Millions of euro	2020	2019	Change	
Sale of electricity [1]	34,745	39,584	(4,839)	-12.2%
Transport of electricity [1]	10,710	10,931	(221)	-2.0%
Fees from network operators	932	866	66	7.6%
Transfers from institutional market operators	1,395	1,625	(230)	-14.2%
Sale of gas	2,718	3,294	(576)	-17.5%
Transport of gas	611	617	(6)	-1.0%
Sale of fuels	602	914	(312)	-34.1%
Fees for connection to electricity and gas networks	759	785	(26)	-3.3%
Revenue from construction contracts	732	749	(17)	-2.3%
Sale of commodities under contracts with physical settlement (IFRS 9) [1]	7,737	16,294	(8,557)	-52.5%
Other revenue	4,044	4,668	(624)	-13.4%
Total	**64,985**	**80,327**	**(15,342)**	**-19.1%**

(1) In the Distribution segment in Colombia, a number of items previously classified under "Sale of electricity" were reclassified to "Transport of electricity" to improve the presentation of the data. In order to ensure the uniformity and comparability of the figures, the amounts for 2019 have also been reclassified in the amount of €461 million.

As noted earlier, the reduction in **revenue** mainly reflects the effects of the COVID-19 pandemic.

More specifically, revenue in 2020 decreased significantly due to the following:

- lower electricity sales in Spain (€1,390 million) and Italy (€808 million), on both the regulated and the free markets, due mainly to the effects of the COVID-19 pandemic, which led to a decrease in business-to-business volumes on the free market;
- a decrease in the trading of commodities from contracts with physical settlement due to a reduction in volumes traded and in prices applied (€8,557 million);
- a reduction in electricity sales in Latin America (€2,248 million) due mainly to the impact of the depreciation of local currencies against the euro and the contraction in volumes and average sales prices;
- a reduction in volumes of gas sales to end users (€510 million) in Spain and Italy, due in part to the negative impact of COVID-19 on demand;
- a decrease in wheeling volumes in 2020, mainly in reflection of the impact of the COVID-19 pandemic, which caused a decline of €221 million in revenue from the transport of electricity;
- a reduction in revenue from renewable power generation in Latin America, particularly in Chile and Brazil, due mainly to adverse exchange rate developments, which were only partially offset by increased revenue in Italy due to the improved performance of hydroelectric plants, and in Spain and the United States due to new plants coming on line.

These factors were partly offset by:

- an increase registered by Enel North America in income from tax partnerships (€139 million), other revenue from indemnities and litigation (€31 million) and the sale of the Haystack wind project (€45 million);
- an increase in income recognized by e-distribuzione for the reimbursement of system charges and grid fees on the basis of Resolutions no. 50/2018 and 461/2020 of the Regulatory Authority for Energy, Networks and the Environment (ARERA) (€158 million);
- the negative goodwill recognized on the acquisition of Paytipper following the completion of the purchase price allocation process (€20 million).

In 2019 revenue included the following other income:

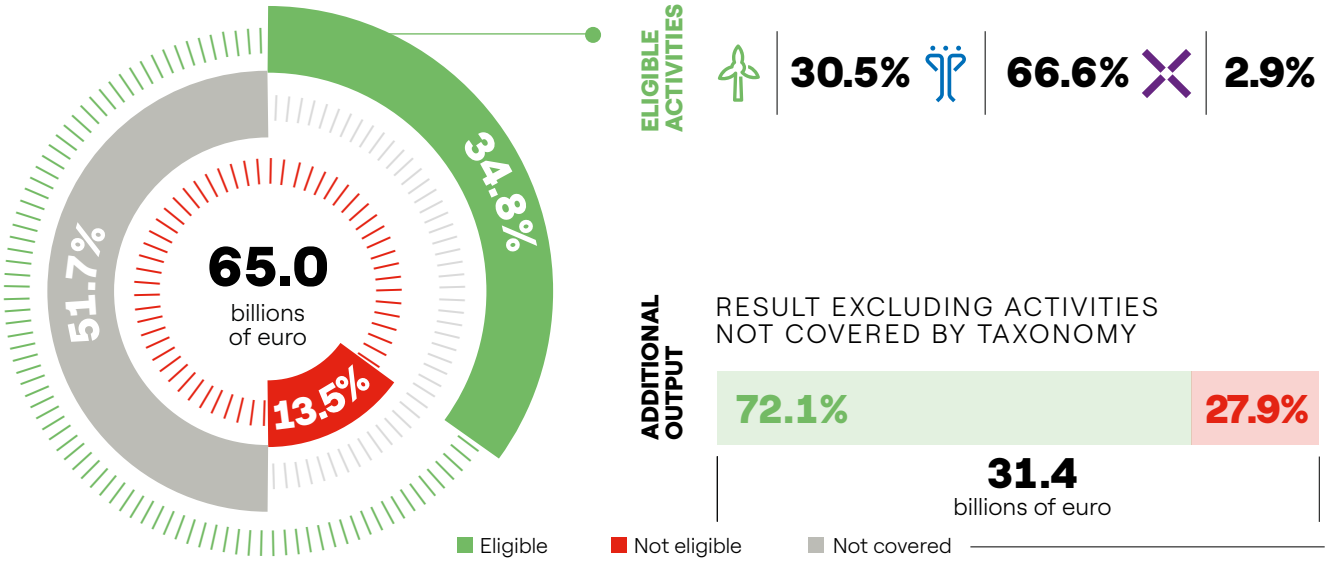
- an increase in revenue in Argentina following the Edesur agreement with the local authorities resolving reciprocal pending disputes arising during the period 2006-2016 (€233 million);
- a gain on the sale of Mercure Srl (€108 million);
- negative goodwill (€181 million) resulting from the definitive allocation of the purchase price of (i) a number of companies sold by Enel Green Power North America Renewable Energy Partners LLC (€106 million) and (ii) Tradewind, which transitioned from being an associate to a

wholly-owned subsidiary (negative goodwill of €75 million);

- the gains of €42 million on the disposals of Gratiot and Outlaw, two renewable energy projects developed by Tradewind;
- the contractual indemnity received following the exercise of the option to withdraw from an electricity supply contract by a major industrial customer of Enel Generación Chile (€160 million), of which €80 million pertaining to thermal generation and €80 million to renewable energy;
- the adjustment of the price for the acquisition of eMotorWerks in 2017 following application of a number of contractual clauses (€98 million);
- the €50 million payment under the agreement reached by e-distribuzione with F2i and 2i Rete Gas for the early all-inclusive settlement of the second indemnity connected with the sale in 2009 of the interest held in Enel Rete Gas.

With regard to revenue, the results of the alignment of this metric with the European taxonomy are reported as previously specified in the section "European Union taxonomy".

REVENUE UNDER THE EUROPEAN TAXONOMY



In 2020, 34.8% of revenue was generated by business activities that meet climate change mitigation criteria, compared with 30.2% in 2019. Excluding activities that are currently not covered by the European taxonomy regulation, 72.1% of revenue was eligible.

Costs

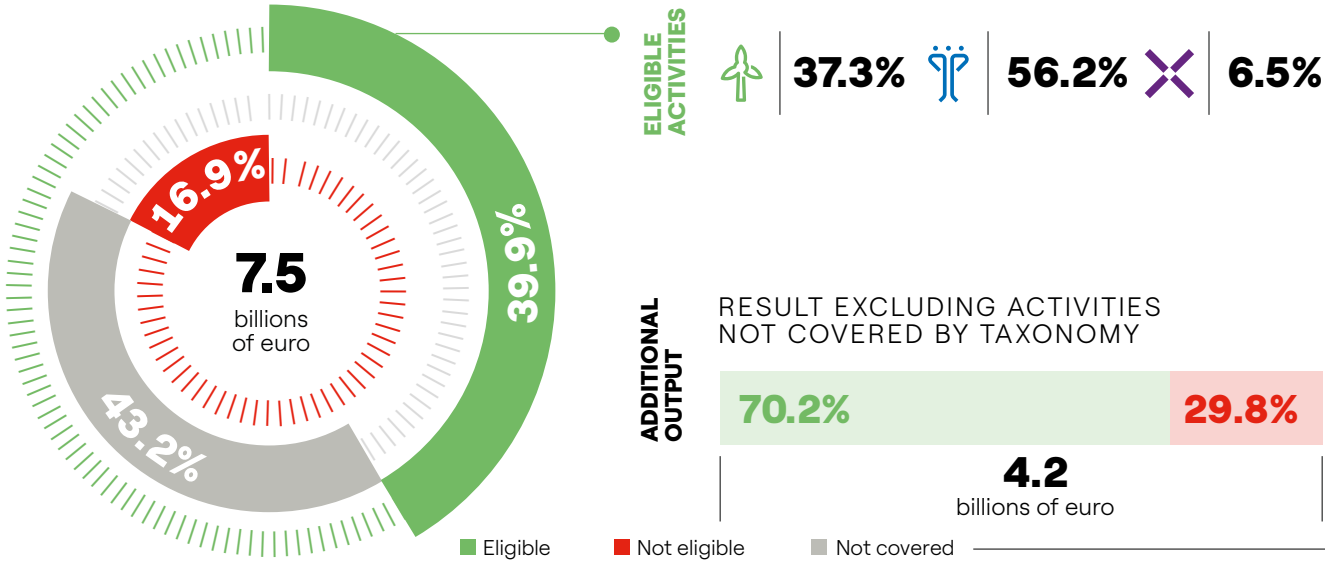
Millions of euro				
	2020	2019	Change	
Electricity purchases [1]	16,003	20,682	(4,679)	-22.6%
Consumption of fuel for electricity generation	2,634	8,322	(5,688)	-68.3%
Fuel for trading and gas for sale to end users [1]	6,637	9,284	(2,647)	-28.5%
Materials [1]	2,397	2,366	31	1.3%
Personnel expenses	4,793	4,634	159	3.4%
Services, leases and rentals	15,676	16,264	(588)	-3.6%
Other operating costs [1]	2,202	2,693	(491)	-18.2%
Capitalized costs	(2,385)	(2,355)	(30)	1.3%
Total	**47,957**	**61,890**	**(13,933)**	**-22.5%**

(1) The figures for 2019 have been adjusted to take account of the reclassification of contracts to purchase commodities for physical settlement (IFRS 9) under the aggregates: "Electricity, gas and fuel"; "Services and other materials".

The decrease in **costs** is mainly attributable to a reduction in the provisioning of commodities in relation to reduced demand as a result of COVID-19.
For further details on operating costs, see the notes to the consolidated financial statements.

With regard to ordinary operating expenditure, the results of the alignment of this metric with the European taxonomy are reported as previously specified in the section "European Union taxonomy".

ORDINARY OPERATING EXPENDITURE UNDER THE EUROPEAN TAXONOMY



In 2020, 39.9% of ordinary operating expenditure was generated by business activities that meet climate change mitigation criteria, compared with 39.6% in 2019. Excluding activities that are currently not covered by the European taxonomy regulation, 70.2% of ordinary operating expenditure was eligible.

Net expense from commodity derivatives

Net expense from commodity derivatives in 2020 connected with trading activities that do not involve physical delivery of the underlying products decreased by €521 million compared with the previous year, due mainly to fluctuations in market prices.

Gross operating profit

The table below presents gross operating profit by Business Line:

Millions of euro	2020	2019 (1)	Change	
Thermal Generation and Trading	1,700	1,364	336	24.6%
Enel Green Power	4,647	4,588	59	1.3%
Infrastructure and Networks	7,433	8,278	(845)	-10.2%
End-user Markets	3,121	3,334	(213)	-6.4%
Enel X	152	158	(6)	-3.8%
Services	(47)	126	(173)	-
Other, eliminations and adjustments	(190)	(144)	(46)	-31.9%
Total	**16,816**	**17,704**	**(888)**	**-5.0%**

(1) The comparative figures for 2019 have been adjusted to take account of the fact that as from 2020 in South America and Mexico amounts attributable to large customers managed by the power generation companies were reallocated to the End-user Markets Business Line.

Generally speaking, the reduction in the **gross operating profit** reflects the effects of COVID-19 and unfavorable exchange rate developments, especially in Latin America, and is mainly attributable to:

- Infrastructure and Networks in the amount of €845 million, reflecting:
  - the lower volumes distributed particularly in Latin America, essentially in Brazil, Chile and Peru, because of the impact the COVID-19 health emergency has had on demand. This decline was compounded by adverse exchange rate developments in 2020 (€402 million), particularly in Brazil;
  - the recognition of provisions for early-retirement incentives in Spain following the changes introduced in the agreement on the voluntary suspension or resolution of employment contracts (€315 million);
  - the lower quantities transported, together with application of the new rates in Spain, which went into effect for 2020-2025;
  - the positive effects recognized in 2019 as a result of the Edesur settlement agreement (€209 million) and the indemnity for the sale of Enel Rete Gas (€50 million), as described above.

  These factors were only partially offset by:
  - the modification of the electricity discount benefit in Spain (€269 million) following the signing of the 5th Endesa Collective Bargaining Agreement, which led to the partial reversal of the provision;
  - an increase of €158 million in income in Italy resulting from application of ARERA Resolutions nos. 50/2018 and 461/2020 for the reimbursement of system charges and network fees;
- End-user Markets (-€213 million) as a result of the negative impact of the COVID-19 health emergency on electricity demand, particularly on the free markets in Italy and Spain, above all in the business-to-business segments. These negative effects were partially offset by lower costs for commodity provisioning and the effect of the indemnity received by Edesur in 2019 (€24 million);
- Enel X (-€6 million), where improvements in operations were, despite the effects of the pandemic, more than offset by the effect of the recognition in 2019 of an indemnity in the amount of €98 million in application of contractual clauses related to the sale of eMotorWerks;
- Services (-€173 million) due, above all, to non-recurring costs associated with the COVID-19 health emergency (€46 million) and costs related to early-retirement incentives and restructuring plans for the energy transition.

These decreases were partially offset by increases achieved by the generation Business Lines.

More specifically:

- in Thermal Generation and Trading, the positive effects came from:
  - the change in the benefit for the electricity discount net of the provision for early-retirement incentives in Spain (€165 million);
  - the reduction in provisioning costs and the improvements in operating efficiency in Italy and Spain.

  These positive effects were partially offset by:
  - increased charges (€204 million) related to the Group's restructuring plans as part of the energy transition, particularly related to coal-fired plants in Spain;
  - the reduction in the gross operating profit in Russia due to the sale of the Reftinskaya plant in October 2019;
  - the €79 million increase in tax expense in Spain due to the temporary suspension, solely for 2019, of the electricity generation tax and the tax on fuels for nu-

clear and conventional thermal generation (Royal Decree Law 15/2018), as well as to the introduction of a new "eco-tax" in Catalonia in July 2020;
- the recognition, in the 1st Quarter of 2019, of the income related to the indemnity of €80 million in Chile and the sale of Mercure Srl in Italy (€94 million, equal to the capital gain noted above net of the related charges to reclaim the industrial site);
- the unfavorable exchange rate developments in Latin America in the amount of €82 million;

> in Enel Green Power due to:
- the improvement in the gross operating profit in Italy (€71 million), mainly attributable to the improved performance of hydroelectric plants;
- the increase in the profit in Iberia (€76 million) due to the increased quantities produced and sold following, in part, an expansion of wind capacity;
- the increased profit in the United States and Canada (€35 million) resulting from the entry into service of new wind farms, which generated an increase in income from tax partnerships (€137 million), in addition to increased income from indemnities and disputes (€31 million) and the gain on the disposal of the Haystack wind farm (€45 million);
- the improved profit in Europe due, above all, to new wind farms in Greece entering service.

These positive effects were partially offset by the effect of the recognition in 2019 of income from the indemnity for early withdrawal from an electricity supply contract in Chile (€80 million), lower profits in Brazil due to the sale of a number of wind farms in 2019, as well as unfavorable exchange rate developments, and the recognition, in 2019, of negative goodwill (€181 million) following the purchase by Enel North America (formerly Enel Green Power North America - EGPNA) of a number of companies sold by Enel Green Power North America Renewable Energy Partners LLC (EGPNA REP) and Tradewind Energy.

Ordinary gross operating profit

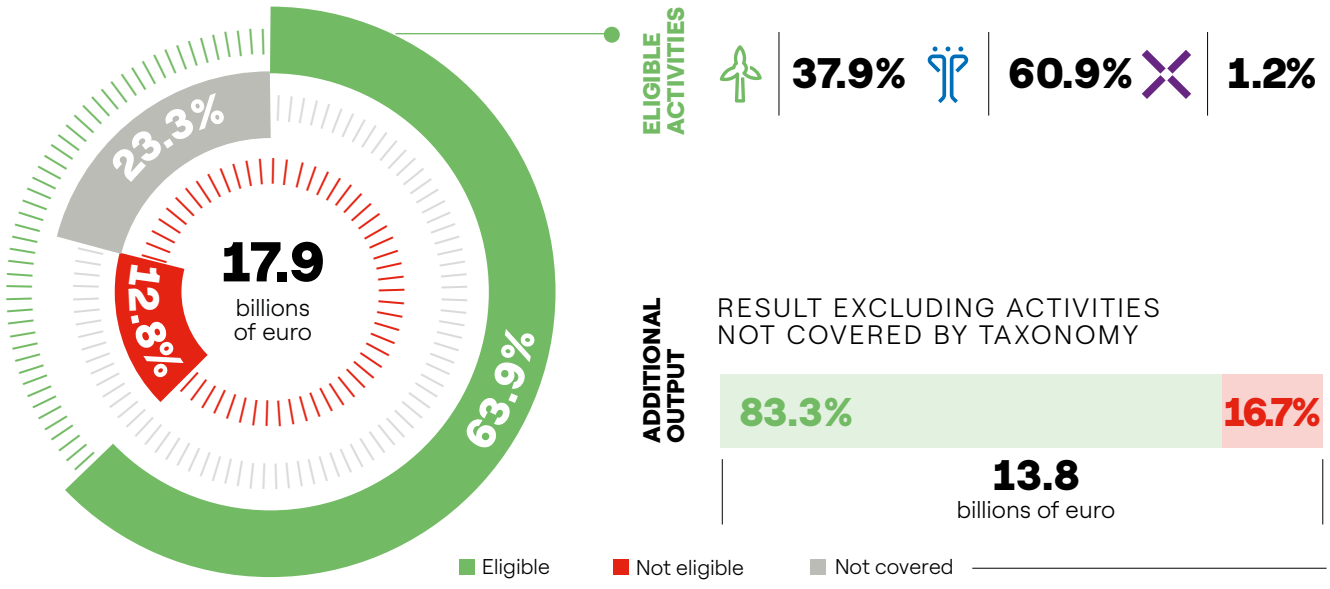
Millions of euro	2020							
	Thermal Generation and Trading	**Enel Green Power**	**Infrastructure and Networks**	**End-user Markets**	**Enel X**	**Services**	**Other, eliminations and adjustments**	**Total**
Gross operating profit/(loss)	**1,700**	**4,647**	**7,433**	**3,121**	**152**	**(47)**	**(190)**	**16,816**
Write-downs of inventories and other charges in respect of coal-fired plants	218	-	-	-	-	-	-	218
Restructuring plans for the decarbonization and digitalization process	299	50	231	65	7	95	12	759
Other impairment losses	-	14	-	-	-	-	-	14
COVID-19 costs	13	10	50	11	2	46	1	133
Ordinary gross operating profit	**2,230**	**4,721**	**7,714**	**3,197**	**161**	**94**	**(177)**	**17,940**

Millions of euro	2019							
	Thermal Generation and Trading	Enel Green Power	Infrastructure and Networks	End-user Markets	Enel X	Services	Other, eliminations and adjustments	Total
Gross operating profit [1]	**1,364**	**4,588**	**8,278**	**3,334**	**158**	**126**	**(144)**	**17,704**
Indemnity resulting from the sale of the equity interest in Enel Rete Gas	–	–	(50)	–	–	–	–	(50)
Adjustment to the price to purchase a number of Greek companies	–	30	–	–	–	–	–	30
Write-down of fuel and replacement-parts inventories at a number of coal plants in Italy and Spain	308	–	–	–	–	–	–	308
Impairment loss on the Reftinskaya coal plant	7	–	–	–	–	–	–	7
Sale of the equity interest in Mercure Srl	(94)	–	–	–	–	–	–	(94)
Ordinary gross operating profit [1]	**1,585**	**4,618**	**8,228**	**3,334**	**158**	**126**	**(144)**	**17,905**

(1) The comparative figures for 2019 have been adjusted to take account of the fact that as from 2020 in South America and Mexico amounts attributable to large customers managed by the power generation companies were reallocated to the End-user Markets Business Line.

With regard to the ordinary gross operating profit (EBITDA), the results of the alignment of this metric with the European taxonomy are reported as previously specified in the section "European Union taxonomy".

ORDINARY GROSS OPERATING PROFIT (EBITDA) UNDER THE EUROPEAN TAXONOMY



In 2020, 63.9% of the ordinary gross operating profit was generated by business activities that meet climate change mitigation criteria, compared with 64.4% in 2019. Excluding activities that are currently not covered by the European taxonomy regulation, 83.3% of the ordinary gross operating profit was eligible.

Operating profit

Millions of euro	2020	2019 (1)	Change	
Thermal Generation and Trading	15	(3,525)	3,540	-
Enel Green Power	2,734	3,260	(526)	-16.1%
Infrastructure and Networks	4,262	5,277	(1,015)	-19.2%
End-user Markets	1,817	2,210	(393)	-17.8%
Enel X	(16)	(98)	82	-83.7%
Services	(226)	(75)	(151)	-
Other, eliminations and adjustments	(218)	(171)	(47)	-27.5%
Total	**8,368**	**6,878**	**1,490**	**21.7%**

(1) The comparative figures for 2019 have been adjusted to take account of the fact that as from 2020 in South America and Mexico amounts attributable to large customers managed by the power generation companies were reallocated to the End-user Markets Business Line.

Operating profit for 2020 increased by €1,490 million taking account of a decrease of €2,378 million in depreciation, amortization and impairment losses. In addition to the factors discussed with regard to the gross operating profit, this increase was due mainly to the decrease of €407 million in depreciation and amortization and the impairment losses recognized in 2019 for a number of coal plants in Italy, Spain, Chile and Russia for a total of €4,010 million. More specifically:

- in Chile, an impairment loss of €356 million was recognized for two plants following an agreement with the Chilean government on their early decommissioning;
- in Russia, as a result of an agreement for the sale of the Reftinskaya coal plant, its carrying amount was adjusted to take account of the sale price (€127 million);
- in Spain, the worsening of the marketplace in relation to the trend in commodities prices and to the functioning of the CO_2 emissions market in the 3rd Quarter of 2019 compromised the competitiveness of the coal plants in the country. In Italy, in addition to a deterioration in market conditions, the implementation of the new system for remunerating generation capacity availability (the capacity market) narrowed the future scope for using plants with higher levels of CO_2 emissions, providing for the exclusion of coal-fired plants from the electricity market. For these reasons, the carrying amount of a number of coal-fired plants in Italy and Spain, including dismantling charges, was impaired by a total of €3,527 million.

These effects were partially offset by:

- the impairment loss recognized in 2020 on the Bocamina II coal plant in Chile, given the decision by the Enel Group to close the plant early in order to accelerate achievement of the Group's strategic objective for the decarbonization of generation processes (€737 million);
- the impairment losses on coal-fired plants in Italy in the amount of €135 million, including Unit 2 of the Brindisi power plant;
- the impairment losses on the Mexico, Argentina and Australia CGUs in the total amount of €750 million;
- other impairment losses of €159 million, the most significant of which regarded the solar panel manufacturing plants of Enel Green Power Italia (€65 million) and the Snyder plant in the United States (€47 million);
- an increase of €141 million in impairment losses on receivables, mainly due to the deterioration in the collection status of receivables in the wake of the COVID-10 emergency.

Ordinary operating profit

Millions of euro	2020							
	Thermal Generation and Trading	Enel Green Power	Infrastructure and Networks	End-user Markets	Enel X	Services	Other, eliminations and adjustments	Total
Operating profit/(loss)	**15**	**2,734**	**4,262**	**1,817**	**(16)**	**(226)**	**(218)**	**8,368**
Write-down of inventories and other charges in respect of coal-fired plants	1,123	-	-	-	-	-	-	1,123
Restructuring plans for the decarbonization and digitalization process	299	50	231	65	7	95	12	759
Impairment losses on the Mexico, Australia and Argentina CGUs	-	534	216	-	-	-	-	750
Other impairment losses	6	132	-	13	-	-	-	151
COVID-19 costs	13	10	50	11	2	46	1	133
Ordinary operating profit/(loss)	**1,456**	**3,460**	**4,759**	**1,906**	**(7)**	**(85)**	**(205)**	**11,284**

Millions of euro	2019							
	Thermal Generation and Trading	Enel Green Power	Infrastructure and Networks	End-user Markets	Enel X	Services	Other, eliminations and adjustments	Total
Operating profit/(loss) [1]	**(3,525)**	**3,260**	**5,277**	**2,210**	**(98)**	**(75)**	**(171)**	**6,878**
Indemnity resulting from the sale of the equity interest in Enel Rete Gas	-	-	(50)	-	-	-	-	(50)
Sale of the equity interest in Mercure Srl	(94)	-	-	-	-	-	-	(94)
Write-downs of fuel and spare-parts inventories at a number of coal plants in Italy and Spain	308	-	-	-	-	-	-	308
Impairment losses on a number of coal-fired plants in Italy	1,936	-	-	-	-	-	-	1,936
Impairment losses on a number of coal-fired plants in Spain	1,591	-	-	-	-	-	-	1,591
Impairment losses on a number of gas-fired plants in Italy	(265)	-	-	-	-	-	-	(265)
Impairment losses on a number of coal-fired plants in Chile	356	-	-	-	-	-	-	356
Value adjustment of the Reftinskaya coal-fired plant	134	-	-	-	-	-	-	134
Impairment losses on a number of renewable energy projects in Italy and North America	-	70	-	-	-	-	-	70
Value adjustment of the Funac receivable for Enel Distribuição Goiás	-	-	96	-	-	-	-	96
Impairment losses on a number of intangible assets of Enel X North America	-	-	-	-	77	-	-	77
Impairment losses on a number of Enel Italia assets	-	-	-	-	-	29	-	29
Price adjustment for purchase of a number of Greek companies	-	30	-	-	-	-	-	30
Ordinary operating profit/(loss) [1]	**441**	**3,360**	**5,323**	**2,210**	**(21)**	**(46)**	**(171)**	**11,096**

(1) The comparative figures for 2019 have been adjusted to take account of the fact that as from 2020 in South America and Mexico amounts attributable to large customers managed by the power generation companies were reallocated to the End-user Markets Business Line.

Group profit

Group profit in 2020 came to €2,610 million, compared with €2,174 million the previous year.

The increase was attributable to the increase in operating profit commented earlier, partially offset by impairment losses of the equity interest in Slovenské elektrárne and the associated receivable due from EP Slovakia BV for the sale of the investment, as well as an increase in the tax liability.

The tax liability increased in 2020 as a result both of the tax treatment of the above impairment losses and the following tax transactions recognized in 2019:

- the reversal of deferred taxes by Enel Distribuição São Paulo following the merger with Enel Brasil Investimentos Sudeste SA (Enel Sudeste) in the amount of €494 million;
- the "*revalúo*" of a number of generation companies in Argentina;
- the application of the participation exemption mechanism to the gain on the sale of Mercure Srl;
- the reversal of deferred tax liabilities by EGPNA as an ancillary effect of the acquisition of a number of companies from EGPNA REP.

These effects were partially offset by:

- a reduction in net financial expense connected with interest rates primarily on bonds, mainly due to renegotiation at more advantageous interest rates;
- a decrease in the impact of non-controlling interests compared with 2019.

Group ordinary profit in 2020 came to €5,197 million (€4,767 million in 2019), increasing by €430 million compared with 2019. The following table provides a reconciliation of Group profit with Group ordinary profit, indicating the non-recurring items and their respective impact on performance, net of the associated tax effects and non-controlling interests.

Millions of euro

	2020	2019
Group profit	**2,610**	**2,174**
Impairment losses on certain assets connected with the disposal of Slovenské elektrárne	833	38
Impairment losses on/write-downs of a number of plants, inventories and other charges in respect of coal-fired plants	598	2,415
Impairment losses on the Mexico, Australia and Argentina CGUs	537	-
Restructuring plans for the decarbonization and digitalization process	422	-
COVID-19 costs	86	-
Impairment losses on a number of assets of Enel Italia and Enel Green Power	65	50
Impairment losses on assets related to a number of wind and hydroelectric projects in North America	35	31
Other minor impairment losses	11	38
Impairment losses on the Reftinskaya coal-fired plant	-	60
Impairment losses on a number of intangible assets of Enel X North America	-	77
Price adjustment for purchase of a number of Greek companies	-	30
Indemnity from the sale of e-distribuzione's equity interest in Enel Rete Gas	-	(49)
Sale of the equity interest in Mercure Srl	-	(97)
Group ordinary profit (1)	**5,197**	**4,767**

(1) Taking account of taxes and non-controlling interests.

E-MARKET
SDIR
CERTIFIED
ENEL
CENTRALE DI S.GIACOMO
enel
Green Power
Centrale Ignazio Silone

VALUE CREATED AND DISTRIBUTED TO STAKEHOLDERS

Millions of euro		
	2020	**2019** [1]
Economic value generated directly	**65,081**	**80,437**
Economic value distributed directly		
Operating expenses	41,702	56,284
Personnel expenses and benefits	3,956	3,748
Payments to providers of capital	7,082	6,566
Payments to government [2]	4,245	4,762
	56,985	**71,360**
Economic value retained	**8,096**	**9,077**

(1) The figures for 2019 have been reclassified to improve presentation.
(2) The amount represents "total taxes borne", which is costs for taxes borne by the Group. For more information, see the 2020 Sustainability Report and the Consolidated Non-Financial Statement.

The economic value generated and distributed directly by Enel provides a helpful indication of how the Group has created wealth for the stakeholders.
The reduction in the economic value generated directly and in operating expenses reflects the impact of the COVID-19 emergency, mainly in terms of a reduction in demand for electricity, which led to a decline in sales volumes and costs for materials and services.
The retained economic value declined primarily as a result of the increase in personnel expenses connected with the energy transition and the effects of COVID-19.

ANALYSIS OF THE GROUP'S FINANCIAL POSITION AND FINANCIAL STRUCTURE

€87,772 million

NET CAPITAL EMPLOYED

€92,113 million at December 31, 2019

€45,415 million

NET FINANCIAL DEBT

+0.5% on December 31, 2019

33%

SUSTAINABLE FINANCING

as proportion of gross debt of **€59,037** million

€10,197 million

TOTAL CAPITAL EXPENDITURE

of which **80%** eligible under European taxonomy

Analysis of the Group's financial position

Millions of euro

	at Dec. 31, 2020	at Dec. 31, 2019	Change	
Net non-current assets:				
- property, plant and equipment and intangible assets	96,489	99,010	(2,521)	-2.5%
- goodwill	13,779	14,241	(462)	-3.2%
- equity-accounted investments	861	1,682	(821)	-48.8%
- other net non-current assets/(liabilities)	(6,807)	(5,022)	(1,785)	-35.5%
Total net non-current assets	**104,322**	**109,911**	**(5,589)**	**-5.1%**
Net working capital:				
- trade receivables	12,046	13,083	(1,037)	-7.9%
- inventories	2,401	2,531	(130)	-5.1%
- net receivables due from institutional market operators	(2,755)	(3,775)	1,020	27.0%
- other net current assets/(liabilities)	(6,977)	(7,282)	305	4.2%
- trade payables	(12,859)	(12,960)	101	0.8%
Total net working capital	**(8,144)**	**(8,403)**	**259**	**3.1%**
Gross capital employed	**96,178**	**101,508**	**(5,330)**	**-5.3%**
Provisions:				
- employee benefits	(2,964)	(3,771)	807	21.4%
- provisions for risks and charges and net deferred taxes	(6,050)	(5,722)	(328)	-5.7%
Total provisions	**(9,014)**	**(9,493)**	**479**	**5.0%**
Net assets held for sale	**608**	**98**	**510**	**-**
Net capital employed	**87,772**	**92,113**	**(4,341)**	**-4.7%**
Total equity	**42,357**	**46,938**	**(4,581)**	**-9.8%**
Net financial debt	**45,415**	**45,175**	**240**	**0.5%**

Property, plant, equipment, and intangible assets decreased as a result of adverse exchange rate developments (€5,873 million), mainly in Latin America, and depreciation, amortization and impairment losses for the year (€6,906 million), These factors were partially offset by capital expenditure during the period (€9,548 million) and changes in the consolidation scope (€106 million), related mainly to the acquisition by Enel X of a controlling interest in Paytipper and the acquisition of a number of companies in the renewable energy segment in Spain and Italy. These effects were compounded by the value adjustment of assets in Argentina due to hyperinflation.
Goodwill decreased following the impairment loss recognized in Argentina in the amount of €253 million and unfavorable exchange rate developments, particularly in Brazil, in the amount of €178 million.

Equity-accounted investments decreased mainly as a result of the impairment loss on the equity investment held in Slovak Power Holding (-€385 million) in relation to the change in the formula to calculate the sale price called for by contract under certain conditions, net of results for the year.

Net assets held for sale refer mainly to a number of projects in South Africa for which there is a binding offer for their future sale, as well as assets held in Bulgaria, which were sold in January 2021, and the equity-accounted investment in OpEn Fiber.

Net capital employed came to €87,772 million at December 31, 2020 and was funded by equity attributable to owners of the Parent and non-controlling interests in the amount of €42,357 million and net financial debt of €45,415 million. The debt-to-equity ratio at December 31, 2020, was 1.07 (compared with 0.96 at December 31, 2019).

Analysis of the Group's financial structure

Net financial debt

The following schedule shows the composition of and changes in net financial debt.

Millions of euro	at Dec. 31, 2020	at Dec. 31, 2019	Change	
Long-term debt:				
- bank borrowings	8,663	8,407	256	3.0%
- bonds	38,357	43,294	(4,937)	-11.4%
- other borrowings	2,499	2,473	26	1.1%
Long-term debt	*49,519*	*54,174*	*(4,655)*	*-8.6%*
Long-term financial assets and securities	(2,745)	(3,185)	440	13.8%
Net long-term debt	**46,774**	**50,989**	**(4,215)**	**-8.3%**
Short-term debt				
Bank borrowings:				
- current portion of long-term bank borrowings	1,369	1,121	248	22.1%
- other short-term bank borrowings	711	579	132	22.8%
Short-term bank borrowings	*2,080*	*1,700*	*380*	*22.4%*
Bonds (current portion)	1,412	1,906	(494)	-25.9%
Other borrowings (current portion)	387	382	5	1.3%
Commercial paper	4,854	2,284	2,570	-
Cash collateral on derivatives and other financing	370	750	(380)	-50.7%
Other short-term financial borrowings [1]	415	351	64	18.2%
Other short-term debt	*7,438*	*5,673*	*1,765*	*31.1%*
Long-term loan assets (short-term portion)	(1,428)	(1,585)	157	9.9%
Loan assets - cash collateral	(3,223)	(2,153)	(1,070)	-49.7%
Other short-term financial assets	(253)	(369)	116	31.4%
Cash and cash equivalents with banks and short-term securities	(5,973)	(9,080)	3,107	34.2%
Cash and cash equivalents and short-term financial assets	*(10,877)*	*(13,187)*	*2,310*	*17.5%*
Net short-term debt	**(1,359)**	**(5,814)**	**4,455**	**-76.6%**
NET FINANCIAL DEBT	**45,415**	**45,175**	**240**	**0.5%**
Net financial debt of "Assets held for sale"	**646**	**-**	**646**	**-**

(1) Includes current financial borrowings included under "Other current financial liabilities".

Net financial debt, in the amount of €45,415 million at December 31, 2020, increased by €240 million over December 31, 2019. The decline in gross financial debt was more than offset by the decline in cash and financial assets. More specifically, this was due mainly to the following factors: (i) investment needs for the year (€10,197 million), including contract assets; (ii) the payment of dividends totaling €4,742 million; and (iii) extraordinary transactions in non-controlling interests to acquire additional stakes in Enel Américas and Enel Chile (€1,065 million).

Cash flows from operating activities (€11,508 million), the issue of perpetual hybrid bonds (€592 million, net of transaction costs), the conversion of hybrid bonds into perpetual hybrid bonds (€1,794 million, net of transaction costs) and the impact of favorable exchange rate developments on debt denominated in foreign currencies partially offset cash needs related to the factors listed above.

Gross financial debt as at December 31, 2020, came to €59,037 million, down €2,510 million from the previous year.

GROSS FINANCIAL DEBT

Millions of euro	at Dec. 31, 2020			at Dec. 31, 2019		
	Gross long-term debt	Gross short-term debt	Gross debt	Gross long-term debt	Gross short-term debt	Gross debt
Gross financial debt	52,687	6,350	59,037	57,583	3,964	61,547
of which:						
- sustainable financing	*15,748*	*3,901*	*19,649*	*13,758*	-	*13,758*
Sustainable financing/Total gross debt (%)			33%			22%

More specifically, **gross long-term financial debt** (including the current portion) amounted to €52,687 million, of which €15,748 million in sustainable financing, and breaks down as follows:

- bonds in the amount of €39,769 million, of which €7,710 million related to sustainable bonds, a decrease of €5,431 million compared with December 31, 2019. The new bond issues, including a bond of £500 million (equivalent to €557 million) linked to sustainability objectives issued by Enel Finance International in October 2020, were easily offset by redemptions, positive exchange rate developments and the accounting effects of the consent solicitation directed at the holders of three non-convertible subordinated hybrid bonds denominated in euros in order to align their features with those of new issues, for a total amount of €1,797 million. More specifically, the main change to those instruments regarded their maturity, which was transformed from fixed to perpetual, which means that they will be redeemed only in the event of liquidation. As a result, those bonds are no longer recognized as debt instruments but as equity instruments;
- bank borrowings in the amount of €10,032 million, of which €8,038 million related to sustainable financing. These borrowings increased by €504 million compared with the previous year due mainly to the use of new financing, only partially offset by exchange gains and repayments during the year. New bank borrowings include:
  - €1,000 million in respect of the use of a floating-rate loan granted to Enel SpA linked to sustainability goals;
  - €300 million in respect of a floating-rate loans granted to Endesa linked to sustainability goals;
  - $340 million (equivalent to €277 million) in respect of the use of a floating-rate loan granted to Enel Finance America linked to sustainability goals;
  - €250 million in respect of the use of a floating-rate loan granted to e-distribuzione by the European Investment Bank linked to sustainability goals;
- other borrowings in the amount of €2,886 million, essentially unchanged from the previous year.

Gross short-term financial debt increased by €2,386 million compared with December 31, 2019, to €6,350 million and mainly includes commercial paper in the amount of €4,854 million, of which €3,901 million linked to sustainability goals issued by Enel Finance International and Endesa.

Cash and cash equivalents and short-term financial assets amounted to €13,622 million, a decrease of €2,750 million compared with the end of 2019, due mainly to the decrease in cash and cash equivalents with banks and short-term securities totaling €3,107 million.

Cash flows

Millions of euro	2020	2019	Change
Cash and cash equivalents at the beginning of the year [1]	**9,080**	**6,714**	**2,366**
Cash flows from operating activities	11,508	11,251	257
Cash flows used in investing activities	(10,117)	(9,115)	(1,002)
Cash flows from/(used in) financing activities	(3,972)	306	(4,278)
Effect of exchange differences on cash and cash equivalents	(497)	(76)	(421)
Cash and cash equivalents at the end of the year [2]	**6,002**	**9,080**	**(3,078)**

(1) Of which, cash and cash equivalents in the amount of €9,029 million at January 1, 2020 (€6,630 million at January 1, 2019), short-term securities in the amount of €51 million at January 1, 2020 (€63 million at January 1, 2019), and cash and cash equivalents pertaining to assets held for sale in the amount of €21 million at January 1, 2019.

(2) Of which, cash and cash equivalents in the amount of €5,906 million at December 31, 2020 (€9,029 million at December 31, 2019), short-term securities in the amount of €67 million at December 31, 2020 (€51 million at December 31, 2019), and cash and cash equivalents pertaining to assets held for sale in the amount of €29 million at December 31, 2020.

Cash flows from operating activities for 2020 were a positive €11,508 million, up €257 million on the previous year due mainly to a decrease in financial expense paid, lower taxes paid and a decrease in the use of provisions for risks and charges, which offset the change in the gross operating profit and the increase in cash requirements connected with the change in net working capital.

Cash flows used in investing activities for 2020 amounted to €10,117 million, while they amounted to €9,115 million in 2019.

Investments in property, plant and equipment, intangible assets, investment property and contract assets totaled €10,197 million, an increase compared with the previous year. For more details, please see the following section.

Investments in entities (or business units) less cash and cash equivalents acquired amounted to €33 million and mainly included the acquisition of 100% of Parque Eólico Tico SLU, Tico Solar 1 SLU and Tico Solar 2 SLU by Enel Green Power España and the acquisition of 100% of Suggestion Power Unipessoal Lda by Endesa Generación Portugal. In 2019, this aggregate mainly included the acquisition, by EGPNA (now Enel North America), of 100% of seven renewable energy plants from EGPNA REP, a 50/50 joint venture between EGPNA and General Electric Capital's Energy Financial Services.

Disposals of entities and business units, net of cash and cash equivalents sold, generated cash flows of €154 million and mainly regarded the sale by Enel North America of a number of companies that owned hydroelectric plants and were measured using the equity method; the sale by Endesa of 80% of its stake in Endesa Soluciones; the sale of a number of storage facilities in North America; and the collection of a receivable related to the sale last year of the Reftinskaya coal-fired plant in Russia (net of the payment of a residual VAT liability related to the sale). In 2019, this aggregate referred mainly to the sale of 100% of three solar plants in Brazil; the sale of the business unit comprising the Mercure biomass plant; and the disposal by EGPNA (now Enel North America) of 30% of its stake in the EGPNA REP joint venture, which held a number of wind energy project development companies.

Cash flows used in other investing activities in 2020 amounted to €41 million, essentially regarding the capital contribution to the joint venture OpEn Fiber, partially offset by minor divestments, mainly in Italy, Iberia and Latin America.

Cash flows used in financing activities amounted to €3,972 million, compared with cash flows from financing activities of €306 million in 2019. Cash flows for 2020 essentially reflected:

- the payment of dividends in the amount of €4,742 million;
- transactions in non-controlling interests in the amount of €1,067 million, mainly related to increasing the stakes held in Enel Américas and Enel Chile (€1,065 million) through a number of share swaps entered into with a leading financial institution;
- an increase as the net effect of repayments and new borrowing and other changes in financial debt in the amount of €1,262 million;
- the generation of liquidity in the amount of €588 million with the issue of a non-convertible subordinated perpetual hybrid bond, net of transaction costs associated with the issue and the transaction costs connected with the conversion of a number of bonds into perpetual hybrid bonds.

In 2020, cash flows from operating activities in the amount of €11,508 million were sufficient to meet only a part of the funding needs for investment activities in the amount of €10,117 million and financing activities in the amount of

€3,972 million. The difference was reflected in a decrease in cash and cash equivalents, which amounted to €6,002 million at December 31, 2020, compared with €9,080 million at the end of 2019. This change also reflects the impact of adverse developments in the exchange rates of the various local currencies with respect to the euro in the amount of €497 million.

Capital expenditure

Millions of euro	2020	2019	Change	
Thermal Generation and Trading	694	851	(157)	-18.4%
Enel Green Power	4,629	4,293 [1]	336	7.8%
Infrastructure and Networks	3,937	3,905	32	0.8%
End-user Markets	460	449	11	2.4%
Enel X	303	270	33	12.2%
Services	103	134	(31)	-23.1%
Other, eliminations and adjustments	71	45	26	57.8%
Total	**10,197**	**9,947**	**250**	**2.5%**

(1) The figure does not include €4 million regarding units classified as "held for sale".

Capital expenditure increased by €250 million on the previous year.

In line with the Paris Agreement on the reduction of CO_2 emissions, and guided by our energy efficiency and energy transition objectives, the Enel Group has invested primarily in renewable energy. More specifically, the increase mainly involved Chile (€447 million), the United States (€447 million), South Africa (€143 million), Russia (€74 million), India (€47 million), Italy (€43 million) and Brazil (€20 million, net of the significant adverse impact of exchange rate developments in the amount of €241 million). These increases were only partially offset by a decrease in investment in Iberia (€305 million), Mexico (€334 million), Canada (€84 million), Greece (€98 million), and Australia (€25 million).

In order to enhance grid resilience in response to increasingly volatile weather events, investment in electricity distribution also increased.

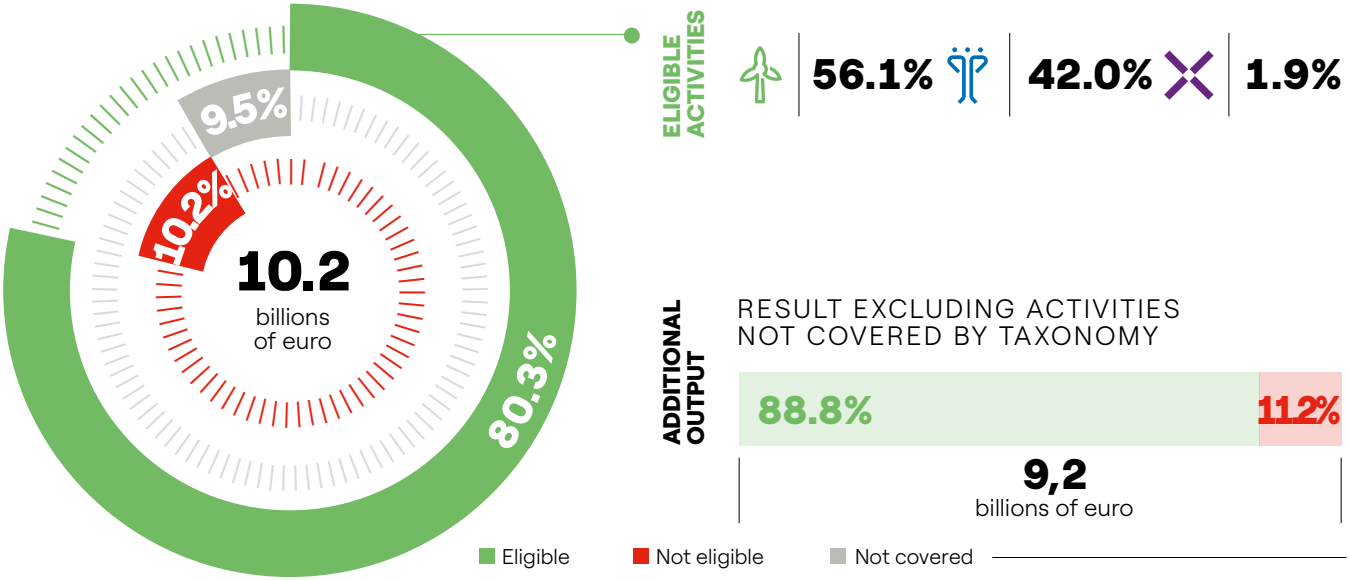
Investment in distribution increased in Italy (€213 million) for quality and remote control projects and in Romania (€13 million) for efforts related to service quality and new connections. These increases were primarily offset by reductions in capital expenditure in South America (€179 million, especially in Argentina, Colombia and Brazil, with the latter primarily reflecting adverse exchange rate developments) and in Spain. Capital expenditure on electronic meters decreased due to a slowdown in the mass replacement effort as a result of the pandemic.

Capital expenditure by Enel X increased in Latin America in relation to the e-Bus project in Colombia and in Italy due to increased investment in public lighting and the development of the e-Home and Vivi Meglio businesses. These effects were partially offset by decreased capital expenditure on storage distributed energy and demand response in the United States and on the e-Home business in Spain, due mainly to a change in business model and to a slowing of capital expenditure in response to COVID-19.

Investment in thermal generation plants and trading decreased, especially in Iberia (€57 million) and Latin America (€73 million).

With regard to capital expenditure, the results of the alignment of this metric with the European taxonomy are reported as previously specified in the section "European Union taxonomy".

ELIGIBLE CAPITAL EXPENDITURE UNDER THE EUROPEAN TAXONOMY



In 2020, 80.3% of capital expenditure was generated by business activities that meet climate change mitigation criteria, compared with 76.8% in 2019. Excluding activities that are currently not covered by the European taxonomy regulation, 88.8% of capital expenditure was eligible.

RESULTS BY BUSINESS LINE

The representation of performance by Business Line presented here is based on the approach used by management in monitoring Group performance for the two years under review, taking account of the operational model adopted by the Group as described above.

With regard to disclosures for operating segments, as management reports on performance by business area, the Group has therefore adopted the following reporting sectors:

> primary segment: Business Line;

> secondary segment: geographical segment.

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 country.

The following chart outlines these organizational arrangements.

The organizational model, which continues to be based on matrix of divisions, provides for the integration of the various companies in the Enel Green Power Business Line into the various divisions by geographical segment, including the functional assignment of large hydro operations, which formally remain attributed to the thermal generation companies, and a definition of the geographical segments (Italy, Iberia, Europe, Latin America, North America, Africa, Asia and Oceania, Central/Holding). In addition, the business structure is arranged as follows: Thermal Generation and Trading, Enel Green Power, Infrastructure and Networks, End-user Markets, Enel X, Services and Holding/Other.

In order to improve the presentation of the performance of the various Business Lines, as from March 31, 2020 the data pertaining to large customers managed by the generation companies in South America and Mexico have been reallocated to the End-user Markets Business Line. Consequently, in order to ensure full comparability of the figures for the two years under review, the comparative figures for 2019 have been adjusted appropriately.

	Holding						
Regions and Countries	**Global Business Lines**					**Local Business**	
	Thermal Generation	**Trading**	**Enel Green Power**	**Infrastructure and Networks**	**Enel X**	**End-user markets**	**Services**
Italy	✓	✓	✓	✓	✓	✓	✓
Iberia	✓	✓	✓	✓	✓	✓	✓
Europe	✓	✓	✓	✓	✓	✓	✓
Africa, Asia and Oceania			✓		✓		
North America	✓	✓	✓		✓	✓	✓
Latin America	✓	✓	✓	✓	✓	✓	✓

Results by Business Line for 2020 and 2019

RESULTS FOR 2020 [1]

Millions of euro	Thermal Generation and Trading	Enel Green Power	Infrastructure and Networks	End-user Markets	Enel X	Services	Other, eliminations and adjustments	Total
Revenue from third parties	19,350	7,409	17,824	17,647	970	1,803	(18)	64,985
Revenue from transactions with other segments	1,454	283	1,518	11,861	151	67	(15,334)	-
Total revenue	**20,804**	**7,692**	**19,342**	**29,508**	**1,121**	**1,870**	**(15,352)**	**64,985**
Net income/(expense) from commodity derivatives	(534)	68	-	264	-	(6)	(4)	(212)
Gross operating profit/(loss)	**1,700**	**4,647**	**7,433**	**3,121**	**152**	**(47)**	**(190)**	**16,816**
Depreciation, amortization and impairment losses	1,685	1,913	3,171	1,304	168	179	28	8,448
Operating profit/(loss)	**15**	**2,734**	**4,262**	**1,817**	**(16)**	**(226)**	**(218)**	**8,368**
Capital expenditure	**694**	**4,629**	**3,937**	**460**	**303**	**103**	**71**	**10,197**

(1) Segment revenue includes both revenue from third parties and revenue from transactions with other segments. An analogous approach was taken for other income and costs for the year.

RESULTS FOR 2019 [1] [2]

Millions of euro	Thermal Generation and Trading	Enel Green Power	Infrastructure and Networks	End-user Markets	Enel X	Services	Other, eliminations and adjustments	Total
Revenue from third parties	30,480	7,344	20,092	19,537	967	1,901	6	80,327
Revenue from transactions with other segments	1,532	373	1,697	13,062	163	80	(16,907)	-
Total revenue	**32,012**	**7,717**	**21,789**	**32,599**	**1,130**	**1,981**	**(16,901)**	**80,327**
Net income/(expense) from commodity derivatives	(676)	14	-	(71)	-	-	-	(733)
Gross operating profit	**1,364**	**4,588**	**8,278**	**3,334**	**158**	**126**	**(144)**	**17,704**
Depreciation, amortization and impairment losses	4,889	1,328	3,001	1,124	256	201	27	10,826
Operating profit/(loss)	**(3,525)**	**3,260**	**5,277**	**2,210**	**(98)**	**(75)**	**(171)**	**6,878**
Capital expenditure	**851**	**4,293** [3]	**3,905**	**449**	**270**	**134**	**45**	**9,947**

(1) Segment revenue includes both revenue from third parties and revenue from transactions with other segments. An analogous approach was taken for other income and costs for the year.
(2) The comparative figures for 2019 have been adjusted to take account of the fact that as from 2020 in South America and Mexico the data for large customers managed by the generation companies have been reallocated to the End-user Market Business Line.
(3) Does not include €4 million regarding units classified as "held for sale".

In addition to the above, the Group also monitors performance by Region/Country. In the table below, gross operating profit is shown for the two years under review with the goal of providing a view of performance not only by Business Line but also by Region/Country.

GROSS OPERATING PROFIT [1]

Millions of euro	Thermal Generation and Trading			Enel Green Power			Infrastructure and Networks			End-user Markets		
	2020	2019	Change	2020	2019	Change	2020	2019	Change	2020	2019	Change
Italy	**221**	**(14)**	**235**	**1,311**	**1,240**	**71**	**3,824**	**3,906**	**(82)**	**2,362**	**2,314**	**48**
Iberia	**1,039**	**590**	**449**	**434**	**358**	**76**	**1,890**	**2,025**	**(135)**	**467**	**715**	**(248)**
Latin America	**309**	**609**	**(300)**	**1,979**	**2,202**	**(223)**	**1,579**	**2,259**	**(680)**	**201**	**292**	**(91)**
Argentina	*85*	*165*	*(80)*	*28*	*51*	*(23)*	*46*	*270*	*(224)*	*(7)*	*3*	*(10)*
Brazil	*66*	*102*	*(36)*	*271*	*335*	*(64)*	*871*	*1,144*	*(273)*	*107*	*154*	*(47)*
Chile	*35*	*198*	*(163)*	*825*	*888*	*(63)*	*156*	*222*	*(66)*	*25*	*41*	*(16)*
Colombia	*9*	*8*	*1*	*573*	*620*	*(47)*	*353*	*399*	*(46)*	*54*	*66*	*(12)*
Peru	*114*	*136*	*(22)*	*136*	*157*	*(21)*	*153*	*224*	*(71)*	*22*	*28*	*(6)*
Panama	*-*	*-*	*-*	*101*	*112*	*(11)*	*-*	*-*	*-*	*-*	*-*	*-*
Other countries	*-*	*-*	*-*	*45*	*39*	*6*	*-*	*-*	*-*	*-*	*-*	*-*
Europe	**118**	**209**	**(91)**	**161**	**112**	**49**	**135**	**107**	**28**	**82**	**15**	**67**
Romania	*(1)*	*(2)*	*1*	*78*	*75*	*3*	*135*	*107*	*28*	*82*	*15*	*67*
Russia	*119*	*209*	*(90)*	*(7)*	*(1)*	*(6)*	*-*	*-*	*-*	*-*	*-*	*-*
Other countries	*-*	*2*	*(2)*	*90*	*38*	*52*	*-*	*-*	*-*	*-*	*-*	*-*
North America	**17**	**(16)**	**33**	**767**	**737**	**30**	**-**	**-**	**-**	**9**	**(2)**	**11**
United States and Canada	*18*	*(16)*	*34*	*693*	*658*	*35*	*-*	*-*	*-*	*-*	*-*	*-*
Mexico	*(1)*	*-*	*(1)*	*74*	*79*	*(5)*	*-*	*-*	*-*	*9*	*(2)*	*11*
Africa, Asia and Oceania	**-**	**-**	**-**	**53**	**62**	**(9)**	**-**	**-**	**-**	**-**	**-**	**-**
South Africa	*-*	*-*	*-*	*53*	*58*	*(5)*	*-*	*-*	*-*	*-*	*-*	*-*
India	*-*	*-*	*-*	*6*	*8*	*(2)*	*-*	*-*	*-*	*-*	*-*	*-*
Other countries	*-*	*-*	*-*	*(6)*	*(4)*	*(2)*	*-*	*-*	*-*	*-*	*-*	*-*
Other	**(4)**	**(14)**	**10**	**(58)**	**(123)**	**65**	**5**	**(19)**	**24**	**-**	**-**	**-**
Total	**1,700**	**1,364**	**336**	**4,647**	**4,588**	**59**	**7,433**	**8,278**	**(845)**	**3,121**	**3,334**	**(213)**

(1) The comparative figures for 2019 have been adjusted to take account of the fact that as from 2020 in South America and Mexico amounts attributable to large customers managed by the power generation companies were reallocated to the End-user Markets Business Line.

Enel X			Services			Other			Total		
2020	2019	Change	2020	2019	Change	2020	2019	Change	2020	2019	Change
38	**13**	**25**	**68**	**169**	**(101)**	**-**	**-**	**-**	**7,824**	**7,628**	**196**
39	**38**	**1**	**(94)**	**66**	**(160)**	**-**	**-**	**-**	**3,775**	**3,792**	**(17)**
83	**64**	**19**	**(88)**	**(123)**	**35**	**-**	**-**	**-**	**4,063**	**5,303**	**(1,240)**
3	*-*	*3*	*(4)*	*(1)*	*(3)*	*-*	*-*	*-*	*151*	*488*	*(337)*
2	*(1)*	*3*	*(19)*	*(49)*	*30*	*-*	*-*	*-*	*1,298*	*1,685*	*(387)*
15	*26*	*(11)*	*(65)*	*(72)*	*7*	*-*	*-*	*-*	*991*	*1,303*	*(312)*
41	*38*	*3*	*-*	*-*	*-*	*-*	*-*	*-*	*1,030*	*1,131*	*(101)*
22	*1*	*21*	*-*	*(1)*	*1*	*-*	*-*	*-*	*447*	*545*	*(98)*
-	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*101*	*112*	*(11)*
-	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*45*	*39*	*6*
9	**-**	**9**	**4**	**5**	**(1)**	**-**	**-**	**-**	**509**	**448**	**61**
9	*6*	*3*	*4*	*5*	*(1)*	*-*	*-*	*-*	*307*	*206*	*101*
-	*(2)*	*2*	*-*	*-*	*-*	*-*	*-*	*-*	*112*	*206*	*(94)*
-	*(4)*	*4*	*-*	*-*	*-*	*-*	*-*	*-*	*90*	*36*	*54*
(10)	**80**	**(90)**	**(3)**	**-**	**(3)**	**(2)**	**-**	**(2)**	**778**	**799**	**(21)**
(10)	*80*	*(90)*	*(3)*	*-*	*(3)*	*(2)*	*-*	*(2)*	*696*	*722*	*(26)*
-	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*82*	*77*	*5*
2	**(1)**	**3**	**-**	**-**	**-**	**-**	**-**	**-**	**55**	**61**	**(6)**
2	*-*	*2*	*-*	*-*	*-*	*-*	*-*	*-*	*55*	*58*	*(3)*
-	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*-*	*6*	*8*	*(2)*
-	*(1)*	*1*	*-*	*-*	*-*	*-*	*-*	*-*	*(6)*	*(5)*	*(1)*
(9)	**(36)**	**27**	**66**	**9**	**57**	**(188)**	**(144)**	**(44)**	**(188)**	**(327)**	**139**
152	**158**	**(6)**	**(47)**	**126**	**(173)**	**(190)**	**(144)**	**(46)**	**16,816**	**17,704**	**(888)**

RESULTS IN ACCORDANCE WITH THE EUROPEAN TAXONOMY BY BUSINESS LINE

The results of the alignment of the metrics for revenue from third parties, ordinary gross operating profit, capital expenditure and ordinary operating expenditure with the European taxonomy are reported, broken down by Business

VALUE CHAIN	Eligible activities (substantive contribution to climate change mitigation)	Revenue from third parties[1]				Ordinary gross operating profit (ordinary EBITDA)			
		2020		2019		2020		2019	
		€ millions	%	€ millions	%	€ millions	%	€ millions	%
Generation	Enel Green Power	7,409	11.4%	7,344	9.1%	4,721	26.3%	4,618	25.8%
		6,914	10.6%	6,921	8.6%	4,346	24.2%	4,296	24.0%
		495	0.8%	423	0.5%	375	2.1%	322	1.8%
		-	-	-	-	-	-	-	-
	Thermal Generation and Trading	19,350	29.8%	30,480	38.0%	2,230	12.4%	1,585	8.8%
		3	-	3	-	-	-	2	-
		5,545	8.5%	7,591	9.5%	1,194	6.7%	1,150	6.4%
		13,802	21.3%	22,886	28.5%	1,036	5.7%	433	2.4%
Grids	Infrastructure and Networks	17,824	27.4%	20,092	25.0%	7,714	43.0%	8,228	46.0%
		15,103	23.2%	16,618	20.7%	6,989	39.0%	7,132	39.9%
		2,720	4.2%	3,474	4.3%	726	4.0%	1,096	6.1%
		1	-	-	-	(1)	-	-	-
Customers	End-user Markets	17,647	27.2%	19,537	24.3%	3,197	17.8%	3,334	18.6%
		-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
		17,647	27.2%	19,537	24.3%	3,197	17.8%	3,334	18.6%
	Enel X	970	1.5%	967	1.2%	161	0.9%	158	0.9%
		658	1.0%	713	0.9%	134	0.7%	94	0.5%
		-	-	-	-	-	-	-	-
		312	0.5%	254	0.3%	27	0.2%	64	0.4%
Other	Services and other	1,785	2.7%	1,907	2.4%	(83)	-0.4%	(18)	-0.1%
		-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-
		1,785	2.7%	1,907	2.4%	(83)	-0.4%	(18)	-0.1%
	TOTAL	64,985	100%	80,327	100%	17,940	100%	17,905	100%
		22,678	34.8%	24,255	30.2%	11,469	63.9%	11,524	64.4%
		8,760	13.5%	11,488	14.3%	2,295	12.8%	2,568	14.3%
		33,547	51.7%	44,584	55.5%	4,176	23.3%	3,813	21.3%

(1) Revenue from third parties is "segment" revenue from non-Group counterparties only. It therefore does not include transactions between the various segments.
(2) The figure for 2019 capital expenditure does not include €4 million regarding units classified as "held for sale".

Line, as previously specified in the section "European Union taxonomy".
The table reports the breakdown of revenue from third parties, ordinary gross operating profit, capital expenditure and ordinary operating expenditure into the European taxonomy categories as a percentage of the total for each of those aggregates.

Capital expenditure[2]				Ordinary operating expenditure			
2020		2019		2020		2019	
€ millions	%	€ millions	%	€ millions	%	€ millions	%
4,629	45.4%	**4,293**	43.2%	**1,227**	16.3%	**1,277**	15.0%
4,591	45.0%	**4,247**	42.7%	**1,119**	14.9%	**1,177**	13.8%
38	0.4%	**46**	0.5%	**108**	1.4%	**100**	1.2%
-	-	**-**	-	**-**	-	**-**	-
694	6.8%	**851**	8.6%	**1,192**	15.9%	**1,561**	18.3%
1	-	**-**	-	**-**	-	**-**	-
493	4.9%	**663**	6.7%	**783**	10.4%	**1,150**	13.5%
200	1.9%	**188**	1.9%	**409**	5.5%	**411**	4.8%
3,937	38.6%	**3,905**	39.2%	**2,065**	27.5%	**2,388**	28.1%
3,435	33.7%	**3,269**	32.8%	**1,683**	22.4%	**1,989**	23.4%
502	4.9%	**636**	6.4%	**381**	5.1%	**398**	4.7%
-	-	**-**	-	**1**	-	**1**	-
460	4.5%	**449**	4.5%	**897**	11.9%	**1,009**	11.9%
-	-	**-**	-	**-**	-	**-**	-
-	-	**-**	-	**-**	-	**-**	-
460	4.5%	**449**	4.5%	**897**	11.9%	**1,009**	11.9%
303	3.0%	**270**	2.7%	**296**	3.9%	**347**	4.1%
158	1.6%	**133**	1.3%	**195**	2.6%	**203**	2.4%
-	-	**-**	-	**-**	-	**-**	-
145	1.4%	**137**	1.4%	**101**	1.3%	**144**	1.7%
174	1.7%	**179**	1.8%	**1,844**	24.5%	**1,924**	22.6%
-	-	**-**	-	**-**	-	**-**	-
-	-	**-**	-	**-**	-	**-**	-
174	1.7%	**179**	1.8%	**1,844**	24.5%	**1,924**	22.6%
10,197	100%	**9,947**	100%	**7,521**	100%	**8,506**	100%
8,185	80.3%	**7,649**	76.8%	**2,997**	39.9%	**3,369**	39.6%
1,033	10.2%	**1,345**	13.6%	**1,272**	16.9%	**1,648**	19.4%
979	9.5%	**953**	9.6%	**3,252**	43.2%	**3,489**	41.0%

eligible not eligible not covered

THERMAL GENERATION AND TRADING

39.0 GW

NET EFFICIENT INSTALLED CAPACITY

-23.9% from coal plants compared with 2019

101.7 TWh

NET ELECTRICITY GENERATION

-65.0% from coal plants compared with 2019

2.5%

"COAL" REVENUE

as proportion of total Group revenue

€1,700 million

GROSS OPERATING PROFIT

€1,636 million in 2019

Operations

NET ELECTRICITY GENERATION

Millions of kWh

	2020	2019	Change	
Coal plants	13,155	37,592	(24,437)	-65.0%
Fuel-oil and turbo-gas plants	19,401	20,887	(1,486)	-7.1%
Combined-cycle plants	43,353	44,980	(1,627)	-3.6%
Nuclear plants	25,839	26,279	(440)	-1.7%
Total net generation	**101,748**	**129,738**	**(27,990)**	**-21.6%**
- of which Italy	*19,044*	*22,604*	*(3,560)*	*-15.7%*
- of which Iberia	*42,853*	*51,312*	*(8,459)*	*-16.5%*
- of which Latin America	*21,764*	*23,388*	*(1,624)*	*-6.9%*
- of which Europe	*18,087*	*32,434*	*(14,347)*	*-44.2%*

The decrease in net electricity generation is essentially attributable to a sharp reduction in coal-fired generation (24,437 kWh), mainly in Russia (13,333 million kWh) following the sale on October 1, 2019 of the Reftinskaya GRES coal-fired plant, as well as in Iberia (6,210 million kWh), Italy (3,672 million kWh), and Chile (1,280 million kWh) in response to the acceleration of the energy transition. Generation at other high-emission plants generally decreased while renewable generation increased. More specifically, generation at fuel-oil and turbo-gas plants decreased by 1,486 million kWh, while combined-cycle plants saw a reduction of 1,627 million kWh.

NET EFFICIENT INSTALLED CAPACITY

MW

	2020	2019	Change	
Coal plants	8,903	11,695	(2,792)	-23.9%
Fuel-oil and turbo-gas plants	11,711	12,211	(500)	-4.1%
Combined-cycle plants	15,009	14,991	18	0.1%
Nuclear plants	3,328	3,318	10	0.3%
Total	**38,951**	**42,215**	**(3,264)**	**-7.7%**
- of which Italy	*12,414*	*13,480*	*(1,066)*	*-7.9%*
- of which Iberia	*13,871*	*15,957*	*(2,086)*	*-13.1%*
- of which Latin America	*7,406*	*7,523*	*(117)*	*-1.6%*
- of which Europe	*5,260*	*5,255*	*5*	*0.1%*

Compared with 2019, the 3,264 MW decrease in net efficient installed capacity was primarily due to the decommissioning of 3,023 MW in coal, fuel-oil and turbo-gas plants in Spain and Italy.

Performance (1)

Millions of euro

	2020	2019	Change	
Revenue	20,804	32,012	(11,208)	-35.0%
Gross operating profit	1,700	1,364	336	24.6%
Ordinary gross operating profit	2,230	1,585	645	40.7%
Operating profit/(loss)	15	(3,525)	3,540	-
Capital expenditure	694	851	(157)	-18.4%

(1) The comparative figures for 2019 have been adjusted to take account of the fact that as from 2020 in South America and Mexico amounts attributable to large customers managed by the power generation companies were reallocated to the End-user Markets Business Line.

With regard to revenue, in response to strategic decisions inspired by a sustainable business model under which we pursue the goals, *inter alia*, of decarbonization and combating climate change, coal-related revenue experienced a progressive, generalized decline as shown in the following table:

REVENUE FROM THERMAL AND NUCLEAR GENERATION

Millions of euro

Revenue (1)	2020	2019	Change
Revenue from thermal generation	7,512	10,300	-27.1%
- of which: coal generation	*1,639*	*2,827*	*-42.0%*
Revenue from nuclear generation	1,360	1,296	4.9%
Revenue from thermal generation as a percentage of total revenue	11.6%	12.8%	
- of which: revenue from coal generation as a percentage of total revenue	*2.5%*	*3.5%*	
Revenue from nuclear generation as a percentage of total revenue	2.1%	1.6%	

(1) Revenue from third parties is "segment" revenue from non-Group counterparties and transactions between the various segments.

The following tables show a breakdown of performance by Region/Country in 2020.

REVENUE [1]

Millions of euro

	2020	2019	Change	
Italy	14,029	23,688	(9,659)	-40.8%
Iberia	5,129	6,261	(1,132)	-18.1%
Latin America	1,304	1,875	(571)	-30.5%
- of which Argentina	*148*	*323*	*(175)*	*-54.2%*
- of which Brazil	*182*	*283*	*(101)*	*-35.7%*
- of which Chile	*627*	*813*	*(186)*	*-22.9%*
- of which Colombia	*183*	*102*	*81*	*79.4%*
- of which Peru	*164*	*354*	*(190)*	*-53.7%*
North America	12	29	(17)	-58.6%
Europe	539	956	(417)	-43.6%
- of which Romania	*-*	*42*	*(42)*	*-*
- of which Russia	*539*	*911*	*(372)*	*-40.8%*
- of which other countries	*-*	*3*	*(3)*	*-*
Other	130	54	76	-
Eliminations and adjustments	(339)	(851)	512	60.2%
Total	**20,804**	**32,012**	**(11,208)**	**-35.0%**

(1) The comparative figures for 2019 have been adjusted to take account of the fact that as from 2020 in South America and Mexico amounts attributable to large customers managed by the power generation companies were reallocated to the End-user Markets Business Line.

GROSS OPERATING PROFIT [1]

Millions of euro

	2020	2019	Change	
Italy	221	(14)	235	-
Iberia	1,039	590	449	76.1%
Latin America	309	609	(300)	-49.3%
- of which Argentina	*85*	*165*	*(80)*	*-48.5%*
- of which Brazil	*66*	*102*	*(36)*	*-35.3%*
- of which Chile	*35*	*198*	*(163)*	*-82.3%*
- of which Colombia	*9*	*8*	*1*	*12.5%*
- of which Peru	*114*	*136*	*(22)*	*-16.2%*
North America	17	(16)	33	-
Europe	118	209	(91)	-43.5%
- of which Romania	*(1)*	*(2)*	*1*	*-50.0%*
- of which Russia	*119*	*209*	*(90)*	*-43.1%*
- of which other countries	*-*	*2*	*(2)*	*-*
Other	(4)	(14)	10	-71.4%
Total	**1,700**	**1,364**	**336**	**24.6%**

(1) The comparative figures for 2019 have been adjusted to take account of the fact that as from 2020 in South America and Mexico amounts attributable to large customers managed by the power generation companies were reallocated to the End-user Markets Business Line.

The increase in **gross operating profit** in 2020 is mainly due to:

> an increase of €449 million in Iberia, essentially attributable to the following factors:
  — a decrease of €1,093 million in fuel consumption costs, which mainly reflects the reduction in thermal generation and the consequent decline in other provisioning costs, including electricity (€135 million), as well as improvements in operating efficiency, partly offset by a decrease in revenue from the sale of electricity

and gas as result of a decline in volumes handled and prices charged;
- a reduction in personnel expenses due to the modification of the electricity discount benefit, net of the provision for early retirement incentive plans (€165 million);
- the decrease in costs associated with services in reflection of the lockdown imposed in response to the COVID-19 health emergency.

These effects were partially offset by:
- increased provisions (€204 million) related to the Group's restructuring plans as part of the energy transition, particularly related to coal plants in Spain;
- a deterioration in net income from derivative contracts for the management of commodity risk in the amount of €124 million;

> an increase of €235 million in gross operating profit in Italy due essentially to:
- a reduction in provisioning costs of thermal plants being decommissioned and improvements in operating efficiency, the effects of which were partially offset by reduced revenue from the sale of electricity due to both lower volumes and lower prices applied;
- an improvement in the net profit from derivative contracts for the management of commodity risk in the amount of €255 million;
- a write-down of €186 million of fuel and spare-parts inventories;
- charges connected with restructuring plans for the energy transition in the amount of €71 million;

> a reduction of €300 million in gross operating profit in Latin America due mainly to:
- a decrease of €163 million in gross operating profit in Chile, mainly attributable to the effect of the recognition in 2019 of an indemnity of €80 million from a large industrial customer for having exercised the early withdrawal option and to a reduction in revenue from the sale of electricity and gas, which mainly reflected adverse exchange rate developments, partially offset by lower costs related to decarbonization, which involved the early closure of Unit I at the Bocamina coal plant;
- a reduction of €80 million in gross operating profit in Argentina due, above all, to adverse exchange rate developments and to the lower quantities of electricity sold;
- a decrease of €36 million in gross operating profit in Brazil due mainly both to lower volumes sold at declining average prices and to the weakening of the Brazilian real against the euro;

> a decrease of €91 million in gross operating profit in Europe, mainly in Russia, and due essentially to the sale of the Reftinskaya GRES coal-fired plant.

The **ordinary gross operating profit** of €2,230 million (€1,585 million in 2019) was affected by €299 million of costs relating to restructuring plans connected with the energy transition, €218 million in write-downs of the inventories and spare parts of a number of plants and €13 million of costs incurred following the COVID-19 pandemic for the sanitization of workplaces, personal protective equipment and donations.

OPERATING PROFIT [1]

Millions of euro

	2020	2019	Change	
Italy	(40)	(1,908)	1,868	-97.9%
Iberia	559	(1,650)	2,209	-
Latin America	(589)	35	(624)	-
- of which Argentina	*32*	*100*	*(68)*	*-68.0%*
- of which Brazil	*56*	*89*	*(33)*	*-37.1%*
- of which Chile	*(749)*	*(246)*	*(503)*	-
- of which Colombia	*(7)*	*(9)*	*2*	*-22.2%*
- of which Peru	*79*	*101*	*(22)*	*-21.8%*
North America	14	(17)	31	-
Europe	76	30	46	-
- of which Romania	*(2)*	*(1)*	*(1)*	-
- of which Russia	*83*	*31*	*52*	-
- of which other countries	*(5)*	-	*(5)*	-
Other	(5)	(15)	10	-66.7%
Eliminations and adjustments	-	-	-	-
Total	**15**	**(3,525)**	**3,540**	**-**

(1) The comparative figures for 2019 have been adjusted to take account of the fact that as from 2020 in South America and Mexico amounts attributable to large customers managed by the power generation companies were reallocated to the End-user Markets Business Line.

In addition to the factors described above in relation to the gross operating profit, the increase in **operating profit** is connected with the decrease in depreciation, amortization and impairment losses (totaling €3,204 million) recognized in 2020 as compared with the previous year, when impairment losses were recognized on coal plants. More specifically, depreciation and amortization came to €364 million, while impairment losses totaled €2,840 million.

CAPITAL EXPENDITURE

Millions of euro

	2020	2019	Change	
Italy	180	189	(9)	-4.8%
Iberia	331	388	(57)	-14.7%
Latin America	120	193	(73)	-37.8%
North America	7	-	7	-
Europe	56	79	(23)	-29.1%
Other	-	2	(2)	-
Total	**694**	**851**	**(157)**	**-18.4%**

The decrease of €157 million in **capital expenditure** involved all geographical segments, with the exception of North America, and mainly reflects the sale in Russia of the Reftinskaya GRES plant in the 4th Quarter of 2019, a change in scheduling and a redefinition of activities concerning gas and coal plants in Spain, the rest of Europe and Latin America, and cost-optimization efforts.

ENEL
GREEN
POWER

45.0 GW

NET EFFICIENT INSTALLED CAPACITY

53.6% of total Group capacity

105.4 TWh

NET ELECTRICITY GENERATION

+45.0% from solar plants compared with 2019

€4,647 million

GROSS OPERATING PROFIT

€4,588 million in 2019

€4,629 million

CAPITAL EXPENDITURE

+7.8% on 2019

Operations

NET ELECTRICITY GENERATION

Millions of kWh

	2020	2019	Change	
Hydroelectric	62,437	62,580	(143)	-0.2%
Geothermal	6,167	6,149	18	0.3%
Wind	30,992	26,668	4,324	16.2%
Solar	5,763	3,974	1,789	45.0%
Other sources	1	21	(20)	-95.2%
Total net generation	**105,360**	**99,392**	**5,968**	**6.0%**
- of which Italy	*23,451*	*24,309*	*(858)*	*-3.5%*
- of which Iberia	*13,415*	*10,090*	*3,325*	*33.0%*
- of which Latin America	*47,400*	*48,448*	*(1,048)*	*-2.2%*
- of which Europe	*2,374*	*2,005*	*369*	*18.4%*
- of which North America	*17,182*	*12,969*	*4,213*	*32.5%*
- of which Africa, Asia and Oceania	*1,538*	*1,571*	*(33)*	*-2.1%*

Net electricity generation in 2020 increased from 2019 due to increases in wind and solar generation, partially offset by a decrease in hydro and biomass generation. The most significant changes in wind power were seen in the United States (+2,116 million kWh) due mainly to the start of operations at the High Lonesome (I and II) and Whitney Hill plants; in Iberia (+1,108 million kWh); in Mexico (+503 million kWh), due, above all, to the start of operations at the Dolores Wind plant; in Canada (+374 million kWh) due mainly to the start of operations at the Riverview plant; and in Greece (+346 million kWh) due mainly to the start-up of the new Kafireas wind farms.

The increase in solar generation is mainly attributable to the United States (+850 million kWh) with the significant contribution of the new Roadrunner plant; Iberia (+397 million kWh), thanks, above all, to the new plants that went online in late 2019 in Estremadura; and Mexico (+397 million kWh), mainly due to the start of operations at the Magdalena plant.

Hydroelectric output fell slightly due to declining generation in Chile in particular (-866 million kWh) and Colombia (-1,305 million kWh), partly offset by an increase in output in Iberia (+1,821 million kWh).

NET EFFICIENT INSTALLED CAPACITY

MW	2020	2019	Change	
Hydroelectric	27,820	27,830	(10)	-
Geothermal	882	878	4	0.5%
Wind	12,412	10,327	2,085	20.2%
Solar	3,897	3,094	803	26.0%
Other sources	5	5	-	-
Total net efficient generation capacity	**45,016**	**42,134**	**2,882**	**6.8%**
- of which Italy	*13,986*	*13,972*	*14*	*0.1%*
- of which Iberia	*7,781*	*7,391*	*390*	*5.3%*
- of which Latin America	*14,554*	*13,676*	*878*	*6.4%*
- of which Europe	*1,141*	*1,037*	*104*	*10.0%*
- of which North America	*6,643*	*5,282*	*1,361*	*25.8%*
- of which Africa, Asia and Oceania	*911*	*776*	*135*	*17.4%*

Net efficient installed capacity increased in 2020 compared with 2019, and mainly in:

- the United States as a result of construction of the Roadrunner Ph II, Ph III and Ph IV solar plants, expansion of the Cimarron Bend wind farm, and the start of operations at the White Cloud and High Lonesome plants;
- Mexico in relation to the Dolores Wind SA de Cv and Parque Amistad III SA de Cv wind farms;
- Brazil in relation to the São Gonçalo photovoltaic plants and the Lagoa dos Ventos I wind farm;
- Spain for the Aragona wind farms and the Andalusia, Castilla - La Mancha, Estremadura and Balearic Islands photovoltaic plants.

Performance (1)

Millions of euro	2020	2019	Change	
Revenue	7,692	7,717	(25)	-0.3%
Gross operating profit	4,647	4,588	59	1.3%
Ordinary gross operating profit	4,721	4,618	103	2.2%
Operating profit	2,734	3,260	(526)	-16.1%
Capital expenditure	4,629	4,293 (2)	336	7.8%

(1) The comparative figures for 2019 have been adjusted to take account of the fact that as from 2020 in Latin America amounts attributable to large customers managed by the power generation companies were reallocated to the End-user Markets Business Line.
(2) The figure does not include €4 million regarding units classified as "held for sale".

The following tables show a breakdown of performance by Region/Country in 2020.

REVENUE [1]

Millions of euro

	2020	2019	Change	
Italy	2,154	1,918	236	12.3%
Iberia	771	653	118	18.1%
Latin America	3,234	3,677	(443)	-12.0%
- of which Argentina	*39*	*64*	*(25)*	*-39.1%*
- of which Brazil	*837*	*694*	*143*	*20.6%*
- of which Chile	*1,209*	*1,479*	*(270)*	*-18.3%*
- of which Colombia	*814*	*1,007*	*(193)*	*-19.2%*
- of which Peru	*132*	*196*	*(64)*	*-32.7%*
- of which Panama	*136*	*169*	*(33)*	*-19.5%*
- of which other countries	*67*	*68*	*(1)*	*-1.5%*
North America	1,156	1,115	41	3.7%
- of which United States and Canada	*1,018*	*956*	*62*	*6.5%*
- of which Mexico	*138*	*159*	*(21)*	*-13.2%*
Europe	323	271	52	19.2%
- of which Romania	*198*	*175*	*23*	*13.1%*
- of which Greece	*114*	*86*	*28*	*32.6%*
- of which Bulgaria	*9*	*8*	*1*	*12.5%*
- of which other countries	*2*	*2*	-	-
Africa, Asia and Oceania	99	107	(8)	-7.5%
Other	226	105	121	-
Eliminations and adjustments	(271)	(129)	(142)	-
Total	**7,692**	**7,717**	**(25)**	**-0.3%**

(1) The comparative figures for 2019 have been adjusted to take account of the fact that as from 2020 in Latin America amounts attributable to large customers managed by the power generation companies were reallocated to the End-user Markets Business Line.

GROSS OPERATING PROFIT [1]

Millions of euro

	2020	2019	Change	
Italy	1,311	1,240	71	5.7%
Iberia	434	358	76	21.2%
Latin America	1,979	2,202	(223)	-10.1%
- of which Argentina	*28*	*51*	*(23)*	*-45.1%*
- of which Brazil	*271*	*335*	*(64)*	*-19.1%*
- of which Chile	*825*	*888*	*(63)*	*-7.1%*
- of which Colombia	*573*	*620*	*(47)*	*-7.6%*
- of which Peru	*136*	*157*	*(21)*	*-13.4%*
- of which Panama	*101*	*112*	*(11)*	*-9.8%*
- of which other countries	*45*	*39*	*6*	*15.4%*
North America	767	737	30	4.1%
- of which United States and Canada	*693*	*658*	*35*	*5.3%*
- of which Mexico	*74*	*79*	*(5)*	*-6.3%*
Europe	161	112	49	43.8%
- of which Romania	*78*	*75*	*3*	*4.0%*
- of which Russia	*(7)*	*(1)*	*(6)*	-
- of which Greece	*85*	*35*	*50*	-
- of which Bulgaria	*7*	*6*	*1*	*16.7%*
- of which other countries	*(2)*	*(3)*	*1*	*33.3%*
Africa, Asia and Oceania	53	62	(9)	-14.5%
Other	(58)	(123)	65	52.8%
Total	**4,647**	**4,588**	**59**	**1.3%**

(1) The comparative figures for 2019 have been adjusted to take account of the fact that as from 2020 in Latin America amounts attributable to large customers managed by the power generation companies were reallocated to the End-user Markets Business Line.

The **gross operating profit** increased by €59 million from 2019, essentially reflecting:

- an increase in gross operating profit in Italy, due above all to improved performance of hydroelectric plants;
- an increase in gross operating profit in Spain, due above all to increased quantities generated and sold as a result of an increase in capacity following the start of operations at a number of wind and solar plants, as well as to increased quantities generated by hydroelectric plants, the effect of which was partially offset by a reduction in prices;
- an improved gross operating profit in North America, mainly in the United States and Canada, where the recognition of negative goodwill in the amount of €181 million and gains on the sale of projects in the amount of €42 million in 2019 were more than offset by the following effects:
  - increased gross operating profit related to new plants entering service;
  - increased tax-partnership income (€137 million) recognized in 2020 following the start of operations at new Enel North America plants, in particular Cimarron Bend, White Cloud, Roadrunner, and Aurora Wind;
  - an increase in income from indemnities and disputes (€31 million);
  - an increase in income attributable to the sale of the Haystack wind project by Tradewind (€45 million);
- an increase in gross operating profit in Europe, and in Greece in particular, following the start of operations for the Kafireas wind farms in the first part of 2020;
- a decrease in gross operating profit in Latin America, due mainly to:
  - a decrease in gross operating profit in Chile due mainly to the recognition by Enel Generación Chile in 2019 of penalty revenue in the amount of €80 million as a result of the early withdrawal by a large-scale industrial customer from a long-term electricity supply agreement, as well as adverse exchange rate developments;

- a deterioration of gross operating profit in Brazil, mainly as a result of the lower quantities sold, the significant weakening of the Brazilian real against the euro and the effect of the sale of a number of wind plants in 2019;
- a reduction of gross operating profit in Colombia, mainly due to adverse exchange rate developments and to a decline in quantities generated and sold as a result, above all, of limited water availability and lower electricity demand.

The **ordinary gross operating profit** amounted to €4,721 million (€4,618 million in 2019), reflecting €50 million in costs relating to restructuring plans connected with the energy transition in Italy, Spain and Latin America, €10 million in costs incurred as a result of the COVID-19 pandemic for workplace sanitization activities, personal protective equipment and donations, €10 million in write-downs of the materials inventories of Enel Green Power Italia and €4 million for the supply of solar panels by Enel Green Power Italia related to a contractual clause connected with the sale of EF Solare Italia to F2i in 2019.

OPERATING PROFIT [1]

Millions of euro				
	2020	**2019**	**Change**	
Italy	935	909	26	2.9%
Iberia	235	183	52	28.4%
Latin America	1,544	1,793	(249)	-13.9%
- of which Argentina	*(15)*	*38*	*(53)*	-
- of which Brazil	*207*	*249*	*(42)*	*-16.9%*
- of which Chile	*660*	*718*	*(58)*	*-8.1%*
- of which Colombia	*521*	*560*	*(39)*	*-7.0%*
- of which Peru	*99*	*118*	*(19)*	*-16.1%*
- of which Panama	*83*	*96*	*(13)*	*-13.5%*
- of which other countries	*(11)*	*14*	*(25)*	-
North America	(28)	418	(446)	-
- of which United States and Canada	*394*	*367*	*27*	*7.4%*
- of which Mexico	*(422)*	*51*	*(473)*	-
Europe	129	58	71	-
- of which Romania	*109*	*49*	*60*	-
- of which Russia	*(13)*	-	*(13)*	-
- of which Greece	*46*	*10*	*36*	-
- of which Bulgaria	*4*	*3*	*1*	*33.3%*
- of which other countries	*(17)*	*(4)*	*(13)*	-
Africa, Asia and Oceania	(11)	24	(35)	-
Other	(70)	(125)	55	-44.0%
Eliminations and adjustments	-	-	-	-
Total	**2,734**	**3,260**	**(526)**	**-16.1%**

(1) The comparative figures for 2019 have been adjusted to take account of the fact that as from 2020 in Latin America amounts attributable to large customers managed by the power generation companies were reallocated to the End-user Markets Business Line.

Operating profit for 2020, including depreciation, amortization and impairment losses in the amount of €1,913 million (€1,328 million in 2019), decreased by €526 million compared with 2019, due mainly to the recognition of impairment losses on the CGUs of Mexico, Australia and Argentina (for a total of €534 million) and to the impairment losses on the assets of a solar panel production line of Enel Green Power Italia (€65 million) and the CIS Nola plant (€15 million).

CAPITAL EXPENDITURE

Millions of euro

	2020	2019	Change	
Italy	283	240	43	17.9%
Iberia	460	765	(305)	-39.9%
Latin America	1,514	1,055 [1]	459	43.5%
North America	1,773	1,744	29	1.7%
Europe	157	189	(32)	-16.9%
Africa, Asia and Oceania	414	274	140	51.1%
Other	28	26	2	7.7%
Total	**4,629**	**4,293**	**336**	**7.8%**

(1) The figure does not include €4 million regarding units classified as "held for sale".

Capital expenditure increased by €336 million in 2020 compared with the same figure for the previous year. More specifically, the change is attributable to:

- an increase of €459 million in capital expenditure in Latin America attributable mainly to photovoltaic plants (€403 million), geothermal plants (€12 million) and wind farms (€130 million), partially offset by a decrease in capital expenditure on hydroelectric plants (€71 million). The increase in capital expenditure was concentrated in Chile and Brazil;
- an increase of €140 million in capital expenditure in Africa, Asia and Oceania related mainly to wind farms (€189 million) concentrated in South Africa and India, which was partially offset by decreased capital expenditure for photovoltaic plants (€49 million), mainly in Australia and Zambia;
- an increase of €29 million in capital expenditure in North America related mainly to increased capital expenditure in the United States at wind farms (€306 million) and photovoltaic plants (€90 million), partially offset by reduced capital expenditure at wind farms (€235 million) and photovoltaic plants (€100 million) in Mexico and at wind farms in Canada (€84 million), reflecting the construction of numerous plants in 2019;
- a decrease of €305 million in capital expenditure in Iberia, mainly related to wind farms (€387 million), given that construction for most of the projects was completed in 2019. This was partially offset by increased capital expenditure for photovoltaic and hydroelectric plants;
- a decrease of €32 million in capital expenditure in Europe, particularly in Greece (€98 million), as projects developed in 2019 became operational. This effect was partially offset by increased capital expenditure for wind farms in Russia in the amount of €74 million.

INFRASTRUCTURE AND NETWORKS

484.6 TWh

ELECTRICITY TRANSPORTED ON ENEL'S DISTRIBUTION GRID

507.7 TWh in 2019

€7,433 million

GROSS OPERATING PROFIT

€8,278 million in 2019

€3,937 million

CAPITAL EXPENDITURE

38.6% of total Group capex

Operations

ELECTRICITY DISTRIBUTION AND TRANSMISSION GRID

Millions of kWh

	2020	2019	Change	
Electricity transported on Enel's distribution grid [1]	484,605	507,738	(23,133)	-4.6%
- of which Italy	*213,615*	*228,143*	*(14,528)*	*-6.4%*
- of which Iberia	*124,658*	*126,608*	*(1,950)*	*-1.5%*
- of which Latin America	*130,958*	*137,296*	*(6,338)*	*-4.6%*
- of which Europe	*15,374*	*15,691*	*(317)*	*-2.0%*
End users with active smart meters (no.) [2] [3]	44,292,794	43,821,596	471,198	1.1%

(1) The figure for 2019 reflects a more accurate measurement of amounts transported.
(2) To ensure a uniform comparison, the figure for 2019 has been adjusted on the basis of the new calculation method, which excludes digital meters with an active contract that are not managed remotely.
(3) Of which 18.2 million second generation smart meters in 2020 and 13.1 million in 2019.

In 2020, electricity transported on the grid decline (-4.6%), due generally to the COVID-19 health emergency. The impact on the various geographical segments is described below:

> in Italy (-6.4%), the reduction in demand for electricity distribution concerned low-voltage customers for non-domestic uses (-5.7 TWh) as well as medium-voltage customers (-5.6 TWh). Demand also declined for electricity distributed to high-voltage customers (-3.0 TWh) and to other resellers (-0.2 TWh);
> in Latin America (-4.6%), the change in volumes transported was seen mainly in Brazil;
> in Europe (-2%), energy distribution declined in Romania in the business segment;
> in Iberia (-1.5%), the decrease was essentially connected with the decline in demand.

AVERAGE FREQUENCY OF INTERRUPTIONS PER CUSTOMER

	2020	2019	Change	
SAIFI (average no.)				
Italy	*1.7*	*1.9*	*(0.2)*	*-10.5%*
Iberia	*1.4*	*1.4*	-	-
Argentina	*4.5*	*6.0*	*(1.5)*	*-25.0%*
Brazil	*5.4*	*5.8*	*(0.4)*	*-6.9%*
Chile	*1.5*	*1.6*	*(0.1)*	*-6.3%*
Colombia	*5.6*	*6.8*	*(1.2)*	*-17.6%*
Peru	*2.6*	*2.8*	*(0.2)*	*-7.1%*
Romania	*3.4*	*4.1*	*(0.7)*	*-17.1%*

AVERAGE DURATION OF INTERRUPTIONS PER CUSTOMER

	2020	2019	Change	
SAIDI (average min.)				
Italy	*42.0*	*48.5*	*(6.5)*	*-13.4%*
Iberia	*74.5*	*75.8*	*(1.3)*	*-1.7%*
Argentina	*839.0*	*1,214.1*	*(375.1)*	*-30.9%*
Brazil	*678.8*	*728.8*	*(50.0)*	*-6.9%*
Chile	*171.2*	*184.1*	*(12.9)*	*-7.0%*
Colombia	*466.6*	*666.6*	*(200.0)*	*-30.0%*
Peru	*419.4*	*418.9*	*0.5*	*0.1%*
Romania	*134.5*	*169.6*	*(35.1)*	*-20.7%*

As shown in the tables above, service quality has improved in all geographical segments, although the SAIDI in Argentina remains high, due in particular to faults in high-voltage transmission systems not operated by the Group.

	2020	2019	Change	
Grid losses (average %)				
Italy	*4.9*	*4.7*	*0.2*	*4.3%*
Iberia	*7.1*	*7.5*	*(0.4)*	*-5.3%*
Argentina	*18.9*	*15.5*	*3.4*	*21.9%*
Brazil	*13.4*	*12.8*	*0.6*	*4.7%*
Chile	*5.2*	*5.0*	*0.2*	*4.0%*
Colombia	*7.6*	*7.7*	*(0.1)*	*-1.3%*
Peru	*8.8*	*8.2*	*0.6*	*7.3%*
Romania	*9.2*	*9.7*	*(0.5)*	*-5.2%*

The variations in grid losses are stable in all geographical segments except in Argentina, where the worsening of the economic crisis in the wake of the COVID-19 pandemic has produced an increase in fraud.

Performance

Millions of euro				
	2020	2019	Change	
Revenue	19,342	21,789	(2,447)	-11.2%
Gross operating profit	7,433	8,278	(845)	-10.2%
Ordinary gross operating profit	7,714	8,228	(514)	-6.2%
Operating profit	4,262	5,277	(1,015)	-19.2%
Capital expenditure	3,937	3,905	32	0.8%

The following tables show a breakdown of performance by Region/Country in 2020.

REVENUE

Millions of euro

	2020	2019	Change	
Italy	7,488	7,647	(159)	-2.1%
Iberia	2,617	2,724	(107)	-3.9%
Latin America	8,821	11,033	(2,212)	-20.0%
- of which Argentina	*647*	*1,166*	*(519)*	*-44.5%*
- of which Brazil	*5,649*	*6,946*	*(1,297)*	*-18.7%*
- of which Chile	*1,229*	*1,467*	*(238)*	*-16.2%*
- of which Colombia	*601*	*641*	*(40)*	*-6.2%*
- of which Peru	*695*	*813*	*(118)*	*-14.5%*
Europe	396	386	10	2.6%
Other	393	60	333	-
Eliminations and adjustments	(373)	(61)	(312)	-
Total	**19,342**	**21,789**	**(2,447)**	**-11.2%**

GROSS OPERATING PROFIT

Millions of euro

	2020	2019	Change	
Italy	3,824	3,906	(82)	-2.1%
Iberia	1,890	2,025	(135)	-6.7%
Latin America	1,579	2,259	(680)	-30.1%
- of which Argentina	*46*	*270*	*(224)*	*-83.0%*
- of which Brazil	*871*	*1,144*	*(273)*	*-23.9%*
- of which Chile	*156*	*222*	*(66)*	*-29.7%*
- of which Colombia	*353*	*399*	*(46)*	*-11.5%*
- of which Peru	*153*	*224*	*(71)*	*-31.7%*
Europe	135	107	28	26.2%
Other	5	(19)	24	-
Total	**7,433**	**8,278**	**(845)**	**-10.2%**

The **gross operating profit** decreased:

- in Latin America, and particularly in Brazil, due to the lower volumes transported as a result of COVID-19 and the unfavorable exchange rate developments, as well as in Argentina due to the effect of the recognition in 2019 of the Edesur settlement with the Argentine government, which resolved reciprocal pending disputes arising from 2006 to 2016 (€209 million);
- in Iberia, following the reduction in energy revenue due both to a reduction in quantities sold and to the application of new remuneration parameters that went into effect for the 2020-2025 regulatory period, and to the recognition of provisions related to early retirement incentive plans following the amendments made to the agreement on the voluntary suspension or resolution of employment contracts (€315 million). These effects were only partially offset by the change in the electricity discount benefit (€269 million) following the signing of the 5th Endesa Collective Bargaining Agreement, which led to the partial reversal of the provision;
- in Italy, due mainly to reduced margins recognized as a result of a decrease in volumes transported as a result of COVID-19 and to the indemnity received in 2019 in relation to the sale of Enel Rete Gas (€50 million). These effects were partially offset by an increase in gains for e-distribuzione as a result of the reimbursement of system charges and network fees based on Resolutions nos. 50/2018 and 461/2020 of the Regulatory Authority for Energy, Networks and the Environment (ARERA) (€158 million).

The **ordinary gross operating profit** amounted to €7,714 million (€8,228 million in 2019) and reflected:

- costs incurred mainly in Italy and Brazil as a result of the

COVID-19 pandemic for workplace sanitization activities, personal protective equipment and donations (€50 million);
> costs related to digitalization in Spain (€224 million);
> provisions for charges related to restructuring plans connected with the energy transition in Colombia and Peru (€7 million).

OPERATING PROFIT

Millions of euro

	2020	2019	Change	
Italy	2,370	2,647	(277)	-10.5%
Iberia	1,140	1,288	(148)	-11.5%
Latin America	696	1,349	(653)	-48.4%
- of which Argentina	*(186)*	*240*	*(426)*	-
- of which Brazil	*433*	*487*	*(54)*	*-11.1%*
- of which Chile	*108*	*173*	*(65)*	*-37.6%*
- of which Colombia	*253*	*292*	*(39)*	*-13.4%*
- of which Peru	*88*	*157*	*(69)*	*-43.9%*
Europe	52	13	39	-
Other	4	(20)	24	-
Total	**4,262**	**5,277**	**(1,015)**	**-19.2%**

In addition to the changes in gross operating profit for the year discussed earlier, the decrease in **operating profit** in 2020, including depreciation, amortization and impairment losses in the amount of €3,171 million (€3,001 million in 2019), was mainly due to an increase in impairment losses on receivables in Italy due, in part, to the effects of COVID-19 (€124 million) and the impairment losses on goodwill related to the Argentina CGU (€216 million), which was partially offset by exchange rate developments in Brazil.

CAPITAL EXPENDITURE

Millions of euro

	2020	2019	Change	
Italy	1,966	1,753	213	12.2%
Iberia	631	647	(16)	-2.5%
Latin America	1,156	1,335	(179)	-13.4%
Europe	182	169	13	7.7%
Other	2	1	1	-
Total	**3,937**	**3,905**	**32**	**0.8%**

Capital expenditure increased by €32 million compared with the previous year. The rise was mainly attributable to Italy, as a result of quality and remote control investments, and to Romania (€13 million) for activities connected with service quality and new connections.
This increase was partially offset:
> in Latin America, and particularly in Brazil, by a reduction in capital expenditure as a result of unfavorable exchange rate developments and the freeze on rates imposed beginning in February 2019;
> in Iberia by a reduction in capital expenditure for substations, transformers and the replacement of metering equipment, and for software applications, partially offset by an increase in capital expenditure on the distribution network.

Capital expenditure on digital meters declined due to the slowdown in the mass replacement of meters as a result of the pandemic.

END-USER MARKETS

298.2 TWh

ELECTRICITY SALES

322.0 TWh in 2019

€3,121 million

GROSS OPERATING PROFIT

€3,334 million in 2019

69.5 million

RETAIL CUSTOMERS

of which **23.2** million on free market

Operations

ELECTRICITY SALES

Millions of kWh

	2020	2019	Change	
Free market	160,202	172,699	(12,497)	-7.2%
Regulated market	137,984	149,324	(11,340)	-7.6%
Total (1)	**298,186**	**322,023**	**(23,837)**	**-7.4%**
- of which Italy	*90,205*	*97,539*	*(7,334)*	*-7.5%*
- of which Iberia	*80,772*	*89,441*	*(8,669)*	*-9.7%*
- of which Latin America (1)	*118,388*	*125,308*	*(6,920)*	*-5.5%*
- of which Europe	*8,821*	*9,735*	*(914)*	*-9.4%*

(1) Volumes include sales to large customers by generation companies in Latin America. The figure for 2019 has consequently been adjusted to ensure comparability.

In 2020, quantities sold decreased due mainly to a reduction in consumption tied to declining demand for electricity in nearly all countries as a result of the COVID-19 health emergency. The reductions in Italy and Spain were greater on the free market for business-to-business (B2B) customers.

NATURAL GAS SALES

Millions of m^3

	2020	2019	Change	
Business to consumer	3,640	3,732	(92)	-2.5%
Business to business	6,076	7,067	(991)	-14.0%
Total (1)	**9,716**	**10,799**	**(1,083)**	**-10.0%**
- of which Italy	*4,429*	*4,736*	*(307)*	*-6.5%*
- of which Iberia	*5,022*	*5,750*	*(728)*	*-12.7%*
- of which Latin America (1)	*155*	*171*	*(16)*	*-9.4%*
- of which Europe (2)	*110*	*142*	*(32)*	*-22.5%*

(1) Volumes include sales to large customers by generation companies in Latin America. The figure for 2019 has consequently been adjusted to ensure comparability.
(2) The figures for 2019 reflect a more accurate measurement of volumes sold.

The decrease in quantities of gas sold in 2020 compared with the previous year is mainly attributable to reduced consumption levels in Italy and Spain due mainly to the COVID-19 pandemic.

Total retail customers of the Group number 69,517,932, of which 23,164,875 on the free market, while at December 31, 2019 they numbered 70,471,612, of which 23,013,224 on the free market.

Performance (1)

Millions of euro	2020	2019	Change	
Revenue	29,508	32,599	(3,091)	-9.5%
Gross operating profit	3,121	3,334	(213)	-6.4%
Ordinary gross operating profit	3,197	3,334	(137)	-4.1%
Operating profit	1,817	2,210	(393)	-17.8%
Capital expenditure	460	449	11	2.4%

(1) The comparative figures for 2019 have been adjusted to take account of the fact that as from 2020 in South America and Mexico amounts attributable to large customers managed by the power generation companies were reallocated to the End-user Markets Business Line.

The following tables show a breakdown of performance by Region/Country in 2020.

REVENUE (1)

Millions of euro	2020	2019	Change	
Italy	14,869	16,042	(1,173)	-7.3%
Iberia	11,987	13,867	(1,880)	-13.6%
Latin America	1,492	1,559	(67)	-4.3%
- of which Argentina	*-*	*30*	*(30)*	*-*
- of which Brazil	*299*	*404*	*(105)*	*-26.0%*
- of which Chile	*271*	*293*	*(22)*	*-7.5%*
- of which Colombia	*705*	*777*	*(72)*	*-9.3%*
- of which Peru	*217*	*55*	*162*	*-*
North America	10	-	10	-
Europe	1,150	1,131	19	1.7%
Eliminations and adjustments	-	-	-	-
Total	**29,508**	**32,599**	**(3,091)**	**-9.5%**

(1) The comparative figures for 2019 have been adjusted to take account of the fact that as from 2020 in South America and Mexico amounts attributable to large customers managed by the power generation companies were reallocated to the End-user Markets Business Line.

GROSS OPERATING PROFIT (1)

Millions of euro	2020	2019	Change	
Italy	2,362	2,314	48	2.1%
Iberia	467	715	(248)	-34.7%
Latin America	201	292	(91)	-31.2%
- of which Argentina	*(7)*	*3*	*(10)*	*-*
- of which Brazil	*107*	*154*	*(47)*	*-30.5%*
- of which Chile	*25*	*41*	*(16)*	*-39.0%*
- of which Colombia	*54*	*66*	*(12)*	*-18.2%*
- of which Peru	*22*	*28*	*(6)*	*-21.4%*
North America	9	(2)	11	-
Europe	82	15	67	-
Total	**3,121**	**3,334**	**(213)**	**-6.4%**

(1) The comparative figures for 2019 have been adjusted to take account of the fact that as from 2020 in South America and Mexico amounts attributable to large customers managed by the power generation companies were reallocated to the End-user Markets Business Line.

The decrease in the **gross operating profit** for 2020 is essentially attributable to:

- a decrease of €248 million in gross operating profit in Iberia, which mainly reflects a decrease in quantities sold and reduced profit margins caused by efforts to respond to the continuing negative impact of COVID-19 on volumes and demand. These effects were partially offset by lower provisioning costs. The decrease in the margin also reflects an increase in provisions for the voluntary termination incentives program (€63 million);
- a decrease in gross operating profit in Latin America, due mainly to the weakening of local currencies against the euro, particularly in Brazil, and to the effect of the indemnity received by Edesur in 2019 (€24 million);
- an increase of €67 million in gross operating profit in Romania, due to the combined effect of increased revenue as a result of higher average prices and lower provisioning costs;
- an increase of €48 million in gross operating profit in Italy, where the €27 million decrease in the margin on the free market (due mainly to a reduction in the energy profit margin as a result, essentially, of reduced sales in response to the COVID-19 pandemic) was offset by an increase of €75 million in gross operating profit on the regulated market due to decreasing operating costs as a result, primarily, of the release of provisions for litigation following favorable rulings and an increase in income resulting from the reimbursement of fraud-related matters. These effects were partially offset by lower volumes sold as a result of the COVID-19 pandemic and a reduction in customers.

The **ordinary gross operating profit** came to €3,197 million (€3,334 million in 2019). The extraordinary items concern non-recurring costs due to COVID-19 for workplace sanitization activities, personal protective equipment and donations (€11 million), as well as charges related to direct and indirect activities related to digitalization and the acceleration of the energy transition (€65 million).

OPERATING PROFIT [1]

Millions of euro

	2020	2019	Change	
Italy	1,538	1,609	(71)	-4.4%
Iberia	241	491	(250)	-50.9%
Latin America	(22)	126	(148)	-
- of which Argentina	*(44)*	*(35)*	*(9)*	*-25.7%*
- of which Brazil	*(39)*	*49*	*(88)*	-
- of which Chile	*11*	*30*	*(19)*	*-63.3%*
- of which Colombia	*39*	*59*	*(20)*	*-33.9%*
- of which Peru	*11*	*23*	*(12)*	*-52.2%*
North America	9	(2)	11	-
Europe	51	(14)	65	-
Eliminations and adjustments	-	-	-	-
Total	**1,817**	**2,210**	**(393)**	**-17.8%**

(1) The comparative figures for 2019 have been adjusted to take account of the fact that as from 2020 in South America and Mexico amounts attributable to large customers managed by the power generation companies were reallocated to the End-user Markets Business Line.

Operating profit includes depreciation, amortization and impairment losses in the amount of €1,304 million (€1,124 million in 2019). The increase in depreciation, amortization and impairment losses is mainly attributable to impairment losses of trade receivables in Italy due to the deterioration in the collection status of customers as a result of COVID-19.

CAPITAL EXPENDITURE

Millions of euro

	2020	2019	Change	
Italy	310	324	(14)	-4.3%
Iberia	139	110	29	26.4%
Latin America	-	-	-	-
Europe	11	15	(4)	-26.7%
Total	**460**	**449**	**11**	**2.4%**

The increase in **capital expenditure** is mainly attributable to Spain in relation to the capitalization of costs concerning the acquisition of new customers. These effects were partially offset by lower contract costs in Italy.

ENEL X

105,237

CHARGING POINTS [1]

79,565 in 2019

2,794
thousands of units

LIGHTING POINTS

2,424 in 2019

6.0
GW

DEMAND RESPONSE CAPACITY

6.3 GW in 2019

€152
million

GROSS OPERATING PROFIT

€158 million in 2019

+12.2%

CAPITAL EXPENDITURE

compared with 2019, for a total of **€303 million**

(1) The number of charging points including interoperable points was equal to about 186 thousand at December 31, 2020 and about 82 thousand at December 31, 2019.

Operations

	2020	2019	Change	
Demand response capacity (MW)	6,038	6,297	(259)	-4.1%
Lighting points (thousands of units)	2,794	2,424	370	15.3%
Storage (MW) [1]	123	110	13	11.8%
Charging points (no.) [2]	105,237	79,565	25,672	32.3%

(1) Includes storage-on-plant.
(2) The number of charging points including interoperable points was equal to about 186 thousand at December 31, 2020 and about 82 thousand at December 31, 2019.

In 2020, the Group further expanded the vehicle-charging infrastructure. Private charging points increased by 21,033, mainly in North America and Italy, while public charging points increased by 4,639, primarily in Italy and Spain.

Performance

Millions of euro

	2020	2019	Change	
Revenue	1,121	1,130	(9)	-0.8%
Gross operating profit	152	158	(6)	-3.8%
Ordinary gross operating profit	161	158	3	1.9%
Operating loss	(16)	(98)	82	83.7%
Capital expenditure	303	270	33	12.2%

The following tables show a breakdown of performance by Region/Country in 2020.

REVENUE

Millions of euro

	2020	2019	Change	
Italy	324	282	42	14.9%
Iberia	244	261	(17)	-6.5%
Latin America	218	186	32	17.2%
- of which Argentina	*7*	*4*	*3*	*75.0%*
- of which Brazil	*20*	*17*	*3*	*17.6%*
- of which Chile	*68*	*81*	*(13)*	*-16.0%*
- of which Colombia	*75*	*77*	*(2)*	*-2.6%*
- of which Peru	*48*	*7*	*41*	-
North America	192	328	(136)	-41.5%
Europe	53	35	18	51.4%
Africa, Asia and Oceania	55	52	3	5.8%
Other	156	66	90	-
Eliminations and adjustments	(121)	(80)	(41)	-51.3%
Total	**1,121**	**1,130**	**(9)**	**-0.8%**

GROSS OPERATING PROFIT

Millions of euro

	2020	2019	Change	
Italy	38	13	25	-
Iberia	39	38	1	2.6%
Latin America	83	64	19	29.7%
- of which Argentina	*3*	*-*	*3*	-
- of which Brazil	*2*	*(1)*	*3*	-
- of which Chile	*15*	*26*	*(11)*	*-42.3%*
- of which Colombia	*41*	*38*	*3*	*7.9%*
- of which Peru	*22*	*1*	*21*	-
North America	(10)	80	(90)	-
Europe	9	-	9	-
Africa, Asia and Oceania	2	(1)	3	-
Other	(9)	(36)	27	75.0%
Total	**152**	**158**	**(6)**	**-3.8%**

The **gross operating profit** decreased mainly as a result of the recognition in 2019 of an indemnity in the amount of €98 million in North America in application of contractual clauses related to the sale of eMotorWerks. This decrease was partially offset by an improvement in operating performance in other countries, in particular:

- in Italy, thanks to the positive performance of e-Home and Vivi Meglio products for energy and seismic upgrading;
- in Other, where negative goodwill of €20 million was recognized for Paytipper following completion of the purchase price allocation process.

The **ordinary gross operating profit** came to €161 million (€158 million in 2019). The difference of €9 million compared with the gross operating profit is due to €2 million in non-recurring costs incurred in response to the COVID-19 health emergency and to other charges, in the amount of €7 million, connected with direct and indirect activities related to digitalization and the acceleration of the energy transition.

OPERATING PROFIT

Millions of euro

	2020	2019	Change	
Italy	(12)	(45)	33	73.3%
Iberia	(7)	(13)	6	46.2%
Latin America	71	58	13	22.4%
- of which Argentina	*3*	*-*	*3*	*-*
- of which Brazil	*(2)*	*(4)*	*2*	*50.0%*
- of which Chile	*14*	*24*	*(10)*	*-41.7%*
- of which Colombia	*40*	*37*	*3*	*8.1%*
- of which Peru	*16*	*1*	*15*	*-*
North America	(52)	(50)	(2)	-4.0%
Europe	3	(3)	6	-
Africa, Asia and Oceania	(1)	(5)	4	80.0%
Other	(18)	(40)	22	55.0%
Total	**(16)**	**(98)**	**82**	**83.7%**

Despite the decrease in gross operating profit, **operating loss** for 2020 improved essentially as a result of a decrease in depreciation, amortization and impairment losses totaling €88 million, primarily in North America.

CAPITAL EXPENDITURE

Millions of euro

	2020	2019	Change	
Italy	70	52	18	34.6%
Iberia	50	64	(14)	-21.9%
Latin America	67	40	27	67.5%
North America	36	61	(25)	-41.0%
Europe	5	4	1	25.0%
Africa, Asia and Oceania	3	1	2	-
Other	72	48	24	50.0%
Total	**303**	**270**	**33**	**12.2%**

Capital expenditure increased primarily in Latin America in relation to the e-Bus project in Colombia; in Italy due to increased investment on public lighting and to develop the e-Home and Vivi Meglio businesses; and for Enel X Srl due to increased investment in ICT and the capitalization of personnel expenses. These effects were partially offset by decreased capital expenditure on storage distributed energy and demand response in the United States and on the e-Home business in Spain due mainly to a change in business model and to a slowing of capital expenditure in response to COVID-19.

SERVICES AND OTHER

Performance

Millions of euro				
	2020	2019	Change	
Revenue	2,139	2,229	(90)	-4.0%
Gross operating loss	(237)	(18)	(219)	-
Ordinary gross operating loss	(83)	(18)	(65)	-
Operating loss	(444)	(246)	(198)	-80.5%
Capital expenditure	174	179	(5)	-2.8%

The table below shows the financial performance by Region/Country in 2020.

REVENUE

Millions of euro				
	2020	2019	Change	
Italy	749	1,359	(610)	-44.9%
Iberia	480	597	(117)	-19.6%
Latin America	13	27	(14)	-51.9%
Europe	24	28	(4)	-14.3%
Other	1,103	291	812	-
Eliminations and adjustments	(230)	(73)	(157)	-
Total	**2,139**	**2,229**	**(90)**	**-4.0%**

GROSS OPERATING LOSS

Millions of euro				
	2020	2019	Change	
Italy	68	169	(101)	-59.8%
Iberia	(94)	66	(160)	-
Latin America	(88)	(123)	35	28.5%
North America	(3)	-	(3)	-
Europe	4	5	(1)	-20.0%
Other	(124)	(135)	11	8.1%
Total	**(237)**	**(18)**	**(219)**	**-**

The increase in the **gross operating loss** in 2020 is mainly attributable to:

> Spain, in the amount of €160 million, mainly related to a decline in revenue from services provided to other companies of the Group; increased costs following the allocation of provisions for the termination incentives program as a result of changes introduced in the agreement on the voluntary suspension or resolution of employment contracts; and restructuring costs related to the direct and indirect activities connected with the Group's digitalization and energy-transition plans. These effects were partially offset by decreased costs related to the release of the electricity discount provision following the signing of the 5th Endesa Collective Bargaining Agreement;

> Italy, in the amount of €101 million, as a result of a reduction in revenue from services and from customer contracts for other Group companies, only partially offset by a reduction in service costs and personnel expenses. These factors are mainly attributable to the spin-off of the Global Procurement and Global Digital Solutions business units, which are now included in the aggregate "Other", the gross operating loss for which decreased by €11 million.

Also of note is the negative impact on margins of costs incurred for the COVID-19 pandemic (€47 million), mainly in Italy and Spain.

The **ordinary gross operating loss** was €154 million smaller than the gross operating loss as a result of the non-recurring costs associated with COVID-19 for workplace sanitization activities, personal protective equipment and donations, as well as charges related to direct and indirect activities connected with digitalization and the acceleration of the energy transition (€107 million).

OPERATING LOSS

Millions of euro

	2020	2019	Change	
Italy	(1)	17	(18)	-
Iberia	(140)	19	(159)	-
Latin America	(90)	(122)	32	26.2%
North America	(6)	-	(6)	-
Europe	3	3	-	-
Other	(210)	(163)	(47)	-28.8%
Total	**(444)**	**(246)**	**(198)**	**-80.5%**

The **operating loss** for 2020 is essentially in line with the increase in the gross operating loss, taking account of the €21 million decrease in depreciation, amortization and impairment losses.

CAPITAL EXPENDITURE

Millions of euro

	2020	2019	Change	
Italy	33	78	(45)	-57.7%
Iberia	27	46	(19)	-41.3%
Latin America	3	9	(6)	-66.7%
Europe	-	1	(1)	-
Other	111	45	66	-
Total	**174**	**179**	**(5)**	**-2.8%**

Overall capital expenditure was broadly in line with that in 2019. The decrease in capital expenditure in Italy in 2020 is mainly attributable to the spin-off of the Global Procurement and Global Digital Solutions business units, which are now included under "Other".

ENEL SHARES

Enel and the financial markets

	2020	2019
Gross operating profit per share (euro)	1.65	1.74
Operating profit per share (euro)	0.82	0.68
Group profit per share (euro)	0.26	0.21
Group ordinary profit per share (euro)	0.51	0.47
Dividend per share (euro) (1)	0.358	0.328
Group equity per share (euro)	2.79	2.99
Share price - 12-month high (euro)	8.57	7.21
Share price - 12-month low (euro)	5.23	5.08
Average share price in December (euro)	8.17	6.89
Market capitalization (millions of euro) (2)	83,110	70,047
No. of shares outstanding at December 31 (millions) (3)	10,167	10,167

(1) Dividend approved by the Board of Directors on March 18, 2021 and proposed to the Shareholders' Meeting of May 20, 2021 at single call. The amount includes the interim dividend of €0.175 per share approved by the Board of Directors on November 5, 2020 and paid from January 20, 2021.
(2) Calculated on average share price in December.
(3) The number of shares includes 3,269,152 treasury shares in 2020 and 1,549,152 treasury shares in 2019.

		Current (1)	at Dec. 31, 2020	at Dec. 31, 2019	at Dec. 31, 2018
Rating					
Standard & Poor's	Outlook	STABLE	STABLE	STABLE	STABLE
	Medium/long-term	BBB+	BBB+	BBB+	BBB+
	Short-term	A-2	A-2	A-2	A-2
Moody's	Outlook	STABLE	POSITIVE	POSITIVE	STABLE
	Medium/long-term	Baa1	Baa2	Baa2	Baa2
	Short-term	-	-	-	-
Fitch	Outlook	STABLE	STABLE	STABLE	STABLE
	Medium/long-term	A-	A-	A-	BBB+
	Short-term	F2	F2	F2	F2

(1) Figures updated to January 29, 2021.

The global economic context in 2020 was strongly impacted by the COVID-19 pandemic and the consequent restrictions on mobility, production and services. All of this caused a worldwide recession of unprecedented severity in recent history, leading to an estimated 4% contraction in world GDP on an annual basis in 2020.

The specter of the crisis prompted the world's governments to adopt accommodative fiscal and monetary measures to support the various productive sectors, the labor market and domestic demand.

In particular, the United States experienced a contraction of 3.5% in GDP and an increase in the unemployment rate of over 8 percentage points, reaching the record levels registered during the 2008-2009 financial crisis. In response to this recession, the government adopted major expansionary fiscal policies to support families and businesses.

In the euro area, the pandemic caused an estimated fall in GDP of 6.8% and inflation stood at 0.3% on an annual basis

in 2020, leaving many countries experiencing deflation. The labor market, however, proved more resilient thanks to subsidies from many governments.
Both the Fed and the ECB intend to keep their main interest rates low until inflation stabilizes at around 2%. Furthermore, in July the European Council reached an agreement on the Next Generation EU, a recovery plan that includes €750 billion in funding.
As for Latin America, the pandemic crisis and the various responses of individual governments have created a rather diverse macroeconomic picture.
The world economic outlook for 2021 is more optimistic, albeit still burdened by the COVID-19 pandemic. Growth projections will depend significantly on the development of new vaccines and the speed of vaccination campaigns in different countries.

The crisis has also impacted the financial markets. The main European equity indices closed 2020 with losses. The Italian FTSE-MIB index slipped 5.4%, the Spanish Ibex35 index declined 15.5%, and the French CAC40 index was down 7.1%. By contrast the German DAX30 rose 3.5%.

The euro-area Utilities sector (EURO STOXX Utilities) closed the year with an increase of 9.8%.

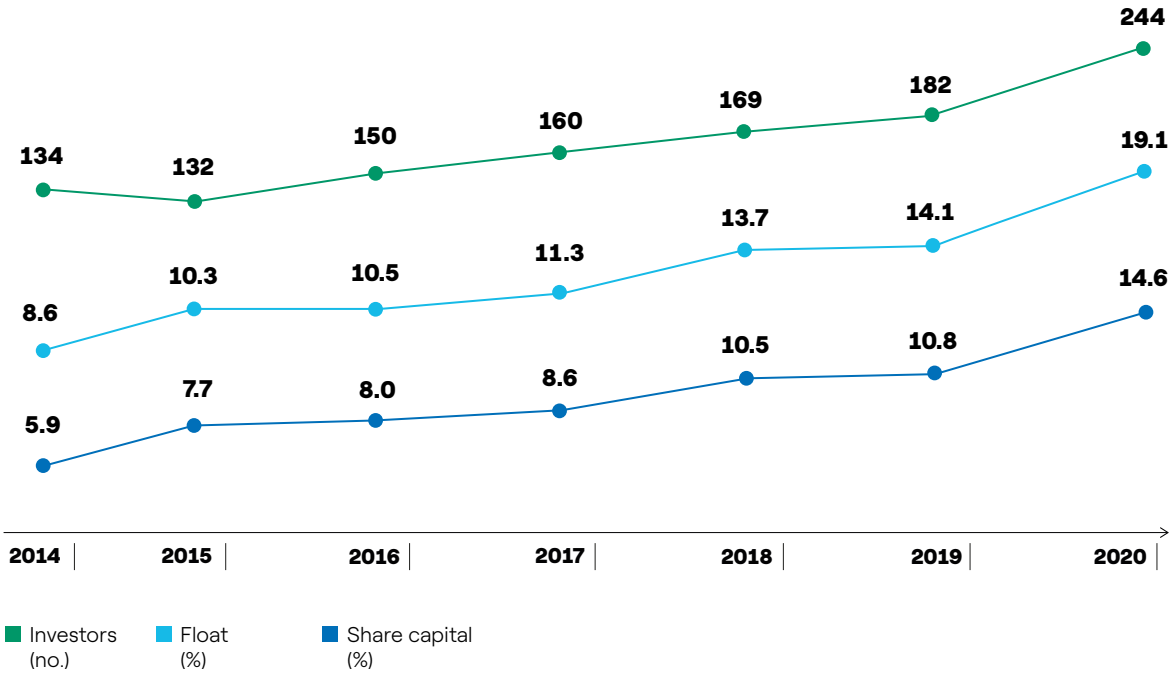
Finally, as regards the Enel stock, 2020 ended with a price of €8.276 per share, an increase of 17.0% compared with the previous year, outperforming both the European and Italian sector indices.
At the end of 2020 Enel had a weight of 14.9% in the FTSE-MIB and 21.7% in the EURO STOXX Utilities.

On January 22, 2020 Enel paid an interim dividend of €0.16 per share from 2019 profits and on July 22, 2020 it paid the balance of the dividend for that year in the amount of €0.168. Total dividends distributed in 2020 amounted to €0.328 per share, about 17% higher than the €0.28 per share distributed in 2019.
In relation to ordinary profit for 2020, on January 20, 2021 an interim dividend of €0.175 was paid, while the balance of the dividend is scheduled for payment on July 21, 2021.

The outlook for investors is changing rapidly: the changes taking place and the challenges the world presents us today are also impacting the way we invest. Companies are no longer seen as closed systems, but rather as open systems that generate wealth through interaction with the environment and the communities in which they operate, and towards which they are accountable.
In this context, Enel's pursuit of a strategy that, through decarbonization and seizing the opportunities offered by electrification, seeks to create value for customers, society and the environment has been understood and appreciated by institutional investors, whose stake in Enel at December 31, 2020 reached an all-time high of 62.3% (compared with 60.3% at December 31, 2019), while the share of individual investors has fallen to a record low of 14.1% (compared with 16.1% at December 31, 2019). The interest of the Ministry for the Economy and Finance was unchanged at 23.6%.
The number of Environmental, Social and Governance (ESG) investors continued to rise steadily: at December 31, 2020, socially responsible investors (SRIs) held about 14.6% of share capital (against 10.8% at December 31, 2019), while investors who have signed the Principles for Responsible Investment represent 47.8% of share capital (43% at December 31, 2019).

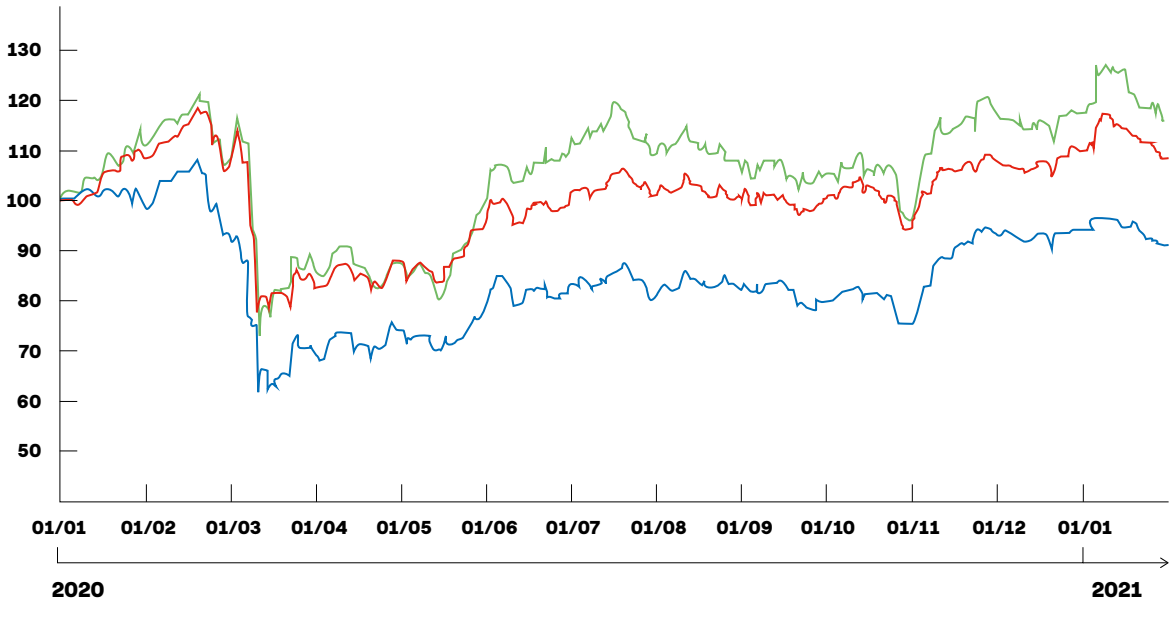
For further information we invite you to visit the Investor Relations section of our corporate website (http://www.enel.com/investors) and download the "Enel Investor Relations" app, which contains financial data, presentations, real-time updates of the share price, information on the composition of corporate bodies and the rules of Shareholders' Meetings, as well as periodic updates on corporate governance issues.

Developments in ESG investors



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: +39-0683051; e-mail: investor.relations@enel.com).

Performance of Enel share price and the EURO STOXX Utilities and FTSE-MIB indices from January 1, 2020 to January 31, 2021



Source: Bloomberg.

INNOVATION AND DIGITALIZATION

For Enel, innovation and digitalization are key pillars of its strategy to grow in a rapidly changing context while ensuring high safety standards, business continuity and operational efficiency, and thus enabling new uses of energy and new ways of managing it, making it accessible to an ever larger number of people.

In particular, data management plays a fundamental role in supporting the decision-making process with the development and application of advanced analytics and in creating new synergies. Enel's digital transformation is based on pillars (assets, customers, people), enablers (platforms, cloud, cyber security) and approaches to connect pillars and enablers (agile, data-driven). Robotics, artificial intelligence, cyber security, big data and the cloud are some of the main areas in which Enel is investing, thus confirming digitalization as one of the key dimensions of the 2021-2023 Strategic Plan to support business development. The digital strategy is moving towards maximizing margins and reducing operating costs, to facilitate the energy transition.

Enel also operates through an Open Innovability® model, a consensus-based ecosystem that makes it possible to connect all areas of the Company with startups, industrial partners, small and medium-sized enterprises, research centers and universities through a variety of system, such as crowdsourcing platforms and the Innovation Hub network. The Company has numerous innovation partnership agreements that, in addition to Enel's traditional lines of business in the renewables and conventional generation sectors, have promoted the development of new solutions for e-mobility, microgrids, energy efficiency and the industrial Internet of Things (IoT).

Enel's innovation strategy leverages the online crowdsourcing platform (openinnovability.com) and a global network of 10 Innovation Hubs (of which 3 are also Labs) and 22 Labs (of which 3 are dedicated to startups), which consolidates the new model of collaboration with startups and SMEs. The latter offer innovative solutions and new business models, and Enel makes its skills, testing facilities and a global network of partners available to support their development and possible scale-up. The Hubs are located in the most important innovation ecosystems for the Group (Catania, Pisa, Milan, Silicon Valley, Boston, Rio de Janeiro, Madrid, Moscow, Santiago de Chile and Tel Aviv), they manage relationships with all the players involved in innovation activities and are the main source of scouting for innovative startups and SMEs. The Labs (among which those in Milan, Pisa, Catania, São Paulo, Haifa and Be'er Sheva are the most representative) allow startups to develop and test their solutions together with the Business Lines.

During 2020, thanks to the Group's positioning in innovative ecosystems and the consolidation of the Hub and Lab network, more than 40 bootcamps were organized in different technological areas and startup scouting activities expanded to two new areas (Canada and Australia). A new FinSec Lab was opened in Be'er Sheva (Israel), thanks to Enel X and Mastercard, and is aimed at the development of early stage startups in the FinTech and cyber security fields. All this has enabled Enel to meet more than 2,600 startups and to launch more than 70 new collaborative relationships despite the pandemic.

Every increasing importance is begin taken on by activities to promote and develop the culture of innovation and entrepreneurship within the Company, working through the Innovation Academies and the Innovation Ambassadors project.

Furthermore, in 2020 the activities of the innovation communities continued, involving different areas and skills within the Company. Energy storage, blockchain, drones, augmented and virtual reality, additive manufacturing, artificial intelligence, wearables, robotics and green hydrogen are the areas and technologies addressed within these communities. In one example, in recent years Enel has intensified the use of drones in the monitoring and maintenance of its assets, inspecting solar fields, wind farms, dams and hydroelectric reservoirs, closed components in traditional plants and distribution lines with the aim of increasing the efficiency of operational and maintenance processes and above all reduce workers' exposure to risks. Furthermore, storage systems, in addition to guaranteeing ongoing support for current business activities, pave the way to new frontiers of sustainable business.

As of 2020, €111 million (including personnel expenses) have been invested in innovation (R&D spending).

Intellectual property

In 2020, Enel renewed and strengthened its commitment to the enhancement and development of its intellectual assets as a source of competitive advantage for the Group.

The value for the Group is not only expressed through the growing investment in innovation activities but also in the inestimable wealth of knowledge and skills that its people acquire as a result of the opportunity to be able to work daily in a cutting-edge digital working environment.

This drive creates a clear cross-fertilization effect among the Group's personnel, which translates into an ability to generate ideas within a model of diffuse innovation, open and attentive to sustainability, and which can be summed up in the formula of Open Innovability®.

The models developed internally for strategic activities, such as those relating to trading in energy commodities and weather variables, or of a technical nature, such as predictive maintenance at generation plants or customer-care platforms, are an expression of this impulse towards innovation.

It is precisely in this perspective that Enel's intellectual property is directed at the service of the Group's leadership in achieving the strategic objectives of decarbonization, electrification and the creation of platforms.

This innovative impulse is also reflected in the Group's investment in intangible assets, which show a significant increase, in line with the strategic direction delineated above.

In this regard, the increase in investment in intangible assets is particularly evident, with special regard to IT and digital applications, whether legally protected or not. The investments focused on all the Group's Global Business Lines and mainly concerned internally developed software (i.e. internal customization of software purchased externally). Among these, we highlight:

- the technological infrastructure of Paytipper, consisting of an application bus into which peripheral interfaces developed to meet different operational needs are integrated, with the goal of handling millions of financial transactions per day. Other monitoring and control modules enable users to carry out supervisory, audit and performance analysis activities;
- investments in networks for the management of smart meters, remote grid control and communication software;
- investments at Enel X in demand response systems;
- investments in power generation for predictive maintenance systems;
- additional customizations of Group ERP (Enterprise Resource Planning).

The patent activity of the Group is also proving to be prolific, involving as many as 837 applications for patents in 137 technological families. Of these, 692 have been granted and 145 are pending.

The increase in the size of the entire portfolio of intellectual property rights held by the Enel Group corresponds to growing internal efforts to strengthen the information infrastructure necessary for the immediate identification of the innovation generated, its evaluation and protection, as well as the ongoing monitoring of the portfolio's evolution, with a view to ensuring continuous and close alignment between technological and commercial trajectories and corresponding forms of safeguarding the competitive advantage provided by intellectual property rights.

The Group also intends to continue to support and encourage the development of its innovation model through specific projects for internal dissemination by the Intellectual Property unit and through the creation of specific tools to identify, ascertain, protect and preserve on an iterative basis all information of value generated in Enel in accordance with the Open Innovability® model.

PEOPLE CENTRICITY

People management and development at Enel

The Enel Group workforce at December 31, 2020 numbered 66,717. The contraction in the Group workforce reflects the impact of the balance between new hires and terminations during the period (-565) and the change in the consolidation scope (a total of -971), which included the disposal of the Reftinskaya GRES plant in Russia, the disposal of hydro plants in the United States and the acquisition of Viva Labs.

In the tables below, the number and variation in employees by gender, age group, job classification and geographical area are analyzed. An analysis by Business Line is also provided for the number of employees only.

YEAR-END WORKFORCE

		2020	2019	Change	
Employees by gender:	no.	**66,717**	**68,253**	**(1,536)**	**-2.3%**
- of which men	no.	52,346	53,933	(1,587)	-2.9%
	%	78.5	79.0	-0.5	-0.6%
- of which women	no.	14,371	14,320	51	0.4%
	%	21.5	21.0	0.5	2.4%
Employees by age group:	no.	**66,717**	**68,253**	**(1,536)**	**-2.3%**
- <30	no.	7,289	7,899	(610)	-7.7%
	%	10.9	11.6	-0.7	-6.0%
- 30-50	no.	36,355	37,121	(766)	-2.1%
	%	54.5	54.4	0.1	0.2%
- >50	no.	23,073	23,233	(160)	-0.7%
	%	34.6	34.0	0.6	1.8%
Employees by level:	no.	**66,717**	**68,253**	**(1,536)**	**-2.3%**
- senior manager	%	2.1	2.0	0.1	5.0%
- middle manager	%	17.4	16.6	0.8	4.8%
- office staff	%	53.8	53.1	0.7	1.3%
- blue collar	%	26.7	28.3	-1.6	-5.7%
Employees by geographical area	no.	**66,717**	**68,253**	**(1,536)**	**-2.3%**
Italy	no.	29,800	29,767	33	0.1%
	%	44.7	43.6	1.1	2.5%
Iberia	no.	9,781	10,123	(342)	-3.4%
	%	14.7	14.8	-0.1	-0.7%
Latin America	no.	19,838	20,240	(402)	-2.0%
	%	29.7	29.7	-	-
Europe	no.	4,966	5,907	(941)	-15.9%
	%	7.4	8.7	-1.3	-14.9%
North America	no.	1,639	1,639	-	-
	%	2.5	2.4	0.1	4.2%
Africa, Asia and Oceania	no.	693	577	116	20.1%
	%	1.0	0.8	0.2	25.0%

WORKFORCE BY BUSINESS LINE

No.

	at Dec. 31, 2020	at Dec. 31, 2019
Thermal Generation and Trading	8,142	9,432
Enel Green Power	8,298	7,957
Infrastructure and Networks	34,332	34,822
End-user Markets	6,324	6,336
Enel X	2,989	2,808
Services	5,731	6,013
Other	901	885
Total	**66,717**	**68,253**

CHANGE IN WORKFORCE

Balance at December 31, 2019	**68,253**
Hirings	3,131
Terminations	(3,696)
Change in consolidation scope	(971)
Balance at December 31, 2020	**66,717**

BREAKDOWN OF CHANGES IN WORKFORCE

		2020	2019	Change	
Hiring rate	%	**4.7**	**5.5**	**-0.8**	**-14.5%**
New hires by gender:	no.	**3,131**	**3,726**	**(595)**	**-16.0%**
- of which men	no.	2,203	2,702	(499)	-18.5%
	%	70.4	72.5	-2.1	-2.9%
- of which women	no.	928	1,024	(96)	-9.4%
	%	29.6	27.5	2.1	7.6%
New hires by age group:	no.	**3,131**	**3,726**	**(595)**	**-16.0%**
- <30	no.	1,363	1,865	(502)	-26.9%
	%	43.5	50.1	-6.6	-13.2%
- 30-50	no.	1,700	1,698	2	0.1%
	%	54.3	45.5	8.8	19.3%
- >50	no.	68	163	(95)	-58.3%
	%	2.2	4.4	-2.2	-50.0%
New hires by geographical area	no.	**3,131**	**3,726**	**(595)**	**-16.0%**
Italy	no.	1,044	1,042	2	0.2%
	%	33.3	28.0	5.3	18.9%
Iberia	no.	257	430	(173)	-40.2%
	%	8.2	11.5	-3.3	-28.7%
Latin America	no.	991	1,098	(107)	-9.7%
	%	31.7	29.4	2.3	7.8%
Europe	no.	280	528	(248)	-47.0%
	%	8.9	14.2	-5.3	-37.3%
North America	no.	362	435	(73)	-16.8%
	%	11.6	11.7	-0.1	-0.9%
Africa, Asia and Oceania	no.	197	193	4	2.1%
	%	6.3	5.2	1.1	21.2%

Turnover rate	%	**6.0**	**7.1**	**(1.1)**	**-15.5%**
Terminations by gender:	no.	**3,696**	**4,820**	**(1,124)**	**-23.3%**
- of which men	no.	3,001	3,766	(765)	-20.3%
	%	81.2	78.1	3.1	4.0%
- of which women	no.	695	1,054	(359)	-34.1%
	%	18.8	21.9	-3.1	-14.2%
Terminations by age group:	no.	**3,696**	**4,820**	**(1,124)**	**-23.3%**
- <30	no.	547	626	(79)	-12.6%
	%	14.8	13.0	1.8	13.8%
- 30-50	no.	1,273	1,867	(594)	-31.8%
	%	34.4	38.7	-4.3	-11.1%
- >50	no.	1,876	2,327	(451)	-19.4%
	%	50.8	48.3	2.5	5.2%
Terminations by geographical area	no.	**3,696**	**4,820**	**(1,124)**	**-23.3%**
Italy	no.	1,011	1,607	(596)	-37.1%
	%	27.3	33.3	-6.0	-18.0%
Iberia	no.	599	254	345	-
	%	16.2	5.3	10.9	-
Latin America	no.	1,393	2,103	(710)	-33.8%
	%	37.7	43.6	-5.9	-13.5%
Europe	no.	299	369	(70)	-19.0%
	%	8.1	7.7	0.4	5.2%
North America	no.	313	392	(79)	-20.2%
	%	8.5	8.1	0.4	4.9%
Africa, Asia and Oceania	no.	81	95	(14)	-14.7%
	%	2.2	2.0	0.2	10.0%

Training and development

In response to the COVID-19 emergency, Enel promptly intervened with appropriate measures to ensure the safety of personnel and at the same time activating flexible working approaches for over 37,000 people in the countries in which the Group is present. This global-scale response was made possible by the flexible working experience gained in Italy since as early as 2016 and then gradually extended throughout the Group and by the technological transformation launched in 2014, which led to the integration of digitalization into corporate strategy, making Enel the first utility company to fully operate in the cloud.

The adoption of flexible working has also meant giving people the tools they need to work from home, ensuring the circulation of information and the effective organization of activities. Initiatives were also launched to support the transition to the new digital reality, promote a work culture based on autonomy, delegation and trust, and encourage better time management by supporting the well-being of people and their families.

Growing automation and technological evolution open up new scenarios for the Group and its people and are driving the need for new technical and professional expertise and the simultaneous waning of other skills. In this context, the targeted reskilling and upskilling programs have therefore been strengthened, the former to learn skills and expertise that enable people to fill new positions and roles, while the latter involve the development of training and empowerment courses that enable employees to improve their performance in their job, increasing the skills available to them in their current position. In particular, Enel signed an agreement with the trade unions in December 2020 for the implementation of an upskilling and reskilling training plan in Italy, which includes over 40 training courses and the involvement of more than 20,000 people. The planned initiatives range from digital transformation for operational and commercial personnel, to job shadowing projects as

an innovative learning method, passing through reskilling activities involving technical-professional and cultural skills. External skilling initiatives were also undertaken, from the perspective of stewardship – responsible management of relations with Enel's external stakeholders – which provide for the accompaniment and growth of people outside the Company (institutions, external entities, suppliers) for the acquisition of new skills. These include initiatives aimed at female students in the last two years of high school in order to promote a culture of STEM studies.

Enel promotes training activities for its people as a key element in ensuring their constant development. We have developed career paths to foster the evolution of our talent, the valorization of passions and personal aptitude and the development of new languages, also promoting the formation of internal trainers ("train the trainer"). In 2020, more than 2.7 million hours of training were provided, a slight increase compared with the previous year despite the fact that almost all training was delivered remotely due to the COVID-19 pandemic. This was made possible by the upgrading of digital tools and the E-Ducation platform, which ensured broad access to content and expanded the culture of digitalization for learning. The training courses covered issues related to conduct, technical issues, safety, new skills and digital culture.
Total Group training costs in 2020 amounted to more than €18 million[1].

AVERAGE TRAINING HOURS PER EMPLOYEE

		2020	2019	Change	
Average number of training hours	hrs/ person	**40.9**	**38.8**	**2.1**	**5.4%**
Average number of training hours by level:					
- senior manager	hrs/ person	31.9	58.4	(26.5)	-45.4%
- middle manager	hrs/ person	41.4	44.9	(3.5)	-7.8%
- office staff	hrs/ person	35.7	29.6	6.1	20.6%
- blue collar	hrs/ person	51.4	49.6	1.8	3.6%
Average number of training hours by gender:					
- men	hrs/ person	40.4	39.7	0.7	1.8%
- women	hrs/ person	42.7	35.0	7.7	22.0%

In a rapidly changing work environment, accelerated by the pandemic crisis, the Group has set itself the ambitious goal of promoting digital sustainability in the coming years through a series of training initiatives that illustrate all those technologies that enable our people to work and coexist sustainably with the surrounding environment.
With regard to personal development activities, the quantitative and qualitative Performance Assessment process in 2020 involved the various levels of Group personnel in a fluid process. More specifically, 100% of eligible employees were involved in the 2019 Performance Evaluation Campaign, which was completed in July 2020. A review of the process has been planned for the upcoming 2020 Campaign – to be conducted between the 2020 and 2021 calendar years – that will enhance the specific features of individuals and leverage people's talents and inclinations.

Listening and improvement of organizational well-being

In light of the digitalization of relations as a result of the COVID-19 pandemic, the Listening Channel has undergone a review. Accordingly, in 2020 a project was launched to make direct involvement approaches more constant and dynamic, for the definition of action plans aimed at improving organizational well-being. The Open Listening survey was also launched. This interview is intended to help build our future, with 70% of personnel responding. People were asked to imagine the future of work in the "new normal" era: from ways of working remotely to workspaces, new technologies, psychological and physical well-being and new models for the leadership of the future. Of total respondents, 93.5% declared a high level of involvement (People Engagement rate). In the course of 2021, global and spe-

(1) The cost calculation takes account of the specific training account in the New Primo system. This includes all external training costs and is currently the only form of certified information on training costs available.

cific action plans will be prepared for the various targets populations identified.

Diversity and inclusion

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

Enel's approach is based on the fundamental principles, enunciated in the diversity and inclusion policy, of non-discrimination, equal opportunities and human dignity in all its forms, inclusion and promoting work-life balance. The application of this policy has enabled the development of global and local projects that focus on diversity in terms of gender, disability, age, nationality and disseminating the culture of inclusion at all levels of the organization.

The progress of D&I policies is monitored periodically through a global reporting process that measures the performance of a comprehensive set of KPIs on all dimensions for internal and external purposes. In particular, with regard to gender, Enel has set itself two public objectives: to ensure equal representation of the two genders in the initial stages of the selection processes (50% by 2021) and to increase the number of female managers and middle managers. In 2020, women represented 44% of people involved in the selection process, an increase on previous years (42% in 2019), while the number of female managers and middle managers increased by 6%.

The steady increase in female managers in recent years has been accompanied by a simultaneous increase in the Equal Remuneration Ratio[2] (ERR), which in 2020 was equal to 83.3%, a slight improvement on the 83.2% registered in 2019 (equal to 82.4% on a unchanged euro exchange rate basis). These results are evidence of the management actions taken to valorize the presence of women in top positions, the effects of which will be fully appreciable in the medium/long term, taking due account of generational dynamics.

The following table demonstrates Enel's commitment to diversity and inclusion, showing the proportion of disabled personnel or personnel belonging to protected categories, the number of women in management positions and the ratio for basic salary and average remuneration between women and men.

(2) ERR (Equal Remuneration Ratio) = fixed + variable remuneration of female managers/fixed + variable remuneration of male managers.

		2020	2019	Change	
Disabled personnel or personnel belonging the protected categories	%	**3.3**	**3.3**	**-**	**-**
Women in management positions (1)	no.	**3,825**	**3,602**	**223**	**6.2%**
Ratio of base salary to remuneration					
Ratio base salary women/men:	%	**108.1**	**107.4**	**0.7**	**0.7%**
- senior manager	%	86.7	86.7	-	-
- middle manager	%	96.5	96.0	0.5	0.5%
- office staff	%	90.2	90.0	0.2	0.2%
- blue collar	%	77.0	68.6	8.4	12.2%
Ratio base remuneration women/men:	%	**108.3**	**107.6**	**0.7**	**0.7%**
- senior manager	%	83.3	83.2	0.1	0.1%
- middle manager	%	95.7	95.2	0.5	0.5%
- office staff	%	90.3	90.0	0.3	0.3%
- blue collar	%	77.8	70.1	7.7	11.0%

(1) The number of women in management positions was calculated considering the number of women managers and middle managers in line with the new KPI "Increase the number of women managers and middle managers" of the 2020-2022 Sustainability Plan. Consequently, the corresponding value for the previous period was restated.

Workplace health and safety

Enel considers employee health, safety and general well-being to be its most valuable asset, one to be preserved both at work and at home. We are therefore committed to developing and promoting a strong culture of safety that ensures a healthy work environment and protection for all those working with and for the Group. Safeguarding our own health and safety and that of the people with whom we interact is the responsibility of everyone who works for Enel. For this reason, as provided for in the Group "Stop Work Policy", everyone is required to promptly report and halt any situation of risk or unsafe behavior. The constant commitment of us all, the integration of safety both in corporate processes and training, the reporting and detailed analysis of all information, near misses, safety warnings, non-compliance, controls, rigor in the selection and management of contractors, the sharing of experience and best practices throughout the Group as well as benchmarking against the leading international players are all cornerstones of Enel's culture of safety. These values are part of the SHE project, launched in 2018 and further strengthened in 2020.The project involves the Group's people and suppliers with initiatives regarding safety, health and the environment. It is aimed at fostering continuous growth with our contractors, operational improvements and safety with equipment, tools and processes.

Safety is closely integrated into tender processes, and we closely monitor our contractors' performance both upstream with our qualification system and ongoing as the contracts progress through numerous control processes and tools such as the Supplier Performance Management (SPM) system. During 2020, we further improved and integrated the HSE Terms into all contracts. These are binding conditions that companies must agree to when contracts are awarded. The document, unique for the Group, defines the requirements regarding health, safety and significant environmental aspects that the contractor must comply with and enforce with their subcontractors during the execution of works. In addition, during the year considerable impulse was given to the "Safety Supplier Assessment", specific audits on safety issues to be undertaken at the suppliers' premises and their worksites. The audits are performed during the qualification phase for each new supplier in cases where critical issues have emerged (severe or fatal injuries) or where the supplier has received a low SPM rating. In 2020, despite the COVID emergency, a total of 1,185 contractor assessments were performed.

The following table reports the main workplace safety indicators.

		2020	2019	Change	
	millions of hours	**403.239**	**398.553**	**4.69**	**1.2%**
Enel	millions of hours	125.264	129.069	(3.805)	-2.9%
Contractors	millions of hours	277.975	269.484	8.491	3.2%
Total injuries	no.	**210**	**292**	**(82.00)**	**-28.1%**
Enel	no.	75	116	(41)	-35.3%
Contractors	no.	135	176	(41)	-23.3%
Injury frequency rate [1]	i	**0.521**	**0.733**	**(0.212)**	**-28.9%**
Enel	i	0.599	0.899	(0.300)	-33.4%
Contractors	i	0.486	0.653	(0.167)	-25.6%
Fatal injuries	no.	**9**	**7**	**2.00**	**28.6%**
Enel	no.	1	1	-	-
Contractors	no.	8	6	2	33.3%
Fatal injury frequency rate	i	**0.022**	**0.018**	**0.004**	**22.2%**
Enel	i	0.008	0.008	-	-
Contractors	i	0.029	0.022	0.007	31.8%
"High consequence" injuries [2]	no.	**23**	**19**	**4.00**	**21.1%**
Enel	no.	3	3	-	-
Contractors	no.	20	16	4	25.0%
"High consequence" injury frequency rate	i	**0.057**	**0.048**	**0.009**	**18.8%**
Enel	i	0.024	0.023	0.001	4.3%
Contractors	i	0.072	0.059	0.013	22.0%

(1) This index is calculated as the ratio between the number of injuries (all injury events including those with three or fewer missed days of work) and hours worked/1,000,000.
(2) Sum of:
- injuries that at December 31, 2020 involved more than six months of absence from work;
- injuries that at December 31, 2020 were still under investigation and are considered serious (initial prognosis > 30 days);
- injuries classified as "life changing accidents" (LCA), regardless of the number of missed days of work connected with them.

In 2020, the injury frequency rate for Enel employees declined to 0.599 injuries for every million hours worked (-33.4 compared with 2019), confirming the effectiveness of the safety strategy and policies implemented in the Group. In 2020, 1 fatal accident occurred in Brazil involving Enel Group employees, and 8 fatal accidents involving contractors (5 in Brazil and one each in Italy, Spain and Colombia). The causes of these nine fatal accidents were mainly associated with electrical incidents. Also in 2020, 3 "high consequence" accidents occurred involving employees of the Enel Group, while 20 such accidents involved contractors. They were mainly of a mechanical nature. Training and awareness-raising activities concerning issues relating to the protection of health and safety are a key element of the Group's safety culture. A number of communication campaigns were carried out during the year in areas of specific importance for the Company. At the same time, some 903,802 hours of training on safety issues were provided to Enel personnel.

The Enel Group has established a structured health management system, based on prevention measures to develop a corporate culture that promotes psycho-physical health, organizational well-being and a balance between personal and professional life. With this in mind, the Group conducts global and local awareness campaigns to promote healthy lifestyles, sponsors screening programs aimed at preventing the onset of diseases and guarantees the provision of medical services. More specifically, we have a policy for the prevention of local diseases and provide support in the event of diseases or accidents abroad. A smartphone application is also available with travel information and guidelines on vaccinations, while a new global insurance policy has been taken out for all employees traveling abroad. The Enel Group has a systematic and ongoing process for identifying and assessing work-related stress risks, in accordance with the "Stress at Work Prevention and Well-being at Work Promotion" po-

licy, for the prevention, identification and management of stress in work situations, also providing recommendations aimed at promoting a culture of organizational well-being.
The Group also constantly monitors epidemiological and health developments in order to implement preventive and protective measures for the health of employees and those who work with the Group, both locally and globally. Since the outset of the COVID-19 emergency in February 2020, Enel has taken steps to protect the health of all workers and ensure the continuity of electricity supply to the communities in which it operates. A global task force has been created, as well as local task forces in each country where Enel is present, to monitor the progress of the pandemic with dedicated indicators and immediately take all necessary prevention measures. Given the persistence of the COVID-19 emergency and its spread on a global scale, at the end of 2020 a HSE Emergency Management unit was set up within the Parent's HSEQ department, with a focus on health, safety and environmental emergencies, with the objective of integrating the HSE emergency management process into the company organization and ensuring the integration and continuous alignment of strategy and the management of emergency events at the Business Line and Country level.
Since the beginning of the pandemic, new operating models have been activated to minimize the risk of contagion and specific prevention protocols have been implemented, dynamically adapting the activity plan and the measures defined in response to developments in the pandemic at a global level. All personnel whose jobs could be done remotely have been working using flexible working arrangements since the beginning of the emergency. For operational units (about 13,000 employees), who necessarily work in the field, stringent measures to contain the spread of the disease were applied through the division of teams into smaller nuclei (elementary cells) and the adoption of temporal and/or physical segregation measures. Stress tests were conducted for critical infrastructures with the aim of verifying their operation in various possible contagion scenarios. Information and training initiatives were launched for employees on the prevention measures to be adopted. Enel also invited its suppliers on a global scale to take all actions deemed appropriate to ensure the protection of the health of their workers and the limitation of the spread of the disease. Influenza vaccination programs were implemented as a preventive health measure in all the main countries in which Enel operates.

Responsible relations with communities

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

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

Our knowledge of specific local circumstances and constant listening to the needs of stakeholders have also made it possible to develop concrete responses to the new context delineated by restrictions such as social distancing and travel bans and the multiplicity of economic, social and cultural realities in which Enel operates and of which it is an integral part in the operation of our assets. Specific initiatives have focused on local socio-economic development plans, with targeted solutions to stimulate economic recovery through the development of local markets, specific services dedicated to vulnerable customers and actions aimed at combating energy poverty and ensuring social inclusion for the weakest categories of the population by leveraging access to new technologies and circular economy approaches.
The continuous attention to social and environmental factors, combined with the objective of contributing to the economic and social progress of the communities, makes it possible to create long-term value for the Company and for the communities in which it operates, promoting a new balanced development model that leaves no one behind. This model has been incorporated along the entire value chain: analyzing the needs of communities right from the development phases of new activities; taking account of social and environmental factors in the establishment of sustainable worksites; managing assets and plants to make them sustainable development platforms to the benefit of the territories in which they are located. Another development was the extension of this approach to the design, development and supply of energy services and products, helping to build increasingly sustainable communities.
In 2020, Enel developed over 2,100 projects with 8 million

beneficiaries,[3] concretely contributing to the development and social and economic growth of local communities. The projects to ensure access to affordable, reliable, sustainable and modern energy (SDG 7) have involved 9.8 million people to date,[4] those to foster the economic and social development of communities (SDG 8) have reached 3 million beneficiaries,[5] while initiatives to promote quality education (SDG 4) have benefited 2.3 million people.[6]

A fundamental lever in implementing these projects is the use of about 1,000 partnerships with social enterprises, non-profit organizations, startups and institutions operating both locally and internationally that promote the development of the territory through innovative and tailor-made interventions. The search for social innovation ideas and solutions through the Open Innovability® ecosystem is constant, based on openness and sharing through various tools such as, for example, crowdsourcing platforms (openinnovability.com) and the Innovation Hub network.

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

Sustainable supply chain

In addition to meeting certain quality standards, the services of our vendors must also go hand in hand with the adoption of best practices in terms of human rights and working conditions, health and safety and environmental and ethical responsibility. Our procurement procedures are designed to guarantee service quality in full respect of the principles of economy, effectiveness, timeliness, fairness and transparency. The procurement process plays a central role in value creation in its various forms (safety, savings, timeliness, quality, earnings, revenue, flexibility) as a result of ever-greater interaction and integration with the outside world and the different parts of the company organization. In 2020, we signed agreements with a total of more than 24,000 vendors.

Vendor management involves three essential stages, which integrate social, environmental and governance issues: the qualification system, the definition of general terms and conditions of contract, and the Supplier Performance Management (SPM) system in the evaluation process. Enel's global vendor qualification system (with about 12,000 active qualifications as at December 31, 2020) enables us to accurately assess businesses that intend to participate in tender processes through the analysis of compliance with technical, financial, legal, environmental, health and safety, human and ethical rights and integrity requirements, representing a guarantee for the Company. As regards the tendering and bargaining process, Enel continued to introduce aspects related to sustainability in tendering processes, with the introduction of a specific "K for sustainability" factor, which takes account of environmental and social factors and supplier safety. Furthermore, specific contractual clauses regarding sustainability are envisaged in all contracts for works, services and supplies, including respect for and protection of human rights and compliance with ethical and social obligations. The SPM system is designed to monitor vendor services in terms of the quality, timeliness and sustainability of contract execution.

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

(3) Beneficiaries are the people for which a project is implemented. Enel only considers direct beneficiaries in the current year. The number of beneficiaries includes the activities and projects carried out in all the areas in which the Group operates (for companies within the scope of the Non-Financial Statement, the number of beneficiaries does not include companies accounted for using the equity method, Group foundations and non-profit organizations and companies operating within the Build, Sell and Operate mechanism).
(4) Cumulative 2015-2020 figures for total number of SDG 7 beneficiaries to date.
(5) Cumulative 2015-2020 figures for total number of SDG 8 beneficiaries to date.
(6) Cumulative 2015-2020 figures for total number of SDG 4 beneficiaries to date.

The circular economy

For Enel, the circular economy represents a strategic driver and a fundamental choice for achieving competitiveness objectives, both in economic terms and in terms of risk reduction, and, at the same time, creating a fully sustainable business model to respond to the great global environmental and social challenges.

The Group's vision is based on five pillars, which act through three main levers: design, methods of use and the closure of cycles.

For the result to be effectively transformative, the circular approach must inevitably embrace the entire value chain. For this reason, it has been implemented in all the Group's activities, acting both through the Business Lines, as regards technologies and business models, and through the Countries, as regards cross-sectoral synergies, collaborations and ecosystems. To this end, the main areas of activity address the following aspects.

- Suppliers: the Circular Procurement strategy with suppliers has been operational since 2018 to measure the circularity of what we purchase, reward the most virtuous and co-innovate to rethink assets and products together.
- Assets: the Global Power Generation and Global Infrastructure and Networks Business Lines are both reviewing the value chain of the main projects they have undertaken recently, such as smart meters, photovoltaics and wind power, from a circular point of view and leveraging their operational assets. Global Trading, bearing in mind the specificities of the various assets involved, is supporting this transition by extending its skills to the areas of new materials and secondary raw materials.
- Customers: Enel X is marketing itself as an accelerator of the circularity of its customers, both by continuously measuring and improving its products and services and by providing measurement and consulting services to customers to increase their circularity.

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

A concrete example of the Group's circular approach is the "Circular Smart Meter" project, which represents a virtuous example of the application of the principles of the circular economy in Global Infrastructure and Networks. As the plan to replace 32 million first generation meters in Italy moves forward, Enel has decided to transform their disposal into an opportunity, using the material from the discontinued meters to build the new "Circular Open Meter". To develop the device, a process for selecting and regenerating the polycarbonate from the discontinued meters was also developed, which in the future could also be extended to the other Country segments of the Group, where technically possible. In June 2020 the NMi Certification Body (Nederlands Meetinstituut) for the MID (Measuring Instruments Directive) approved the use of regenerated plastic for the Open Meter, and the manufacture of the initial lot of 30,000 Circular Open Meters began. Produced with 100% regenerated plastic, the new meters minimize the environmental impact for the benefit of customers, the territory and the environment. More specifically, the new process is estimated to have reduced CO_2 emissions by 210 tons for the first lot compared with the traditional process, using a life cycle assessment method. Furthermore, thanks to the reintegration of the waste material from the old devices (mainly plastic) into the production process of the new Circular Open Meters, waste has also been reduced by an estimated 31.5 tons. In percentage terms, 48% by weight of the new meters consists of regenerated materials, ensuring the virtuous management of their end of life, for which the recyclability and reuse of materials (metals in addition to plastic) is estimated at about 79% by weight.

Extending useful life

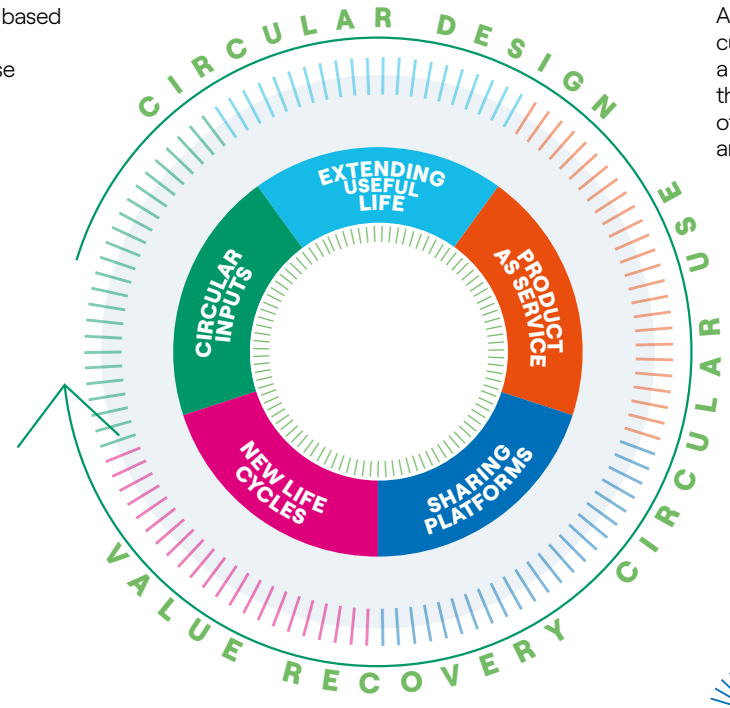
Approach to the design and operation of an asset or product intended to extend its useful life, such as modular design, facilitated repair or predictive maintenance.

Circular inputs

Model of production and use based in renewable inputs or inputs from previous life cycles (reuse and recycling).

Product as service

A business model in which the customer purchases a service for a specified period of time, while the company retains ownership of the product, maximizing usage and useful life.



New life cycles

All solutions designed to preserve the value of an asset at the end of its life cycle thanks to reuse, regeneration, upcycling or recycling, in synergy with other pillars.

Sharing platforms

Systems for joint management by multiple users of products, goods or skills.

SIGNIFICANT EVENTS IN 2020

Brindisi plant – Ash dispute

With regard to the criminal investigation initiated by the Public Prosecutor's Office of the Court of Lecce in 2017 concerning the use of fly ash in the cement industry, the Brindisi power plant was involved in a criminal investigation that resulted in the issue of a preventive seizure order that allowed operation of the plant subject to certain technical requirements. The order also provided for the seizure of Enel Produzione assets and receivables in an amount of about €523 million. On August 1, 2018, the Lecce Public Prosecutor lifted its seizure of the Brindisi plant, with the consequent termination of the judicial custody/administration of the facility and the restitution of the other seized assets to Enel Produzione, on the basis of the report prepared by the experts appointed by the investigating magistrate at the Court of Lecce, which fully confirmed the appropriateness of the operation of the plant.

However, the preliminary investigation is continuing both against the accused individuals and the company pursuant to Legislative Decree 231/2001.

On January 9, 2020, the original notices of the preliminary hearing set for January 29, 2020 were received. Due to a number of irregularities in the notices, the hearing was initially postponed until April 8, 2020. However, owing to the measures imposed to counter the COVID-19 pandemic, the hearing was again postponed until June 10, 2020 and then again until November 20, 2020, as a result of the impossibility of conducting the argument phase with the necessary guarantees provided for in health and safety guidelines. This hearing was also not held due to the persistence of the health emergency. In any event, the Region of Puglia and the City of Brindisi filed to join the proceeding as civil plaintiffs, the admissibility of which was discussed at the hearing of March 4, 2021. Following the discussion, the court did not issue a ruling and adjourned the hearing to April 21, 2021.

Criminal proceedings connected with Pietrafitta plant

With regard to the Pietrafitta thermal generation plant, the Perugia Public Prosecutor had started an investigation involving a number of officers of Enel Produzione SpA, as well as certain third parties who are today owners of the land adjacent to the plant – formerly Enel's – on which ash was found.

The alleged offenses are as follows: failure to restore the site (Article 452-*terdecies* of the Italian Criminal Code) for a number of areas affected by the spillage of ash produced up to the 1980s by the Pietrafitta power plant and ash from other company plants, and other areas where contamination with polychlorinated biphenyls ("PCBs") was found associated with decommissioned mining equipment; environmental pollution (Article 452-*bis* of the Criminal Code) connected with the PCB contamination, with respect to which Enel Produzione SpA was also charged with administrative liability pursuant to Legislative Decree 231/2001.

In the summer of 2019, Enel Produzione SpA filed a petition for dismissal, which was accepted by the prosecutor for the crime of environmental pollution, with consequent dismissal of the charge pursuant to Legislative Decree 231/2001.

A number of environmental associations filed an objection to the dismissal, and on February 21, 2020 a hearing was held before the investigating magistrate, which ended with dismissal of the charges (May 28, 2020), which, in brief, accepted all of Enel's defenses and confirmed the dismissal of any other possible charges – even if not brought by the Prosecutor's Office – relating to the possible health effects caused by the presence of the ash.

Accordingly, the criminal proceedings are continuing with sole regard to the crime of failure to restore the site, with respect to which in December 2019 the Enel Produzione SpA employees presented an application for a stay of proceedings with probation, consisting in the implementation of a program agreed with the Prosecutor's Office for proportionate and fair restoration with respect to the complaints filed against the defendants. The probation hearing was held on October 29, 2020, when the investigating magistrate of the Court of Perugia granted the request for probation. The hearing was then postponed to February 18, 2021, when the program proposed by Enel Produzione was approved, setting a deadline of nine months for its execution.

Connection to the grid of São Gonçalo, the largest photovoltaic plant in South America

On January 13, 2020 Enel Green Power Brasil Participações Ltda (EGPB) started operations to connect the 475 MW section of São Gonçalo photovoltaic plant, located in São Gonçalo do Gurguéia, in Brazil's northeastern state of Piauí, to the grid. The construction of the 475 MW section of the solar plant involved an investment of around R$1.4 billion, equivalent to approximately $390 million. Once fully up and running, the 475 MW section of the plant will be able to generate over 1,200 GWh per year while avoiding the emission of over 600,000 metric tons of CO_2 into the atmosphere.

Funac and the ICMS tax relief

With Law 20416 of February 5, 2019, the state of Goiás shortened from January 27, 2015 to April 24, 2012 the period of operation of the Funac fund (established with Law 17555 of January 20, 2012) and the tax benefit system (created with Law 19473 of November 3, 2016) that allowed Celg Distribuição SA to offset payment obligations in respect of the ICMS - *Imposto sobre Circulação de Mercadorias e Serviços* (tax on the circulation of goods and services). On February 25, 2019, Celg-D appealed the provisions of Law 20416 before the Court of the state of Goiás, filing a writ of mandamus and an accompanying petition for a precautionary suspension, which was denied on a preliminary basis on February 26, 2019. Celg-D appealed this ruling and the Court of the state of Goiás allowed the appeal on June 11, 2019. On October 1, 2019, the Court of the state of Goiás issued an order revoking the precautionary measure previously granted in favor of Celg-D and, accordingly, the effects of the law were restored as from that date. Celg-D filed an appeal against this decision, claiming that the right to guarantee tax credits has both a legal and contractual basis and that, therefore, the actions that the state of Goiás has taken in order to fully suspend the application of these laws are patently unfounded. On October 2, 2019, the appeal filed by Celg-D was denied. On November 21, 2019, Celg-D challenged this decision before the Superior Tribunal de Justiça (STJ). On February 27, 2020, the Tribunal de Justiça (TJ) declared inadmissible the appeal by Celg-D, which on May 5, 2020 appealed this decision before the STJ. These proceedings are under way. It is important to note that the coverage of the Funac fund is provided for in the agreement for the acquisition of Celg-D by Enel Brasil SA. On April 26, 2019, Law 20468 was promulgated. With the law, the state of Goiás fully revoked the tax relief referred to above. On May 5, 2019, Celg-D filed an ordinary petition and a request for a precautionary suspension against the state of Goiás to contest this law. On September 16, 2019, the Court of the state of Goiás denied the petition for precautionary relief, citing the absence of any danger in delay, a requirement for the granting of precautionary relief. On September 26, 2019, Celg-D filed an appeal (*agravo de instrumento*) before the Court of the state of Goiás against the decision denying the precautionary suspension, claiming that the repeal of the tax credit law is unconstitutional to the extent that these credits were established in accordance with applicable law and constitute acquired rights. As part of the same appeal proceeding, the state of Goiás initiated an action to challenge the admissibility of the Celg-D petition, which was granted on a preliminary basis and subsequently challenged by Celg-D. On September 7, 2020, the state of Goiás submitted its reply to the precautionary petition filed with the appeal.

Moreover, the Brazilian association of electricity distribution companies (ABRADEE) had filed an action for a ruling on constitutionality with the Constitutional Court of Brazil (Supremo Tribunal Federal) with regard to Laws 20416 and 20468. This was denied on June 3, 2020 with an individual Decision by the judge-rapporteur for lack of formal requirements. On June 24, 2020, the ABRADEE filed an appeal (agravo regimental) against that decision. On September 21, 2020, the Supreme Court of Brazil, without going into the merits of the case, rejected ABRADEE's appeal for formal reasons and the proceeding was concluded. On October 15, 2020, ABRADEE filed an appeal against this decision.

Hydroelectric concessions

Italian regulations governing large-scale hydroelectric concessions were 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, or in the event of forfeiture or renunciation, 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 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, various regions (Lombardy, Piedmont, Emilia-Romagna, Friuli-Venezia Giulia and the Province of Trento) enacted regional laws.

In the view of the Company, both the national law and the regional implementing legislation violate Community principles and constitutional principles such as property rights, the principle of legal certainty, the principle of proportionality and legitimate expectations 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 provision for the payment of the new fee and the obligation to supply free electricity for the existing holders of current concessions entails the introduction in the concession relationships of an unexpected and unreasonable element of significant financial imbalance, in clear violation of the principle of reasonableness and proportionality of the fee that constitutional case law has established must be respected in the event that changes worsening the position of a party are introduced in the context of long-term relationships.

The government challenged a number of the regional implementing laws before the Constitutional Court, claiming the violation of various constitutional principles.

The Company participated in the aforementioned proceedings before the Constitutional Court (in July 2020 in the proceeding involving the regional law of Lombardy and in February 2021 in the proceeding involving the provincial law of Trento and the regional law of Piedmont) and also challenged the first implementing acts issued under the individual regional laws before the competent judicial authorities (Regional Administrative Court and Regional Water Resources Court) asking that they be declared void and raising the question of constitutional illegitimacy of both the national law and the regional laws.

The trade associations (Utilitalia and Elettricità Futura) also presented briefs in the context of the proceedings brought before the Constitutional Court by the government. In addition, other sector operators have proposed legal actions against the implementing measures issued under the individual regional laws, requesting that they be declared void.

Enel reaches 65% stake in Enel Américas

On April 3, 2020, Enel announced its intention to increase its shareholding in its Chilean listed subsidiary Enel Américas SA by up to an additional 2.7% in order to reach the maximum shareholding currently permitted under the bylaws of Enel Américas, equal to 65%. To this end, Enel entered into two new share swap agreements (the "share swap transactions") with a financial institution. On May 28, 2020, following the settlement of two share swap transactions entered into in June 2019 with a financial institution, the stake held by Enel SpA in Enel Américas amounted to 62.3%. Subsequently, on August 18, 2020, Enel SpA increased its holding in Enel Américas to 65% of that company's share capital, following the settlement of the two share swap transactions entered into in April 2020.

The above transactions are in line with the announced goal of the Enel Group to increase its shareholding in the Group companies operating in South America, thus reducing the presence of non-controlling shareholdings.

Early closure of Unit 2 of the Brindisi plant is authorized

On May 28, 2020, Italy's Ministry for Economic Development gave Enel the green light for the early closure of Unit 2 of the Federico II thermal power plant in Brindisi as from January 1, 2021, following the Company's request presented in January 2020. This is the first of the plant's four coal-fired generation units set to be closed definitively. In line with Enel's strategy to decarbonize its electricity generation mix and with the objectives of Italy's Integrated National Energy and Climate Plan, in recent months the Company has started the permitting process for the conversion of the site into a high efficiency gas-fired plant. This process is necessary to ensure the complete closure of the Brindisi coal plant by 2025, while also guaranteeing the security of the national electricity grid. In addition, Enel is developing projects for the installation of photovoltaic capacity within the site, as part of the broader development initiative for the installation of new renewables capacity throughout Italy.

The early closure of Unit 2 of the Federico II plant in Brindisi is part of Enel's commitment to the energy transition towards an increasingly sustainable model.

The Enel Group accelerates the closure of its last coal plant in Chile

In line with its decarbonization strategy, the Enel Group closed Unit I of the Bocamina plant in January 2021 and expects to close Unit II of the same plant by May 31, 2022, simultaneously planning the completion of 2 GW of renewables capacity in the country through Enel Green Power Chile. More specifically, on May 28, 2020 Enel SpA announced that its Chilean subsidiaries Enel Chile SA and Enel Generación Chile SA had informed the market of the decision of their respective Boards of Directors to expedite the closure of the Bocamina coal-fired plant located in Coronel. Specifically, Enel Generación Chile asked the Chilean National Energy Commission (CNE) to authorize the termination of operations at Units I (128 MW) and II (350 MW) of the plant by the scheduled dates. The closure, which is subject to that authorization, has been accelerated compared with the original plans of Enel Generación Chile in the national decarbonization plan signed with the Ministry of Energy of Chile on June 4, 2019, a plan that provided for the closure of Bocamina I by the end of 2023 and of Bocamina II by 2040. The Enel Group will ensure the re-employment of the workers at Bocamina within the Group, and at the same time will evaluate the possible conversion of the plant's structures.

Enel Board authorizes the issue of hybrid bonds in the maximum amount of €1.5 billion

On June 10, 2020, the Board of Directors of Enel SpA, meeting under the chairmanship of Michele Crisostomo, authorized the issue by Enel, by December 31, 2021, of one or more hybrid non-convertible subordinated bonds in the maximum amount of €1.5 billion, to be placed exclusively with EU and non-EU institutional investors, including through private placements. The new issues are intended to refinance outstanding hybrid bonds for which early repayment options may be exercised as from this year, thus allowing the Enel Group to maintain a financial structure that is consistent with the assessment criteria of rating agencies and to actively manage maturities and the cost of debt.
The Board of Directors has also delegated the Chief Executive Officer with the task of deciding the issue of the new bonds and their respective characteristics, and therefore to establish, for each issue, times, amount, currency, interest rate and further terms and conditions, as well as placement methods and any listing on regulated markets or multilateral trading facilities, taking account of developments in market conditions.

Enel included in MSCI ESG Leaders Indexes for the first time

On June 17, 2020, Enel was included for the first time in the MSCI ESG Leaders Indexes following the annual review carried out by the leading Environmental, Social and Governance (ESG) research and index provider MSCI of its sustainability indices. This capitalization-weighted index series provides exposure to companies with high ESG performance relative to their sector peers. In addition, Enel has been confirmed in the prestigious FTSE4Good Index series and Euronext Vigeo Eiris 120 Indices. The indices, designed for institutional investors willing to integrate ESG factors into investment decision processes, uses a best-in-class approach by only selecting companies with the highest MSCI ESG ratings, which measure a company's resilience to long-term, financially-relevant ESG risks. In 2019 Enel received for the first time the highest MSCI ESG rating ("AAA"), paving the way for the Company's inclusion this year in the MSCI ESG Leaders Indexes, the most prestigious among MSCI's index series measuring companies' sustainability performance. In addition, the inclusion is attributable to Enel's continued investments in renewables and to its ambitious carbon emissions reduction target aligned with the Paris Agreement, under which the Company commits to a 70% reduction in its direct greenhouse gas emissions per kWh by 2030 with respect to 2017 levels.

Enel reaches 64.9% of the share capital of Enel Chile

On July 7, 2020, Enel SpA announced that it had increased its stake in its Chilean subsidiary Enel Chile SA to 64.9% of the company's share capital, settling two share swap transactions entered into in December 2019 with a financial institution to acquire up to 3% of the share capital of Enel Chile, as announced to the financial markets at the time.

Enel accelerates energy transition towards decarbonization

Enel, in its role as a leader of the energy transition, has pla-

ced decarbonization and growth of renewables around the world at the center of its strategy. The 2020-2022 Strategic Plan provides for a significant increase in installed renewables capacity, from the current 46 GW to 60 GW at the end of 2022, and the progressive reduction of coal-fired capacity and generation. More specifically, it is expected that such capacity will decrease by more than 40% in 2022 compared with 2019. In order to manage renewable and thermal generation assets around the world in an integrated manner and guide and accelerate its transformation, Enel created a new Business Line in 2019.

In this context, on July 2, 2020 Enel began restructuring the activities associated with the energy transition process, which will involve 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 that will involve around 1,300 people worldwide.

The restructuring plan will be implemented with procedures and timing that will differ in the various countries in which we are present, initiating the appropriate dialogue with local communities and the competent institutions and social partners.

Enel launches sustainability-linked share buyback program supporting its 2020 Long-Term Incentive Plan

On July 29, 2020, the Board of Directors of Enel, implementing the authorization granted by the shareholders at their meeting held on May 14, 2020 and in compliance with the terms disclosed to the market, approved the launch of a share buyback program involving 1.72 million shares (the "Program"), equal to about 0.017% of Enel's share capital.

The purpose of the Program, which ran from September 3 to December 7, 2020, was to support the 2020 Long-Term Incentive Plan for the management of Enel and/or its subsidiaries pursuant to Article 2359 of the Italian Civil Code (2020 LTI Plan), which was also approved by the shareholders at their meeting held on May 14, 2020.

The Program involved the purchase of a total of 1,720,000 Enel shares (equal to 0.016918% of share capital), at a volume-weighted average price of €7.4366 per share for a total of €12,790,870.154.

Considering the treasury shares already held in its portfolio, on October 28, 2020, Enel holds a total of 3,269,152 treasury shares, equal to 0.032156% of share capital.

Enel issues perpetual hybrid bonds

On September 1, 2020, Enel successfully launched a euro-denominated, non-convertible bond for institutional investors on the European market in the form of a subordinated perpetual hybrid bond, with an aggregate principal amount of €600 million. The transaction was oversubscribed by more than six times, with total orders of more than €3.7 billion.

At the same time, Enel launched of a non-binding voluntary offer to repurchase, and subsequently cancel, its £500 million hybrid notes due in 2076 with the goal of repurchasing a total of £200 million. As a result of the transaction, hybrid bonds with a total nominal value of £250 million were repurchased in cash.

Enel Board of Directors votes to sell 40%-50% of OpEn Fiber to Macquarie

On September 17, 2020, the Board of Directors of Enel SpA received notice of a binding offer submitted by Macquarie Infrastructure & Real Assets (MIRA) for the acquisition of the 50% stake held by Enel in OpEn Fiber SpA.

The offer provides for a price of about €2,650 million, net of debt, for the purchase of the investment, with adjustment and earn out mechanisms.

Enel's Board of Directors acknowledged that it received the notice and is awaiting updates on the details that may emerge following an examination with MIRA of the details of the offer.

On December 17, 2020, the Board of Directors of Enel SpA, meeting under the chairmanship of Michele Crisostomo, resolved to initiate the procedures for the sale of a stake of between 40% and 50% of the share capital of OpEn Fiber SpA to MIRA, giving the CEO specific authority to pursue the transaction.

Based on MIRA's final offer, the price for the sale of 50% of OpEn Fiber is equal to €2,650 million and includes the transfer to MIRA of 100% of Enel's portion of the shareholder loan granted to OpEn Fiber, including accrued interest, amounting to an estimated €270 million at June 30, 2021, the date by which the transaction is expected to close. Should 40% of OpEn Fiber be sold, as MIRA's final offer envisages a proportional reduction of the above values, the price would amount to €2,120 million, Enel's portion of the shareholder loan granted to OpEn Fiber being transferred to MIRA would be equal to 80%, with an estimated value at June 30, 2021 of around €220 million. The above price does not include the potential effects of the earn-out mechanisms described below, as they cannot currently be quantified.

The final offer received from MIRA envisages that, should the transaction close after June 30, 2021, the above price will be increased at a rate of 9% per year calculated from July 1, 2021 and up to the closing itself. The offer also provides for the payment of two different earn-outs in favor of Enel related to future and uncertain events. One earn-out is linked to the positive conclusion, with a final judgment, of the dispute initiated by OpEn Fiber against TIM SpA for anticompetitive conduct by the latter. Specifically, this earn-out will pay Enel 75% of any net damages that OpEn Fiber should subsequently collect and is expected to be paid to Enel based on the dividends distributed by OpEn Fiber to its shareholders for any reason. The earn-out will be calculated in proportion to the actual stake sold by Enel to MIRA. The other earn-out is related to the creation of value deriving from the possible implementation of the so-called "single broadband network" between OpEn Fiber and TIM. It is based on investor returns and envisages that, should MIRA's stake in OpEn Fiber be transferred, resulting in a return on investment (IRR) greater than 12.5%, Enel will be paid 20% of the amount achieved by MIRA exceeding the above threshold, up to a maximum of €500 million should 50% of OpEn Fiber be sold and €400 million should 40% of the company be sold.

The signing of the purchase agreement between the parties is subject to certain conditions, including:

- OpEn Fiber issuing an authorization to MIRA to share the information acquired during the due diligence process with a small number of potential co-investors in order to syndicate the price;
- the non-exercise of the right of pre-emption that the OpEn Fiber bylaws give CDP Equity SpA (CDPE, which is in turn 50% shareholder of OpEn Fiber);
- in the event of the sale of 50% of OpEn Fiber, the agreement between MIRA and CDPE of the modification of certain aspects that currently regulate the governance of OpEn Fiber.

The closing of the transaction is in turn subject to a series of conditions, including:

- OpEn Fiber's lending banks obtaining the waivers required for the transfer of Enel's stake in OpEn Fiber to MIRA;
- obtaining various administrative authorizations needed for the transfer of Enel's stake in OpEn Fiber to MIRA, specifically relating to the golden power procedure with the Presidency of Italy's Council of Ministers and the authorization to be issued by the EU Antitrust Authority.

Enel Group begins reorganization of renewables business in Central and South America

On September 22, 2020, Enel SpA announced that the Board of Directors of its Chilean listed subsidiary Enel Américas SA had resolved to commence the process to approve a merger as part of a corporate reorganization of the Enel Group's shareholdings, with the intention of integrating the non-conventional renewable energy businesses of the Enel Group in Central and South America (except Chile) into Enel Américas. The transaction, consistent with Enel's strategic objectives, will further simplify the Group's corporate structure and align the structure of Enel Américas' business with the rest of the Group.

The corporate reorganization provides for the integration into Enel Américas of the current non-conventional renewable assets of the Enel Group in Argentina, Brazil, Colombia, Costa Rica, Guatemala, Panama and Peru, through a series of transactions culminating in a merger of those assets into Enel Américas. The merger, which will increase Enel's stake in Enel Américas, will also involve the amendment of the latter's bylaws by its Shareholders' Meeting to remove the existing limitation whereby a single shareholder may not hold more than 65% of the voting rights. That Shareholders' Meeting was also asked to approve the merger as a transaction with related parties in compliance with applicable Chilean law.

Enel has given Enel Américas a favorable preliminary opinion on the reorganization provided that it:

- is carried out on market terms and conditions;
- ensures that Enel Américas has a financial position that supports the future development of the renewables business and the growth prospects of the company.

The favorable preliminary opinion is subject to an assessment by Enel of the final terms and conditions to be submitted for approval of the shareholders of Enel Américas.

On December 18, 2020, Enel SpA announced that the Extraordinary Shareholders' Meeting of the listed Chilean subsidiary Enel Américas had adopted resolutions on that date concerning the implementation of the corporate reorganization intended to integrate the non-conventional renewable business of the Enel Group in Central and South America (excluding Chile) into Enel Américas.

On December 17, 2020, Enel announced that as part of the corporate reorganization intended to integrate the non-conventional renewable energy business of the Enel Group in Central and South America (excluding Chile) into

the listed Chilean subsidiary Enel Américas SA, it would launch a voluntary partial public tender offer for the acquisition of the shares and American Depositary Shares (ADSs) of Enel Américas representing up to a maximum of 10% of its current share capital (the Offer), at a price of 140 Chilean pesos per share (or its equivalent in US dollars at the time of settlement in the case of ADSs). The Offer was launched in March 2021 (for more details, please see note 55 to the consolidated financial statements). The Offer is also subject to Chilean, US and any other applicable regulations.

As announced on November 13, 2020, the Extraordinary Shareholders' Meeting of Enel Américas was called for December 18, 2020 to resolve on (i) the merger of EGP Américas SpA into Enel Américas with a consequent increase in the share capital of Enel Américas in support of the merger, and (ii) the amendment of the bylaws of Enel Américas in order to remove the limits that currently do not allow a single shareholder to own more than 65% of shares with voting rights. The Offer is an opportunity for non-controlling shareholders who wish to reduce their ownership interest in Enel Américas after the merger is completed. In this respect, the Offer provides shareholders an opportunity to sell shares for more than the price of 109.8 Chilean pesos per share that Enel Américas will offer in accordance with Chilean law to dissenting shareholders who intend to exercise their withdrawal rights. The Offer will not be launched if the merger of EGP Américas SpA into Enel Américas and the amendment of the bylaws of Enel Américas do not take effect by December 31, 2021. The total price to be paid under the Offer, which is expected to amount to up to €1.2 billion (calculated at the exchange rate prevailing on December 16, 2020 of 895 Chilean pesos per euro), will be funded through internally generated cash flow and existing borrowing capacity.

Enel successfully launches a £500 million "Sustainability-Linked Bond", the first sterling-denominated bond of its kind

On October 13, 2020, Enel Finance International NV placed the sterling market's first "Sustainability-Linked Bond", which is linked to the achievement of Enel's sustainable objective for consolidated installed renewables capacity as a percentage of total consolidated installed capacity, in line with the commitment to achieving the United Nations Sustainable Development Goals.

The issue of £500 million (about €550 million), which is guaranteed by Enel, was targeted at institutional investors and was oversubscribed by almost six times, with total orders of approximately £3 billion and the significant participation of Socially Responsible Investors (SRI), allowing the Enel Group to continue to diversify its investor base.

Enel signs contract for a €1 billion "Sustainability-Linked Loan"

On October 16, 2020, Enel SpA signed a €1 billion "Sustainability-Linked Loan" facility agreement with a 6-year term. Structured as a club deal maturing on October 15, 2026, the loan is intended to meet the Group's ordinary financing needs and follows the adoption by Enel of a "Sustainability-Linked Financing Framework" (the Framework), aligned with the International Capital Market Association's (ICMA) "Sustainability-Linked Bond Principles" and Loan Market Association's (LMA) "Sustainability-Linked Loan Principles".

The loan is linked to the key performance indicator (KPI) of Installed Renewables Capacity Percentage (i.e., consolidated installed renewables capacity as a percentage of total consolidated installed capacity) and to the related achievement of a Sustainability Performance Target (SPT) equal to or greater than 60% by December 31, 2022 (as of June 30, 2020, the figure was equal to 51.9%). Based on the achievement of the SPT by the target date, the credit line provides for a step-up/step-down mechanism that will impact the interest spread applied to drawings on the line, thus reflecting the value of sustainability. The loan reflects the commitment of Enel, leading private electricity company in the world by installed renewables capacity, to contribute to the achievement of SDG 7.2, i.e. to "Increase substantially the share of renewable energy in the global energy mix by 2030".

Enel launches a consent solicitation for holders of certain hybrid bonds

On October 23, 2020, Enel announced that it had launched a consent solicitation addressed to the holders of a number of subordinated non-convertible hybrid bonds issued by the Company in order to align the terms and conditions of the bonds with those of the perpetual subordinated, non-convertible hybrid bond launched by Enel on September 1, 2020. To this end, the Company called the Meetings of the noteholders of the following bonds, with a total outstanding amount of about €1,797 million (the "Bonds"), at first and single call on November 26, 2020. On the same date, the Noteholders' Meetings approved the proposed changes to the terms and conditions of the Bonds, aimed at aligning the latter with the terms and conditions of the perpetual subordinated non-convertible hybrid bond launched by Enel on September 1, 2020. More specifically, the approved changes establish, *inter alia*, that:

- the Bonds, originally issued with a specified long-term maturity date, will become due and payable and hence have to be repaid by the Company only in the event of winding up or liquidation of the Company;
- the events of default, previously envisaged in the terms and conditions and additional documentation that regulate the Bonds, would be eliminated.

Historic milestone for Enel taking top spot in 2020 Dow Jones Sustainability World Index

On November 14, 2020, Enel's global sustainability leadership was acknowledged by a number one ranking in this year's Dow Jones Sustainability World Index (DJSI World), an unprecedented milestone in the Company's seventeen year presence in the index. During the DJSI World selection process, Enel stood out in most of the 27 criteria assessed by SAM (the S&P Global Division in charge of ESG – environmental, social and governance – related research acquired in 2020 from RobecoSAM, an affiliate of asset management firm Robeco).

Specifically, the Company achieved a score higher than 90/100 in more than 70% of the criteria, among which some of the most significant ones are climate strategy and market opportunities, both criteria aimed at assessing the performance of electric utilities on leading the transition towards a low-carbon energy model. Enel also ranks first in DJSI Europe for the "Electric Utilities" sector and second globally in the overall family of Dow Jones Sustainability Indices for the same sector.

Enel also excelled in other criteria focused on assessing responsible business management practices including risk and crisis management, environmental policy and management, operational eco-efficiency, water-related issues, human rights, human capital development as well as transparency on social and environmental performance.

The Group's Spanish subsidiary Endesa has also been included in this year's DJSI World, marking the company's twentieth straight year in the index. Enel and Endesa are two of the eight companies admitted to the index at the global level in the electric utility sector. In addition, the Group's South American subsidiary, Enel Américas, has been confirmed in the Dow Jones Sustainability Emerging Markets Index and Dow Jones Sustainability MILA (Mercado Integrado Latinoamericano) Pacific Alliance Index for the third consecutive year, as well as in the Dow Jones Sustainability Chile Index for the fourth straight year, while Enel's Chilean subsidiary Enel Chile has been confirmed in the three indices for the third time.

Enel recognized as world sustainability leader among all industries in the 2020 edition of Vigeo Eiris Universe

On December 2, 2020, Enel's global sustainability leadership was acknowledged by a number one ranking in this year's Vigeo Eiris (V.E) assessment edition for its first time ever among nearly 5,000 companies that have been assessed. The unprecedented score achieved in the sustainability performance assessment, which doubles the average score, led to Enel being confirmed in the 2nd Half 2020 review of the Euronext Vigeo Eiris World 120 index. Powered by V.E's data, twice a year, the Euronext Vigeo Eiris World 120 index lists the 120 most sustainable companies out of the 1,500 largest companies in terms of free-float market capitalization in North America, Asia-Pacific and Europe. Enel has also maintained its position in the regional Euronext Vigeo Eiris Europe 120 and Eurozone 120 indices, which respectively list the 120 most sustainable companies out of the 500 largest free-float companies in Europe and the euro area. Endesa, Enel's Spanish subsidiary, has also been included in the latter three indices.

In particular, V.E recognized Enel's outstanding performance in the development of its environmental strategy, including the specific environmental targets set out to limit greenhouse gas emissions and improving air quality, by accelerating the decarbonization of its energy mix and boosting renewables. Enel also excelled in different criteria related to the management of its human capital, including the promotion of labor relations, non-discrimination and diversity. Furthermore, different governance related practices also outstood, among which the role of the Board of Directors in the oversight of the Company's sustainability performance.

Enel Green Power and Maire Tecnimont Group's NextChem sign MoU for a green hydrogen production plant in the United States

On December 9, 2020, Enel Green Power, acting through its North American renewables subsidiary Enel Green Power North America Inc. (EGPNA), and Maire Tecnimont

SpA, acting through NextChem, its subsidiary dedicated to the deployment of technologies for the energy transition, signed a memorandum of understanding to support the production of green hydrogen via electrolysis in the United States. The project, which is expected to be operational in 2023, will convert renewable energy from one of EGPNA's solar plants in the United States into green hydrogen to be supplied to a bio-refinery.

Enel Green Power is developing projects in the green hydrogen segment in Italy, Spain, Chile and the United States. As green hydrogen is a new business application, the Enel Group is monitoring the relevant market developments to identify the most efficient way to achieve its plans to grow its green hydrogen capacity to over 2 GW by 2030.

Enel updates agreement with EPH for sale of stake in Slovenské elektrárne

On December 22, 2020, Enel Produzione SpA (Enel Produzione), EP Slovakia BV and Energetický a průmyslový holding AS (jointly EPH) had signed a general term agreement that modifies some of the terms and conditions of the contract (the Contract) signed on December 18, 2015 (as already amended during 2018) between Enel Produzione and EPH concerning the sale of the stake held by Enel Produzione in Slovenské elektrárne AS (Slovenské elektrárne or SE). As announced on December 18, 2015 and on July 28, 2016, the Contract had provided for the contribution to the newly established Slovak Power Holding BV (HoldCo) of the entire stake held by Enel Produzione in Slovenské elektrárne, equal to 66% of the latter's capital, and governed the subsequent sale of 100% of HoldCo in two stages to EP Slovakia BV for a total of €750 million, subject to adjustment based on certain criteria (the first phase of the transaction was completed on July 28, 2016 with the sale to EP Slovakia of 50% of the share capital that Enel Produzione held in HoldCo).

Under the new general term agreement, which is subject to a number of conditions, Enel Produzione and EPH agreed a number of amendments to the Contract, which regard the financial support provided to Slovenské elektrárne for the completion of units 3 and 4 of the Mochovce nuclear power plant as well as the mechanisms governing the exercise of the put or call options concerning the transfer of the residual stake in HoldCo. More specifically, with regard to the financial support, the amendments provide that Enel Produzione will grant, directly or through other companies of the Enel Group, loans to the HoldCo – which will in turn make them available to Slovenské elektrárne – in the maximum amount of €570 million falling due in 2032. These loans will be made available in accordance with the needs and timing envisaged for the completion of the construction of units 3 and 4 of the Mochovce nuclear power plant (the "Project"). The disbursement of the first loan, amounting to €270 million, is subject to certain conditions, in particular the amendment of certain loan agreements between Slovenské elektrárne and its lender banks, in order to take account of the progress of the Project, and other conditions customary for these kinds of transactions. The disbursement of this first loan is a condition for the effectiveness of the additional amendments to the Contract agreed between the parties and illustrated below. The loans of up to €570 million come in addition to the loan of €700 million (jointly referred to as the "Loans") already made by the Enel Group in line with the agreements amending the Contract signed by the parties in 2018, whose maturity will also be extended to 2032. The new agreement between the parties also envisages that EPH will grant an additional loan of €200 million to fund the Project.

With regard to the amendments related to the mechanisms governing the exercise of the put or call options, new rules have been introduced governing the so-called "trigger events" under which Enel Produzione and EPH can exercise their respective options. Specifically, the so-called "Long Stop Date" has been eliminated (the date after which Enel Produzione and EPH were entitled to exercise their respective put and call options, even without completion of units 3 and 4 of the Mochovce nuclear power plant) and therefore the put or call options can be exercised after the latest of the following events:

- six months from the date of completion of the trial run of Mochovce's unit 4 (i.e., the moment in which that plant will be able to send power to the grid and sell the generated electricity);
- the date of completion of the first outage of Mochovce's unit 4 (i.e., the mandatory annual technical shutdown of the plant to ensure adequate safety levels), which is expected to occur within a maximum of 12 months from the trial run; and
- the Loans fall due, set for 2032.

The new agreement also gives EPH an early call option that can be exercised in the period between six months after the signing of the updated text of the Contract and the first of the following dates:

- four years from the completion of the trial run of unit 4 of the Mochovce plant; and
- December 2028.

The total price of €750 million is subject to an adjustment mechanism, which will be calculated by independent experts in accordance with a formula defined in the Contract, for which the new agreement envisages a number of amendments relating to the exclusion of part of the investments planned for the completion of Mochovce's unit 4 and set-

ting the percentage of the unit 4's enterprise value to be considered depending on when the option is exercised.
Furthermore, in the event of the exercise of the so-called "early call option" from EPH, a floor and cap have been introduced for the price – which will vary depending on when the option is exercised and the effective application of the price determination formula – ranging from a minimum of €25 million and a maximum of €750 million.
Finally, the new agreement envisages that when the options are exercised, EPH will take over the Loans. In the event of the exercise of the early call option, EPH is expected to take over the Loans according to a plan starting from 2026, with the last tranche expected in 2032 at the latest.
The above agreement led to a write-down of the carrying amount of the investment and the financial receivable from EPH in the total amount of €833 million.

COVID-19

The year 2020 was substantially characterized by the spread of the COVID-19 pandemic, with periods of greater spread and mortality accompanied by the imposition of drastic social isolation measures (lockdowns) and total or partial closure of all economic, social and sports activities, as well as the dissemination of new mores of conduct and the systematic and rigorous adoption of personal protective equipment.
The countries most severely affected were initially China, Italy and Spain, gradually followed by the United Kingdom, the other Central European countries, the United States and the countries of South America (in particular Brazil and Chile).
Governments adopted numerous containment measures, essentially intended to restrict the free movement of people, such as selective lockdowns or the early closure of public places to limit crowds. Numerous regulatory measures concerning essential services and public utilities have been implemented, which subsequent sections on the regulatory frameworks adopted in the various countries for the different Business Lines address in more detail.
Already during the 1st Quarter, the Group had issued guidelines aimed at ensuring compliance with the measures introduced at the local level and taken numerous steps to adopt the most suitable procedures to prevent and/or mitigate the effects of contagion in the workplace.
For further information, please see the sections on COVID-19 included in the "Performance of the Group" in this Report on Operations and note 5 of the consolidated financial statements.

REGULATORY AND RATE ISSUES

The European regulatory framework

Recovery Plan

To contribute to the revitalization of the European economy following the pandemic, the European Commission, the European Parliament and European leaders agreed a Recovery Plan to help the European Union emerge from the crisis and build a greener, more digital and more resilient post-COVID-19 Europe. The Plan has a total value of more than €1,824 billion and provides for reinforcing the multiannual financial framework for 2021-2027 by €1,074 billion to rapidly direct investment where it is most needed (strengthening the Single Market, driving the green and digital transition and intensifying cooperation in areas such as health and crisis management) and establishes a new instrument – Next Generation EU – worth a total of €750 billion, to temporarily (2021-2024) increase the resources available in the EU budget and support an immediate response to the crisis by kick-starting the European economy through sustainable and resilient growth.

With particular regard to Next Generation EU, the most significant resources are focused on the Recovery and Resilience Facility, which provides for the allocation of €672.5 billion (€312.5 billion in the form of grants and €360 billion in loans) to support investments and essential reforms for a lasting recovery (with a focus on investments connected with the green and digital transitions).

In this context, the Member States are called upon to prepare National Recovery and Resilience Plans (NRRPs), which must pursue the general objective of economic/social cohesion and resilience, mitigate the impact of the crisis and support the green and digital transition, in line with the seven flagship areas[7] indicated in the guidelines published by the European Commission in September 2020. The NRRPs should be submitted by April 30, 2021 but many Member States have already initiated discussions with the Commission over draft plans (this was possible from October 15, 2020).

The European Green Deal

Following the European Green Deal communication presented at the end of 2019, in the 1st Half of 2020 the European Commission published a series of legislative and non-legislative initiatives aimed at implementing the principles set out in the communication, which we discuss below.

European Climate Law

The proposal for a European Regulation, presented by the Commission on March 4, 2020 and currently under discussion in the Trilogue between the Commission, the European Parliament and the Council, would make the objective set in the European Green Deal to make the European economy and society climate neutral by 2050 legally binding. This means achieving net-zero greenhouse gas emissions (balance between emissions and absorption) for EU countries as a whole, mainly by cutting emissions, investing in green technologies and protecting the natural environment. Once approved, this would incorporate the objective of climate neutrality for 2050 in Union legislation for the first time.

The European Commission proposal also includes the goal of reducing greenhouse gas emissions by 50-55% by 2030, supported by the Commission's Communication (and Impact Assessment) of September 2020, a target that was also approved by the European Council in December 2020. A more ambitious reduction target of 60% is currently being proposed in the European Parliament.

To pursue this objective, the proposal for an EU Regulation also provides that all European policies should be revised to ensure they contribute to achieving climate neutrality and the more ambitious intermediate target in 2030, so that all sectors of the European economy do their part. By 2021, the European Commission will propose a review of all policy instruments necessary to achieve the additional reductions planned for 2030.

Industrial Strategy

The new Industrial Strategy was presented on 10 March 2020. It is intended to maintain the global competitiveness of European industry, make Europe climate neutral by 2050 and shape Europe's digital future. The strategy proposes a series of initiatives (legislative and non-legislative) to support all the players in European industry, from large to small businesses, research centers and start-ups. Actions include comprehensive measures to modernize and decarbonize energy-intensive industries, to support sustainable and intelligent mobility industries, to promote energy efficiency and to ensure a sufficient and secure supply of low-carbon energy at competitive prices. The Industrial Strategy also

(7) (i) Power Up; (ii) Renovate; (iii) Recharge and Refuel; (iv) Connect; (v) Modernize; (vi) Scale-up; (vii) Reskill and Upskill.

envisages the launch of a series of new alliances, such as the European Clean Hydrogen Alliance, to accelerate the decarbonization of industry and maintain industrial leadership, followed by an alliance for low-carbon industries, one for industrial clouds and platforms and one for raw materials. In addition to a complete series of actions, both horizontal and in favor of specific technologies, the Commission will systematically analyze the risks and needs of the various industrial ecosystems. In performing this analysis, the Commission will work in close collaboration with an open and inclusive industrial forum, which will be set up by September 2020.

Communication on "Shaping Europe's digital future"

On February 19, 2020, the Commission presented strategies for data and artificial intelligence (AI). This communication introduces a series of legislative and non-legislative initiatives, with the aim of developing technology at the service of citizens and creating a fair and competitive digital economy. The areas involved in these initiatives are manifold: creation of digital skills, regulation of competition and platforms (through a proposal for a Digital Services Act) and climate neutrality by 2050.

In more detail, the aim of the data strategy is to ensure that the EU takes on the role of model and guide for companies made more autonomous thanks to data. The strategy essentially aims to create a true European data space and a single market for data, in order to unlock so far unused data to enable their free movement within the European Union in all sectors, thus benefiting businesses, researchers and governments. The Commission proposes to establish a regulatory framework for data governance, access to data and reuse of data between businesses, between businesses and government and within government. The Commission intends to support the development of technological systems and the next generation of infrastructure, which will allow the EU and all operators to take advantage of the opportunities offered by the data economy.

In the White Paper on Artificial Intelligence, the Commission called for a reliable framework based on excellence and trust. In a partnership between the public and private sectors, the goal is to mobilize resources along the entire value chain and create the right incentives to accelerate the adoption of solutions based on AI. The document calls for clear rules to govern high-risk AI systems without imposing excessive burdens on less risky ones. The White Paper also underscores the fact that strict EU rules must continue to apply to protect consumers, to address unfair commercial practices and to protect personal data and privacy.

Sustainable and Smart Mobility Strategy

On December 9, 2020, the Sustainable and Smart Mobility Strategy was presented by the European Commission together with an action plan comprising 82 initiatives. The strategy lays the foundation for how the EU transport system will need to achieve its green and digital transformation and become more resilient to future crises. As indicated in the European Green Deal, the goal is to achieve a 90% reduction in emissions by 2050, thanks to an intelligent, competitive, safe, accessible and affordable transport system. All modes of transport will need to become more sustainable, with green alternatives widely available, which is why the strategy sets specific milestones.

By 2030, at least 30 million zero-emission cars will be on European roads, 100 European cities will be climate-neutral and zero-emission marine vessels will be market-ready. By 2035, zero-emission large aircraft will be market-ready. Finally, by 2050, nearly all cars, vans, buses and new heavy-duty vehicles will be zero-emission, rail freight traffic will double and the multimodal trans-European Transport Network will be fully operational for sustainable and smart transport with high-speed connectivity.

Hydrogen Strategy

The EU Hydrogen Strategy was presented on July 8, 2020. The strategy seeks to foster an integrated energy system in which hydrogen plays a role in the decarbonization of industry, transport, construction and power generation across Europe. The priority of the strategy, through investments, the creation of a suitable regulatory framework, the creation of a market and measures to support research and innovation, is to develop renewable hydrogen, produced using mainly wind and solar energy. In the short term, the strategy also includes the use of other low-carbon forms of hydrogen to rapidly reduce emissions and support the creation of a market. The strategy aims to support the installation of at least 6 GW of renewable hydrogen electrolyzers in the European Union and the production of up to 1 million metric tons of renewable hydrogen between 2020 and 2024, 40 GW of renewable hydrogen electrolyzers and the production of up to 10 million metric tons of renewable hydrogen between 2025 and 2030 and the large-scale deployment of hydrogen-based solutions in all hard-to-decarbonize sectors from 2030.

EU strategy on energy system integration

In conjunction with the Hydrogen Strategy, the EU strategy for energy system integration was also presented on July 8, 2020. The aim of the strategy is to transform today's energy system, in which each sector (transport, industry, gas, construction) constitutes a separate silo, by creating new intersectoral connections, exploiting technological advances in order to achieve climate neutrality by 2050 in the most cost effective way. The strategy lists 38 actions to achieve this more integrated energy system and is based on three pillars: a more circular energy system, centered on energy efficiency, accelerating direct electrification of end-user sectors and the promotion of clean fuels, including renewable hydrogen, biofuels and sustainable biogas in sectors that are difficult to electrify.

Just Transition Fund

The Just Transition Fund (JTF) is a funding instrument included within the Just Transition Mechanism (JTM), aimed at supporting Member States in reducing the economic and social impacts of the transition to a climate-neutral economy. The total resources (2021-2027) at the Community level allocated to the JTF amount to €17.5 billion, of which €7.5 billion from the EU's multiannual financial framework for 2021-2027 and €10 billion from Next Generation EU.
The resources are allocated between the Member States by the Commission, and Italy would be eligible for about €900 million, with just under €800 million going to Spain and Greece and about €2 billion to Romania (at 2018 prices). The JTF will support workers, businesses and regional authorities in the green transition and will finance a large number of initiatives, including the remediation and decontamination of brownfield sites, investments in renewables and energy efficiency, upskilling and reskilling, and sustainable mobility. The Member States are called upon to present national transition plans that cover one or more territories within the country that are most strongly impacted by the transition to a green economy.

Sustainable Finance

In March 2020, the Taxonomy Expert Group presented its final taxonomy report and a guide on recommendations for a European Green Bond standard. With regard to the taxonomy, in June the European Parliament approved the EU taxonomy regulation. The European Parliament's approval followed the adoption of the text by the Council on June 10, 2020. The Commission must now adopt delegated acts on the European taxonomy that establish the technical screening criteria for determining whether a specific economic activity substantially contributes to achievement of one or more of the EU's environmental goals. The adoption of the delegated acts, initially scheduled for the end of 2020, was postponed to the early months of 2021. As regards the Green Bonds, after the issue of the guidelines, a public consultation was held in June-October to support the Commission in assessing certain key aspects relating to the Green Bond Standard. In the conclusions of the European Council meeting on December 10 and 11, the leaders of the Member States called on the EU to promote the development of common global rules for green finance. In this context, the Council invited the Commission to present the legislative proposal on the EU Green Bond Standard by June 2021 at the latest.

State aid decisions

On March 19, 2020 and as subsequently amended on April 3, May 8 and June 29, 2020, the European Commission adopted a temporary framework for addressing the impact of the COVID-19 pandemic in order to support Member States with regard to the use of State aid to provide the necessary liquidity to the economic system, including SMEs, to facilitate its application to all sectors and types of business affected by the crisis (with the exception of the financial sector and for companies already in difficulty at the end of 2019) and to help stabilize the European economy while preserving the single market.
On May 28, 2020, the European Commission approved a support scheme for the generation of electricity in the Canary Islands, Balearic Islands, Ceuta and Melilla within the State aid framework for the provision of services of general economic interest (SGEI).
The Commission approved the scheme until the end of 2029 for the Canary Islands, Ceuta and Melilla and 2025 for the Balearic Islands. In order to ensure the long-term security of supply, Spain has undertaken to build a second subsea connection between the mainland and Majorca by 2025. The mechanism will compensate electricity generators fulfilling a public service obligation for the additional cost of providing these services and ensure the establishment of competitive procedures for the development of new generation plants and/or decarbonized solutions.
On September 22, the Vice President of the European Commission and Commissioner for Competition Margaret Vestager announced a "Call for Contributions" on the role of competition policy in supporting the objectives of the European Green Deal. The document, which was sent to the European Commission on November 20, 2020, concerns the control of the State aid, antitrust and merger regulations and the possible introduction of a "Green Bonus" for measures supporting decarbonization.
On November 12, 2020, the European Commission published the Impact Assessment on the revision of the guide-

lines on State aid for environmental protection and energy (Energy and Environmental State aid guidelines - EEAG).
On November 23, the Commission published a further roadmap for the revision of the Communication on Important Projects of Common European Interest (IPCEI) in order to develop the hydrogen industrial chain and the European gigafactory.
On December 21, the European Commission published 11 templates relating to the rules governing State aid for the seven flagship areas of the Recovery and Resilience Facility.

Regulatory framework by Business Line

Thermal Generation and Trading

Italy

Generation and wholesale market

For 2021, the Brindisi Sud, Sulcis, Portoferraio and Assemini plants were declared eligible for the cost reimbursement scheme. These plants had already been declared eligible for reimbursement for 2020 as well.
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 2020 and 2021. Admission to the cost reimbursement scheme guarantees coverage of the operating costs of the plants, including a portion of return on invested capital.
For 2020 and 2021, the remainder of essential capacity was contracted under alternative contracts which provide for the obligation, on the Ancillary Services Market (ASM), to offer to go up/down to prices no higher/lower than the values identified using methods established by the Regulatory Authority for Energy, Networks and the Environment (ARERA) for a fixed premium.

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 Milan Regional Administrative Court. Two operators also challenged the European Commission decision approving the Italian mechanism before the EU Court. Both proceedings are under way.

ARERA has confirmed the transitional capacity payment mechanism for 2020 and 2021 in order to ensure continuity with the new capacity market, which will produce a financial impact starting from 2022.

In 2020, ARERA, acting on a proposal from Terna, approved a pilot project for the forward procurement of a new ultra-fast frequency regulation service (the "Fast Reserve"). Contracts for delivery in 2023-2027 were awarded through a tender. Enel was awarded contracts to supply this service.

In February 2020, Law 8/2020 (ratifying Decree Law 162/2019, the "Milleproroghe" omnibus extension act) was published. It contains provisions to activate the implementation of experimental configurations of collective self-consumption from renewable sources or renewable energy communities, pending the transposition of Directive (EU) 2018/2001.
Following this measure, in August 2020 ARERA issued Resolution no. 318/2020/R/eel, containing the provisions on the regulation of economic items relating to electricity subject to collective self-consumption or sharing in the scope of renewable energy community.
The Ministry for Economic Development, by means of the Ministerial Decree of September 16, 2020, has therefore identified the incentive rate for the remuneration of renewable source plants included in these experimental configurations.

Iberia

Spain

Remuneration parameters for generation from renewable sources, cogeneration and waste
The measure TED/171/2020 of February 24, 2020 updated the remuneration parameters applicable to standard plants and to certain plants for the generation of electricity from renewable sources, cogeneration and waste for the second regulatory period, with effect for both from January 1, 2020.

European Commission Decision C (2020) 3401 on electricity production in Spanish non-peninsular territories (NPT)
On May 28, 2020, the European Commission approved the regulatory scheme established with Royal Decree 738/2015 of July 31, 2015 regulating the production of electricity in the non-peninsular territories (NPT), concluding that it meets the criteria for services of general economic interest and is compatible with the internal market. The regime is initially applicable until December 31, 2025 in the case of the Balearic Islands and until December 31, 2029 in the case of the Canary Islands, Ceuta and Melilla with the possibility of requesting an extension.

Order to revise fuel prices in non-peninsular territories (NPT)
Order TEC/1260/2019 of December 26, 2019 revised the technical and financial parameters of the remuneration of generation units in the electrical systems of the non-peninsular territories (NPT) for the second regulatory period (2020-2025). With regard to fuel prices, the Order established that within three months the prices of energy products and logistics would be reviewed by the ministerial order, with effect from January 1, 2020. On August 7, 2020, Decree TED/776/2020 of 4 August was published in Spain's Official Journal, revising these prices.

Law 5 of April 29, 2020 of the Autonomous Community of Catalonia
On June 2, 2020, Law 5 of April 29, 2020 of the Autonomous Community of Catalonia concerning fiscal, financial and administrative measures in the public sector and the introduction of a tax on generation plants with impacts on the environment was published in Spain's Official Journal. Among other aspects, this law includes the creation and regulation of a tax on structures affecting the environment within the Autonomous Community of Catalonia. In particular, this new tax is levied on the production, storage, transformation and transport of electricity. Electricity generation is taxed at a general rate of €5/MWh, and a dedicated rate of €1/MWh for combined-cycle plants, while excluding hydroelectric plants and generation from renewable sources, as well as from biomass, biogas, high-efficiency cogeneration or sewage. With regard to the transport of electricity, a quota is established based on the voltage level, while transport structures with a voltage of less than 30 kV and transport infrastructures for renewable power evacuation are exempted.

Europe

Romania

Electricity generation
Following the entry into force of Regulation no. 943/2019/EU and the expected transposition of Directive 2019/944/EU, the prohibition on long-term bilateral negotiated contracts (PPAs) under Romanian law since 2012 was weakened following the adoption of Government Emergency Ordinance 74/2020, which allows new power generation facilities to sign long-term PPAs (more than one year) in order to secure financing for construction.

Electricity management
During 2020, following Balancing Market reforms, the price caps that link the closing market price of the Balancing Market to the closing prices on the Day-Ahead Market were eliminated. Furthermore, the dual pricing system will be replaced by a single price, and the period relevant for settlement purposes will be changed from hourly to an interval of 15 minutes.

Russia

Electricity and capacity markets

In January 2020, the Federal Antimonopoly Service established the rates for capacity and electricity provided under regulated contracts. For Enel Russia, the rate for the Nevinnomysskaya GRES plant is lower than that envisaged in the 2020 budget.

In March 2020, Enel Russia signed compromise agreements with the North Caucasus guarantee suppliers to reschedule the time limits for fulfillment of the electricity and capacity payment obligations under the wholesale market contracts accumulated before January 1, 2020, subject to the payment of interest at the reference interest rate set by the central bank.

Latin America

Chile

Rate revision – Introduction of a transitional electricity price stabilization mechanism

On November 2, 2019, Law 21.185 of the Ministry of Energy was published. It introduced a transitional electricity price stabilization mechanism for customers on the regulated market. Consequently, the prices to be charged to regulated customers in the 2nd Half of 2019 were set at the level of 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 termination of this mechanism, the prices charged will be those set every six months on the basis of Article 158 of the Electricity Act and cannot exceed the PEC adjusted for consumer price inflation.

Any differences between the amount billed in application of the stabilization mechanism and the theoretical bill determined on the basis of considering the price that would have been applied under the terms of contracts with the various electricity distribution companies will be recognized by generators as receivables for invoices to be issued, 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 will have to be recovered no later than December 31, 2027.

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, up to September 2021, seven procedures will be held with:

> 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.

At October 31, 2020 the indicative annual cumulative cost was around €5.3 billion, compared with a ceiling of €5.8 billion for termination of the incentive mechanism.

Iberia

Spain

Royal Decree Law 23/2020 provided an important impetus to accelerate the development of renewable energy in Spain. It established the legal basis for auctioning power generated from renewable sources based on the long-term price of electricity. It also regulated various aspects to improve management and reduce speculation in managing the access and connection of renewable energy projects to grids. In particular, it established that at sites where coal or thermonuclear power plants have been closed, account can be taken of environmental and social criteria, as well as technical criteria, in allocating grid access capacity. Finally, the royal decree proposes various improvements for faster administrative processing of renewable energy projects.

In 2020, the Spanish government worked to define a roadmap for hydrogen and a storage strategy.

In the closing months of the year, various regulations governing auctions were also approved, including a royal decree for renewable energy auctions (Royal Decree 960/2020) and a ministerial decree governing auction procedures and establishing an indicative calendar (Ministerial Decree TED 1161/2020), while, finally, a 3,000 MW auction was announced for January 2021.

During the year, proposals were submitted for regulations governing grid access and connection for the generation of

electricity from renewable sources. In December, a new royal decree concerning access and connection was published (Royal Decree 1183/2020). This regulation will be completed in January 2021 with the approval of a circular by the National Commission on Markets and Competition. The entire access and connection regulatory package will be completed in the 1st Quarter of 2021 with the approval of the Detailed Specifications of technical criteria. It will grant greater access capacity to grids for renewable generation and establish rules improving management of the system.

Europe

Greece

Following approval by the European Commission, the Minister of Energy extended the remuneration regime for interruptibility services until September 30, 2021. Interruptibility is a demand response service willing industrial consumers interrupt their consumption when required, in exchange for a fee fixed by auction. The scheme is financed by all generators operating on the mainland, including EGPH, through the transfer of a percentage of their revenue. The percentage applied differs depending on the generation technology used: wind = 1.8% (previously 2%), small hydro = 0.8% (previously 1%), PV = 3.6% (no change).

Law 4759/2020 published in December 2020 introduced measures to reduce the deficit of the renewable energy remuneration fund, which finances incentives for producers. These measures include a retroactive contribution of 6% of the 2020 annual turnover of renewable energy generators, which will only apply to renewables plants that entered service 2015. Electricity sellers are required to pay a levy of €2/MWh for power purchased in 2021.

The decision of the Regulatory Authority for Energy (RAE) no. 1538/2020 published in December 2020 set the UOCC contribution for 2021 at €0.325/MWh, slightly lower than the previous year (in 2020 it was €0.326/MWh). This rate applies to monthly revenue from the electricity generation of all renewable and cogeneration units in operation and serves to cover the operating and investment costs of DAPEEP, the Greek operator responsible for the management of incentives for renewable generation and the issue of guarantees of origin.

North America

United States

In May 2020, the United States Treasury Department amended the administrative guidelines for section 45 of the Production Tax Credit (PTC) for investments in wind plants, granting eligible projects two more years to enter service and maintain eligibility under the "continuity requirement". The guide was published to take account of construction and supply chain delays caused by the COVID-19 emergency. Eligible wind projects that began construction in 2016 can now be put into service until 2021, receiving 100% of the PTC (for example, $25/MW, adjusted annually for inflation) for the first 10 years of operation. Projects that started construction in 2017 can now be put into service until 2022, receiving 80% of the PTC (for example, $20/MW, adjusted annually for inflation) for the first 10 years of operation.

In December 2020, the US Congress approved and President Trump signed a two-year extension of the Investment Tax Credit (ITC) for investments in Section 48 solar systems and a one-year extension of Section 45 of the PTC for investments in wind farms.

Eligible solar projects can now receive an Investment Tax Credit of 26% of the project capital costs if they start construction before January 1, 2023 and enter service before January 1, 2026. Eligible projects that begin construction before January 1, 2024 and enter service before January 1, 2026 can receive an ITC of 22% of the capital costs of the project.

Eligible wind projects can now receive 60% (i.e. $15/MWh) of the PTC (adjusted annually for inflation) for the first 10 years of operation if construction begins before January 1, 2022. Wind farms have no statutory deadline for entering service but, as discussed above, US Treasury Department guidelines generally dictate that projects must start operation within four years of starting construction. A project that started construction in 2020 is therefore expected to enter service before January 1, 2025, and a project that begins construction in 2021 is expected to enter service before January 1, 2026.

Africa, Asia and Oceania

South Africa

In August 2020, the Risk Mitigation Independent Power Producer Procurement Program (RMIPPPP) was launched, an auction for the development of 2,000 MW of capacity, which should enter service by June 2022. In the event of an award to Enel Green Power, the payments for the electricity generated, for capacity and for ancillary services will have a positive impact on Enel Green Power's results.

A further procurement auction for 11,813 MW (of which 6,800 from renewable sources) under the long-term energy development plan (Integrated Resource Plan - IRP 2019) was approved by the regulator NERSA in September 2020 and is expected to take place in 2021.

From October 2020, municipalities (which together with Eskom are South Africa's electricity distributors) have been

able to purchase power directly from renewable energy producers and no longer only from Eskom. This change in the rules improves Enel Green Power's earnings outlook.

India

The government took a number measures in 2020 to protect the renewable energy sector from the adverse effects of COVID-19. The pandemic was declared a cause of force majeure, which allowed operators to suspend their obligations without incurring penalties. To safeguard renewable generation projects, a 5-month extension of the deadline for entering service was granted, which is also applicable to EGP India's 285 MW Coral project.

In addition, the government issued strict instructions to protect private generators from any arbitrary curtailment decisions by discoms at a time of very weak electricity demand, as well as to ensure timely payment of power purchases by discoms.

In 2019, the Ministry of Energy had ordered discoms to issue letters of credit to private generators under the terms of their respective power purchase agreements (PPAs). The Gurajat State Distribution Company was forced to open and maintain a letter of credit in March 2020. This reduced the risk faced by Enel Green Power projects.

Australia

In September 2020, the regulator AER agreed a change in approach by the AEMO system operator with regard to new connections, moving from the parallel evaluation of new connections to a sequential approach (where generators are placed in a progressive queue). Each connection request is evaluated on the basis of the impact it has individually on the grid. AEMO will be able to begin the evaluation of an application only if the previous application has received a no-impact assessment on grid security (or – if not – if actions have been taken to remove the impact). This change added significant delays in the connection of Enel Green Power plants in Cohuna and Girgarre (whose connection was expected in 2020), with a significant impact on Enel Green Power's financial performance.

Infrastructure and Networks

Italy

The rate for the fifth regulatory period (2016-2023) is governed by 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 distribution and metering services in force in the 2020-2023 period, publishing the new integrated texts (TIT 2020-2023 and TIME 2020-2023).
With Resolution no. 639/2018/R/com, ARERA set the value of the WACC for distribution and metering activities, valid for the 2019-2021 period, at 5.9%.

As for distribution and metering rates, ARERA approved both the definitive reference rates for 2019, calculated by taking into account the actual balance sheet data for 2018 (Resolution no. 144/2020/R/eel), and the provisional reference rates for 2020 on the basis of the preliminary balance sheet data for 2019 (Resolution no. 162/2020/R/eel). The definitive reference rates for 2020 are expected to be published in the early months of 2021.

With Resolution no. 449/2020/R/eel, ARERA adjusted the grid loss regulations for the 2019-2021 period, revising the conventional percentage loss factors to be applied to low-voltage withdrawals and making a number of changes to the methods for calculating the annual equalization amount.

As regards service quality, ARERA, with Resolution no. 646/2015/R/eel as amended, established output-based regulation for electricity distribution and metering services, including the principles for regulation for 2016-2023 (TIQE 2016-2023). With Resolution no. 566/2019/R/eel, ARERA completed the update of the TIQE for the 2020-2023 semi-period, proposing tools to bridge gaps in quality of service still existing between the various areas of the country, taking account of the time needed to implement interventions on the grid as well as the effects of climate change.
With Resolution no. 534/2019/R/eel, ARERA published the list of interventions in the 2019-2021 Resilience Plan of e-distribuzione eligible for the bonus-penalty mechanism envisaged under the provisions of Resolution no. 668/2019/R/eel, which introduced an incentive mechani-

sm for investments to increase the resilience of distribution grids in terms of resistance to loads deriving from extreme weather events.
Finally, in 2020 ARERA adopted three measures (Resolutions no. 431/2020/R/eel, no. 432/2020/R/com and no. 213/2020/R/eel) containing extraordinary measures for the sterilization of effects of the COVID-19 emergency with regard to service quality, resilience and the installation plan for e-distribuzione's 2nd generation meters.

Energy efficiency – White certificates

With Resolution no. 270/2020/R/efr, ARERA updated the rules for defining the rate subsidy to be paid to distributors under the energy efficiency certificate mechanism, in compliance with Lombardy Regional Administrative Court ruling no. 2538/2019 published on November 28, 2019. The provisions included confirmation of the cap on the rate subsidy set at €250/certificate and the introduction of an additional unit fee directly related to any shortage of available certificates. e-distribuzione challenged this resolution (with an appeal to the President of the Republic), contesting the failure to extend the additional contribution to 2018 and the failure to provide mechanisms for reimbursing costs for the purchase of virtual white certificates.

Iberia

Spain

Method for calculating costs of electricity and gas plants

On July 7, 2020, the Ministry for the Ecological Transition and the Demographic Challenge launched consultations for two draft decrees concerning the methods for calculating the costs of electricity and gas plants, which will supplement the methods for calculating the access rates. These decrees must be approved by the National Commission for Markets and Competition. At the end of 2020 only the decree relating to the gas system had been approved, while the decree for the electricity system is still awaiting approval.

Bill establishing a National Fund for the Sustainability of the Electricity System

On December 16, 2020, the Ministry for the Ecological Transition and the Demographic Challenge has launched a public consultation for a bill to create a National Fund for the Sustainability of the Electricity System, which would finance, in whole or in part, the costs connected with specific remuneration scheme for generation from renewables, cogeneration and waste, currently included in electricity grid access rates. The Fund will be financed with contributions from operators in the different energy sectors, taxes envisaged under Law 15/2012, the proceeds of auctions of CO_2 emission allowances and, in the maximum amount of 10% of the annual value of the Fund, the general State budget or EU funds. The preliminary bill envisages a mechanism to redistribute the cost associated with achieving renewables objectives at the national level among all energy sectors and provides for a gradual introduction of five years.

Europe

Romania

The regulated rate of return (RAB) was reviewed by the energy regulator ANRE. After an order that set the value at 5.66% in 2019, it was set at 6.39% in 2020, with a 1% bonus for new investments.
With Law 155/2020, Parliament introduced an obligation for distribution system operators (DSOs) to finance the connection to the network of new non-residential customers located less than 2,500 meters from the electricity distribution grid.
With Law 290/2020, the Parliament introduced an obligation for DSOs to finance all new connections of new residential customers.

Latin America

Chile

Law 21.194

On December 21, 2019, the Ministry of Energy published Law 21.194 which lowered the remuneration of distribution companies and enhanced the process for setting electricity distribution rates. The law changes the discount rate for the calculation of annual investment costs, which went from 10% to a rate that must be between 6% and 8% post tax. The post-tax remuneration rate for electricity distribution companies must not be more than two points above or three points below the remuneration rate set by the CNE (National Energy Commission). Finally, from January 2021 the distribution companies will have to operate exclusively in the distribution field.

CNE Resolution no. 176/2020 – Exclusive activity

On June 9, 2020, CNE Resolution no. 176 was published, specifying the substance of the obligation of exclusive activity and separate accounting in the provision of public electricity distribution services in accordance with the provisions of Law 21.194.
Under the provisions of the resolution, companies holding concessions for the public electricity distribution service operating in the Chilean national electricity system will have to set up as companies exclusively engaged in distribution activities and will only be able to exercise economic

activities involved in the provision of the public distribution service, in compliance with applicable legislation. The rules established in the resolution shall apply from January 1, 2021. Where a company is unable to comply by that date for legitimate reasons, subject to notifying the CNE the application of the resolution may be postponed, but in any case not later than January 1, 2022.

Law 21.249 - Exceptional measures supporting end users of health, electricity and gas services

On August 8, Law 21.249 was approved, introducing exceptional measures supporting the most vulnerable customers, measures that, in large part, Enel Distribuzione Chile was already implementing voluntarily. The measures include a moratorium on the interruption of supply due to arrears and make it possible to pay electricity bill arrears in installments for electricity for customers defined as vulnerable. These measures were extended and strengthened with Law 21.301.

Average bare price

On October 5, 2019, the Ministry of Energy published Decree 7T/2019 in the official journal, setting the "bare price" for the supply of electricity and set adjustments and loads for the application of the Residential Rate Equity Mechanism, with retroactive effect from July 1, 2019. On November 2, 2019 the Ministry of Energy published Law 21.185, which introduced a transitory mechanism for stabilizing the price of electricity for customers subject to regulated rates.

On November 2, 2020, the Ministry of Energy published the average bare price to be applied starting from January 1, 2020. Considering the price stabilization mechanism established with Law 21.185, the publication of this decree had no effect on end-user rates.

Short-term bare price

On October 23, 2019, the Ministry of Energy published Decree 9T/2019, setting the bare price for the supply of electricity with effect from October 1, 2019.

On April 7, 2020, the Ministry of Energy published Decree 2T/2020, which sets the bare price for the supply of electricity, valid from April 1, 2020.

On December 3, 2020 the Ministry of Energy published Decree 12T/2020, which sets the bare price for the supply of electricity, valid from October 1, 2020.

Determination of 2020-2024 distribution rates

With Resolution no. 24 of 21 January 2020, the CNE published the preliminary technical bases for the calculation of the components of the aggregate distribution value for the 2020-2024 period and the study of the service costs associated with the supply of electricity, initiating the process of determining distribution rates.

Following the stages of the process established under applicable legislation, the companies submitted their comments and, on June 11, 2020, the CNE published the definitive technical bases with Resolution no. 195.

On July 17, 2020, with CNE Resolution no. 256 of the CNE, the Study Committee of the cost established in Article 183-*bis* of the General Electricity Services Act was established. INECON was selected to conduct the study, with the final report to be delivered by April 2021.

Determination of the 2020-2023 transmission rates

As part of the process of determining 2020-2023 transmission rates, the following processes are being developed:

- qualification of transmission plants and systems;
- determination of the useful life of transmission plants;
- definition of the technical and administrative basis for the determination of transmission rates.

In this context, on June 5, 2018, the CNE approved a definitive technical document determining the useful life of transmission systems (Resolution no. 412).

Taking account of the studies determining the value of the installations, the Definitive Report on the National Transmission System was issued in October 2020 and the related public hearing was held on November 13, 2020. In November 2020 the Definitive Report on the Zonal Transmission System was issued and the related public hearing was held on December 2, 2020.

Argentina

COVID-19 pandemic response measures

As part of its response to the COVID-19 pandemic, the Argentine government introduced the following measures:

- the issue on March 17, 2020 of Decree DNU 287/2020 - Declaration of a state of health emergency from 12 March 2020 for a duration of 1 year;
- the issue on March 20, 2020 of Decree DNU 297/2020 - Mandatory preventive social isolation and subsequent extensions;
- the issue on March 20, 2020 of Decree DNU 298/2020 - Suspension of administrative deadlines for government proceedings during the lockdown;
- the issue on March 25, 2020 of Decree DNU 311/2020

- Limitations on the suspension of basic services, including users for whom the service interruption procedure had been initiated. However, this benefit is applicable only to users with reduced or subsidized rates.

COVID-19 payment moratorium

On May 15, 2020, in response to the difficulties generated by the COVID-19 pandemic for economic, financial and industrial activities, the regulatory authority ENRE issued Resolution no. 35 allowing all users who have suffered a reduction of 50% or more in their electricity usage requirement to suspend payments or make partial payments on account for contracted power supply until their demand returns to 70%. The obligation to pay additional charges and taxes is unaffected.

The measure also defines the defaulting users who will be able to benefit from a repayment plan that provides for payment of 30 consecutive installments of the same amount. These repayment plans must be notified to ENRE and Cammesa by Edesur in order to benefit in turn from a similar treatment for purchases of that power.

Postponement of rate revision

On June 19, 2020, Emergency Decree 543 was published in the Official Journal. It established a 180-day extension from the expiry date of the extraordinary rate revision established with Article 5 of Law 27541 (the Solidarity and Economic Reactivation Act). The new deadline for performing the rate review was set as December 17, 2020. Secondly, the measure extends the benefits established under DNU 311/2020 (limitations on suspensions of electricity supply) in the event of late payment or non-payment by customers of up to a maximum of six consecutive or alternate invoices falling due after March 1, 2020.

Additional postponement of rate revision

On December 17, 2020, the Argentine government issued Decree DNU 1020/2020 extending the rate freeze for another 90 days. It also initiated the full rate renegotiation process, which should be completed with the definition of a definitive renegotiation agreement in less than two years. It also authorizes regulatory bodies to set transitional rates and allows the segmentation of rates by user category.

Brazil

Rate revision for Enel Distribuição Ceará

On April 14, 2020, the regulatory authority ANEEL approved the rate revision for Enel Distribuiçao Ceará, freezing rates to take account of the impact of COVID-19 on the economy. Note also that the decrease in revenue due to the non-application of the rate revision will be offset by the delayed payment of CDE (Energy Development Account) allowances for May, June and July 2020. These payments were made in five equal installments starting from August 2020. Any differences caused by the delayed application of the rate revision will be recouped in the subsequent rate revision.

Special rate revision for Enel Distribuição São Paulo (2020)

On June 30, 2020, ANEEL approved the rate revision for Enel Distribuição São Paulo, with an average increase of 4.23%. The rate review took account of the advances received by Enel Distribuição São Paulo on account for COVID-19, thus reducing the impact of this increase on end users. In the absence of these advances, the average rate increase would have been 12.22%.

ANEEL Resolution no. 878/2020

ANEEL took measures valid for 90 days from March 24, 2020, to ensure the distribution of electricity during the COVID-19 emergency, including: banning the interruption of service to residential customers in urban and rural areas; granting permission for the suspension of delivery of invoices issued to consumers, replacing them with the issue of electronic invoices or barcodes; and giving priority to emergency and essential services in order to facilitate social distancing measures and ensure the continuous and reliable supply of electricity.

Provisional measure no. 950/2020 of the Federal government

The provisional measure no. 950/2020 introduced by the Federal government granted a full discount for needy customers billed up to 220 kWh/month, allocating part of the CDE's resources to fund the measure and allowing the CDE to draw financial resources to address the impact of the COVID-19 pandemic on the electricity sector.

Reduction of ancillary charges and taxes for electricity transmission

In order to provide liquidity to the electricity industry in response to COVID-19, on April 20, 2020 ANEEL approved measures to facilitate the payment of transmission rates by distributors and end users.

The main measure involved moving forward the financial effects of the adjustment scheme for April, May and June 2020. The immediate effect was R$144 million in discounts on the rates charged for the use of the transmission system by of distributors (90%) and end users (10%), with similar discounts in May and June.

Decree 10.350/2020

On May 18, 2020, the government issued a decree regulating the COVID-19 account, an industry rescue loan to distribution companies in response to the COVID-19 pandemic.

The COVID-19 account consists of a loan obtained from a group of public and private banks, with the intention of preserving the liquidity of companies in the sector and, at the same time, alleviating the impact of the crisis on consumers.

Provisional measure no. 988/2020 of the Federal government

On September 1, 2020 the Federal government issued a provisional measure with special provisions designed to reduce rates in the period of the pandemic and in the medium and long term. The measure is valid for 120 days. It is expected that a law with the same provisions will be enacted at that time.

ANEEL Directives nos. 2177/2020, 2353/2020 and 2640/2020

These directive establish the value of the COVID-19 account resources transferred to the distribution concession holders in July, August and September.

Colombia

The Energy and Gas Regulation Commission (CREG) determines the remuneration methodology for the distribution network. Distribution rates are set every five years and updated monthly based on the producer price index.

In response to the national and global impact of the COVID-19 pandemic, in March 2020 the Colombian government declared a state of economic, social and ecological emergency for the entire country and ordered mandatory preventive isolation for all inhabitants. These measures led to the issue of a range of transitional rules and regulations by Colombian authorities that govern public services, including electricity supply, in order to ensure the continuity of the delivery of public domestic services and to mitigate financial and social effects in the electricity and natural gas sector. The measures were extended until May 31, 2021.

On June 24, 2020, the Commission issued CREG Resolution 122, which approved the distribution rates of Enel Codensa. Briefly, CREG, in its final approval, corrected the Asset Base and incorporated some additional events in the calculation of quality indicators and established the retroactive application of incentives for service quality.

Peru

In Peru, the process for determining distribution rates takes place every four years and is referred to as the "Setting the Aggregate Distribution Value" ("VAD"). Exceptionally, the last rate cycle set a duration of five years, considering that an extra year was necessary to implement the reform approved in 2015 with Peruvian Legislative Decree 1221. Therefore, in 2018 the process of determining the VAD was completed for the years 2018-2022. At the end of this rate process, in general, the rates set for the previous regulatory period (years 2013-2017) were unchanged.

With *Decreto Supremo* 044-2020-PCM, published on March 15, 2020, a state of national emergency was declared for 15 days. This period has since been repeatedly extended and is now in place until at least March 31, 2021 due to the COVID-19 pandemic. During this period, some social distancing measures were taken to prevent the spread of COVID-19. In particular, *Decreto Supremo* 044-2020-PCM establishes that the government shall guarantee access to public services and essential goods and services with no restrictions.

Vice-ministerial Resolution no. 001-2020-MINEM/VME, published on March 19, 2020, established that electricity generation, transmission and distribution companies shall:

- activate safety protocols to safeguard staff, contractors and third parties;
- take all necessary actions to ensure the continuity of electricity service;
- send their emergency plans to OSINERGMIN and Ministry of Energy and Mining.

Emergency Decree 029-2020, published on March 20, 2020, introduced a 30-day suspension on the calculation of time limits for the activation of administrative procedures and proceedings of any kind, including those regulated by laws and special provisions, that are subject to deadlines.

Emergency Decree 035-2020, published on April 3, 2020, established that distribution companies can allow customers with invoices issued in March 2020 or that include amounts consumed during the national emergency by "vulnerable" users (those with a consumption of up to 100 kWh/month) to pay in instalments over as many as 24 mon-

ths. The government will pay compensatory interest on the installments, which will be paid to electricity companies using the *Fondo de Inclusión Social Energético*. The measure also establishes that electricity companies will not be liable for compensation or penalties for failure to comply with the technical quality standards for electricity service. Various commercial measures have also been introduced, such as the suspension of the obligation to read meters, of the delivery of paper invoices (digital delivery has been introduced), and of the obligation to physically assist customers at customer care centers, while customers may be billed using their average consumption over the last six months until an actual meter reading is possible.

Emergency Decree 062-2020, published on May 28, 2020, expanded the category of customers who can pay their electricity bills in instalments to include those consuming up to 300 kWh/month. In this case, the measure establishes that invoices for May or that include amounts consumed during the national emergency are eligible for the instalment plan. The compensatory interest to be paid to electricity companies will be partly borne by the government and partly by customers. Finally, the measure also establishes that electricity companies will not be liable for compensation or penalties for violation of technical quality standards for up to 60 calendar days after the emergency period.

Emergency Decree 074-2020, published on June 27, 2020, as part of the measures issued under the state of national emergency, introduced the "*Bono Electricidad*", a subsidy that covers unpaid consumption in the period from March to December 2020 with consumption up to 125 kWh/month (subject to conditions). This subsidy will cover debts up to 160 Peruvian soles, and the resources will be directly transferred to the distribution companies. The resolution of the OSINERMGIN Board of Directors no. 080-2020-OS/CD, published on July 9, 2020, approved the procedure for applying the "*Bono Electricidad*".

Emergency Decree 105-2020, published on September 10, 2020, amended Emergency Decree 074-2020, expanding the beneficiaries of the "*Bono Electricidad*" to include customers with prepaid supply and those associated in collective supply arrangements.

The resolution of the OSINERGMIN Board of Directors no. 218-2020-OS/CD, published on December 24, 2020, approved the "Manual of the Basic Cost of activities applicable to electricity distribution companies".

End-user Markets

Italy

Decree Law 162 of December 30, 2019 (the "Milleproroghe" omnibus extension act), ratified with Law 8 of February 28, 2020, amended the Competition Act (Law 124/2017), providing for the staggered postponement of the removal of price protection in the electricity sector, respectively to January 1, 2021 for small businesses and January 1, 2022 for domestic customers and micro-enterprises. The termination of the gas protection regime for domestic users was also scheduled for January 1, 2022.
With regard to the deadline of January 1, 2021, the implementing decree of the Ministry for Economic Development is expected to be published in the *Gazzetta Ufficiale* shortly. The Ministry delegates ARERA to define the measures governing the transition to the free market, based on certain criteria and guidelines. With Resolution no. 491/2020/R/eel, ARERA established a last resort service ("gradual protections service") for small businesses without a supplier as of January 1, 2021.

Electricity

With Resolution no. 576/2019/R/eel, ARERA updated for 2020 the rate component covering the marketing costs of the operators of the enhanced protection service (RCV) and the levels of the PCV fee, which represents the reference price for sellers on the free market.
With Resolution no. 604/2020/R/eel, the levels of the RCV and PCV components for the 2021 were updated.
The Milan Regional Administrative Court, with ruling no. 565 of 27 March 2020, partially voided Resolution no. 119/2019/R/eel, with which ARERA had introduced changes to the compensation mechanism for the amounts not collected by operators of the enhanced protection service in respect of fraudulent withdrawals of power. In particular, the Regional Administrative Court voided the part of the resolution in which it provided for a reduction in the amounts subject to reimbursement for amounts invoiced in the period prior to its entry into force (April 2, 2019). With Resolution no. 240/2020/R/eel, ARERA amended the rules in compliance with the provisions of the Regional Administrative Court.

Gas

With Resolution no. 32/2019/R/gas ARERA established the rules for settling financial items between sellers and end users for the 2010-2012 period with regard to gas for the safeguard service, in compliance with Council of State ruling no. 4825/2016. With ruling no. 38 of January 7, 2020, the Milan Regional Administrative Court voided the part of

Resolution no. 32/2019/R/gas in which it excludes customers with an annual consumption equal to or above a certain threshold from socialization of losses. With Resolutions no. 247/2020/R/gas and no. 603/2020/R/gas, ARERA complied with this ruling, recalculating, starting from January 1, 2021, the amounts to be applied to all end users connected the distribution network.
Resolutions no. 577/2019/R/gas and no. 603/2020/R/gas updated the QVD component for 2020 and 2021, respectively, covering the costs of marketing natural gas sales services to customers who use the protection service.

Iberia

Spain

Energy efficiency
Law 18/2014 of October 15 containing urgent measures for growth, competition and efficiency created a National Energy Efficiency Fund to help achieve energy efficiency objectives. The TED/28/2020 measure of March 23 established that Endesa would be required to make a contribution for 2020 of €27 million to the National Energy Efficiency Fund.
In December 2020, the Ministry for the Ecological Transition and the Demographic Challenge began development of a proposal for an Order that fixes the contribution to the National Energy Efficiency Fund for 2021, bringing the amount proposed for Endesa to €26.6 million.

Social Rate
On August 13, 2020, the Order TED/788/2020 of July 24 was published in Spain's Official Journal, which establishes the distribution of the financing obligation for the 2020 Social Rate, with the percentage proposed for Endesa being set at 35.57%.

Energy-intensive power users
Royal Decree Law 24/2020 of June 26 concerning social measures to revive employment and protect self-employment and the competitiveness of the industrial sector was published in the Official Journal on June 27, 2020. The legislation created the Spanish reserve fund for the guarantees of energy-intensive entities (FERGEI) to covering the risks deriving from medium and long-term electricity purchase and sale transactions. The fund has a budget of €200 million per year, for a total investment of €600 million over three years.

Royal Decree 1106/2020 of 15 December, which regulates the charter of energy-intensive users, governing the status and obligations of such users and the compensation mechanisms they could benefit from, was published in the Official Journal on December 17, 2020.

Europe

Romania

Following the issue of government emergency order no. 114/2019, the energy regulator ANRE reintroduced regulated bilateral contracts on the wholesale market and set retail prices for the regulated supply of the universal service at levels that would guarantee the recovery of most of the losses registered by last-resort suppliers (universal service providers) in recent years.

5
OUTLOOK

- **Enel is a "super major" in the renewable energy field**
  Investing in Enel means investing in the fight against climate change.
- **Enel is a global leader in power grids**
  Grids will play a key role in the energy transition.
- **Electrification of energy consumption**
  This will enable Enel to create value for itself and its stakeholders.
- **Dividend policy**
  Enel has adopted a simple, predictable and attractive dividend policy, producing a guaranteed fixed and increasing dividend until 2023.

enel
Green Power

OUTLOOK

The COVID-19 pandemic has profoundly impacted not only economic activity around the world, but also the way people lived and worked during 2020.

In this context, the geographical diversification of the Group, its integrated business model along the entire value chain, a sound financial structure and a high level of digitalization have enabled Enel to display considerable resilience, which is reflected in our financial position and performance for the year.

In November 2020, the Group presented the Strategic Plan, providing a vision of the evolution of the business over the next ten years.

In particular, the new Strategic Plan describes the adoption of two business models: a traditional "Ownership" model, in which digital platforms are promoters of the business to support the profitability of investments, and a "Stewardship" model, which catalyzes investments by third parties in collaboration with Enel or in the context of business-generating platforms.

Through these two business models, in 2021-2030 Enel will invest over €150 billion through the Ownership business model and an additional €10 billion through the Stewardship business model, while at the same time mobilizing some €30 billion in additional third-party investment.

With these investments, it is expected that between 2020 and 2030 the Group's ordinary EBITDA will grow at a CAGR of 5%-6%, with an ordinary profit growing at a CAGR of 6%-7%.

By promoting decarbonization, electrification and platform migration processes, the Group also plans to create shared and sustainable value for all stakeholders, for example:

- pursuing an 80% reduction in direct CO_2 emissions compared with 2017 in a strategy that will reduce extraction by about 200 million barrels of oil equivalent;
- saving consumers about 25% on their total energy bills while simultaneously reducing their emissions;
- investing in digitalization and the creation of platforms to offer a level of service three times higher than the current level, with a system average duration interruption index (SAIDI) falling to about 100 minutes in 2030;
- generating over €240 billion of gross domestic product in the countries in which the Group operates, through local investments in generation and electrification.

In 2021-2023, the Group expects to invest around €40 billion directly, of which €38 billion through the Ownership business model and around €2 billion through the Stewardship business model, while mobilizing €8 billion in investment from third parties.

With regard to the investments planned within the framework of the Ownership business model:

- more than half will be dedicated to Global Power Generation, with approximately €17 billion allocated to increasing renewable generation capacity, which will rise to 60 GW on a consolidated basis in 2023;
- about 43% will be dedicated to Infrastructure and Networks. The acceleration of investments is expected to lead to an increase in the Group's RAB, which will reach €48 billion in 2023;
- the remainder will be dedicated to the Customers business: the customer value of the business-to-consumer segment is expected to increase by about 30%, compared with an increase of some 45% in the business-to-business segment, thanks to the elimination of regulated rates, mainly in Italy, and the trend of electrification of energy consumption, which will promote "beyond commodity" services.

Investments under the Stewardship business model will mainly be dedicated to renewable energy, as well as to fiber optics, e-transport and flexibility services.

Over 90% of Enel's investments on a consolidated basis will be in line with the United Nations Sustainable Development Goals (SDGs). Furthermore, according to Enel's initial calculations, between 80% and 90% of its investments on a consolidated basis will be aligned with the European taxonomy criteria thanks to its substantial contribution to climate change mitigation.

Furthermore, over the period covered by the Plan, Enel will implement a simple, predictable and attractive dividend policy: shareholders will receive a fixed, guaranteed and increasing dividend per share (DPS) over the next three years, with the aim of reaching €0.43 per share by 2023.

In 2021, the following are expected:

- an acceleration of investments in renewable energy, especially in Latin America and North America, to support industrial growth and as part of the decarbonization policies followed by the Group;
- an increase in investments to improve the quality and resilience of distribution networks, especially in Italy and Latin America, as well as their further digitalization;
- an increase in investments dedicated to the electrification of energy consumption, especially in Italy, with the

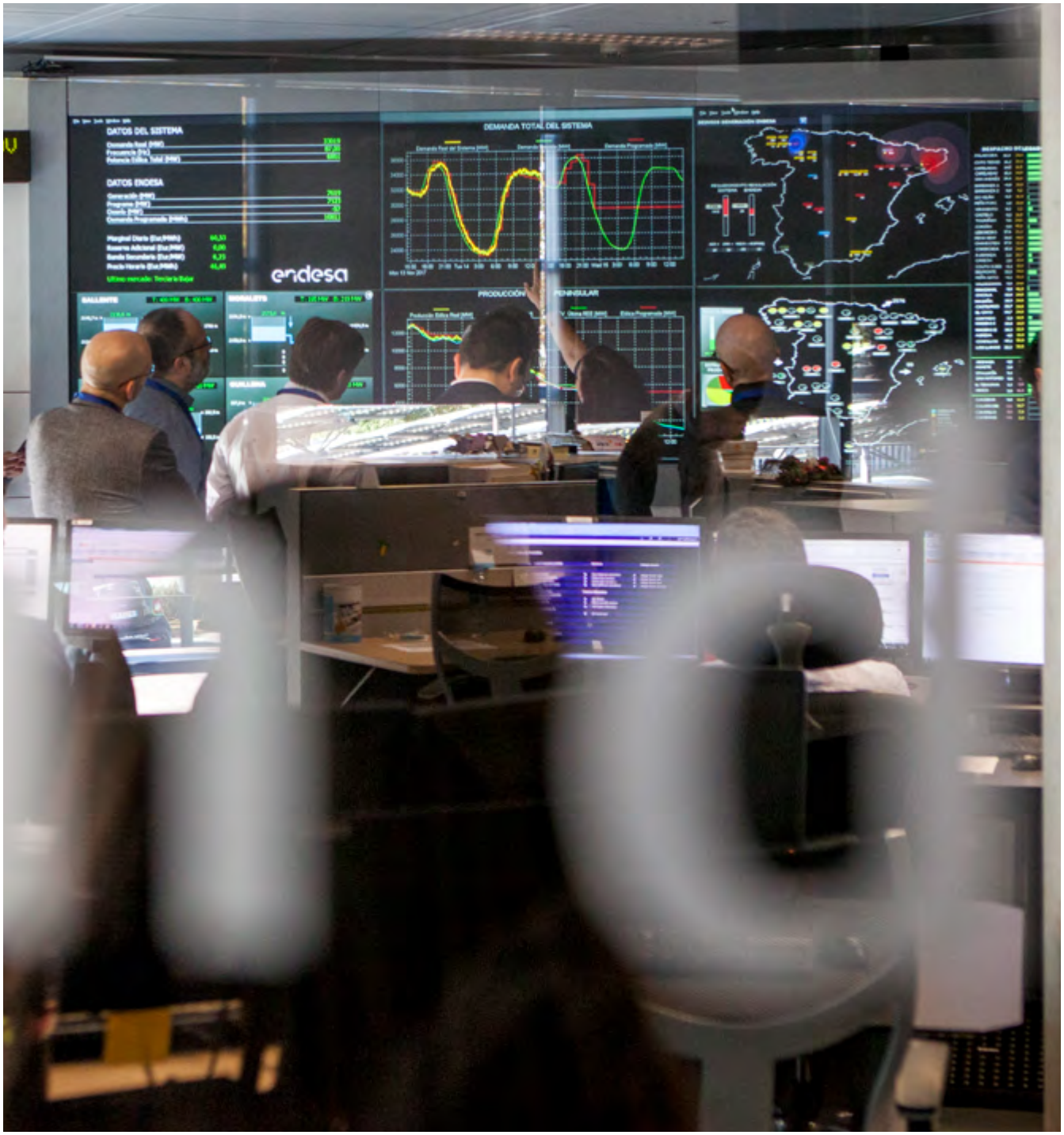
aim of enhancing the growth of the customer base and achieving continuous efficiency gains, supported by the creation of global business platforms.

Based on the foregoing, the financial targets on which the Group's 2021-2023 Plan is based are reported below.

FINANCIAL TARGETS

	2020 (1)	2021	2022	2023	CAGR 2020-2023
Ordinary EBITDA (€ billions)	17.9	18.7-19.3	19.7-20.3	20.7-21.3	+5%/+6%
Ordinary profit (€ billions)	5.2	5.4-5.6	5.9-6.1	6.5-6.7	+8%/+9%
Dividend per share (€)	0.358	0.38	0.40	0.43	~6%

(1) The dividend policy for 2020 provides for the payment of a dividend equal to the higher of €0.358 per share and 70% of the Group's ordinary net income.



OTHER INFORMATION

Non-EU subsidiaries

At the date of approval by the Board of Directors of the financial statements of Enel SpA for 2020 – March 18, 2021 – 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, 40 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, 2019;
- they are: 1) Ampla Energia e Serviços SA (a Brazilian company belonging to Enel Américas); 2) Celg Distribuição SA - Celg D (a Brazilian company belonging to Enel Américas); 3) Cimarron Bend Wind Holdings I LLC (a United States company belonging to Enel North America); 4) Codensa SA ESP (a Colombian company belonging to Enel Américas); 5) Companhia Energética do Ceará - Coelce (a Brazilian company belonging to Enel Américas); 6) EGPNA Preferred Wind Holdings LLC (a United States company belonging to Enel North America); 7) Eletropaulo Metropolitana Eletricidade de São Paulo SA (a Brazilian company belonging to Enel Américas); 8) Emgesa SA ESP (a Colombian company belonging to Enel Américas); 9) Empresa Distribuidora Sur SA - Edesur (an Argentine company belonging to Enel Américas); 10) Empresa Eléctrica Panguipulli SA (a company merged on July 1, 2020 into Parque Eólico Taltal SpA, which on August 1, 2020 was in turn merged into Almeyda Solar SpA, which on January 1, 2021 was merged into Enel Green Power Chile SA); 11) Enel Américas SA (a Chilean company directly controlled by Enel SpA); 12) Enel Brasil SA (a Brazilian company belonging to Enel Américas); 13) Enel Chile SA (a Chilean company directly controlled by Enel SpA); 14) Enel Distribución Chile SA (a Chilean company belonging to Enel Chile); 15) Enel Distribución Perú SAA (a Peruvian company belonging to Enel Américas); 16) Enel Finance America LLC (a United States company belonging to Enel North America); 17) Enel Fortuna SA (a Panamanian company belonging to EGP Américas); 18) Enel Generación Chile SA (a Chilean company belonging to Enel Chile); 19) Enel Generación Costanera SA (an Argentine company belonging to Enel Américas); 20) Enel Generación El Chocón SA (an Argentine company belonging to Enel Américas); 21) Enel Generación Perú SAA (a Peruvian company belonging to Enel Américas); 22) Enel Green Power Brasil Participações Ltda (a Brazilian company belonging to EGP Américas); 23) Enel Green Power Chile SA (a company merged on March 4, 2020 into Enel Green Power del Sur SpA, renamed Enel Green Power Chile SA); 24) Enel Green Power Chile SA (formerly Enel Green Power del Sur SpA, a Chilean company belonging to Enel Chile); 25) Enel Green Power Diamond Vista Wind Project LLC (a United States company belonging to Enel North America); 26) Enel Green Power México S de RL de Cv (a Mexican company belonging to Enel Green Power); 27) Enel Green Power Perú SAC (a Peruvian company belonging to EGP Américas); 28) Enel Green Power Rattlesnake Creek Wind Project LLC (a United States company belonging to Enel North America); 29) Enel Green Power RSA (Pty) Ltd (a South African company belonging to Enel Green Power); 30) Enel Green Power RSA 2 (RF) (Pty) Ltd (a South African company belonging to Enel Green Power); 31) Enel Kansas LLC (a United States company belonging to Enel North America); 32) Enel North America Inc. (a United States company directly controlled by Enel SpA); 33) Enel Perú SAC (a Peruvian company belonging to Enel Américas); 34) Enel Russia PJSC (a Russian company directly controlled by Enel SpA); 35) Enel X North America Inc. (a United States company belonging to Enel North America); 36) Geotérmica del Norte SA (a Chilean company belonging to Enel Chile); 37) High Lonesome Wind Power LLC (a United States company belonging to Enel North America); 38) Red Dirt Wind Project LLC (a United States company belonging to Enel North America); 39) Rock Creek Wind Project LLC (a United States company belonging to Enel North America); 40) Thunder Ranch Wind Project LLC (a United States company belonging to Enel North America);
- the balance sheet and income statement of the above companies included in the reporting package used for

the purpose of preparing the 2020 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 2020 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 Civil Code are reported in the following notes to the consolidated financial statements: 44 "Financial instruments by category", 45 "Risk management", 47 "Derivatives and hedge accounting" and 48 "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 2020. 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 55 to the consolidated financial statements.

Transactions with related parties

For more information on transactions with related parties, please see note 50 to the consolidated financial statements.

Research and development costs

Please see the "Innovation and digitalization" section of the "Performance & Metrics" chapter.

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, 2020		at Dec. 31, 2019	
Separate financial statements - Enel SpA	**2,326**	**30,743**	**4,792**	**29,586**
Carrying amount of and impairment losses on consolidated equity investments	687	(85,641)	211	(82,098)
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	4,091	78,099	4,428	75,304
Translation reserve	-	(7,046)	-	(3,802)
Goodwill	(274)	13,779	(27)	14,241
Intercompany dividends	(4,146)	-	(7,160)	-
Elimination of unrealized intercompany profits, net of tax effects and other minor adjustments	(74)	(1,609)	(70)	(2,854)
TOTAL ATTRIBUTABLE TO OWNERS OF THE PARENT	**2,610**	**28,325**	**2,174**	**30,377**
NON-CONTROLLING INTERESTS	**1,012**	**14,032**	**1,302**	**16,561**
CONSOLIDATED FINANCIAL STATEMENTS	**3,622**	**42,357**	**3,476**	**46,938**

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CONSOLIDATED FINANCIAL STATEMENTS

- **Net profit attributable to shareholders of the Parent at €2,610 million, +20% on 2019**
  The growth reflects improved financial management and a decrease in impairment losses.
- **Energy transition**
  The Group continued the energy transition process by recognizing additional impairment losses on its coal-fired plants and provisions for restructuring plans involving decarbonization and digitalization.
- **Impact of climate change**
  In its valuation processes, the Group has taken account of the long-term impacts of climate change.
- **Impact of the COVID-19 pandemic**
  The notes to the consolidated financial statements discuss the impacts of the COVID-19 pandemic.

CONSOLIDATED FINANCIAL STATEMENTS

Income Statement

Millions of euro	Notes	2020	of which with related parties	2019	of which with related parties
Revenue					
Revenue from sales and services	9.a	62,623	*4,038*	77,366	*4,804*
Other income	9.b	2,362	*10*	2,961	*16*
	[Subtotal]	**64,985**		**80,327**	
Costs					
Electricity, gas and fuel [(1)]	10.a	25,049	*5,385*	38,082	*7,189*
Services and other materials [(1)]	10.b	18,298	*2,958*	18,836	*2,617*
Personnel expenses	10.c	4,793		4,634	
Net impairment losses on trade receivables and other financial assets	10.d	1,285		1,144	
Depreciation, amortization and other impairment losses	10.e	7,163		9,682	
Other operating costs [(1)]	10.f	2,202	*202*	2,693	*235*
Capitalized costs	10.g	(2,385)		(2,355)	
	[Subtotal]	**56,405**		**72,716**	
Net expense from commodity derivatives	11	**(212)**	*1*	**(733)**	*11*
Operating profit		**8,368**		**6,878**	
Financial income from derivatives	12	1,315		1,484	
Other financial income	13	2,763	*62*	1,637	*88*
Financial expense from derivatives	12	2,256		1,142	
Other financial expense	13	4,485	*71*	4,518	*46*
Net income from hyperinflation		57		95	
Share of profit/(loss) of equity-accounted investments	14	(299)		(122)	
Pre-tax profit		**5,463**		**4,312**	
Income taxes	15	1,841		836	
Profit from continuing operations		**3,622**		**3,476**	
Profit/(Loss) from discontinued operations		**-**		**-**	
Profit for the year (owners of the Parent)		**3,622**		**3,476**	
Attributable to owners of the Parent		2,610		2,174	
Attributable to non-controlling interests		1,012		1,302	
Basic earnings/(loss) per share attributable to owners of the Parent (euro)		*0.26*		*0.21*	
Diluted earnings/(loss) per share attributable to owners of the Parent (euro)		*0.26*		*0.21*	
Basic earnings/(loss) per share from continuing operations attributable to owners of the Parent (euro)		*0.26*		*0.21*	
Diluted earnings/(loss) per share from continuing operations attributable to owners of the Parent (euro)		*0.26*		*0.21*	

(1) The 2019 figures have been adjusted to take account of the reclassification of the result of the measurement of contracts for the purchase of commodities with physical settlement (IFRS 9) from "Other operating costs" to "Electricity, gas and fuel" and "Services and other materials".

Statement of Comprehensive Income

Millions of euro	Notes	2020	2019
Profit for the year		**3,622**	**3,476**
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		(268)	39
Change in fair value of hedging costs		(99)	120
Share of the other comprehensive expense of equity-accounted investments		(9)	(57)
Change in the fair value of financial assets at FVOCI		(1)	5
Change in translation reserve		(4,510)	(481)
Other comprehensive income/(expense) that may be subsequently reclassified to profit or loss (net of taxes)			
Remeasurement of assets for employee benefits		(353)	(502)
Change in fair value of equity investments in other companies		(21)	-
Total other comprehensive expense for the year	35	**(5,261)**	**(876)**
Comprehensive income/(expense) for the year		**(1,639)**	**2,600**
Attributable to:			
- owners of the Parent		(1,028)	1,745
- non-controlling interests		(611)	855

Statement of financial position

Millions of euro	Notes				
ASSETS		**at Dec. 31, 2020**		**at Dec. 31, 2019**	
			of which with related parties		*of which with related parties*
Non-current assets					
Property, plant and equipment	17	78,718		79,809	
Investment property	20	103		112	
Intangible assets	21	17,668		19,089	
Goodwill	22	13,779		14,241	
Deferred tax assets	23	8,578		9,112	
Equity-accounted investments	24	861		1,682	
Non-current financial derivative assets	25	1,236	*21*	1,383	*15*
Non-current contract assets	26	304		487	
Other non-current financial assets	27	5,159	*1,144*	6,006	
Other non-current assets	29	2,494		2,701	
	[Total]	**128,900**		**134,622**	
Current assets					
Inventories	31	2,401		2,531	
Trade receivables	32	12,046	*863*	13,083	*896*
Current contract assets	26	176		166	
Tax assets		446		409	
Current financial derivative assets	25	3,471		4,065	*8*
Other current financial assets	28	5,113	*190*	4,305	*27*
Other current assets	30	3,578	*164*	3,115	*183*
Cash and cash equivalents	33	5,906		9,029	
	[Total]	**33,137**		**36,703**	
Assets classified as held for sale	34	**1,416**		**101**	
TOTAL ASSETS		**163,453**		**171,426**	

Millions of euro	Notes				
LIABILITIES AND EQUITY		**at Dec. 31, 2020**		**at Dec. 31, 2019**	
			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		(3)		(1)	
Other reserves		(39)		1,130	
Retained earnings		18,200		19,081	
	[Total]	**28,325**		**30,377**	
Non-controlling interests		**14,032**		**16,561**	
Total equity	35	**42,357**		**46,938**	
Non-current liabilities					
Long-term borrowings	36	49,519	*984*	54,174	*715*
Employee benefits	37	2,964		3,771	
Provisions for risks and charges (non-current portion)	38	5,774		5,324	
Deferred tax liabilities	23	7,797		8,314	
Non-current financial derivative liabilities	25	3,606		2,407	
Non-current contract liabilities	26	6,191	*161*	6,301	*151*
Other non-current liabilities	39	3,458		3,706	
	[Total]	**79,309**		**83,997**	
Current liabilities					
Short-term borrowings	36	6,345		3,917	
Current portion of long-term borrowings	36	3,168	*108*	3,409	*89*
Provisions for risks and charges (current portion)	38	1,057		1,196	
Trade payables	41	12,859	*2,205*	12,960	*2,291*
Income tax liabilities		471		209	
Current financial derivative liabilities	25	3,531		3,554	*8*
Current contract liabilities	26	1,275	*16*	1,328	*39*
Other current financial liabilities	42	622		754	
Other current liabilities	40	11,651	*37*	13,161	*30*
	[Total]	**40,979**		**40,488**	
Liabilities included in disposal groups classified as held for sale	34	**808**		**3**	
Total liabilities		**121,096**		**124,488**	
TOTAL LIABILITIES AND EQUITY		**163,453**		**171,426**	

Statement of Changes in Equity (note 35)

	Share capital and reserves attributable to owners of the Parent								
Millions of euro	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, 2018	**10,167**	**7,489**	**–**	**–**	**2,034**	**2,262**	**(3,317)**	**(1,745)**	**(258)**
Distribution of dividends	–	–	–	–	–	–	–	–	–
Purchase of treasury shares	–	(9)	(1)	–	–	–	–	–	–
Reclassifications	–	7	–	–	–	–	–	–	–
Monetary restatement (IAS 29)	–	–	–	–	–	–	–	–	–
Transactions in non-controlling interests	–	–	–	–	–	–	–	–	–
Change in the consolidation scope	–	–	–	–	–	–	(220)	41	–
Comprehensive income for the year	–	–	–	–	–	–	(265)	94	111
of which:									
- other comprehensive expense	–	–	–	–	–	–	*(265)*	*94*	*111*
- profit/(loss) for the year	–	–	–	–	–	–	–	–	–
At December 31, 2019	**10,167**	**7,487**	**(1)**	**–**	**2,034**	**2,262**	**(3,802)**	**(1,610)**	**(147)**
Distribution of dividends	–	–	–	–	–	–	–	–	–
Purchase of treasury shares	–	(11)	(2)	–	–	–	–	–	–
Equity instruments - hybrid perpetual bonds	–	–	–	2,386	–	–	–	–	–
Reserve for share-based payments (LTI bonus)	–	–	–	–	–	6	–	–	–
Reclassification for curtailment of defined benefit plans (IAS 19) following signing of 5th Endesa Collective Bargaining Agreement	–	–	–	–	–	–	–	–	–
Reclassifications	–	–	–	–	–	–	–	–	–
Monetary restatement (IAS 29)	–	–	–	–	–	–	–	–	–
Transactions in non-controlling interests	–	–	–	–	–	–	(257)	(13)	–
Comprehensive expense for the year	–	–	–	–	–	–	(2,987)	(294)	(95)
of which:									
- other comprehensive expense	–	–	–	–	–	–	*(2,987)*	*(294)*	*(95)*
- profit for the year	–	–	–	–	–	–	–	–	–
At December 31, 2020	**10,167**	**7,476**	**(3)**	**2,386**	**2,034**	**2,268**	**(7,046)**	**(1,917)**	**(242)**

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
16	**(63)**	**(714)**	**(2,381)**	**(1,623)**	**19,853**	**31,720**	**16,132**	**47,852**
–	–	–	–	–	(3,050)	**(3,050)**	**(1,190)**	**(4,240)**
–	–	–	–	–	–	**(10)**	**-**	**(10)**
–	–	–	–	(7)	–	**-**	**-**	**-**
–	–	–	–	–	104	**104**	**170**	**274**
–	–	–	–	61	–	**61**	**593**	**654**
–	–	(11)	–	(3)	–	**(193)**	**1**	**(192)**
5	(56)	(318)	–	–	2,174	**1,745**	**855**	**2,600**
5	*(56)*	*(318)*	–	–	–	***(429)***	***(447)***	***(876)***
–	–	–	–	–	*2,174*	***2,174***	***1,302***	***3,476***
21	**(119)**	**(1,043)**	**(2,381)**	**(1,572)**	**19,081**	**30,377**	**16,561**	**46,938**
–	–	–	–	–	(3,487)	**(3,487)**	**(1,356)**	**(4,843)**
–	–	–	–	–	–	**(13)**	**-**	**(13)**
–	–	–	–	–	–	**2,386**	**-**	**2,386**
–	–	–	–	–	–	**6**	**-**	**6**
–	–	106	–	–	(106)	**-**	**-**	**-**
–	–	–	–	–	(1)	**(1)**	**-**	**(1)**
–	–	–	–	–	105	**105**	**147**	**252**
–	–	(28)	–	280	(2)	**(20)**	**(709)**	**(729)**
(22)	(9)	(231)	–	–	2,610	**(1,028)**	**(611)**	**(1,639)**
(22)	*(9)*	*(231)*	–	–	–	***(3,638)***	***(1,623)***	***(5,261)***
–	–	–	–	–	*2,610*	***2,610***	***1,012***	***3,622***
(1)	**(128)**	**(1,196)**	**(2,381)**	**(1,292)**	**18,200**	**28,325**	**14,032**	**42,357**

Statement of Cash Flows

Millions of euro	Notes	2020	of which with related parties	2019	of which with related parties
Pre-tax profit		**5,463**		**4,312**	
Adjustments for:					
Net impairment losses on trade receivables and other financial assets	10.d	1,285		1,144	
Depreciation, amortization and other impairment losses	10.e	7,163		9,682	
Net financial expense	12-13	2,606		2,443	
Net gains from equity-accounted investments	14	299		123	
Changes in net working capital:		(1,567)		(273)	
- inventories	31	(8)		318	
- trade receivables	32	(1,350)	*33*	(877)	*189*
- trade payables	41	698	*(86)*	(51)	*(633)*
- other contract assets	26	(15)		(31)	
- other contract liabilities	26	(142)		154	
- other assets/liabilities		(750)	*34*	214	*18*
Accruals to provisions		834		515	
Utilization of provisions		(1,202)		(1,838)	
Interest income and other financial income collected	12-13	1,705	*62*	1,582	*88*
Interest expense and other financial expense paid	12-13	(3,690)	*(71)*	(4,235)	*(46)*
Net (income)/expense from measurement of commodities		188		(86)	
Income taxes paid	15	(1,575)		(1,850)	
Net capital gains		(1)		(268)	
Cash flows from operating activities (A)		**11,508**		**11,251**	
Investments in property, plant and equipment	17-20	(8,330)		(8,236)	
Investments in intangible assets	21	(1,218)		(1,023)	
Investments in non-current contract assets		(649)		(692)	
Investments in entities (or business units) less cash and cash equivalents acquired	7	(33)		(320)	
Disposals of entities (or business units) less cash and cash equivalents sold	7	154		688	
(Increase)/Decrease in other investing activities		(41)		468	
Cash flows used in investing activities (B)		**(10,117)**		**(9,115)**	
New long-term borrowings	44.3	3,924		8,899	
Repayments of borrowings	44.3	(1,950)	*(104)*	(5,511)	*(89)*
Other changes in net financial debt		(712)	*(176)*	355	
Payments for acquisition of equity investments without change of control and other transactions in non-controlling interests		(1,067)		530	
Issues/(Redemptions) of hybrid bonds		588		-	
Purchase of treasury shares		(13)		(10)	
Dividends and interim dividends paid		(4,742)		(3,957)	
Cash flows from/(used in) financing activities (C)		**(3,972)**		**306**	
Impact of exchange rate fluctuations on cash and cash equivalents (D)		**(497)**		**(76)**	
Increase/(Decrease) in cash and cash equivalents (A+B+C+D)		**(3,078)**		**2,366**	
Cash and cash equivalents at the beginning of the year [1]		9,080		6,714	
Cash and cash equivalents at the end of the year [2]		6,002		9,080	

(1) Of which cash and cash equivalents equal to €9,029 million at January 1, 2020 (€6,630 million at January 1, 2019), short-term securities equal to €51 million at January 1, 2020 (€63 million at January 1, 2019) and cash and cash equivalents pertaining to "Assets held for sale" in the amount of €21 million at January 1, 2019.

(2) Of which cash and cash equivalents equal to €5,906 million at December 31, 2020 (9,029 million at December 31, 2019), short-term securities equal to €67 million at December 31, 2020 (€51 million at December 31, 2019) and cash and cash equivalents pertaining to "Assets held for sale" in the amount of €29 million at December 31, 2020.

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 2020.

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 as at and for the year ended December 31, 2020 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 18, 2021.

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, 2020 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 income statement, the statement of comprehensive income, the statement of financial position, the statement of changes in equity and the 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 the note on "Cash flows" in the Report on Operations.

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 "Significant 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 at the reporting date. 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.

In addition, as regards the impact of the COVID-19 pandemic, the forecasts for future developments in the macroeconomic, financial and business environment in which the Group operates are characterized by a high degree of uncertainty, which is reflected in the assessments and the estimates produced by management regarding the carrying amounts of the assets and liabilities affected by greater volatility. In this regard, the following sections provide specific information on the estimates and judgments used in the areas of the financial statements most affected by the COVID-19 pandemic, drawing on the information available at December 31, 2020 and considering the constantly evolving scenario. Please see note 9.a "Revenue from sales and services", note 17 "Property, plant and equipment", note 22 "Goodwill", note 37 "Employee benefits" and note 44 "Financial instruments by category" for the main impacts of the COVID-19 pandemic.

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 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, 2020 affected by management's use of estimates and judgments refer to the impairment of non-financial assets and obligations connected with generation plants, including those for decommissioning and site restoration. For further details on these items, see note 17 "Property, plant and equipment", note 22 "Goodwill" and note 38 "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 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, see note 9.a "Revenue from sales and services".

Impairment of non-financial assets

When the carrying amount of property, plant and equipment, investment property, 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.
Such impairments are carried out in accordance with the provisions of IAS 36, as described in greater detail in note 22 "Goodwill".
In order to determine the recoverable amount, the Group generally adopts the value in use criterion. Value in use is based on the estimated future cash flows generated by the asset, discounted to their present value 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 on which the calculation of such amounts is based 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 the current scenario, the analysis of impairment indicators has become even more important as an attempt was also made to assess whether the impact of the COVID-19 pandemic could reduce the carrying amount of certain non-financial assets as at December 31, 2020. For this reason, the Group has carefully considered the effects of the COVID-19 pandemic in determining the existence of impairment indicators for non-financial assets.
Furthermore, in line with its business model and in the context of the acceleration of the decarbonization of the generation mix and driving 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 in 2030-2050 based on the specific characteristics of the businesses involved.
Information on the main assumptions used to estimate the recoverable amount of assets with reference to the impacts relating to the COVID-19 pandemic and climate change, as well as information on changes in these assumptions, is provided in note 22 "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 (i.e. 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).
In particular, for trade receivables, contract assets and lease receivables, including those with a significant financial component, the Group applies the simplified approach, determining expected credit losses over a period corresponding to the residual life of the asset, generally equal to 12 months.
Based on the specific reference market and the regulatory context of the sector, as well as expectations of recovery after 90 days, for such assets, 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 trade receivables/contract assets 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.
In case of individual assessment, PD is mainly obtained from an external provider.
Conversely, for collective assessment, trade receivables are grouped based on shared credit risk characteristics and past due information, considering a specific definition of default.

Based on each business and local regulatory framework as well as differences in customer portfolios also in terms of risk, default rates and recovery expectations, specific clusters are defined.
The contract assets are considered to have substantially the same risk characteristics as the 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 considers the following assumptions related to ECL parameters:
- PD, assumed as to be the average default rate, is calculated on a cluster basis and taking into consideration minimum 24 month historical data;
- LGD is function of the default bucket's recovery rates, discounted at the EIR; and
- EAD is estimated as the carrying exposure at the reporting date net of cash deposits, including invoices issued but not expired and invoices to be issued.

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.
In order to take account of the effects of the COVID-19 pandemic on the impairment of trade receivables, specific adjustments were made to the results of the impairment model adopted by the Group based on IFRS 9 (so-called "post-model adjustments"), determined mainly on the basis of an expert credit judgment based on the deterioration in the collection status of certain customer segments.
For additional details on the key assumptions and inputs used please refer to note 44 "Financial instruments by category".

Depreciable amount of certain elements of Italian hydroelectric plants subsequent to enactment of Law 134/2012

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 48 "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 48.
Changes in the assumptions made in estimating the input data could have an impact on the fair value recognized for those instruments, especially in current conditions where markets are volatile and the economic outlook is highly uncertain and subject to rapid change.

Development expenditure
In order to determine the recoverability of development expenditure, the recoverable amount is estimated making assumptions regarding any further cash outflow that is expected to be incurred before the asset is ready for use or sale, the discount rates to be applied and the expected period of benefits.

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.
With regard to the COVID-19 pandemic, the Group has carefully analyzed the possible impacts of the economic crisis generated by the emergency on the actuarial assumptions used in the measurement of the actuarial liabilities and assets serving the plans.
For more details on the main actuarial assumptions adopted, please see note 37.

Provisions for risks and charges
For more details on provisions for risks and charges, please see note 38 "Provisions for risks and charges".
Note 53 "Contingent assets and liabilities" also provides information regarding the most significant contingent liabilities for the Group.

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.

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 in adopting IFRS 16 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 44 "Financial instruments by category".

Income tax

Recovery of deferred tax assets

At December 31, 2020, 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 adjust-

ment would be taken to the 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.
Where required, the Group monitored the recovery times of deferred tax assets as well as those relating to the reversal of deductible temporary differences, if any, as a result of the greater uncertainty caused by the COVID-19 pandemic.
For more detail in deferred tax assets recognized or not recognized, please see note 23.

Management judgment

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.) and the evidence that the cash inflows of the group of assets are closely interdependent and 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 within the business model adopted.
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, and to take account of external factors that could influence the ability of assets to generate independent cash inflows.
In particular, if certain specific identified assets owned by the Group are impacted by adverse economic or operating conditions that undermine their capacity to contribute to the generation of cash flows, they can be isolated from the rest of the assets of the CGU, undergo separate analysis of their recoverability and be impaired where necessary.
The CGUs identified by management to which the goodwill recognized in these consolidated financial statements has been allocated and the criteria used to identify the CGUs are indicated in note 22 "Goodwill".

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 (Emgesa and Codensa) 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 another 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 all 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 operations 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 24 "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 24 "Equity-accounted investments".

Application of "IFRIC 12 - Service concession arrangements" to concessions

IFRIC 12 applies to "public-to-private" service concession arrangements, which can be defined as contracts under which the operator is obligated to provide public services, i.e. give access to major economic and social services for a certain period of time, on behalf of a public entity (the grantor). In these contracts, the grantor conveys to an operator the right to manage the infrastructure used to provide services.

More specifically, IFRIC 12 gives guidance on the accounting by operators for "public-to-private" service concession arrangements in the event that:

- 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.

In assessing the applicability of these requirements for the Group, as operator, management carefully analyzed existing concessions.

On the basis of that analysis, the provisions of IFRIC 12 are applicable to some of the infrastructure of a number of companies that operate in Brazil.

Further details about the infrastructure used in the service concession arrangements in the scope of IFRIC 12 are provided in note 18.

Revenue from contracts with customers

In the process of applying IFRS 15, the Group has made the following judgments (further details about the most significant effect on the Group's revenue are provided in note 9.a "Revenue from sales and services").

Furthermore, during the year, the Group carefully monitored the effects of the uncertainties linked to the COVID-19 pandemic on the recognition of its revenue, in particular as regards the main areas affected by significant judgments.

Identification of the contract

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.

Identification and satisfaction of performance obligations

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 and the nature of the promise within the context of the contract, also evaluating 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.

Determination of the transaction price

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 uncertainly 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.

Principal versus agent assessment

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.

Allocation of transaction price

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.

Contract costs

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.

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.

For the purpose of evaluating 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 44 "Financial instruments by category".

Hedge accounting

Hedge accounting is applied to derivatives in order to reflect into the financial statements the effect of 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.

Furthermore, during the year, the Group carefully monitored the possible effects of the uncertainties linked to the COVID-19 pandemic on its hedging relationships.

For additional details on the key assumptions about effectiveness assessment and ineffectiveness measurement, please refer to note 47.1 "Derivatives and hedge accounting".

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, taking due consideration of recent interpretations issued by the IFRS Interpretations Committee;
- 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 19 "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 15 "Income taxes".

2.2 Significant accounting policies

Related parties

Related parties are mainly parties that have the same parent entity as Enel SpA, companies that directly or indirectly through one or more intermediaries control, are controlled or are subject to the joint control of Enel SpA and in which the latter has a holding that enables it to exercise significant influence. 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 comprises 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.

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity, regardless of the nature of the formal relationship between them, when it is exposed, or has rights, to variable returns deriving from its involvement and has the ability, through the exercise of its power over the investee, to affect its returns.

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.

Consolidation procedures

The financial statements of subsidiaries used to prepare the consolidated financial statements were prepared at December 31, 2020 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.

Assets, liabilities, revenue and expenses of a subsidiary acquired or disposed of during the year are included in or excluded from the consolidated financial statements, respectively, from the date the Group gains control or until the date the Group ceases to control the subsidiary.

Profit or loss for the year and the other comprehensive income are attributed to the 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

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in decisions concerning the financial and operating policies of the investee without having control or joint control over the investee.
A joint venture is a joint arrangement over which the Group exercises joint control and has rights to the net assets of the arrangement. Joint control is the sharing of control of an arrangement, whereby decisions about the relevant activities require unanimous consent of the parties sharing control.

The Group's investments in associates and joint ventures are accounted for using the equity method.
Under the equity method, 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. Goodwill is not individually tested for impairment.
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 venture 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. When necessary, adjustments are made to bring the accounting policies in line with those of 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 assets undergo impairment testing pursuant to IAS 36. 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.
When a portion of an investment in an associate or joint venture meets the criteria to be classified as held for sale, any retained portion of an investment in the associate or joint venture that has not been classified as held for sale is accounted for using the equity method until disposal of the portion classified as held for sale takes place.
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 assets, 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. Consequently, the Group applies the requirements for a business combination achieved in stages, including the remeasurement of the interest it held previously in the joint operation at its fair value at the 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 24 "Equity-accounted investments".

Translation of foreign currency items

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 closing exchange rate (i.e. 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 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.

If there are multiple advance payments or receipts, the Group determines the transaction date for each payment or receipt of 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, Enel SpA.

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 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 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.

Business combinations

Business combinations initiated before January 1, 2010 and completed within that financial year are recognized on the basis of IFRS 3 (2004).

Such business combinations were recognized using the purchase method, 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 the owners of the Parent was recognized as goodwill. If the difference is negative, it is recognized through profit or loss.

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.

Business combinations carried out as from January 1, 2010 are recognized on the basis of IFRS 3 (2008), which is referred to as IFRS 3 (Revised) hereafter.
More specifically, business combinations are recognized using the acquisition method, 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 consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement.
Costs directly attributable to the acquisition are recognized through profit or loss.
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. 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 is recognized as goodwill. If the difference is negative, the Group verifies whether it has correctly identified all the assets acquired and liabilities assumed and reviews the procedures used to determine the amounts to recognize at the acquisition date. If after this assessment the fair value of the net assets acquired still exceeds the total consideration transferred, this excess represents the profit on a bargain purchase and is recognized through profit or loss.
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.
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-EU. 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.

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 takes into account 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 the case of groups of financial assets and financial liabilities with offsetting positions in market risk or credit risk, managed on the basis of an entity's net exposure to such risks, it is permitted to measure fair value on a net basis.

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

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. The accounting treatment of changes in the estimate of these costs, the passage of time and the discount rate is discussed under "Provisions for risks and charges".

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-EU 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 depreciation criteria shall be applied prospectively. Depreciation begins when the asset is available for use.

The estimated useful life of the main items of property, plant and equipment is as follows:

Civil buildings	10-70 years
Buildings and civil works incorporated in plants	10-100 years
Hydroelectric power plants:	
- penstock	7-85 years
- mechanical and electrical machinery	5-60 years
- other fixed hydraulic works	5-100 years
Thermal power plants:	
- boilers and auxiliary components	3-59 years
- gas turbine components	3-59 years
- mechanical and electrical machinery	3-59 years
- other fixed hydraulic works	3-62 years
Nuclear power plants	50 years
Geothermal power plants:	
- cooling towers	20-25 years
- turbines and generators	25-30 years
- turbine parts in contact with fluid	10-25 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	20-30 years
Public and artistic lighting:	
- public lighting installations	10-20 years
- artistic lighting installations	20 years
Transport lines	12-50 years
Transformer stations	20-55 years
Distribution plants:	
- high-voltage lines	10-60 years
- primary transformer stations	5-55 years
- low and medium-voltage lines	5-50 years
Meters:	
- electromechanical meters	3-34 years
- electricity balance measurement equipment	3-30 years
- electronic meters	6-35 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 economic 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 remaining 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 2067.

A number of generation companies that operate in Argentina, Brazil and Mexico hold administrative concessions with similar conditions to those applied under the Spanish concession system. These concessions will expire in 2088.

Infrastructure serving a concession not within the scope of "IFRIC 12 - Service concession arrangements"

As regards the distribution of electricity, the Group is a concession holder in Italy for this service. The concession, granted by the Ministry for Economic Development, was issued free of charge and terminates on December 31, 2030. If the concession is not renewed upon expiry, the grantor is required to pay an indemnity. The amount of the indemnity will be determined by agreement of the parties using appropriate valuation methods, based on both the carrying amount of the assets themselves and their profitability.

In determining the indemnity, such profitability will be represented by the present value of future cash flows. The infrastructure serving the concession is owned and available to the concession holder. It is recognized under "Property, plant and equipment" and is depreciated over the useful lives of the assets.

Enel also operates under administrative concessions for the distribution of electricity in other countries (including Spain and Romania). These concessions give the right to build and operate distribution networks for an indefinite period of time.

Infrastructure within the scope of "IFRIC 12 - Service concession arrangements"

Under a "public-to-private" service concession arrangement within the scope of "IFRIC 12 - Service concession arrangements" the operator acts as a service provider and, in accordance with the terms specified in the contract, it constructs/upgrades infrastructure used to provide a public service and/or operates and maintains that infrastructure for the years of the concession.

The Group, as operator, does not account for the infrastructure within the scope of IFRIC 12 as property, plant and equipment and it recognizes and measures 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. In this case, the grantor contractually guarantees to pay to the operator specified or determinable amounts or the shortfall between the amounts received from the users of the public service and specified or determinable amounts (defined by the contract), and such payments are not dependent on the usage of the infrastructure; and/or
- an intangible asset, if the Group receives the right (a license) to charge users of the public service provided. In such a case, the operator 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 (a right to charge users of public service), borrowing costs are capitalized using the criteria specified in the paragraph "Property, plant and equipment".

However, for construction/upgrade services, both types of consideration are generally classified as a contract asset during the construction/upgrade period.
For more details about such consideration, please see note 9.a "Revenue from sales and services".

Leases

The Group holds property, plant and equipment for its various activities under lease contracts. At inception of a contract, the Group assesses whether a contract is, or contains, a lease.
For contracts entered into or changed on or after January 1, 2019, the Group has applied 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.
Conversely, for contracts entered into before January 1, 2019, the Group determined whether the arrangement was or contained a lease under IFRIC 4.

Group as a lessee

At commencement or on modification of a contract that contains a lease component and one or more additional lease or non-lease components, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone price.
The Group 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 represents a lessee's right to use an underlying asset for the lease term; it 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 dismantle 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, as follows:

	Average residual life (years)
Buildings	7
Ground rights of renewable energy plants	30
Vehicles and other means of transport	5

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 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. In calculating the present value of lease payments, the Group uses 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.
The Group presents right-of-use assets that do not meet the definition of investment property in "Property, plant and equipment" and lease liabilities in "Borrowings".
Consistent with the requirement of the standard, the Group presents separately the interest expense on lease liabilities under "Other financial expense" and the depreciation charge on the right-of-use assets under "Depreciation, amortization and impairment losses".

Group as a lessor

When the Group acts as a lessor, it determines at the lease inception date whether each lease is a finance lease or an operating lease.

Leases in which the Group essentially transfers all the risks and rewards associated with ownership of the underlying asset are classified as finance leases; otherwise, they are classified as operating leases. To make this assessment, the Group considers the indicators provided by IFRS 16. If a contract contains lease and non-lease components, the Group allocates the consideration in the contract applying IFRS 15.

The Group accounts for rental income arising from operating leases on a straight-line basis over the lease terms and it recognizes it as other revenue.

Investment property

Investment property consists of the Group's real estate held to earn rentals and/or for capital appreciation rather than for use in the production or supply of goods and services.

Investment property is measured at acquisition cost less any accumulated depreciation and any accumulated impairment losses.

Investment property, excluding land, is depreciated on a straight-line basis over the useful lives of the related assets.

Impairment losses are determined on the basis of the criteria following described.

The breakdown of the fair value of investment property is detailed in note 48 "Assets and liabilities measured at fair value".

Investment property is derecognized either when it has been transferred (i.e., at the date the recipient obtains control) or when it is permanently withdrawn from use and no future economic benefit is expected from its 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.

Transfers are made to (or from) investment property only when there is a change in use.

Intangible assets

Intangible assets are identifiable assets without physical substance controlled by the Group and capable of generating future economic benefits. They are measured at purchase or internal development cost when it is probable that the use of such assets will generate future economic benefits and the related cost can be reliably determined.

The cost includes any directly attributable expenses necessary to make the assets ready for their intended use.

Development expenditure is recognized as an intangible asset only when 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.

Research costs are recognized as expenses.

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 item's estimated useful life, which is reassessed at least annually; any changes in amortization policies are reflected on a prospective basis. 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.

Intangible assets are derecognized either at the time of their disposal (at the date when the recipient obtains control) or when no future economic 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 consideration received in the disposal, determined in accordance with the provisions of IFRS 15 concerning the transaction price, and the carrying amount of the derecognized assets.

The estimated useful life of the main intangible assets, distinguishing between internally generated and acquired assets, is as follows:

Development expenditure:	
- internally generated	2-26 years
- acquired	3-26 years
Industrial patents and intellectual property rights:	
- internally generated	3-10 years
- acquired	2-50 years
Concessions, licenses, trademarks and similar rights:	
- internally generated	20 years
- acquired	1-40 years
Intangible assets from service concession arrangements:	
- internally generated	-
- acquired	5 years
Other:	
- internally generated	2-28 years
- acquired	1-28 years

The Group also presents costs to obtain a contract with a customer capitalized in accordance with IFRS 15 as intangible assets.

The Group recognized such costs as an asset 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.

Goodwill

Goodwill represents the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized. For further details, please see the section of the accounting policies "Business combinations".

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 as part of the CGU to which it pertains.

For the purpose of impairment testing, goodwill is allocated, from the acquisition date, to each CGU that is expected to benefit from the synergies of the combination.

Goodwill relating to equity investments in associates and joint venture is included in their carrying amount.

Impairment of non-financial assets

At each reporting date, property, plant and equipment, investment property, intangible assets, right-of-use assets, goodwill and equity investments in associates/joint ventures are reviewed to determine whether there is evidence of impairment.

CGUs to which goodwill, intangible assets with an indefinite useful life and intangible assets not yet available for use are allocated 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.

If certain specific identified assets owned by the Group are impacted by adverse economic or operating conditions that undermine their capacity to contribute to the generation of cash flows, they can be isolated from the rest of the assets of the CGU, undergo separate analysis of their recoverability and be impaired where necessary.

Inventories

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 includes 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 CO_2 emissions allowances) that were not utilized for compliance in the reporting period. As regards CO_2 emissions allowances, inventories are allocated between the trading portfolio and the compliance portfolio, i.e. those used for compliance with greenhouse gas emissions requirements. Within the latter, CO_2 emissions allowances are allocated to sub-portfolios on the basis of the compliance year to which they have been assigned.

Inventories also include nuclear fuel stocks, use of which is determined on the basis of the electricity generated.

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 any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity; they are recognized and measured in accordance with IAS 32 and IFRS 9.

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 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 and the contractual cash-flow characteristics of the instrument.

For this purpose, the assessment to determine whether the instrument gives rise to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

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

This category mainly includes listed debt securities held by the Group reinsurance company and not classified as held for trading.

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 unlisted 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 represents a recovery of a part of the cost of the investment.

Financial assets at fair value through profit or loss

This category mainly includes: securities, equity investments in other companies, financial investments in fund held for trading and financial assets designated as at fair value through profit or loss at initial recognition.

Financial assets at fair value through profit or loss are:

- 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 incurred principally for the purpose of selling or repurchasing in short term;
- debt instruments designated upon initial recognition, under the option allowed by IFRS 9 (fair value option), if doing so eliminates, or significantly reduces, an accounting mismatch;
- derivatives, including separated embedded derivatives, held for trading or not designated as effective hedging instruments.

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 listed equity investments which the Group had not irrevocably elected to classify at fair value through OCI. Dividends on listed equity investments are also recognized as other income in the income statement when the right of payment has been established.

Financial assets that qualify as contingent consideration are also measured at fair value through profit or loss.

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, contract assets and all other assets in scope.

In compliance with IFRS 9, as from January 1, 2018, the Group adopted a new impairment model based on the determination of expected credit losses (ECL) using a forward-looking approach. In essence, the model provides for:

- the application of a single framework for all financial assets;
- the recognition of expected credit losses on an ongoing basis and the updating of the amount of such losses at the end of each reporting period, reflecting changes in the credit risk of the financial instrument;
- the measurement of expected losses on the basis of reasonable information, obtainable without undue cost, about past events, current conditions and forecasts of future conditions.

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 receivable, 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. Under such approach, a loss allowance on financial assets is recognized at an amount equal to the lifetime expected credit losses, if the credit risk on those financial assets has increased significantly, since initial recognition, considering all reasonable and supportable information, including also forward-looking inputs.

If at the reporting date the credit risk on financial assets has not increased significantly since initial recognition, the Group measures the loss allowance for those financial assets at an amount equal to 12-month expected credit losses.

For financial assets on which a loss allowance equal to lifetime expected credit losses has been recognized in the previous reporting period, the Group measures the loss allowance at an amount equal to 12-month expected credit losses when the condition regarding a significant increase in credit risk is no longer met.

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 to the amount that is required to be recognized in accordance with IFRS 9.

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 44 "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.

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.
Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as at fair value through profit or loss unless they are designated as effective hedging instruments.
Gains or losses on liabilities at fair value through profit or loss are recognized through profit or loss.
Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, only if the criteria in IFRS 9 are satisfied.
In this case, the portion of the change in fair value attributable to own credit risk is recognized in other comprehensive income.
The Group has not designated any financial liability as at fair value through profit or loss, upon initial recognition.
Financial liabilities that qualify as contingent consideration are also measured at fair value through profit or loss.

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.

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

A derivative is a financial instrument or another contract:

- whose value changes in response to the changes in an underlying variable such as an interest rate, commodity or security price, foreign exchange rate, a price or rate index, a credit rating or other variable;
- that requires no initial net investment, or one that is smaller than would be required for a contract with similar response to changes in market factors;
- that is settled at a future date.

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.
For more details about hedge accounting, please refer to the note 47 "Derivatives and hedge accounting".
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 cur-

rent on the basis of their maturity date and the Group intention to hold the financial instrument till maturity or not.

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.

The main Group contracts that may contain embedded derivatives are contracts to buy or sell non-financial items with clauses or options that affect the contract price, volume or maturity.

A derivative embedded in a hybrid contract containing a financial asset host is not accounted for separately. The financial asset host together with the embedded derivative is required to be classified in its entirety as a financial asset at fair value through profit or loss.

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.

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 hedging relationship).

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, according to 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) do not qualify for the own use exemption and are recognized as derivatives measured at fair value through profit or loss 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.

Consequently, starting from the trade date, these contracts are recognized at FVTPL or as "Other revenue" in the case of contracts for the sale of non-financial items (see the note "Revenue") or as "Electricity, gas and fuel" or "Services and other materials" in the case of contracts for the purchase of non-financial items (please see, respectively, note 10.a "Electricity, gas and fuel" and note 10.b "Services and other materials").

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 financial assets and liabilities

The Group offsets financial assets and liabilities when:

> there is a legally enforceable right to set off the recognized amounts; and
> there is the intention of settling on a net basis or realizing the asset and settling the liability simultaneously.

Hyperinflation

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.

Starting from 2018, this standard applies to the Group's transactions in Argentina, whose economy has been declared hyperinflationary from July 1, 2018.

Non-current assets (or disposal groups) classified as held for sale and discontinued operations

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.

If the Group is committed to a sale plan 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 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 the classification criteria are no longer met, the Group ceases to classify the non-current assets (or disposal group) as held for sale. In this case they are measured at the lower of:

- the carrying amount before the asset (or disposal group) was classified as held for sale, adjusted for any depreciation, amortization or reversals of impairment losses that would have been recognized if the asset (or disposal group) had not been classified as held for sale; and
- the recoverable amount, which is equal to the greater of its fair value net of costs to sell and its value in use, as calculated at the date of the subsequent decision not to sell.

Any adjustment to the carrying amount of a non-current asset that ceases to be classified as held for sale is included in profit or loss from continuing operations.

A discontinued operation is a component of the Group that either has been disposed of, or is classified as held for sale, and:

- represents a separate major business line or geographical segment;
- is part of a single coordinated plan to dispose of a separate major business line or geographical segment; or
- is a subsidiary acquired exclusively with a view to resale.

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

Some Group companies are affected by national regulations governing green certificates and energy efficiency certificates (so-called white certificates), as well as the European "Emissions Trading System".

Green certificates accrued in proportion to electricity generated by renewable energy plants and energy efficiency certificates accrued in proportion to energy savings achieved that have been certified by the competent authority are treated as non-monetary government operating grants and are recognized at fair value, under other operating profit, with recognition of an asset under other non-financial assets, if the certificates are not yet credited to the ownership account, or under inventories, if the certificates have already been credited to that account.

At the time the certificates are credited to the ownership

account, they are reclassified from other assets to inventories.
Revenue from the sale of such certificates is recognized under revenue from contracts with customers, with a corresponding decrease in inventories.
For the purposes of accounting for charges arising from regulatory requirements concerning green certificates, energy efficiency certificates and CO_2 emissions allowances, the Group uses the "net liability approach".
Under this accounting policy, 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). In addition, 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 on an accruals basis under other operating costs, as they represent "system charges" consequent to compliance with a regulatory requirement.

Employee benefits

Liabilities related to employee benefits paid upon or after ceasing employment in connection with defined benefit plans or other long-term benefits accrued during the employment period are determined separately for each plan, using actuarial assumptions to estimate the amount of the future benefits that employees have accrued at the reporting date (using the projected unit credit method). More specifically, the present value of the defined benefit obligation is calculated by using a discount rate determined on the basis of market yields at the end of the reporting period on high-quality corporate bonds. If there is no deep market for high-quality corporate bonds in the currency in which the bond is denominated, the corresponding yield of government securities is used.
The liability, net of any plan assets, is recognized on an accruals 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 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) are recognized 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 the event of a change being made to an existing defined benefit plan or the introduction of a new plan, any past service cost is recognized immediately in 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

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. The event that gives rise to an obligation is the termination of employment rather than employee service. 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. More specifically, when the benefits represent an enhancement of other post-employment benefits, the associated liability is measured in accordance with the rules governing that type of benefits. Otherwise, if the termination benefits due to employees are expected to be settled wholly before 12 months after the end of the reporting period, the entity measures the liability in accordance with the requirements for short-term employee benefits; if they are not expected to be settled wholly before 12 months after the end of the reporting period, the entity measures the liability in accordance with the requirements for other long-term 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 and 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 and a monetary component.
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 49 "Share-based payments".
The Group recognizes the services rendered by employees as personnel expenses and indirectly estimates their value, and the corresponding increase in equity, on the basis of the fair value of the equity instruments (i.e., Enel shares) at the grant date.
This fair value is based on the observable market price of Enel shares (on the Milan stock exchange), taking account of the terms and conditions under which the shares were granted (with the exception of vesting conditions excluded from the measurement of fair value).
The cost of these share-based payment transactions is recognized through profit or loss, with a corresponding entry in a specific equity item, over the period in which the service and return performance conditions are met (vesting period).
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 will be satisfied, so that the amount recognized at the end is based on the effective number of equity instruments that satisfy the service and performance conditions other than market conditions at the vesting date.
No expense is recognized for awards which ultimately do not vest because the performance conditions other than market conditions and/or the service conditions have not been satisfied. Conversely, the transactions are considered to have vested irrespective of whether the market or non-vesting conditions are satisfied, provided that all the other performance and/or service conditions are satisfied.

Provisions for risks and charges

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 is significant, 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.

In the case of contracts in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it (onerous contracts), the Group recognizes a provision as the lower of the excess of unavoidable costs of meeting the obligations under the contract over the economic benefits expected to be received under it and any compensation or penalty arising from failure to fulfil it.

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, dismantling 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 dismantling 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 in order to represent the transfer of promised goods or services to the customers at an amount that reflects the consideration at which the Group expects to be entitled in exchange for those goods or services.

The Group applies this core principle using a five-step model:

- identify the contract with the customer (step 1).
  The Group applies IFRS 15 to contracts with customers in the scope of the standard when the contract is legally enforceable and all the criteria envisaged for step 1 are met. If the criteria are not met, any consideration received from the customer is generally recognized as an advance;
- identify the performance obligations in the contract (step 2).
  The Group identifies all goods or services promised in the contract, separating them into performance obligations to account for separately if they are both: capable of being distinct and distinct charges within the context of the contract. As an exception, the Group accounts for as a single performance obligation a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer over time.
  In assessing the existence and the nature of the performance obligations, the Group considers all of the contract's features as mentioned in step 1.
  For each distinct good or service identified, the Group determines whether it acts as a principal or agent, respectively if it controls or not the specified good or service that is promised to the customer before its control is transferred to the customer. When the Group acts as agent, it recognizes revenue on a net basis, corresponding to any fee or commission to which it expects to be entitled;
- determine the transaction price (step 3).
  The transaction price represents the amount of consideration to which the Group expects to be entitled in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of third parties (e.g., some sale taxes and value-added taxes).
  The Group determines the transaction price at inception of the contract and updates it each reporting period for any changes in circumstances.
  When the Group determines the transaction price, it considers whether the transaction price includes variable consideration, non-cash consideration received from a customer, consideration payable to a customer and a significant financing component;
- allocate the transaction price (step 4).
  The Group allocates the transaction price at contract inception to each separate performance obligation to depict the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services.
  When the contract includes a customer option to acquire additional goods or services that represents a material right, the Group allocates the transaction price to this performance obligation (i.e. the option) and defers the relative revenue until those future goods or services are transferred or the option expires.
  The Group generally allocates the transaction price on the basis of the relative stand-alone selling price of each distinct good or service promised in the contract (that is, the price at which the Group would sell that good or service separately to the customer);
- recognize revenue (step 5).

The Group recognizes revenue when (or as) each performance obligation is satisfied by transferring the promised good or service to the customer, which is when the customer obtains control of the good or service.

To this end, the Group first determines if one of the over-time criteria is met.

For each performance obligation satisfied over time, the Group recognizes revenue over time by measuring progress toward the complete satisfaction of that performance obligation using an output method or an input method and applies a single method of measuring progress from contract inception until full satisfaction and to similar performance obligations and in similar circumstances.

When the Group cannot reasonably measure the progress, it recognizes revenue only to the extent of the costs incurred that are considered recoverable.

If the performance obligation is not satisfied over time, the Group determines the point in time at which the customer obtains the control, considering whether the indicators of the transfer of control collectively indicate that the customer has obtained control.

Depending on the type of transaction, the broad criteria used under IFRS 15 are summarized below:

- revenue from the sale of goods is recognized at the point in time at which the customer obtains the control of goods if the Group considers that the sale of goods is satisfied at a point in time;
- revenue from providing services is recognized on the basis of the progress towards complete satisfaction of the performance obligation measured with an appropriate method that better depicts this progress if the Group considers that the performance obligation is satisfied over time. The cost incurred method (cost-to-cost method) is considered appropriate for measuring progress, except when specific contract analyses suggest the use of an alternative method, which better depicts the Group's performance obligation fulfilled at the reporting date.

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 9.a "Revenue from sales and services".

If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, it recognizes a contract asset relating to the right to consideration in exchange for goods or services transferred to the customer.

If a customer pays consideration before the Group transfers goods or services to the customer, the Group recognizes a contract liability when the payment is made (or the payment is due) that is recognized as revenue when the Group performs under the contract.

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 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 profit

Other operating profit primarily includes gains on disposal of assets that are not an output of the Group's ordinary activities and government grants.

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.

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.

Capital grants, including non-monetary grants at fair value, i.e. those received to purchase, build or otherwise acquire non-current assets (for example, an item of property, plant

and equipment or an intangible asset), 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.

Financial income and expense from derivatives

Financial income and expense from derivatives includes:

- income and expense from derivatives measured at fair value through profit or loss on interest rate and currency risk;
- income and expense from fair value hedge derivatives on interest rate risk;
- income and expense from cash flow hedge derivatives on interest rate and currency risks.

Other financial income and expense

For all financial assets and liabilities measured at amortized cost and interest-bearing financial assets classified as at fair value through other comprehensive income, interest income and expense is recognized 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.

Interest income is recognized to the extent that it is probable that the economic benefits will flow to the Group and the amount can be reliably measured.

Other financial income and expense include also changes in the fair value of financial instruments other than derivatives.

Dividends

Dividends are recognized when the unconditional right to receive payment is established.

Dividends and interim dividends payable to the Parent's shareholders 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

Current income taxes

Current income year for the period, 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.

In particular, 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 from the initial recognition of goodwill or 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. The Group determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments based on which approach provides better predictions of the resolution of the uncertainty. In assessing whether and how the uncertainty affects the tax treatment, the Group assumes that a taxation authority will accept or not an uncertain tax treatment supposing that the taxation authority will examine amounts it has a right to examine and have full knowledge of all related information when making those examinations. The Group reflects the effect of uncertainty in accounting for current and deferred tax using the expected value or the most likely amount, whichever method better predicts the resolution of the uncertainty.

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, 2020.

> "*Amendments to IFRS 3 - Definition of a Business*", issued in October 2018, is intended to assist companies in determining whether an integrated set of activities and assets is a business. More specifically, the amendments clarify that a business, considered as an integrated set of activities and assets, must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. Accordingly, the amendments clarify that a business cannot exist without including the inputs and substantive processes necessary to produce outputs. The definition of "output", as modified by these amendments, focuses on the goods and services delivered to customers, on investment income and other revenue and excludes returns in the form of lower costs or other economic benefits.

> "*Amendments to IAS 1 and IAS 8 - Definition of Material*", issued in October 2018, to align the definition of "material" between the accounting standards and the Conceptual Framework for Financial Reporting and clarify a number of aspects. The definition of material is as follows: "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." More specifically, the amendments clarify that:
  - "obscuring information" regards situations for which the effect for users of financial statements is similar to the omission or misstatement of information whose materiality is assessed in the context of the financial statements taken as a whole;
  - "primary users of financial statements", to whom general purpose financial statements are directed, are "existing and potential investors, lenders and other creditors" who must rely on general purpose financial statements for much of the financial information they need; and
  - "materiality" depends on the nature or magnitude of information, or both. An entity assesses whether information, either individually or in combination with other information, is material in the context of its financial statements taken as a whole. A misstatement of information is material if it could reasonably be expected to influence decisions of made by the primary users of the financial statements.

> "*Amendments to IFRS 9, IAS 39 and IFRS 7 - Interest Rate Benchmark Reform*", issued in September 2019. The amendments: (i) provide for temporary exceptions that enable hedging relationships to continue during the period of uncertainty until alterative risk-free rates are established with the interbank offered rates (IBORs) reform; and (ii) require additional disclosures on hedging relationships directly affected by the uncertainty. In this regard, note that the reform will impact fair value measurement, the effects of hedge accounting and net financial income and expense when the alternative rates are defined.

> "*Amendments to References to the Conceptual Framework in IFRS Standards*", issued in March 2018. The document sets out the amendments to affected standards in order to update references to the revised Conceptual Framework. These amendments accompany the latest version of the Revised Conceptual Framework for Financial Reporting, issued in March 2018 and in effect as from January 1, 2020, which includes some new concepts, provides updated definitions and recognition criteria and clarifies some important concepts. The main amendments include:

- an increase in the importance of management's stewardship of economic resources for financial reporting purposes;
- the restoration of prudence as an element supporting neutrality;
- the definition of reporting entity, which may be a legal entity or a portion of that entity;
- the revision of the definitions of assets and liabilities;
- elimination of the probability threshold in recognition and the addition of guidelines for derecognition;
- the addition of guidelines on various measurement bases; and
- the affirmation that profit or loss is the primary indicator of performance and that, in principle, income and expense included in other comprehensive income shall be reclassified to profit or loss when doing so results in the income statement providing more relevant information or a more faithful representation.

The application of these amendments did not have a material impact on these consolidated financial statements.

4. 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, 2020 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 2020 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 statement 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 at December 31, 2018, December 31, 2019 and December 31, 2020 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%

In 2020, the application of IAS 29 generated net financial income (gross of tax) of €57 million.

The following tables report the effects of IAS 29 on the balance at December 31, 2020 and the impact of hyperinflation on the main income statement items for 2020, 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, 2019	Hyperinflation effect for the period	Exchange differences	Cumulative hyperinflation effect at Dec. 31, 2020
Total assets	**857**	313	(208)	**962**
Total liabilities	**164**	86	(58)	**192**
Equity	**693**	227 [1]	(150)	**770**

(1) The figure includes profit for 2020, equal to €25 million.

Millions of euro

	IAS 29 effect	IAS 21 effect	Total effect
Revenue	119	(199)	(80)
Costs	169 [1]	(177) [2]	(8)
Operating profit	**(50)**	**(22)**	**(72)**
Net financial expense	(4)	(4)	(8)
Net income/(expense) from hyperinflation	57	-	57
Pre-tax profit/(loss)	**3**	**(26)**	**(23)**
Income taxes	28	(3)	25
Loss for the year (owners of the Parent and non-controlling interests)	**(25)**	**(23)**	**(48)**
Attributable to owners of the Parent	-	(10)	(10)
Attributable to non-controlling interests	(25)	(13)	(38)

(1) Includes impact on depreciation, amortization and impairment losses of €49 million.
(2) Includes impact on depreciation, amortization and impairment losses of €(18) million.

5. Disclosures on non-financial issues

Disclosures concerning the COVID-19 pandemic

In view of the complexity of the current situation, the Group has carefully monitored the evolution of the COVID-19 pandemic with regard to the main areas and countries in which we operate, in line with the recommendations of ESMA in the public statements[1] published in March, May, July and October 2020, and of CONSOB in its warning notices nos. 6/2020 of April 9, 2020, 8/2020 of July 16, 2020 and 1/2021 of February 16, 2021.

The Group has analyzed the impacts of COVID-19 on business operations, the financial position and performance, which are also reflected in the assumptions underlying the Group's Business Plan, also identifying the main risks and uncertainties to which it is exposed, as reported in the "Risk management" section of the Report on Operations. For more on the effects generated by the COVID-19 pandemic at December 31, 2020, please see the specific section "Financial impact of COVID-19" in the Report on Operations.

Consistent with the disclosures provided in the earlier sections of the Report on Operations, the consolidated financial statements at December 31, 2020 offer additional specific information regarding the COVID-19 pandemic, based on specific company circumstances and on the availability of reliable information, in order to highlight its impact on the financial position and performance of the Group at that date.

In this regard, additional information on the financial implications of the COVID-19 pandemic is available in note 2.1 "Use of estimates and management judgment" and in the notes to specific items.

Disclosures on climate change

The Group is moving forward in its commitment to lead the energy transition, in line with the objectives of the Paris Agreement (COP21) and the Sustainable Development Goals set by the United Nations.

In particular, the Group is fully committed to the development of a long-term sustainable business model, consistent with the objectives of the Paris Agreement to achieve a reduction in CO_2 emissions and to limit the average increase in global temperature to below 2 °C compared with pre-industrial levels. Since 2019, the Group has officially reaffirmed this commitment, responding to the United Na-

(1) ESMA 71-99-1290 of March 11, 2020; ESMA 32-63-951 of March 25, 2020; ESMA 31-67-742 of March 27, 2020; ESMA 32-63-972 of May 20, 2020; ESMA 32-61-417 of July 21, 2020 and ESMA 32-63-1041 of October 28, 2020.

tions call for action and is the only Italian company to have signed the commitment to limit the increase in global temperatures to 1.5 °C and to achieve zero emissions by 2050. These objectives form the basis for the 2021-2030 Strategic Plan presented in November 2020. It is founded on the Group's leadership in the energy transition process through the decarbonization of its generation mix, the electrification of energy consumption and the creation of digital platforms for the development of new business and operational models.

The Group has considered the risks related to climate change and the objectives of the Paris Agreement in the preparation of the consolidated financial statements at December 31, 2020, which appropriately reflect the effect of achieving net zero emissions by 2050 on assets, liabilities, profits and losses, incorporating the material and foreseeable impacts as required under the Framework of the IFRS. Furthermore, in compliance with the document published by the IFRS Foundation on November 20, 2020[2], the Group provides explicit information in the notes to these consolidated financial statements regarding how the implications of climate change are reflected in the financial statements. For further details on the financial implications of issues related to climate change, please see note 2.1 "Use of estimates and management judgment" and in the notes to specific items.

The accounting assumptions used for the preparation of the 2020 consolidated financial statements are consistent with the information on the risks deriving from climate change reported in the "Risk management" section of the Report on Operations, which readers are invited to consult for further information.

6. Restatement of comparative disclosures

The data presented in the comments and in the tables of the notes to these consolidated financial statements are uniform and comparable. In this regard, note that with regard to contracts entered into for the purchase or sale of non-financial items with physical settlement that do not qualify for the own use exemption and are therefore measured at fair value through profit or loss (within the scope of IFRS 9), the Group slightly modified the recognition of those items in 2020 with a simple reclassification of costs between two lines of the income statement, thus enabling a closer correlation between costs and revenue together with more relevant information. This reclassification had no impact on either profit for the year or equity.

More specifically, in 2019 the previous accounting treatment of these transactions in non-financial items provided for recognition in:

- "Other revenue" of changes in the fair value of sales contracts as well as, at the settlement date, the related revenue together with the effects in profit or loss of the derecognition of derivative assets or liabilities;
- "Other operating costs" of changes in the fair value of purchase contracts as well as, at the settlement date, of the related costs together with the effects, in profit or loss, of the derecognition of derivative assets or liabilities in "Electricity, gas and fuel" or "Services and other materials".

The current accounting treatment of these transactions in non-financial items (see the section "Contracts to buy or sell non-financial items" in note 2.2 "Significant accounting policies") instead provides for recognition in:

- "Other revenue" of changes in the fair value of sales contracts as well as, at the settlement date, the related revenue together with the effects in profit or loss of the derecognition of derivative assets or liabilities;
- "Electricity, gas and fuel" of the changes in the fair value of purchase contracts;
- "Electricity, gas and fuel" or "Services and other materials" of the related costs at the settlement date together with the effects in profit or loss of the derecognition of derivative assets or liabilities.

Consequently, the only difference between the two years under comparison concerned the reclassification of the 2019 amounts for changes in the fair value of contracts to buy non-financial items from "Other operating costs" to "Electricity, gas and fuel" and "Services and other materials".

(2) "Effects of climate-related matters on financial statements", which expands on an article on the issue written by Nick Anderson, a member of the International Accounting Standards Board in November 2019.

IMPACT ON THE INCOME STATEMENT

Millions of euro				
		2019	**Reclassifications**	**2019 restated**
Revenue				
Revenue from sales and services		77,366		77,366
Other income		2,961		2,961
	[Subtotal]	**80,327**		**80,327**
Costs				
Electricity, gas and fuel		33,755	4,327	38,082
Services and other materials		18,580	256	18,836
Personnel expenses		4,634		4,634
Net impairment losses on trade receivables and other financial assets		1,144		1,144
Depreciation, amortization and other impairment losses		9,682		9,682
Other operating costs		7,276	(4,583)	2,693
Capitalized costs		(2,355)		(2,355)
	[Subtotal]	**72,716**		**72,716**
Net expense from commodity derivatives		**(733)**		**(733)**
Operating profit		**6,878**		**6,878**
Financial income from derivatives		1,484		1,484
Other financial income		1,637		1,637
Financial expense from derivatives		1,142		1,142
Other financial expense		4,518		4,518
Net income from hyperinflation		95		95
Share of profit/(loss) of equity-accounted investments		(122)		(122)
Pre-tax profit		**4,312**		**4,312**
Income taxes		836		836
Profit from continuing operations		**3,476**		**3,476**
Profit from discontinued operations		**-**		**-**
Profit for the year (owners of the Parent and non-controlling interests)		**3,476**		**3,476**
Attributable to owners of the Parent		2,174		2,174
Attributable to non-controlling interests		1,302		1,302
Basic earnings/(loss) per share attributable to owners of the Parent (euro)		*0.21*		*0.21*
Diluted earnings/(loss) per share attributable to owners of the Parent (euro)		*0.21*		*0.21*
Basic earnings/(loss) per share from continuing operations attributable to owners of the Parent (euro)		*0.21*		*0.21*
Diluted earnings/(loss) per share from continuing operations attributable to owners of the Parent (euro)		*0.21*		*0.21*

In addition, during the year, a number of adjustments were made to the income statement figures for 2019 to take account of the fact that with effect from March 31, 2020 in Latin America the amounts attributable to large customers managed by the power generation companies were reallocated to the End-user Markets Business Line.

This change affected the segment reporting but did not produce any change in the overall figures for the Group, although reclassifications have been made within the various Business Lines.

Changes in the consolidation scope

7. 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.

2019

- The disposal, on March 1, 2019, of 100% of Mercure Srl, a company to which the business unit consisting of the Mercure biomass plant and the related legal relationships had been previously transferred. The price for the transaction was €168 million;
- the acquisition, on March 14, 2019, by Enel Green Power SpA, acting through its US renewables subsidiary Enel Green Power North America (EGPNA, now renamed Enel North America), of 100% of 13 companies that own operating renewable generation plants from Enel Green Power North America Renewable Energy Partners (EGPNA REP), a joint venture 50% owned by EGPNA and 50% by General Electric Capital's Energy Financial Services;
- the acquisition, on March 27, 2019, by Enel Green Power SpA (EGP), acting through its US renewables subsidiary EGPNA (now ENA), of Tradewind Energy, a renewable energy project development company based in Lenexa, Kansas. EGP has incorporated the entire Tradewind development platform, which includes 13 GW of wind, solar and storage projects located in the United States. The agreement also provided for the sale, which took place in June, of Savion, a wholly owned subsidiary of Tradewind;
- on April 30, 2019, Enel X Italia acquired 100% di YouSave SpA, an Italian company operating in the energy services sector, providing assistance to large electricity consumers;
- on May 31, 2019, the finalization, acting through the renewables subsidiary Enel Green Power Brasil Participações Ltda, of the disposal of 100% of three renewables plants in Brazil. The total price of the transaction was about R$2.7 billion, the equivalent of about €603 million;
- the acquisition, on November 14, 2019, by Enel X Srl of 55% di Paytipper, an authorized payment institution that offers its customers financial services to facilitate their daily lives. The contract is accompanied by a put option for the remaining 45%.

2020

- In January 2020, the Wild Plains project company, 100% owned by Tradewind, was sold. The sale did not have an impact on profit or loss;
- on May 11, 2020 Endesa Energía sold 80% of Endesa Soluciones for €21 million. The interest, which had previously been consolidated on a line-by-line basis, is now accounted for using the equity method;
- on July 7, 2020, Enel Green Power España acquired 100% of Parque Eólico Tico SLU, Tico Solar 1 SLU and Tico Solar 2 SLU for a total of €40 million;
- on September 14, Endesa Generación Portugal acquired 100% of Suggestion Power (Unipessoal) Lda for a total of €6 million;
- on September 17, 2020, Enel X International acquired 60% of Viva Labs AS for a total of €3 million;
- Enel Green Power Panama acquired 100% of Jaguito Solar and Progreso Solar in 2020 for a total of €2 million.

Other changes

In addition to the above changes in the consolidation scope, the following transactions, which 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:

- the disposal, in 2020, of a number of 50% owned joint ventures in Enel North America's hydroelectric portfolio. In December 2019, the entire portfolio had been classified as held for sale in accordance with IFRS 5. The gain recognized in profit or loss was €2 million;
- in 2020, Enel SpA increased its interest in Enel Américas by 5.03% under the provisions of share swaps entered into with a financial institution. The Group's total stake is therefore now 65%;
- Enel SpA increased its interest in Enel Chile by 2.89% under the provisions of two share swaps entered into with a financial institution. The Group's total stake is therefore now 64.93%.

Minor acquisitions

The Group will determine, for the other minor acquisitions, the fair value of the assets acquired and the liabilities assumed within 12 months of the acquisition date.

DETERMINATION OF GOODWILL

Millions of euro	Parque Eólico Tico SLU, Tico Solar 1 SLU and Tico Solar 2 SLU	Suggestion Power (Unipessoal) Lda	Viva Labs AS	Jaguito Solar, Progreso Solar
Net assets acquired	**40**	**6**	**-**	**-**
Cost of the acquisition	**40**	**6**	**3**	**2**
(of which paid in cash)	*14*	*3*	*2*	*2*
Goodwill/(Negative goodwill)	-	-	3	2

Acquisition of Paytipper

During 2020, the company Paytipper, acquired by Enel X Srl on December 23, 2019, completed the allocation of the acquisition price, definitively determining the fair value of the assets acquired and the liabilities assumed. The main adjustments with respect to the carrying amount are attributable to the recognition of the intangible asset relating to the technological platform and the related tax effects.

Millions of euro	Carrying amount prior to December 23, 2019	Adjustments from purchase price allocation	Post-adjustment carrying amount at December 23, 2019
Net assets acquired	**4**	**39**	**43**
Cost of the acquisition	**22**	**1**	**23**
Goodwill/(Negative goodwill)	18	-	(20)

Following the final allocation of the purchase price, negative goodwill was recognized in profit or loss in 2020.
The acquisition price, totaling €24.5 million, includes contingent consideration of €18.3 million linked to the exercise of a put option. The value of the put option was estimated on the basis of the mechanism included in the shareholders' agreement and using the prospective EBITDA indicated in the business plan approved by the Board of Directors.

Operating segments

8. Segment reporting

The representation of financial position and performance by business segment presented here is based on the approach used by management in monitoring Group performance for the two years being compared.
As already discussed in note 6 to the consolidated financial statements, segment reporting has been reformulated because in March 2020 a number of large generation customers were reallocated to the End-user Market segment in South America and Mexico.
In order to ensure full comparability of the figures commented here in the light of the new breakdown of the primary and secondary reporting segments for IFRS 8 disclosure purposes, the comparative figures for 2019 have been restated appropriately.

For more information on performance and financial developments during the year, please see the dedicated section in the Report on Operations.

Segment reporting for 2020 and 2019

RESULTS FOR 2020 (1)

Millions of euro	Thermal Generation and Trading	Enel Green Power	Infrastructure and Networks	End-user Markets	Enel X	Services	Other, eliminations and adjustments	Total
Revenue and other income from third parties	19,350	7,409	17,824	17,647	970	1,803	(18)	64,985
Revenue and other income from transactions with other segments	1,454	283	1,518	11,861	151	67	(15,334)	-
Total revenue	**20,804**	**7,692**	**19,342**	**29,508**	**1,121**	**1,870**	**(15,352)**	**64,985**
Total costs	18,570	3,113	11,909	26,651	969	1,911	(15,166)	47,957
Net income/ (expense) from commodity derivatives	(534)	68	-	264	-	(6)	(4)	(212)
Depreciation and amortization	778	1,252	2,597	366	150	172	28	5,343
Impairment losses	950	728	621	1,079	18	11	1	3,408
Impairment gains	(43)	(67)	(47)	(141)	-	(4)	(1)	(303)
Operating profit/ (loss)	**15**	**2,734**	**4,262**	**1,817**	**(16)**	**(226)**	**(218)**	**8,368**
Capital expenditure	**694**	**4,629**	**3,937**	**460**	**303**	**103**	**71**	**10,197**

(1) Segment revenue includes both revenue from third parties and revenue from transactions with other segments. An analogous approach was taken for other income and costs for the year.

RESULTS FOR 2019 (1) (2)

Millions of euro	Thermal Generation and Trading	Enel Green Power	Infrastructure and Networks	End-user Markets	Enel X	Services	Other, eliminations and adjustments	Total
Revenue and other income from third parties	30,480	7,344	20,092	19,537	967	1,901	6	80,327
Revenue and other income from transactions with other segments	1,532	373	1,697	13,062	163	80	(16,907)	-
Total revenue	**32,012**	**7,717**	**21,789**	**32,599**	**1,130**	**1,981**	**(16,901)**	**80,327**
Total costs	29,972	3,143	13,511	29,194	972	1,855	(16,757)	61,890
Net income/(expense) from commodity derivatives	(676)	14	-	(71)	-	-	-	(733)
Depreciation and amortization	1,142	1,241	2,692	333	145	171	26	5,750
Impairment losses	4,031	99	371	930	111	33	1	5,576
Impairment gains	(284)	(12)	(62)	(139)	-	(3)	-	(500)
Operating profit/(loss)	**(3,525)**	**3,260**	**5,277**	**2,210**	**(98)**	**(75)**	**(171)**	**6,878**
Capital expenditure	**851**	**4,293** (3)	**3,905**	**449**	**270**	**134**	**45**	**9,947**

(1) Segment revenue includes both revenue from third parties and revenue from transactions with other segments. An analogous approach was taken for other income and costs for the year.
(2) The comparative figures for 2019 have been adjusted to take account of the fact that as from 2020 in South America and Mexico amounts attributable to large customers managed by the power generation companies were reallocated to the End-user Markets Business Line.
(3) Does not include €4 million regarding units classified as "held for sale".

Financial position by segment

AT DECEMBER 31, 2020

Millions of euro	Thermal Generation and Trading	Enel Green Power	Infrastructure and Networks	End-user Markets	Enel X	Services	Other, eliminations and adjustments	Total
Property, plant and equipment	10,747	30,655	36,718	154	516	699	10	79,499
Intangible assets	184	4,883	21,490	3,775	676	418	79	31,505
Non-current and current contract assets	4	1	340	-	42	14	79	480
Trade receivables	2,670	2,053	6,493	4,034	358	755	(4,311)	12,052
Other	1,433	1,095	2,674	756	297	769	(812)	6,212
Operating assets	**15,038** (1)	**38,687** (2)	**67,715**	**8,719**	**1,889** (3)	**2,655**	**(4,955)**	**129,748**
Trade payables	2,816	2,751	5,405	4,678	426	868	(4,061)	12,883
Non-current and current contract liabilities	147	152	7,172	42	5	8	(60)	7,466
Sundry provisions	3,528	947	3,794	400	46	603	479	9,797
Other	1,133	1,434	7,856	2,245	179	1,101	284	14,232
Operating liabilities	**7,624**	**5,284** (4)	**24,227**	**7,365**	**656**	**2,580**	**(3,358)**	**44,378**

(1) Of which €3 million regarding units classified as "held for sale".
(2) Of which €855 million regarding units classified as "held for sale".
(3) Of which €11 million regarding units classified as "held for sale".
(4) Of which €35 million regarding units classified as "held for sale".

AT DECEMBER 31, 2019 (1)

Millions of euro	Thermal Generation and Trading	Enel Green Power	Infrastructure and Networks	End-user Markets	Enel X	Services	Other, eliminations and adjustments	Total
Property, plant and equipment	11,863	30,351	36,333	160	442	663	11	79,823
Intangible assets	134	4,697	23,782	3,624	605	466	29	33,337
Non-current and current contract assets	-	-	482	-	53	75	43	653
Trade receivables	3,181	1,711	7,703	3,838	607	676	(4,633)	13,083
Other	1,426	1,421	1,654	543	1,098	1,283	(1,350)	6,075
Operating assets	**16,604** (2)	**38,180** (3)	**69,954** (4)	**8,165**	**2,805**	**3,163**	**(5,900)**	**132,971**
Trade payables	3,375	2,192	5,417	5,030	414	949	(4,417)	12,960
Non-current and current contract liabilities	199	167	7,271	75	5	16	(104)	7,629
Sundry provisions	3,410	903	4,412	494	34	578	459	10,290
Other	1,074	1,843	8,867	2,642	415	1,451	(503)	15,789
Operating liabilities	**8,058**	**5,105**	**25,967** (5)	**8,241**	**868**	**2,994**	**(4,565)**	**46,668**

(1) The comparative figures for 2019 have been adjusted to take account of the fact that as from 2020 in South America and Mexico amounts attributable to large customers managed by the power generation companies were reallocated to the End-user Markets Business Line.
(2) Of which €4 million regarding units classified as "held for sale".
(3) Of which €7 million regarding units classified as "held for sale".
(4) Of which €10 million regarding units classified as "held for sale".
(5) Of which €3 million regarding units classified as "held for sale".

The following table reconciles segment assets and liabilities and the consolidated figures.

Millions of euro		
	at Dec. 31, 2020	**at Dec. 31, 2019**
Total assets	**163,453**	**171,426**
Equity-accounted investments	861	1,682
Non-current financial derivative assets	1,236	1,383
Other non-current financial assets	5,159	6,006
Non-current tax assets included in "Other non-current assets"	1,539	1,587
Other current financial assets	5,113	4,305
Current financial derivative assets	3,471	4,065
Cash and cash equivalents	5,906	9,029
Deferred tax assets	8,578	9,112
Tax assets	1,294	1,206
Financial and tax assets of "Assets held for sale"	548	80
Segment assets	**129,748**	**132,971**
Total liabilities	**121,096**	**124,488**
Long-term borrowings	49,519	54,174
Non-current financial derivative liabilities	3,606	2,407
Short-term borrowings	6,345	3,917
Current portion of long-term borrowings	3,168	3,409
Other current financial liabilities	622	754
Current financial derivative liabilities	3,531	3,554
Deferred tax liabilities	7,797	8,314
Income tax liabilities	471	209
Other tax liabilities	886	1,082
Financial and tax liabilities of "Liabilities included in disposal groups held for sale"	773	-
Segment liabilities	**44,378**	**46,668**

Information on the income statement

Revenue

9.a Revenue from sales and services – *€62,623 million*

Millions of euro	2020	2019	Change	
Sale of electricity [1]	34,745	39,584	(4,839)	-12.2%
Transport of electricity [1]	10,710	10,931	(221)	-2.0%
Fees from network operators	932	866	66	7.6%
Transfers from institutional market operators	1,395	1,625	(230)	-14.2%
Sale of gas	2,718	3,294	(576)	-17.5%
Transport of gas	611	617	(6)	-1.0%
Sale of fuel	602	914	(312)	-34.1%
Fees for connection to electricity and gas networks	759	785	(26)	-3.3%
Construction contracts	732	749	(17)	-2.3%
Sale of environmental certificates	35	36	(1)	-2.8%
Sale of value-added services	862	918	(56)	-6.1%
Other sales and services	764	720	44	6.1%
Total IFRS 15 revenue	**54,865**	**61,039**	**(6,174)**	**-10.1%**
Sale of energy commodities under contracts with physical settlement (IFRS 9)	7,513	10,775	(3,262)	-30.3%
Fair value gain/(loss) on derivatives on sale of commodities with physical settlement (IFRS 9)	224	5,519	(5,295)	-95.9%
Other revenue	21	33	(12)	-36.4%
Total revenue from sales and services	**62,623**	**77,366**	**(14,743)**	**-19.1%**

(1) In the Distribution segment in Colombia, a number of items previously classified under "Sale of electricity" were reclassified to "Transport of electricity" to improve the presentation of the data. In order to ensure the uniformity and comparability of the figures, the amounts for 2019 have also been reclassified in the total amount of €461 million.

Revenue from the "sale of electricity" amounted to €34,745 million, a decrease of €4,839 million compared with the previous year (-12.2%). The reduction is mainly due to:

- a decrease in revenue from the sale of electricity to end users on both the regulated and the free markets in Spain (€1,390 million) and Italy (€808 million), reflecting in particular the effects of the COVID-19 pandemic, which on the free market caused a decline in sales volumes involved in business-to-business transactions;
- a significant reduction in revenue in Latin America (€2,248 million), due in particular to the depreciation of local currencies against the euro and the contraction in volumes and the average prices applied to sales;
- a reduction in revenue registered by Enel Global Trading (€82 million) as a result of lower sales on the spot market in Italy, mainly due to the fall in electricity prices;
- a decline in revenue in Russia (€362 million) following the sale of the Reftinskaya coal plant in October 2019.

Revenue from "transport of electricity" amounted to €10,710 million in 2020, a decrease of €221 million that was mainly attributable to the reduction in electricity transported on the grid due to the effects of the COVID-19 pandemic.

"Transfers from institutional market operators" decreased by €230 million compared with the previous year, reflecting the entry into force of the new 2020-2025 remuneration parameters for extra-peninsular generation in Spain following a decrease in demand and an increase in commodity prices.

Revenue from the "sale of gas" in 2020 amounted to €2,718 million (€3,294 million in 2019), a decrease of €576 million compared with the previous year. This reduction, concentrated mainly in Spain and Italy, also reflected the decline in quantities sold connected with the COVID-19 health emergency.

Revenue from the "sale of fuel" fell by €312 million due to a reduction in volumes handled by Enel Global Trading, reflecting in part the energy transition initiated by the Group and the consequent decline in conventional generation.

Revenue from the sale of energy commodities under contracts with physical settlement (IFRS 9) and the gain from the fair value measurement of those contracts decreased by a total of €8,557 million, reflecting the contraction in volumes traded and a decline in spot prices.

The following table shows the net charges in respect of contracts for the purchase and sale of commodities with physical settlement measured at fair value through profit or loss within the scope of IFRS 9.

Millions of euro

	2020	2019	Change	
Contracts for sale of energy commodities with physical settlement (within the scope of IFRS 9)				
Electricity				
Sale of electricity	2,478	4,278	(1,800)	-72.6%
Fair value gain on contracts for sale of electricity	156	988	(832)	-
Total electricity	**2,634**	**5,266**	**(2,632)**	**-**
Gas				
Sale of gas	4,723	6,235	(1,512)	-32.0%
Fair value gain on contracts for sale of gas	123	4,296	(4,173)	-
Total gas	**4,846**	**10,531**	**(5,685)**	**-**
Environmental certificates				
Sale of environmental certificates	312	262	50	16.0%
Fair value gain/(loss) on contracts for sale of environmental certificates	(55)	235	(290)	-
Total environmental certificates	**257**	**497**	**(240)**	**-93.4%**
TOTAL REVENUE	**7,737**	**16,294**	**(8,557)**	**-**
Contracts for purchase of energy commodities with physical settlement (within the scope of IFRS 9)				
Electricity				
Purchase of electricity	4,011	7,064	(3,053)	-76.1%
Fair value gain/(loss) on contracts for purchase of electricity	(155)	233	(388)	-
Total electricity	**3,856**	**7,297**	**(3,441)**	**-89.2%**
Gas				
Purchase of gas	4,664	6,575	(1,911)	-41.0%
Fair value gain/(loss) on contracts for purchase of gas	(185)	4,094	(4,279)	-
Total gas	**4,479**	**10,669**	**(6,190)**	**-**
Environmental certificates				
Purchase of environmental certificates	301	1,060	(759)	-
Fair value gain on contracts for purchase of environmental certificates	71	256	(185)	-
Total environmental certificates	**372**	**1,316**	**(944)**	**-**
TOTAL CHARGES	**8,707**	**19,282**	**(10,575)**	**-**
NET CHARGES	**(970)**	**(2,988)**	**2,018**	**-**

Revenue from contracts with customers (IFRS 15) for 2020 amounted to €54,865 million, and break down into "point in time" and "over time" revenue as indicated in the following table.

Millions of euro	2020															
	Italy		Iberia		Latin America		Europe		North America		Africa, Asia and Oceania		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	Over time	Point in time	Over time	Point in time	Over time	Point in time
Total IFRS 15 revenue	**21,107**	**441**	**16,355**	**460**	**13,433**	**200**	**1,418**	**580**	**586**	**51**	**67**	**79**	**16**	**72**	**52,982**	**1,883**

Millions of euro	2019															
	Italy		Iberia		Latin America		Europe		North America		Africa, Asia and Oceania		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	Over time	Point in time	Over time	Point in time	Over time	Point in time
Total IFRS 15 revenue	**22,635**	**522**	**17,860**	**785**	**15,573**	**503**	**1,383**	**934**	**646**	**27**	**76**	**81**	**7**	**7**	**58,180**	**2,859**

The table below gives a breakdown of revenue from sales and services by geographical segment.

Millions of euro		
	2020	**2019**
Italy	23,968	26,420
Europe		
Iberia	16,173	18,265
France	503	1,259
Switzerland	99	217
Germany	1,860	3,746
Austria	66	173
Slovenia	2	40
Romania	1,322	1,311
Greece	110	73
Bulgaria	9	8
Belgium	18	26
Czech Republic	33	152
Hungary	165	418
Russia	533	897
Netherlands	2,743	6,553
United Kingdom	399	726
Other European countries	78	(22)
Americas		
United States	502	501
Canada	25	18
Mexico	218	233
Brazil	6,666	7,752
Chile	2,811	3,263
Peru	1,118	1,261
Colombia	2,022	2,243
Argentina	816	1,323
Panama	136	169
Other		
Africa	79	92
Asia	149	249
Total	**62,623**	**77,366**

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/transport of electricity/gas to end users	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 or transport 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. In these cases, the Group applies an output method 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.	Revenue from the sale and transport of electricity/gas to end users is recognized when these commodities are delivered to the customer and is based on the quantities provided during the period, even if these have not yet been invoiced. It 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.

Type of product/ service	Nature and timing of satisfaction of performance obligation	Accounting policies
Network connection services	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).	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.
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.

9.b Other income – *€2,362 million*

Millions of euro	2020	2019	Change	
Operating grants	12	19	(7)	-36.8%
Grants for environmental certificates	342	475	(133)	-28.0%
Capital grants (electricity and gas business)	24	25	(1)	-4.0%
Sundry reimbursements	371	521	(150)	-28.8%
Gains on the disposal of subsidiaries, associates, joint ventures, joint operations and non-current assets held for sale	15	325	(310)	-95.4%
Gains on the disposal of property, plant and equipment, and intangible assets	58	79	(21)	-26.6%
Service continuity bonuses	40	32	8	25.0%
Other income	1,500	1,485	15	1.0%
Total	**2,362**	**2,961**	**(599)**	**-20.2%**

"Grants for environmental certificates" amounted to €342 million, a decrease of €133 million compared with the previous year, mainly registered by e-distribuzione due to a decrease in grants received from the Energy and Environmental Services Fund for energy efficiency certificates (EECs), mainly reflecting the decrease in quantities handled.

"Sundry reimbursements" mainly declined due to the effect of the recognition in 2019 of the contractually envisaged reimbursement due following the exercise by a large industrial customer of an option to withdraw from a contract for the supply of electricity from Enel Generación Chile (€160 million, of which €80 million relating to the Thermal Generation and Trading Business Line and €80 million relating to the Enel Green Power Business Line).

Gains on the disposal of subsidiaries, associates, joint ventures, joint operations and non-current assets held for sale came to €15 million in 2020, a decrease of €310 million, which mainly reflected:

- the gain on the sale of Mercure Srl, a special-purpose vehicle to which Enel Produzione had previously transferred the Valle del Mercure biomass plant (€108 million);
- the negative goodwill (of €181 million) resulting from the definitive allocation of the purchase price of (i) a number of companies sold by Enel Green Power North America Renewable Energy Partners LLC (€106 million) and (ii) Tradewind, which transitioned from being an associate to a wholly-owned subsidiary (negative goodwill of €75 million);
- the gains of €42 million on the disposals of Gratiot and Outlaw, two renewable energy projects developed by Tradewind.

"Other income" increased by €15 million, mainly due to the recognition in 2020 of:

- an increase in income recognized by e-distribuzione for the reimbursement of system charges and grid fees on the basis of Resolutions no. 50/2018 and 461/2020 of the Regulatory Authority for Energy, Networks and the Environment (ARERA) (€158 million);
- an increase registered by Enel North America in income from tax partnerships (€139 million), other revenue from indemnities and litigation (€31 million) and the sale of the Haystack wind project (€45 million);
- income for the eco-bonus subsidy relating to energy and seismic upgrading posted by Enel X Italia (€20 million);
- the negative goodwill recognized on the acquisition of Paytipper following the completion of the purchase price allocation process (€20 million).

In 2019, this item mainly included income for:

- the early all-inclusive settlement of the second indemnity of €50 million connected with the disposal in 2009 of the interest held by e-distribuzione in Enel Rete Gas;
- Edesur's settlement agreement (€233 million) with the Argentine government to resolve reciprocal disputes originating in the period from 2006 to 2016;
- the price adjustment in the acquisition of eMotorWerks in 2017 following the application of contractual clauses (€98 million).

The following table shows a breakdown of total revenue by business segment based on the approach used by management to monitor the Group's performance during the two years being compared.

Millions of euro	2020							
	Thermal Generation and Trading	Enel Green Power	Infrastructure and Networks	End-user Markets	Enel X	Services	Other, eliminations and adjustments	Total
Revenue from sales and services	20,242	7,150	18,381	29,151	1,026	1,841	(15,168)	62,623
Other income	562	542	961	357	95	29	(184)	2,362
Total revenue	**20,804**	**7,692**	**19,342**	**29,508**	**1,121**	**1,870**	**(15,352)**	**64,985**
				2019				
Revenue from sales and services	31,705	7,157	20,599	32,098	1,011	1,946	(17,150)	77,366
Other income	307	560	1,190	501	119	35	249	2,961
Total revenue	**32,012**	**7,717**	**21,789**	**32,599**	**1,130**	**1,981**	**(16,901)**	**80,327**

Costs

10.a Electricity, gas and fuel – *€25,049 million*

Millions of euro				
	2020	2019	Change	
Electricity [1]	16,158	20,449	(4,679)	-22.9%
Gas [1]	7,952	10,706	(2,754)	-25.7%
Fair value gain/(loss) on contracts for purchase of electricity and gas (IFRS 9)	(340)	4,327	(4,667)	-
Nuclear fuel	117	125	(8)	-6.4%
Other fuels	1,162	2,475	(1,313)	-53.1%
Total	**25,049**	**38,082**	**(13,033)**	**-34.2%**

(1) The 2019 figures have been adjusted to take account of the reclassification of the fair value gain/(loss) on contracts for the purchase of commodities with physical settlement (IFRS 9) from "Other operating costs".

Costs for the purchase of "electricity" mainly decreased due to a decline in volumes purchased in an environment of decreasing average prices, mainly attributable to the effects of the COVID-19 pandemic.

The decrease in costs for the purchase of "gas" reflects the decline in quantities handled, mainly due to a reduction in generation, as well as the fall in the cost of gas. In particular, the latter factor also reflected the financial benefit of the finalization of the agreement with NLNG on the price review applied to Nigerian supplies.

Purchases from contracts with physical settlement (IFRS 9) and the gain/(loss) from the fair value measurement of such contracts showed a decrease of €4,667 million compared with the previous year, mainly attributable to gas (€4,279 million).

The reduction in "other fuels" is mainly attributable to the decline in the volume of thermal generation. and includes the write-down of fuel inventories connected with coal-fired plants in Italy and Spain as a result of the energy transition process.

10.b Services and other materials – *€18,298 million*

Millions of euro	2020	2019	Change	
Wheeling	9,619	9,879	(260)	-2.6%
Maintenance and repairs	1,127	1,145	(18)	-1.6%
Telephone and postal costs	172	181	(9)	-5.0%
Communication services	116	142	(26)	-18.3%
IT services	823	806	17	2.1%
Leases and rentals	396	382	14	3.7%
Other services	3,648	3,935	(287)	-7.3%
Purchase of environmental certificates	673	481	192	39.9%
Fair value gain on contracts for purchase of environmental certificates (IFRS 9) [1]	71	256	(185)	-72.3%
Other materials	1,653	1,629	24	1.5%
Total	**18,298**	**18,836**	**(538)**	**-2.9%**

(1) The 2019 figures have been adjusted to take account of the reclassification of the fair value gain on contracts for the purchase of commodities with physical settlement (IFRS 9) from "Other operating costs".

Costs for services and other materials, equal to €18,298 million in 2020, decreased by €538 million compared with 2019, mainly due to:

- a decline in wheeling costs, mainly in Spain, Chile and Brazil, connected with the contraction in volumes transported;
- a reduction in costs for "other services" of €287 million, essentially due to the decrease in costs for services connected with the electricity and gas business (€93 million), the value-added services business (€40 million) and travel expenses (€85 million).

All of the effects mentioned above were substantially affected by the measures introduced to counter the COVID-19 pandemic.

10.c Personnel expenses – *€4,793 million*

Millions of euro	2020	2019	Change	
Wages and salaries	3,133	3,240	(107)	-3.3%
Social security contributions	824	875	(51)	-5.8%
Italian post-employment benefits	103	103	-	-
Post-employment and other long-term benefits	(485)	108	(593)	-
Early retirement incentives	152	101	51	50.5%
Early retirement incentives connected with restructuring agreements	882	-	882	-
Other costs	184	207	(23)	-11.1%
Total	**4,793**	**4,634**	**159**	**3.4%**

Personnel expenses amounted to €4,793 million in 2020, an increase of €159 million.

The Group's workforce decreased by 1,536 employees, mainly reflecting the negative balance between new hires and terminations (565 employees) due to early-retirement incentive policies and changes in the consolidation scope (-971 employees), essentially attributable to:

- the sale of the Reftinskaya GRES plant in Russia;
- the disposal of hydro plants in the United States;
- the acquisition of Viva Labs.

The decrease in "wages and salaries" substantially reflects the lower average and total number of employees in 2020.

The €593 million decrease in "post-employment and other

long-term benefits" is mainly attributable to the modification in Spain of the electricity discount benefit for employees following the renewal of the 5th Endesa Collective Bargaining Agreement, which led to the release of the associated provision in the amount of €515 million.
Expenses for "early retirement incentives" in 2020 amounted to €152 million, up €51 million, with most of the increase coming in Spain, due to the accrual to the provision for the *Plan de Salida* in the amount of €783 million prompted by elimination of the extinguishment option of the individual agreement concerning the suspension of employment relationships for certain individual contracts as a result of the signing of the new collective bargaining agreement mentioned above, and in Italy, in reflection of terminations of employment in application of the provisions of Article 4 of Law 92/2012 (the "Fornero Act") applied mainly in 2018.

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, 2020.

No.	Average [1]			Headcount [1]
	2020	2019	Change	at Dec. 31, 2020
Senior managers	1,397	1,375	22	1,397
Middle managers	11,258	11,016	242	11,592
Office staff	36,027	35,066	961	35,883
Blue collar	18,396	20,846	(2,450)	17,845
Total	**67,078**	**68,303**	**(1,225)**	**66,717**

(1) For companies consolidated on a proportionate basis, the headcount corresponds to Enel's percentage share of the total.

10.d Net impairment losses on trade receivables and other financial assets - *€1,285 million*

Millions of euro				
	2020	2019	Change	
Impairment losses on trade receivables	1,505	1,239	266	21.5%
Impairment losses on other financial assets	46	116	(70)	-60.3%
Total impairment losses on trade receivables and other financial assets	**1,551**	**1,355**	**196**	**14.5%**
Impairment gains on trade receivables	(194)	(202)	8	-
Impairment gains on other financial assets	(72)	(9)	(63)	-
Total impairment gains on trade receivables and other financial assets	**(266)**	**(211)**	**(55)**	**-**
NET IMPAIRMENT LOSSES ON TRADE RECEIVABLES AND OTHER FINANCIAL ASSETS	**1,285**	**1,144**	**141**	**12.3%**

The item, equal to €1,285 million, includes impairment losses and gains on trade receivables and other financial assets. The net impairment losses on trade receivables increased by a total of €141 million compared with 2019, primarily in Italy, mainly in reflection of the effects of the COVID-19 pandemic.

10.e Depreciation, amortization and other impairment losses – *€7,163 million*

Millions of euro				
	2020	**2019**	**Change**	
Property, plant and equipment	4,118	4,481	(363)	-8.1%
Investment property	2	3	(1)	-33.3%
Intangible assets	1,223	1,266	(43)	-3.4%
Other impairment losses	1,857	4,221	(2,364)	-56.0%
Other reversals of impairment losses	(37)	(289)	252	-87.2%
Total	**7,163**	**9,682**	**(2,519)**	**-26.0%**

The decrease in "depreciation, amortization and other impairment losses" in 2020 was essentially attributable to the effect of the impairment losses recognized in 2019 on certain coal-fired plants in Italy, Spain, Chile and Russia totaling €4,010 million and the consequent decrease in depreciation recognized in 2020.

These effects were partially offset by:

- the impairment loss recognized in 2020 on the Chilean coal plant of Bocamina II (€737 million).
- the impairment losses on a number of coal plants in Italy in the amount of €135 million, including Unit 2 of the Brindisi power plant;
- the impairment losses on of the Mexico, Argentina and Australia CGUs in the total amount of €750 million;
- other impairment losses of €159 million, the most significant of which regarded the solar panel manufacturing plants of Enel Green Power in Italy (65 million) and the Snyder plant in the United States (€47 million).

Note that the impairment losses recognized in respect of coal plants in 2020 and 2019 are linked to the achievement of the Group's strategic objective for the decarbonization of generation and that the impacts of climate change were taken into account in carrying out the impairment tests.

10.f Other operating costs – *€2,202 million*

Millions of euro				
	2020	**2019**	**Change**	
System charges - emissions allowances	90	430	(340)	-79.1%
Charges for energy efficiency certificates	277	416	(139)	-33.4%
Charges for purchases of green certificates	61	62	(1)	-1.6%
Losses on disposal of property, plant and equipment, and intangible assets	65	76	(11)	-14.5%
Taxes and duties	1,130	1,035	95	9.2%
Other	579	674	(95)	-14.1%
Total [(1)]	**2,202**	**2,693**	**(491)**	**-18.2%**

(1) The 2019 figures have been adjusted to take account of the fair value gain on contracts for the purchase of commodities with physical settlement (IFRS 9) from "Other operating costs" to "Electricity, gas and fuel" and "Services and other materials".

Other operating costs decreased by €491 million compared with the previous year, mainly due to a reduction in environmental compliance charges in Italy and the effect of the recognition in 2019 of capital losses by Enel North America, mainly reflecting the sale of a number of companies owning wind farms that were measured using the equity method.

These factors were partly offset by higher taxes and duties in Spain, mainly reflecting the effect of the temporary suspension for 2019 of the tax on the generation of electricity and on fuels used in conventional thermal and nuclear generation (Royal Decree Law 15/2018) as well as the introduction from July 2020 of a new "eco-tax" in Catalonia.

10.g Capitalized costs – *€(2,385) million*

Millions of euro	2020	2019	Change	
Personnel	(836)	(899)	63	-7.0%
Materials	(846)	(980)	134	-13.7%
Other	(703)	(476)	(227)	-47.7%
Total	**(2,385)**	**(2,355)**	**(30)**	**-1.3%**

Capitalized costs increased by €30 million, mainly for the in-house development and construction of new plants by the Enel Green Power Business Line and new commercial initiatives undertaken in the Enel X Business Line.

11. Net expense from commodity derivatives – *€(212) million*

Millions of euro	2020	2019	Change	
Income:				
- income from derivatives designated as hedging derivatives	76	200	(124)	-62.0%
- income from derivatives at fair value through profit or loss	4,904	1,311	3,593	-
Total income	**4,980**	**1,511**	**3,469**	**-**
Expense:				
- expense from derivatives designated as hedging derivatives	(132)	(23)	(109)	-
- expense from derivatives at fair value through profit or loss	(5,060)	(2,221)	(2,839)	-
Total expense	**(5,192)**	**(2,244)**	**(2,948)**	**-**
NET EXPENSE FROM COMMODITY DERIVATIVES	**(212)**	**(733)**	**521**	**-71.1%**

Net expense from commodity derivatives amounted to €212 million for 2020 (compared with net expense of €733 million in 2019), which can be broken down as follows:

> net expense from cash flow hedge derivatives in the amount of €56 million (compared with net income of €177 million in 2019);

> net expense from derivatives at fair value through profit or loss in the amount of €156 million (compared with net expense of €910 million in 2019).

For more information on derivatives, see note 47 "Derivatives and hedge accounting".

12. Net financial income/(expense) from derivatives – *€(941) million*

Millions of euro	2020	2019	Change	
Income:				
- income from derivatives designated as hedging derivatives	639	1,120	(481)	-42.9%
- income from derivatives at fair value through profit or loss	676	364	312	85.7%
Total income	**1,315**	**1,484**	**(169)**	**-11.4%**
Expense:				
- expense from derivatives designated as hedging derivatives	(1,945)	(538)	(1,407)	-
- expense from derivatives at fair value through profit or loss	(311)	(604)	293	-48.5%
Total expense	**(2,256)**	**(1,142)**	**(1,114)**	**97.5%**
NET FINANCIAL INCOME/(EXPENSE) FROM DERIVATIVES	**(941)**	**342**	**(1,283)**	**-**

Net expense from derivatives on interest and exchange rates amounted to €941 million for 2020 (compared with net income of €342 million in 2019), which can be broken down as follows:

> net expense from derivatives designated as hedging derivatives in the amount of €1,306 million (compared with net income of €582 million in 2019), mainly in respect of cash flow hedges;

> net income from derivatives at fair value through profit or loss in the amount of €365 million (compared with net expense of €240 million in 2019).

The net balances recognized in 2020 on both hedging and trading derivatives mainly refer to the hedging of currency risk. For more information on derivatives, see note 47 "Derivatives and hedge accounting".

13. Net other financial income/(expense) – *€(1,665) million*

OTHER FINANCIAL INCOME

Millions of euro	2020	2019	Change	
Interest income from financial assets (current and non-current):				
- interest income at effective rate on non-current securities and financial assets	110	126	(16)	-12.7%
- interest income at effective rate on current financial investments	69	162	(93)	-57.4%
Total interest income at the effective interest rate	**179**	**288**	**(109)**	**-37.8%**
Financial income on non-current securities at fair value through profit or loss	**-**	**-**	**-**	**-**
Exchange gains	**2,182**	**915**	**1,267**	**-**
Income on equity investments	**23**	**4**	**19**	**-**
Income from hyperinflation	**529**	**832**	**(303)**	**-36.4%**
Other income	**379**	**430**	**(51)**	**-11.9%**
TOTAL OTHER FINANCIAL INCOME	**3,292**	**2,469**	**823**	**33.3%**

Other financial income, equal to €3,292 million, increased by €823 million compared with the previous year, due mainly to an increase in exchange gains, partly offset by the reduction in income from the application to the Argentine companies of IAS 29 related to accounting for hyperinflationary economies (-€303 million). See note 4 of the consolidated financial statements at December 31, 2020 for more information.

OTHER FINANCIAL EXPENSE

Millions of euro	2020	2019	Change	
Interest expense on financial debt (current and non-current):				
- interest on bank borrowings	291	386	(95)	-24.6%
- interest expense on bonds	1,887	2,030	(143)	-7.0%
- interest expense on other borrowings	149	183	(34)	-18.6%
Total interest expense	**2,327**	**2,599**	**(272)**	**-10.5%**
Exchange losses	**1,245**	**1,229**	**16**	**1.3%**
Adjustment to post-employment and other employee benefits	**109**	**135**	**(26)**	**-19.3%**
Adjustment to other provisions	**150**	**186**	**(36)**	**-19.4%**
Expense from equity investments	**1**	**2**	**(1)**	**-50.0%**
Expense from hyperinflation	**472**	**737**	**(265)**	**-36.0%**
Other expenses	**653**	**367**	**196**	**53.4%**
TOTAL OTHER FINANCIAL EXPENSE	**4,957**	**5,255**	**(298)**	**-5.7%**

Other financial expense, equal to €4,957 million, showed an overall decrease of €298 million compared with 2019. The change is reflected in particular by a decrease in interest expense in the amount of €272 million, especially on bonds, and a decrease in charges deriving from the application of IAS 29 in Argentina (-€265 million). These effects were partially offset by the impairment loss on the financial asset in respect of the sale of the investment in Slovenské elektrárne (€401 million).

14. Share of profit/(loss) of equity-accounted investments – *€(299) million*

Millions of euro	2020	2019	Change	
Share of profit of associates	131	120	11	9.2%
Share of loss of associates	(430)	(242)	(188)	-77.7%
Total	**(299)**	**(122)**	**(177)**	**-**

Net losses of equity-accounted investments increased by €177 million compared with the previous year. The change was essentially due to the impairment loss on the investment in Slovak Power Holding (€433 million) following the signing of the general term agreement on December 22, 2020 between Enel Produzione and EPH, which modified a number of terms and conditions of the agreement signed on December 18, 2015 (as already amended in 2018) concerning the sale of the investment held by Enel Produzione in Slovenské elektrárne.

This negative effect was partly offset by:

- the profit posted by OpEn Fiber, which increased by €60 million compared with 2019, mainly due to the tax benefit registered by the company for the revaluation of assets under the provisions of Decree Law 104/2020;
- €25 million in profit recognized in Spain in September 2020 in respect of Nuclenor following the successful settlement of a dispute;
- the recognition in 2019 of the effects of reacquiring 13 companies from EGPNA REP, which resulted in the recognition of a capital loss (€88 million) by EGPNA REP.

15. Income taxes – *€1,841 million*

Millions of euro	2020	2019	Change	
Current taxes	1,898	2,137	(239)	-11.2%
Adjustments for income taxes relating to prior years	(168)	(132)	(36)	-27.3%
Total current taxes	**1,730**	**2,005**	**(275)**	**-13.7%**
Deferred tax expense	180	(567)	747	-
Deferred tax income	(69)	(602)	533	-88.5%
TOTAL	**1,841**	**836**	**1,005**	**-**

The increase in taxes in 2020 compared with the previous year is essentially attributable to the deferred tax assets associated with the effect of the impairment losses connected with the decarbonization process recognized in 2019, while the impairment losses on certain assets of Slovenské elektrárne and the impairment losses on the Enel Produzione's financial assets from EP Slovakia BV for the sale of that holding essentially did not give rise to deferred tax assets.

In addition, the tax burden increased in reflection of the following factors from the previous year:

- the release of €494 million in deferred taxes by Enel Distribuição São Paulo following the merger with Enel Brasil Investimentos Sudeste SA (Enel Sudeste);
- the agreement with the tax authorities concerning the "patent box" option, which provides for preferential taxation of earnings resulting from the use of intellectual property (€53 million);
- a decrease in taxes (in the amount of €35 million) recognized in Argentina by the generation companies Enel Generación Costanera and Central Dock Sud as a result of exercising the "*revalúo impositivo*" option for tax incentives. In return for payment of a tax in lieu, this mechanism allows the remeasurement of certain assets for tax purposes, resulting in the recognition of deferred tax assets and the greater deductibility of future depreciation;
- the reversal of deferred tax liabilities by EGPNA as an ancillary effect of the acquisition of a number of companies from EGPNA REP;
- the deductibility of goodwill resulting from the merger of GasAtacama into Enel Generación Chile.

For more information on changes in deferred tax assets and liabilities, see note 23.

The following table provides a reconciliation of the theoretical tax rate and the effective tax rate.

Millions of euro	2020		2019	
Pre-tax profit	5,463		4,312	
Theoretical taxes	1,311	24.0%	1,035	24.0%
Change in tax effect on impairment losses, capital gains and negative goodwill	202		93	
Reversal of deferred taxes in Brazil	-		(494)	
Net effect on deferred taxation recognized with timing mismatch	16		-	
Impact on deferred taxation of changes in tax rates	-		(33)	
Patent box mechanism in Italy	-		(53)	
Remeasurement for tax purposes of certain assets in Argentina	-		(35)	
IRAP	249		235	
Other differences, effect of different tax rates abroad compared with the theoretical rate in Italy, and other minor items	63		88	
Total	**1,841**		**836**	

16. 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 acquired to support the Long-Term Incentive Plan ("LTI Plan"), equal to 2,067,594, with a par value of €1 (348,092 at December 31, 2019). The exact number of the treasury shares at December 31, 2020 and December 31, 2019 was equal to 3,269,152 and 1,549,152, respectively, with a par value of €1. For further information on treasury shares, please see note 49 "Share-based payments".

	2020	2019	Change	
Profit from continuing operations attributable to owners of the Parent	2,610	2,174	436	20.1%
Profit from discontinued operations attributable to owners of the Parent (millions of euro)	-	-	-	-
Profit attributable to owners of the Parent (millions of euro)	2,610	2,174	436	20.1%
Number of ordinary shares	10,166,679,946	10,166,679,946	-	-
Average number of ordinary shares, excluding treasury shares	10,164,612,352	10,166,331,854	(1,719,502)	-
Basic and diluted earnings per share (euro)	0.26	0.21	0.05	23.8%
Basic and diluted earnings from continuing operations per share (euro)	0.26	0.21	0.05	23.8%
Basic and diluted earnings from discontinued operations per share (euro)	-	-	-	-

Information on the statement of financial position

17. Property, plant and equipment – *€78,718 million*

The breakdown of and changes in property, plant and equipment for 2020 is shown 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	663	10,265	160,068	527	1,471	2,614	427	8,266	184,301
Accumulated depreciation	-	5,469	96,604	366	1,149	613	291	-	104,492
Balance at Dec. 31, 2019	**663**	**4,796**	**63,464**	**161**	**322**	**2,001**	**136**	**8,266**	**79,809**
Capital expenditure	2	277	2,780	23	81	4	7	5,155	8,329
Assets entering service	8	188	2,711	1	57	19	13	(2,997)	-
Exchange differences	(26)	(287)	(2,475)	(1)	(23)	(90)	(1)	(907)	(3,810)
Change in the consolidation scope	-	-	(9)	-	(15)	(1)	-	15	(10)
Disposals	(1)	(3)	(81)	(1)	(15)	(40)	-	(8)	(149)
Depreciation	-	(174)	(3,515)	(26)	(92)	(280)	(31)	-	(4,118)
Impairment losses	(8)	(65)	(1,091)	-	-	(10)	-	(369)	(1,543)
Impairment gains	-	-	31	-	-	-	-	-	31
Other changes	(1)	75	15	(14)	17	572	-	261	925
Reclassifications from/to assets held for sale	-	-	(226)	-	-	-	-	(520)	(746)
Total changes	**(26)**	**11**	**(1,860)**	**(18)**	**10**	**174**	**(12)**	**630**	**(1,091)**
Cost net of accumulated impairment losses	637	10,263	159,411	523	1,487	2,994	443	8,896	184,654
Accumulated depreciation	-	5,456	97,807	380	1,155	819	319	-	105,936
Balance at Dec. 31, 2020	**637**	**4,807**	**61,604**	**143**	**332**	**2,175**	**124**	**8,896**	**78,718**

Plant and machinery includes assets to be relinquished free of charge with a carrying amount of €8,083 million (€8,976 million at December 31, 2019), largely regarding power plants in Iberia and Latin America amounting to €3,808 million (€4,267 million at December 31, 2019), and the electricity distribution network in Latin America totaling €3,626 million (€3,911 million at December 31, 2019).

For more information on leased assets, see note 19 below.

The types of capital expenditure made during 2020 are summarized below, including that on intangible assets and investment property. These expenditures, totaling €9,548 million, increased by €289 million from 2019, with the increase being particularly concentrated in solar power plants.

Millions of euro		
	2020	**2019**
Power plants:		
- thermal	452	602
- hydroelectric	332	382
- geothermal	145	145
- nuclear	137	130
- alternative energy sources	4,007	3,695
Total power plants	**5,073**	**4,954**
Electricity distribution networks [1]	3,288	3,213
Enel X (e-mobility, e-city, e-industries, e-home)	303	270
Retail customers	460	449
Other	424	373
TOTAL [2]	**9,548**	**9,259**

(1) The figure for 2020 does not include €649 million in respect of infrastructure investments within the scope of IFRIC 12 (€692 million in 2019).
(2) The figure for 2019 includes €4 million regarding units classified as "held for sale".

The Enel Group, in line with the Paris agreements on CO_2 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 generation plants mainly regard solar plants in Chile and wind farms in the United States, Russia, South Africa, India and Italy.
In order to respond to ever more variable climate developments and, therefore, enhance the resilience of grids, the Group continued to invest in the Distribution Business Line (€3,288 million). The €75 million increase is mainly attributable to higher investments in Italy and Romania for maintenance activities on grids and an increase in connection requests, partially offset by the contraction in investments in development and service quality, especially in South America. Expenditure on digital meters decline as a result of the slowdown in the mass replacement of meters due to the COVID-19 emergency.
In the transition towards the sustainability of urban centers, Enel X, convinced of the key role of electric mobility, has invested above all in the e-city business, particularly in Colombia, with the E-Bus project. In Italy, following the introduction of measures to revive the economy and to encourage energy upgrading and seismic resilience, Enel X has undertaken greater investments in the development of the e-Home business associated with the Vivi Meglio initiative.

The exchange loss of €3,810 million primarily reflects the general depreciation of South American currencies against the euro.
The "change in the consolidation scope" in 2020 mainly refers to the sale of a stake held in the Spanish company Endesa Soluciones SLU, in which the interest is now 14%, as well as the acquisition of control by Enel Green Power Italia of a number of renewable energy companies.

"Impairment losses" amounted to €1,543 million and are mainly attributable to the decarbonization process initiated by the Group, which in 2020 led to the impairment loss of the Bocamina II plant and certain assets of a number of Italian thermal generation plants, as well as Unit 2 of the Brindisi Sud power plant. In addition, the Group took account of climate change impacts in performing the impairment tests.

Following impairment testing, this item was also affected by the impairment loss of assets in Australia as a result of the deterioration of market conditions and in Mexico due to:
> the increase in regulatory charges as a result of recently approved laws ("*Porteo*");
> a decrease in generation due to regulatory and plant constraints, with particular regard to the Dolores facility;
> the deconsolidation of the hydroelectric plant.

"Reclassifications from/to assets held for sale" refer mainly to the plants of the South African companies involved in Round 4, Enel Green Power Bulgaria as well as the storage plant owned by Tynemouth Energy Storage.

"Other changes" include the provision for plant dismantling and site restoration costs in the amount of €142 million, new leases of €569 million and the effect of capitalizing interest on loans specifically dedicated to capital expenditure on property, plant and equipment of €154 million (€150 million in 2019), broken down as follows.

Millions of euro

	2020	Rate %	2019	Rate %	Change	
Enel Green Power	-	-	4	1.2%	(4)	-
Enel Green Power Brazil	12	2.4%	16	5.8%	(4)	-25.0%
Enel Green Power North America	10	0.2%	16	0.2%	(6)	-37.5%
Enel Green Power México	23	4.1%	36	7.0%	(13)	-36.1%
Enel Green Power South Africa	47	6.3%	17	6.4%	30	-
Enel Américas Group	7	5.8%	14	8.3%	(7)	-50.0%
Enel Chile Group	21	7.2%	12	8.0%	9	75.0%
Endesa Group [1]	3	1.7%	3	1.8%	-	-
EGP Spain Group	-	-	3	1.8%	(3)	-
Enel Russia Group	10	7.2%	5	9.13%	5	-
EGP India Group	1	7.5%	3	7.5%	(2)	-66.7%
EGP Australia Group	1	3.4%	-		1	-
EGP Colombia	2	1.3%	-		2	-
Enel Produzione	4	4.3%	9	4.8%	(5)	-55.6%
Nuove Energie	1	0.5%	-		1	-
Enel Green Power Italia	1	3.3%	-		1	-
Enel Green Power Chile	4	4.6%	-		4	-
Enel Finance International	15	1.8%	21	1.6%	(6)	-28.6%
Total [2]	**162**		**159**		**3**	**1.9%**

(1) The 2020 amount for the EGP Spain Group is included in that for the Endesa Group.
(2) The total for 2020 also includes €7 million in capitalized financial expense in respect of intangible assets (€1 million in 2019) and €1 million in other non-current assets (€8 million in 2019).

At December 31, 2020, contractual commitments to purchase property, plant and equipment amounted to €6,409 million.

18. 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.

The following table summarizes the salient details of those concessions.

Millions of euro

	Grantor	Activity	Country	Concession period	Concession period remaining	Renewal option	Amount recognized among contract assets at Dec. 31, 2020	Amount recognized among financial assets at Dec. 31, 2020	Amount recognized among intangible assets at Dec. 31, 2020
Enel Distribuição Rio de Janeiro	Brazilian government	Electricity distribution	Brazil	1997-2026	6 years	Yes	52	678	442
Enel Distribuição Ceará	Brazilian government	Electricity distribution	Brazil	1998-2028	8 years	Yes	40	475	412
Enel Green Power Mourão	Brazilian government	Electricity generation	Brazil	2016-2046	26 years	No	-	5	-
Enel Green Power Paranapanema	Brazilian government	Electricity generation	Brazil	2016-2046	26 years	No	-	21	-
Enel Distribuição Goiás	Brazilian government	Electricity distribution	Brazil	2015-2045	25 years	No	165	35	461
Enel Green Power Volta Grande	Brazilian government	Electricity generation	Brazil	2017-2047	27 years	No	-	226	-
Enel Distribuição São Paulo	Brazilian government	Electricity distribution	Brazil	1998-2028	8 years	No	40	823	621
PH Chucas	Costa Rican Electricity Institute	Hydroelectric plant	Costa Rica	2002-2022	11 years	No	-	46	172
Total							**297**	**2,309**	**2,108**

The assets at the end of the concessions classified under financial assets have been measured at fair value. For more information, see note 48 "Assets and liabilities measured at fair value".

19. Leases

The table below shows the changes in right-of-use assets in 2020.

Millions of euro	Leased land	Leased buildings	Leased plant	Other leased assets	Total
Total at December 31, 2019	**545**	**601**	**488**	**367**	**2,001**
Increases	241	109	16	194	560
Exchange differences	(40)	(16)	(21)	(13)	(90)
Depreciation	(30)	(119)	(33)	(98)	(280)
Other changes	(9)	(24)	29	(12)	(16)
Total at December 31, 2020	**707**	**551**	**479**	**438**	**2,175**

Lease liabilities and changes during the year are shown in the table below.

Millions of euro	
Total at December 31, 2019	**1,964**
Increases	441
Payments	(208)
Other changes	(129)
Total at December 31, 2020	**2,068**
of which medium to long term	*1,821*
of which short term	*247*

Note that in 2020, despite the effects of the pandemic, no changes or renegotiations were made to leases.

Millions of euro	2020
Depreciation of right-of-use assets	280
Interest expense on lease liabilities	66
Expense relating to short-term leases (included in cost for services and other materials)	42
Expense relating to leases of low-value assets (included in cost for services and other materials)	1
Variable lease payments (included in cost for services and other materials)	17
Total	**406**

20. Investment property – *€103 million*

Investment property at December 31, 2020 came to €103 million, a decrease of €9 million year on year.

Millions of euro	
Cost net of accumulated impairment losses	157
Accumulated depreciation	45
Balance at Dec. 31, 2019	**112**
Investments	1
Exchange differences	(3)
Depreciation	(2)
Impairment losses	(7)
Other changes	2
Total changes	**(9)**
Cost net of accumulated impairment losses	159
Accumulated depreciation	56
Balance at Dec. 31, 2020	**103**

The Group's investment property consists of properties in Italy, Spain, Brazil and Chile, which are free of restrictions on the sale of the investment property 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 for the year was mainly due to impairment losses recognized on a number of assets of Endesa and the depreciation of the Brazilian real.

For more information on the valuation of investment property, see notes 48 "Assets and liabilities measured at fair value", and 48.2 "Assets not measured at fair value in the statement of financial position".

21. Intangible assets – *€17,668 million*

A breakdown of and changes in intangible assets for 2020 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	46	2,767	15,083	6,987	3,747	10	1,060	1,275	30,975
Accumulated amortization	23	2,185	1,837	4,370	2,802	3	-	666	11,886
Balance at Dec. 31, 2019	**23**	**582**	**13,246**	**2,617**	**945**	**7**	**1,060**	**609**	**19,089**
Capital expenditure	4	75	29	-	71	-	731	308	1,218
Assets entering service	4	176	10	-	311	-	(501)	-	-
Exchange differences	(2)	(18)	(1,193)	(768)	(26)	-	(52)	(1)	(2,060)
Change in the consolidation scope	(2)	-	-	-	59	-	59	-	116
Disposals	-	-	(5)	(15)	-	-	(7)	-	(27)
Amortization	(2)	(257)	(168)	(300)	(307)	(1)	-	(202)	(1,237)
Impairment losses	-	-	-	-	(27)	-	(6)	-	(33)
Impairment gains	-	-	2	-	-	-	-	-	2
Other changes	(4)	9	(499)	574	469	-	106	-	655
Reclassifications from/to assets held for sale	-	-	(2)	-	-	-	(53)	-	(55)
Total changes	**(2)**	**(15)**	**(1,826)**	**(509)**	**550**	**(1)**	**277**	**105**	**(1,421)**
Cost net of accumulated impairment losses	44	2,985	12,988	5,452	4,821	10	1,337	1,581	29,218
Accumulated amortization	23	2,418	1,568	3,344	3,326	4	-	867	11,550
Balance at Dec. 31, 2020	**21**	**567**	**11,420**	**2,108**	**1,495**	**6**	**1,337**	**714**	**17,668**

In 2020, the Enel Group renewed and strengthened its commitment to the enhancement and development of its intellectual assets as a source of competitive advantage for the Group, which is increasingly directed at achieving its strategic objectives for decarbonization, electrification and the creation of platforms.

In this regard, the increase in investment in intangible assets is particularly evident, with special regard to IT and digital applications, whether legally protected or not. The investments focused on all the Group's Global Business Lines and mainly concerned internally developed software (i.e. internal customization of software purchased externally). Among these, we highlight:

> the technological infrastructure of Paytipper, consisting of an application bus into which peripheral interfaces developed to meet different operational needs are integrated, with the goal of handling managing millions of financial transactions per day. Other monitoring and control modules enable users to carry out supervisory, audit and performance analysis activities;

> investments in networks for the management of smart meters, remote grid control and communication software;

> investments at Enel X in demand response systems;

> investments in power generation for predictive maintenance systems;

> additional customizations of Group ERP (Enterprise Resource Planning).

The patent activity of the Group is also proving to be pro-

lific, involving as many as 837 applications for patents in 137 technological families. Of these, 692 have been granted and 145 are pending.

The Group also intends to continue to support and encourage the development of its innovation model through specific projects for internal dissemination by the Intellectual Property unit and through the creation of specific tools to identify, ascertain, protect and preserve on an iterative basis all information of value generated in Enel in accordance with the Open Innovability® model. For more information, please see the "Innovation and digitalization" section of the "Performance & Metrics" chapter of the Report on Operations.

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, 2020.

Millions of euro

	Grantor	Activity	Country	Concession period	Concession period remaining	Renewal option	at Dec. 31, 2020	Initial fair value
Endesa Distribución Eléctrica	-	Electricity distribution	Spain	Indefinite	Indefinite	-	5,678	5,673
Codensa	Republic of Colombia	Electricity distribution	Colombia	Indefinite	Indefinite	-	1,291	1,839
Enel Distribución Chile (formerly Chilectra)	Republic of Chile	Electricity distribution	Chile	Indefinite	Indefinite	-	1,388	1,667
Enel Distribución Perú (formerly Empresa de Distribución Eléctrica de Lima Norte)	Republic of Peru	Electricity distribution	Peru	Indefinite	Indefinite	-	535	548
E-Distribuţie Muntenia	Romanian Ministry for the Economy	Electricity distribution	Romania	2005-2054	33 years	Yes	125	191

The item includes assets with an indefinite useful life in the amount of €8,892 million (€9,218 million at December 31, 2019), essentially accounted for by concessions for distribution activities in Spain (€5,678 million), Colombia (€1,291 million), Chile (€1,388 million), and Peru (€535 million), for which there is 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, are sufficient to recover the carrying amount. The change during the year is essentially attributable to changes in exchange rates. For more information on service concession arrangements, see note 18.

The change in the consolidation scope for 2020 mainly reflects the acquisition of a number of companies in Spain and the PPA of Paytipper SpA and to a number of renewables companies in Italy.

Impairment losses amounted to €33 million in 2020. For more information, see note 10.e.

"Other changes" report the design costs connected with the acquisition of a number of Brazilian vehicle companies.

22. Goodwill – *€13,779 million*

Millions of euro	at Dec. 31, 2019			Change in consol. scope	Exchange differences	Impairment losses	Offsetting cost with accum. impairment losses	Other changes	at Dec. 31, 2020		
	Cost	Cumulative impairment	Net carrying amount						Cost	Cumulative impairment	Net carrying amount
Iberia	11,177	(2,392)	8,785	-	-	-	-	-	11,177	(2,392)	**8,785**
Chile	1,209	-	1,209	-	(4)	-	-	-	1,205	-	**1,205**
Argentina	276	-	276	-	-	(253)	-	(1)	275	(253)	**22**
Peru	561	-	561	3	-	-	-	-	564	-	**564**
Colombia	530	-	530	-	-	-	-	-	530	-	**530**
Brazil	1,411	-	1,411	-	(138)	-	-	-	1,273	-	**1,273**
Central America	23	-	23	2	-	-	-	-	25	-	**25**
Mexico	19	-	19	-	(1)	(18)	-	-	18	(18)	**-**
Enel Green Power North America	70	-	70	-	-	-	-	-	70	-	**70**
Enel X North America	335	-	335	-	(28)	-	-	(123)	184	-	**184**
Enel X Asia Pacific	-	-	-	-	-	-	-	84	84	-	**84**
Enel X Rest of Europe (1)	3	-	3	4	-	(3)	-	39	46	(3)	**43**
Enel X Italy	19	-	19	(19)	-	-	-	-	-	-	**-**
Market Italy (2)	579	-	579	-	-	-	-	1	580	-	**580**
Enel Green Power Italy	20	-	20	-	-	-	-	-	20	-	**20**
Romania	414	(13)	401	-	(7)	-	-	-	407	(13)	**394**
Total	**16,646**	**(2,405)**	**14,241**	**(10)**	**(178)**	**(274)**	**-**	**-**	**16,458**	**(2,679)**	**13,779**

(1) Includes Tynemouth and Viva Labs.
(2) Includes Enel Energia.

GOODWILL MATRIX AT DECEMBER 31, 2020

Millions of euro	Thermal Generation and Trading	Enel Green Power	Infrastructure and Networks	End-user Markets	Enel X	Services	Other	Total
Enel Green Power SpA Italy	-	20	-	-	-	-	-	20
Market Italy [1]	-	-	-	580	-	-	-	580
Iberia	-	1,190	5,788	1,807	-	-	-	8,785
Argentina	-	3	19	-	-	-	-	22
Brazil	-	397	876	-	-	-	-	1,273
Chile	-	992	213	-	-	-	-	1,205
Colombia	-	307	223	-	-	-	-	530
Peru	43	201	320	-	-	-	-	564
Central America	-	25	-	-	-	-	-	25
Romania	-	-	336	58	-	-	-	394
Enel Green Power North America	-	70	-	-	-	-	-	70
Enel X North America	-	-	-	-	184	-	-	184
Enel X Asia Pacific	-	-	-	-	84	-	-	84
Enel X Rest of Europe [2]	-	-	-	-	43	-	-	43
Total	**43**	**3,205**	**7,775**	**2,445**	**311**	**-**	**-**	**13,779**

(1) Includes Enel Energia.
(2) Includes Viva Labs.

GOODWILL MATRIX AT DECEMBER 31, 2019

Millions of euro	Thermal Generation and Trading	Enel Green Power	Infrastructure and Networks	End-user Markets	Enel X	Services	Other	Total
Enel Green Power SpA Italy	-	20	-	-	-	-	-	20
Market Italy [1]	-	-	-	579	-	-	-	579
Enel X Italia	-	-	-	-	19	-	-	19
Iberia	-	1,190	5,788	1,807	-	-	-	8,785
Argentina	-	40	236	-	-	-	-	276
Brazil	-	397	1,014	-	-	-	-	1,411
Chile	-	996	213	-	-	-	-	1,209
Colombia	-	307	223	-	-	-	-	530
Peru	43	198	320	-	-	-	-	561
Central America	-	23	-	-	-	-	-	23
Romania	-	-	342	59	-	-	-	401
Enel Green Power North America	-	70	-	-	-	-	-	70
Mexico	-	19	-	-	-	-	-	19
Enel X North America	-	-	-	-	335	-	-	335
Enel X Rest of Europe [2]	3	-	-	-	-	-	-	3
Total	**46**	**3,260**	**8,136**	**2,445**	**354**	**-**	**-**	**14,241**

(1) Includes Enel Energia.
(2) Includes Tynemout.

The decrease of €462 million in goodwill is mainly attributable to impairment losses of €274 million, mainly in Argentina (€253 million) and Mexico (€18 million) following impairment testing, as well as €3 million on the goodwill recorded in respect of Tynemouth.

The decrease attributable to the change in the consolidation scope is exclusively due to the finalization of the allocation of the purchase price of Paytipper, partly offset by the €4 million recorded for Viva Labs in respect of a consolidation difference pending allocation through the PPA process and by the goodwill recognized with the acquisition of new companies (Los Pinos, Enel Solar).

"Exchange differences" are mainly due to adverse exchange rate developments in Brazil, the United States, Romania, Chile and Mexico.

"Other changes" are attributable to the reallocation of the goodwill associated with a number of CGUs in order to reflect the effects of the corporate reorganizations concluded by the Group in 2020, with particular reference to:

- the separation of the Mexican renewables business from the Central America segment, which was merged as part of the Astrid operation following the organizational changes implemented in 2020;
- the definition of the Enel X Rest of Europe and Enel X Asia Pacific CGUs to complete the process of reorganizing the assets (essentially related to intellectual property) of Enel X North America.

The criteria used to identify the cash generating units (CGUs) for impairment testing purposes were essentially based – in line with management's strategic and operational vision – on the specific characteristics of their business, on the operational rules and regulations of the markets in which Enel operates, on the corporate organization, and on the level of reporting monitored by management.

The reallocation of goodwill among the new CGUs mentioned above was carried out specifically or on the basis of the "relative value" of each CGU in accordance with the applicable accounting standard.

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 23, 2020, 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 are easily renewable; as well as for the Enel X 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 (G&T). An annuity was 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) and in any case no higher than the average long-term growth rate of the reference market.

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 in 2030-2050 based on the specific characteristics of the businesses involved.

The Group therefore confirmed its strategic direction based on the trends associated with the energy transition. The use of capital has been focused on decarbonization through the development of generation assets that use renewable sources, on the enabling infrastructures linked to the development of networks and on the implementation of platform models, making the most of technological and digital evolution, which will foster the electrification of energy consumption, as well as the development of new services for end users.
In 2020, Enel's decarbonization roadmap was updated to capture the acceleration in the spread of renewables and the reduction in thermal generation capacity envisaged in the new 2021-2023 Strategic Plan and in the 2030 ambitions presented on the 2020 Capital Markets Day, setting the following objectives in line with the Paris Agreement:

TIME HORIZON		GREENHOUSE GAS (GHG) REDUCTION TARGET
Short term	**2023**	> Direct emissions of Scope 1 greenhouse gases to 148 gCO2eq/kWh (-32% compared with 2020)
Medium term	**2030**	> Direct emissions of Scope 1 greenhouse gases to 82 gCO_{2eq}/kWh (-80% compared with 2017, consistent with the 1.5 °C path as certified by the SBTi) > 16% reduction in indirect Scope 3 emissions associate with gas consumption by end users compared with 2017
Long term	**2050**	> Full decarbonization of energy mix

In addition, the scenarios used to determine cash flows took account of the impact of COVID-19.

The value in use calculated as described above was found to be greater than the amount recognized on the statement of financial position.
In order to verify the robustness of the value in use of the CGUs, sensitivity analyses were conducted for the main drivers of the amounts, in particular WACC, the long-term growth rate and margins, the outcomes of which fully supported that amount.

The table below reports the composition of the main goodwill amounts by CGU, 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]
	at Dec. 31, 2020				
Iberia	8,785	1.65%	4.06%	3 years	Perpetuity/24 years EGP/11 years G&T
Chile	1,205	1.97%	6.95%	3 years	Perpetuity/25 years EGP/7 years G&T
Argentina	275	11.79%	41.61%	3 years	Perpetuity/1 year G&T/5 years LH
Peru	564	2.30%	6.73%	3 years	Perpetuity/24 years EGP/10 years G&T
Colombia	530	3.04%	8.54%	3 years	Perpetuity/28 years EGP/17 years G&T
Brazil	1,273	3.25%	9.35%	3 years	Perpetuity/26 years EGP/8 years G&T
Central America	25	1.97%	8.15%	3 years	22 years
Mexico	18	1.43%	8.83%	3 years	25 years
Enel Green Power North America	70	1.97%	5.49%	3 years	25 years
Enel X North America	184	1.97%	8.25%	3 years	Perpetuity
Enel X Asia Pacific	84	2.02%	9.07%	3 years	Perpetuity
Enel X Rest of Europe	39	2.02%	8.70%	3 years	Perpetuity
Market Italy	580	1.30%	9.98%	3 years	15 years
Enel Green Power Italy	20	1.38%	5.44%	3 years	Perpetuity/24 years
Romania	394	2.35%	7.98%	3 years	Perpetuity/26 years
CGUs with no recognized goodwill but that underwent impairment testing given the presence of the indicators provided for in IAS 36 [4]					
Australia	-	1.35%	4.42%	3 years	26 years

(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, LH = Large Hydro).
(4) With regard to Australia it became necessary to perform the test following the deterioration in local market conditions.

Amount of goodwill	Growth rate [1]	Pre-tax WACC discount rate [2]	Explicit period of cash flows	Terminal value [3]
		at Dec. 31, 2019		
8,785	1.80%	4.59%	5 years	Perpetuity/26 years EGP/9 years G&T
1,209	2.07%	7.41%	5 years	Perpetuity/25 years EGP/9 years G&T
276	6.36%	21.84%	5 years	Perpetuity/1 year G&T/4 years LH
561	2.39%	7.46%	5 years	Perpetuity/23 years EGP/9 years G&T
530	2.97%	9.01%	5 years	Perpetuity/27 years EGP/16 years G&T
1,411	3.61%	10.64%	5 years	Perpetuity/26 years EGP/7 years G&T
42	2.01%	9.68%	5 years	22 years
n.a.	n.a.	n.a.	n.a.	n.a.
70	2.01%	6.58%	5 years	25 years
335	2.01%	10.89%	5 years	Perpetuity
n.a.	n.a.	n.a.	n.a.	n.a.
n.a.	n.a.	n.a.	n.a.	n.a.
579	0.48%	10.23%	5 years	15 years
20	1.03%	6.15%	5 years	Perpetuity/25 years
401	2.00%	7.27%	5 years	Perpetuity/18 years
n.a.	n.a.	n.a.	n.a.	n.a.

At December 31, 2020 the impairment tests performed on the CGUs to which goodwill was allocated revealed an impairment loss of €253 million on the Argentina CGU and €308 million on the EGP Mexico CGU. With reference to the CGUs with no goodwill recognized, an impairment loss of €23 million was found for the Australia CGU.

23. Deferred tax assets and liabilities – *€8,578 million* and *€7,797 million*

The following table details changes in deferred tax assets and liabilities by type of timing difference and calculated based on the tax rates established by applicable regulations, as well as the amount of deferred tax assets offsettable, where permitted, with deferred tax liabilities.

Millions of euro	at Dec. 31, 2019	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, 2020
Deferred tax assets:								
- differences in the carrying amount of intangible assets, property, plant and equipment	2,372	(259)	-	15	(34)	29	-	2,123
- accruals to provisions for risks and charges and impairment losses with deferred deductibility	1,702	226	-	-	(162)	(41)	-	1,725
- tax loss carried forward	502	70	-	-	(113)	49	-	508
- measurement of financial instruments	786	(22)	(189)	-	(5)	8	(17)	561
- employee benefits	1,086	(211)	163	-	(145)	5	-	898
- other items	2,664	265	1	-	(88)	(79)	-	2,763
Total	**9,112**	**69**	**(25)**	**15**	**(547)**	**(29)**	**(17)**	**8,578**
Deferred tax liabilities:								
- differences on non-current and financial assets	6,093	(181)	-	24	(459)	(19)	(16)	5,442
- measurement of financial instruments	481	55	(100)	-	(18)	52	-	470
- other items	1,740	306	(3)	-	(149)	(9)	-	1,885
Total	**8,314**	**180**	**(103)**	**24**	**(626)**	**24**	**(16)**	**7,797**

Non-offsettable deferred tax assets	**4,637**
Non-offsettable deferred tax liabilities	**3,078**
Excess net deferred tax liabilities after any offsetting	**778**

Deferred tax assets recognized at December 31, 2020, as the generation of sufficient future taxable income to recovery such assets is considered highly likely, totaled €8,578 million (€9,112 million at December 31, 2019).
Deferred tax assets during the year decreased by €534 million, essentially due to unfavorable exchange rate developments in Latin America, reversals of deferred tax assets on differences in the carrying amount of non-current assets, mainly in Italy and Spain, a decrease in deferred tax assets linked to developments in the fair value of cash flow hedge derivatives and the recognition of the tax effects relating to the reversal of the electricity discount provision in Spain. These effects were partially offset by the deferred tax assets recognized on the increase in provisions for early retirement incentives in Italy and Spain.

It should also be noted that deferred tax assets (in the amount of €205 million) were not recorded in relation to prior tax losses in the amount of €769 million because, on the basis of current estimates of future taxable income, it is not highly likely that such assets will be recovered.

Deferred tax liabilities amounted to €7,797 million at December 31, 2020 (€8,314 million at December 31, 2019). 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 €517 million due, in particular, to adverse exchange rate developments in Latin America and reversals associated with write-downs of a number of coal-fired plants in Italy, Spain and Chile.

24. Equity-accounted investments – *€861 million*

Investments in joint ventures and associated companies accounted for using the equity method are as follows.

Millions of euro	at Dec. 31, 2019	% held	Impact on profit or loss	Change in consolidation scope	Dividends	Reclassifications from/to assets held for sale	Other changes	at Dec. 31, 2020	% held
Joint ventures									
Slovak Power Holding	504	50.0%	(385)	-	-	-	(15)	104	50.0%
EGPNA Renewable Energy Partners	137	20.0%	8	(9)	-	-	(21)	115	20.0%
OpEn Fiber	384	50.0%	2	-	-	(489)	103	-	50.0%
Zacapa Topco Sàrl	130	20.6%	(1)	-	-	-	(14)	115	20.6%
Project Kino companies	60	20.0%	(17)	-	-	-	(3)	40	20.0%
Tejo Energia Produção e Distribuição de Energia Eléctrica	58	43.8%	(3)	-	(9)	-	-	46	43.8%
Rocky Caney Holding	46	20.0%	5	-	-	-	(6)	45	20.0%
Drift Sand Wind Project	36	50.0%	3	-	-	-	(4)	35	50.0%
Front Marítim del Besòs	37	61.4%	(4)	-	-	-	-	33	61.4%
Enel Green Power Bungala	-	50.0%	(3)	-	-	-	34	31	51.0%
Rusenergosbyt	40	49.5%	45	-	(43)	-	4	46	49.5%
Energie Electrique de Tahaddart	26	32.0%	1	-	(2)	-	(3)	22	32.0%
Transmisora Eléctrica de Quillota	7	50.0%	1	-	-	-	1	9	50.0%
PowerCrop	-	50.0%	-	-	-	-	2	2	50.0%
Nuclenor	-	50.0%	25	-	-	-	(25)	-	50.0%
Associates									
CESI	61	42.7%	(4)	-	-	-	3	60	42.7%
Tecnatom	30	45.0%	(2)	-	-	-	-	28	45.0%
Suministradora Eléctrica de Cádiz	11	33.5%	5	-	(3)	-	(1)	12	33.5%
Compañía Eólica Tierras Altas	9	37.5%	-	-	(1)	-	-	8	37.5%
Cogenio Srl	11	20.0%	1	-	(1)	-	1	12	20.0%
Other	95		24	4	(14)	-	(11)	98	
Total	**1,682**		**(299)**	**(5)**	**(73)**	**(489)**	**45**	**861**	

The impact on profit or loss includes the profit or loss recognized by the companies in proportion to the share held in these companies by the Enel Group and mainly concerns the impairment loss of the Slovak Power Holding investment, which takes account of the general term agreement signed on December 22, 2020 between Enel Produzione and EPH modifying certain terms and conditions of the contract signed on December 18, 2015 (as previously amended in 2018) concerning the sale of Enel Produzione's interest in Slovenské elektrárne. This adjustment, calculated on the basis of the price formula, takes account of the different scenarios that could occur depending on the different opportunities of the parties by virtue of the provisions of the general term agreement. The value associated with each of the different scenarios was weighted on the basis of the probability of occurrence assigned to each.
Based on these assessments, at December 31, 2020 the consideration is estimated at €208 million. Accordingly, a write-down of 433 million on the residual investment was recognized and the financial receivable resulting from the sale of the first stake, equal to €354 million, was derecognized, with the simultaneous recognition of a provision for risks and charges of €47 million.

Companies making the largest positive contribution include Rusenergosbyt (€45 million) under the contract for the supply of electricity to a leading railway transport company in Russia and Nuclenor (€25 million), a Spanish company, for the income recognized in September 2020 following the successful resolution of a dispute.

The decrease associated with changes in the consolidation scope mainly refer to the sale of a number North American companies, offset in part by the increase recorded in Spain due to the reduction in the stake held by Endesa Energía SA in Endesa Soluciones SLU, which had previously been consolidated on a line-by-line basis.

Reclassification to assets held for sale refers exclusively to the investment in OpEn Fiber following receipt of a binding acquisition offer and the occurrence of additional conditions in accordance with the provisions of IFRS 5.

"Other changes" mainly include the pro-rated changes in the OCI reserves or other changes recognized directly in equity. In particular, the €103 million in respect of OpEn Fiber comprise €113 million for capital increases, partially offset by fair value gains/(losses) on cash flow hedge derivatives. The Australian Bungala companies also reflect the fair value gain (€32 million) on the PPA contracts signed with customers following the decline in the prices on the Australian forward market.

The following tables provide a summary of financial information for each joint venture and associate 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, 2020	at Dec. 31, 2019	at Dec. 31, 2020	at Dec. 31, 2019	at Dec. 31, 2020	at Dec. 31, 2019
Joint ventures						
Slovak Power Holding [1]	10,813	10,206	676	700	11,489	10,906
Zacapa Topco Sàrl	1,253	1,376	117	99	1,370	1,475
Rusenergosbyt	2	3	120	144	122	147
Tejo Energia Produção e Distribuição de Energia Eléctrica	82	146	128	132	210	278
Energie Electrique de Tahaddart	62	77	18	20	80	97
Associates						
CESI	202	198	25	13	227	211
Tecnatom	60	62	58	64	118	126
Suministradora Eléctrica de Cádiz	67	19	32	66	99	85
Compañía Eólica Tierras Altas	21	4	3	23	24	27

(1) The figures at December 31, 2019 for Slovak Power Holding have been updated from those published in the 2019 Annual Report to align them with the financial statements approved on May 29, 2020.

Millions of euro	Total revenue		Pre-tax profit/(loss)		Profit/(Loss) from continuing operations	
	2020	2019	2020	2019	2020	2019
Joint ventures						
Slovak Power Holding [1]	2,954	2,601	163	125	120	96
Zacapa Topco Sàrl	221	208	7	(22)	(3)	(32)
Rusenergosbyt	2,198	2,548	112	111	90	89
Tejo Energia Produção e Distribuição de Energia Eléctrica	114	145	17	21	8	14
Energie Electrique de Tahaddart	33	37	5	9	3	6
Associates						
CESI	122	111	(14)	9	(16)	6
Tecnatom	78	104	(5)	2	(5)	2
Suministradora Eléctrica de Cádiz	25	18	21	11	14	11
Compañía Eólica Tierras Altas	8	12	-	2	-	1

(1) The figures at December 31, 2019 for Slovak Power Holding have been updated from those published in the 2019 Annual Report to align them with the financial statements approved on May 29, 2020.

Non-current liabilities		Current liabilities		Total liabilities		Equity	
at Dec. 31, 2020	at Dec. 31, 2019	at Dec. 31, 2020	at Dec. 31, 2019	at Dec. 31, 2020	at Dec. 31, 2019	at Dec. 31, 2020	at Dec. 31, 2019
6,922	6,461	802	754	7,724	7,215	3,765	3,691
729	753	90	73	819	826	551	649
-	-	106	131	106	131	16	16
21	25	33	85	54	110	156	168
5	6	6	8	11	14	69	83
17	21	-	-	17	21	210	190
23	35	33	24	56	59	62	67
18	33	45	20	63	53	36	32
2	2	2	2	4	4	20	23

In addition, the financial disclosure requirements of IFRS 12 for subsidiaries with significant non-controlling interests are reported below.

Millions of euro	Non-current assets		Current assets		Total assets		Non-current liabilities	
	at Dec. 31, 2020	at Dec. 31, 2019	at Dec. 31, 2020	at Dec. 31, 2019	at Dec. 31, 2020	at Dec. 31, 2019	at Dec. 31, 2020	at Dec. 31, 2019
Subsidiaries								
Enel Américas Group	21,337	26,278	4,582	5,570	25,919	31,848	8,827	11,230
Enel Chile Group	9,295	9,711	170	367	9,465	10,078	3,027	3,332
Endesa Group	41,819	41,722	1,386	1,087	43,205	42,809	12,869	12,440

Millions of euro	Total revenue		Pre-tax profit	
	2020	2019	2020	2019
Subsidiaries				
Enel Américas Group	10,350	12,601	1,187	1,974
Enel Chile Group	2,775	3,482	(133)	469
Endesa Group	17,065	18,468	1,965	114

Current liabilities		Total liabilities		Equity		Equity attributable to owners of the Parent		Non-controlling interests	
at Dec. 31, 2020	at Dec. 31, 2019	at Dec. 31, 2020	at Dec. 31, 2019	at Dec. 31, 2020	at Dec. 31, 2019	at Dec. 31, 2020	at Dec. 31, 2019	at Dec. 31, 2020	at Dec. 31, 2019
5,495	5,668	14,322	16,898	11,597	14,950	6,643	8,231	4,954	6,719
1,066	1,049	4,093	4,381	5,372	5,697	3,326	3,363	2,046	2,334
7,101	6,943	19,970	19,383	23,235	23,426	17,366	17,466	5,869	5,960

Profit from continuing operations		Profit attributable to owners of the Parent		Profit attributable to non-controlling interests	
2020	2019	2020	2019	2020	2019
738	1,844	274	784	464	1,060
(40)	394	(25)	230	(15)	164
1,551	93	1,082	57	469	36

25. Derivatives

Millions of euro	Non-current		Current	
	at Dec. 31, 2020	at Dec. 31, 2019	at Dec. 31, 2020	at Dec. 31, 2019
Derivative financial assets	1,236	1,383	3,471	4,065
Derivative financial liabilities	3,606	2,407	3,531	3,554

For more information on derivatives classified as non-current financial assets and liabilities, please see note 47 for hedging derivatives and trading derivatives.

26. Current/Non-current contract assets/(liabilities)

Millions of euro	Non-current		Current	
	at Dec. 31, 2020	at Dec. 31, 2019	at Dec. 31, 2020	at Dec. 31, 2019
Contract assets	304	487	176	166
Contract liabilities	6,191	6,301	1,275	1,328

Non-current assets deriving from contracts with customers (contract assets) refer mainly to assets under development resulting from public-to-private service concession arrangements recognized in accordance with IFRIC 12 and which have an expiration of beyond 12 months (€297 million). These cases arise when the concession holder has not yet obtained full right to recognize the asset from the grantor at the hypothetical conclusion of the concession arrangement in that there remains a contractual obligation to ensure that the asset becomes operational. At December 31, 2020, the figure includes investments for the year in the amount of €649 million.

Current contract assets mainly concern construction contracts in progress (€154 million) to be invoiced, payments on which are subject to the fulfillment of a performance obligation.

The figure at December 31, 2020 for non-current contract liabilities is mainly attributable to distribution in Italy (€3,359 million), Spain (€2,400 million) and Romania (€425 million) as a result of the accounting treatment of revenue from connections of new customers with invoicing in advance of the completion of the performance obligation.

Current contract liabilities include the contractual liabilities related to revenue from connections to the electricity grid expiring within 12 months in the amount of €859 million, mainly recognized in Italy and Spain, as well as liabilities for construction contracts in progress (€387 million).

27. Other non-current financial assets – *€5,159 million*

Millions of euro				
	at Dec. 31, 2020	at Dec. 31, 2019	Change	
Equity investments in other companies measured at fair value	70	72	(2)	-2.8%
Financial assets and securities included in net financial debt (see note 27.1)	2,745	3,185	(440)	-13.8%
Service concession arrangements	2,300	2,702	(402)	-14.9%
Non-current financial prepayments	44	47	(3)	-6.4%
Total	**5,159**	**6,006**	**(847)**	**-14.1%**

The reduction in "other non-current financial assets" primarily reflects:

> a decrease in financial assets included in net financial debt, as detailed in note 27.1;

> adverse exchange rate developments, mainly for service concession arrangements (in application of IFRIC 12) in Brazil.

The following is a breakdown of equity investments in other companies measured at fair value.

Millions of euro		% held		% held	
	at Dec. 31, 2020		at Dec. 31, 2019		Change
Galsi	-	17.6%	14	17.6%	(14)
Empresa Proprietaria de la Red SA	5	11.1%	17	11.1%	(12)
European Energy Exchange	13	2.4%	8	2.2%	5
Athonet Srl	7	16.0%	7	16.0%	-
Korea Line Corporation	1	0.3%	2	0.3%	(1)
Hubject GmbH	10	12.5%	10	12.5%	-
Termoeléctrica José de San Martín SA	10	3.3%	-	-	10
Termoeléctrica Manuel Belgrano SA	11	3.7%	-	-	11
Other	13		14		(1)
Total	**70**		**72**		**(2)**

The change in "equity investments in other companies measured at fair value" reflects the full impairment loss recognized by Enel Produzione on the investment held in Galsi and by the impairment loss of €12 million on the investment held by Enel SpA in Empresa Propietaria de la Red. These effects were offset above all by the new carrying amount recognized for Termoeléctrica José de San Martin SA and Termoeléctrica Manuel Belgrano SA.

27.1 Other non-current financial assets included in net financial debt – *€2,745 million*

Millions of euro				
	at Dec. 31, 2020	at Dec. 31, 2019	Change	
Securities at FVOCI	408	416	(8)	-1.9%
Other financial assets	2,337	2,769	(432)	-15.6%
Total	**2,745**	**3,185**	**(440)**	**-13.8%**

Securities measured at FVOCI represent financial instruments in which the Dutch insurance companies invest a portion of their liquidity.

The reduction in "other financial assets" is mainly attributable to:

> €354 million in respect of the impairment loss on the receivable due to Enel Produzione from EP Slovakia BV relating to the sale of 50% of its investment in Slovak Power Holding BV;

> €93 million in respect of the reclassification, from of medium- and long-term financial assets to short-term financial assets and securities, of the current portion of the amount due to e-distribuzione from the Energy and Environmental Services Fund (€56 million) and the amount due to the same company related to reimbursement of the extraordinary costs incurred by distributors for the early replacement of electromechanical meters with electronic devices (€37 million).

28. Other current financial assets – *€5,113 million*

Millions of euro	at Dec. 31, 2020	at Dec. 31, 2019	Change	
Current financial assets included in net financial debt (see note 28.1)	4,971	4,158	813	19.6%
Other	142	147	(5)	-3.4%
Total	**5,113**	**4,305**	**808**	**18.8%**

28.1 Other current financial assets included in net financial debt – *€4,971 million*

Millions of euro	at Dec. 31, 2020	at Dec. 31, 2019	Change	
Current portion of long-term financial assets	1,428	1,585	(157)	-9.9%
Securities at FVOCI	67	61	6	9.8%
Financial assets and cash collateral	3,223	2,153	1,070	49.7%
Other	253	359	(106)	-29.5%
Total	**4,971**	**4,158**	**813**	**19.6%**

The change in the item is mainly attributable to:

- €1,070 million in respect of an increase in cash collateral paid to counterparties for derivatives transactions;
- €157 million in respect of the reduction in the current portion of long-term financial assets, which essentially reflects:
  - the decrease in financial assets relating to the deficit of the Spanish electricity system (€71 million);
  - the offsetting in 2020 of financial assets relating to the Brazilian rate deficit with a number of liabilities for regulatory items following the settlement of a court dispute and the ruling of the judicial authorities in favor of the concession holders of the public electricity distribution service (€95 million);
  - an increase in financial assets for security deposits (€46 million);
- €106 million in respect of a decrease in the residual item "other", mainly reflecting the reduction in a number of financial assets in South Africa and Italy and the depreciation of currencies in Latin America.

29. Other non-current assets – *€2,494 million*

Millions of euro	at Dec. 31, 2020	at Dec. 31, 2019	Change	
Amounts due from institutional market operators	186	232	(46)	-19.8%
Other assets	2,308	2,469	(161)	-6.5%
Total	**2,494**	**2,701**	**(207)**	**-7.7%**

Amounts due from institutional market operators decreased by €46 million on the previous year, mainly in Spain as a result of the remuneration of distribution operations.

At December 31, 2020 other assets mainly include tax assets in the amount of €1,539 million (€1,587 million at December 31, 2019), security deposits in the amount of €330 million (€418 million at the end of 2019) and non-monetary grants to be received in respect of green certificates amounting to €73 million (€37 million at December 31, 2019).

The change for the year mainly reflects the tax assets recognized by Enel Distribuição São Paulo and Enel Distribuição Ceará related to the PIS/COFINS dispute in Brazil in the amount of €211 million, which was more than offset by the depreciation of the Brazilian real.

30. Other current assets - *€3,578 million*

Millions of euro	at Dec. 31, 2020	at Dec. 31, 2019	Change	
Amounts due from institutional market operators	1,265	732	533	72.8%
Advances to suppliers	309	314	(5)	-1.6%
Amounts due from employees	30	28	2	7.1%
Amounts due from others	956	1,084	(128)	-11.8%
Sundry tax assets	848	797	51	6.4%
Accrued operating income and prepayments	170	160	10	6.3%
Total	**3,578**	**3,115**	**463**	**14.9%**

Amounts due from institutional market operators include amounts due in respect of the Italian system in the amount of €890 million (€450 million at December 31, 2019) and the Spanish system in the amount of €337 million (€254 million at December 31, 2019). The increase is essentially attributable to the increase in amounts due in Italy in respect of the Energy and Environmental Services Fund, mainly held by e-distribuzione (€207 million) and Servizio Elettrico Nazionale (€249 million), primarily connected with equalization mechanisms.

The increase of €51 million in sundry tax assets is mainly attributable to an increase in credits for indirect taxes and duties.

Amounts due from others decreased mainly due to a decline in advances paid to third parties, a reduction in receivables in respect of pension and insurance institutions and a decrease in other sundry amounts.

31. Inventories - *€2,401 million*

Millions of euro	at Dec. 31, 2020	at Dec. 31, 2019	Change	
Raw and ancillary materials, and consumables:				
- fuels	595	857	(262)	-30.6%
- materials, equipment and other inventories	1,542	1,493	49	3.3%
Total	**2,137**	**2,350**	**(213)**	**-9.1%**
Environmental certificates:				
- CO_2 emissions allowances	159	96	63	65.6%
- green certificates	5	12	(7)	-58.3%
- white certificates	7	1	6	-
Total	**171**	**109**	**62**	**56.9%**
Buildings held for sale	52	54	(2)	-3.7%
Payments on account	41	18	23	-
TOTAL	**2,401**	**2,531**	**(130)**	**-5.1%**

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 change in the year is mainly attributable to the write-down of inventories of fuel and materials associated with plants subject to impairment, primarily in Italy and Chile, as a result of the energy transition process begun by the Group. Other factors include the reduction in inventories in Russia following the disposal of the Reftinskaya GRES plant in the final Quarter of 2019. These developments were partially offset by an increase in CO_2 emissions allowances in Spain as a result of a decrease in the compliance obligation as a result of the reduction in high-emissions generation.

32. Trade receivables – *€12,046 million*

Millions of euro	at Dec. 31, 2020	at Dec. 31, 2019	Change	
Customers:				
- electricity sales and transport	7,986	8,532	(546)	-6.4%
- distribution and sale of gas	900	1,284	(384)	-29.9%
- other assets	2,945	3,014	(69)	-2.3%
Total trade receivables due from customers	**11,831**	**12,830**	**(999)**	**-7.8%**
Trade receivables due from associates and joint ventures	215	253	(38)	-15.0%
TOTAL	**12,046**	**13,083**	**(1,037)**	**-7.9%**

Trade receivables due from customers are recognized net of loss allowances, which totaled €3,287 million at the end of the year, compared with a balance of €2,980 million at the end of the previous year. Specifically, the reduction for the year, totaling €1,037 million, mainly recognized in Italy (€819 million) and Latin America (€176 million), was attributable to the decline in receivables for the sale and transport of electricity and gas, the deterioration in the collection status of certain receivables and an increase in write-downs, all connected with the effects of the COVID-19 pandemic, as well as the depreciation of the Latin American currencies.

For more information on trade receivables, see note 44 "Financial instruments".

33. Cash and cash equivalents – *€5,906 million*

Cash and cash equivalents, detailed in the following table, decreased especially for the Parent, due to cash outflows linked to the acquisition of additional equity interests in subsidiaries in Latin America and to the depreciation of local currencies.

Millions of euro	at Dec. 31, 2020	at Dec. 31, 2019	Change	
Bank and postal deposits	5,699	7,910	(2,211)	-28.0%
Cash and cash equivalents on hand	42	87	(45)	-51.7%
Other investments of liquidity	165	1,032	(867)	-84.0%
Total	**5,906**	**9,029**	**(3,123)**	**-34.6%**

34. Assets and liabilities included in disposal groups classified as held for sale – *€1,416 million* and *€808 million*

Changes in assets held for sale during 2020 can be broken down as follows.

Millions of euro

	at Dec. 31, 2019	Reclassification from/ to current and non-current assets	Disposals and changes in the consolidation scope	Other changes	at Dec. 31, 2020
Property, plant and equipment	14	747	(10)	30	781
Intangible assets	7	56	(7)	2	58
Deferred tax assets	-	17	-	1	18
Equity-accounted investments	80	489	(79)	(1)	489
Non-current financial assets	-	11	-	-	11
Cash and cash equivalents	-	28	-	1	29
Inventories, trade receivables, and other current assets	-	29	-	1	30
Total	**101**	**1,377**	**(96)**	**34**	**1,416**

Changes in liabilities included in disposal groups held for sale in 2020 were as follows.

Millions of euro

	at Dec. 31, 2019	Reclassification from/to current and non-current liabilities	Other changes	at Dec. 31, 2020
Long-term borrowings	-	660	27	687
Provisions for risks and charges, non-current portion	-	2	-	2
Deferred tax liabilities	-	16	1	17
Non-current financial liabilities	-	54	3	57
Other non-current liabilities	3	-	(3)	-
Other current financial liabilities	-	11	1	12
Trade payables and other current liabilities	-	33	-	33
Total	**3**	**776**	**29**	**808**

Assets and liabilities included in disposal groups held for sale at December 31, 2020 amounted to €1,416 million and €808 million respectively and mainly comprise a number of renewables companies held for sale in South Africa and Bulgaria, which, following decisions by management, meet the requirements of IFRS 5 for classification within this aggregate.

At December 31, 2020, the equity-accounted investment in OpEn Fiber, with a carrying amount of €489 million, was reclassified as held for sale.

The aggregate also includes the plant held for sale making up the Enel Produzione business unit formed of the "Ettore Majorana" site at Termini Imerese in the amount of €4 million, as well as the plant with a carrying amount of €2 million held by the Panamanian company Llano Sanchez Solar Power One SA.

During 2020 a number of hydro companies held by Enel North America, which had previously been classified as available for sale, were sold, producing a capital gain of about €2 million, as was the Rionegro plant in Colombia, which was also classified in that item.

Finally, net debt relating to assets and liabilities held for sale amounted to €646 million.

35. Equity – *€42,357 million*

35.1 Equity attributable to owners of the Parent – *€28,325 million*

Share capital – *€10,167 million*

At December 31, 2020, 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.

The share capital is unchanged compared with the amount reported at December 31, 2019.

At December 31, 2020, 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), BlackRock Inc. (with a 5.081% stake held for asset management purposes) and Capital Research and Management Company (with a 5.029% stake held for asset management purposes).

Treasury share reserve – *€(3) million*

As at December 31, 2020, treasury shares are represented by 3,269,152 ordinary shares of Enel SpA with a par value of €1.00 each (1,549,152 at December 31, 2019), purchased through a qualified intermediary for a total amount of €23 million. The difference between the amount paid and the par value is recognized as a reduction in equity in the share premium reserve.

Other reserves – *€(39) million*

Share premium reserve – *€7,476 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. The change of €11 million for the year reflects the purchase of treasury shares supporting the 2020 LTI Plan.

Reserve for equity instruments – perpetual hybrid bonds – *€2,386 million*

This reserve was established with the subscription of a perpetual hybrid bond in an amount, net of transaction costs, of €592 million and with the conversion of bonds already in issue and converted into perpetual hybrid bonds in the amount, net of transaction costs, of €1,794 million.

Legal reserve – *€2,034 million*

The legal reserve is formed of the part of profits that, pursuant to Article 2430 of the Italian Civil Code, cannot be distributed as dividends.

Other reserves – *€2,268 million*

These include €2,215 million related to the remaining portion of the adjustments carried out when Enel was transformed from a public entity to a joint-stock company.

Pursuant to Article 47 of the Consolidated Income Tax Code (*Testo Unico Imposte sul Reddito*, or "TUIR"), this amount does not constitute taxable income when distributed.

Translation reserve – *€(7,046) million*

The decrease for the year, of €3,244 million, was mainly due to the net appreciation of the euro against the foreign currencies used by subsidiaries and the change in the consolidation scope connected with the purchase of 5.03% of Enel Américas and 2.89% of Enel Chile.

Hedging reserve – *€(1,917) million*

This includes the net expense recognized in equity from the measurement of cash flow hedge derivatives. The cumulative tax effect is equal to €305 million.

Hedging costs reserve – *€(242) million*

In application of IFRS 9, these reserves include the fair value gains and losses on currency basis points and forward points. The cumulative tax effect is equal to €5 million.

Reserve from measurement of financial instruments at FVOCI – *€(1) million*

This includes net unrealized fair value losses on financial assets.

The cumulative tax effect is equal to a negative €2 million.

Reserve from equity-accounted investments – *€(128) million*

The reserve reports the share of comprehensive income to be recognized directly in equity of equity-accounted investees. The cumulative tax effect is equal to €26 million.

Actuarial reserve – *€(1,196) million*

This reserve includes all actuarial gains and losses, net of tax effects. The change is mainly attributable to the decrease in net actuarial losses recognized during the year, mainly reflecting changes in the discount rate, and to the reclassification following the curtailment of a number of defined benefit plans following the signing of the 5th Endesa Collective Bargaining Agreement. The cumulative tax effect is equal to €329 million.

Reserve from disposal of equity interests without loss of control – *€(2,381) 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 income from the disposal 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 disposal to third parties of a non-controlling interest without loss of control in Enel Green Power North America Renewable Energy Partners and a number of companies in South Africa.

The reserve did not change in 2020.

Reserve from acquisitions of non-controlling interests – *€(1,292) 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 and in Italy (Enel Green Power SpA).

The change for the year mainly reflects the effects of the increase of 5.03% in the interest held in Enel Américas and of 2.89% in that held in Enel Chile, bringing the overall stakes to 65% and 64.93%, respectively.

Retained earnings – *€18,200 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, 2019				
	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
Translation reserve	**(7,190)**	*(3,471)*	*(3,719)*	(4,510)	-
Hedging reserve	**(1,968)**	*(1,627)*	*(341)*	(2,121)	2,003
Hedging costs reserve	**(145)**	*(147)*	*2*	(91)	(6)
Reserve from measurement of financial instruments at FVOCI	**1**	*2*	*(1)*	1	(3)
Share of OCI of equity-accounted associates	**(166)**	*(168)*	*2*	(10)	-
Reserve from measurement of equity investments in other companies	**(11)**	*(11)*	-	(21)	-
Actuarial reserve	**(1,475)**	*(1,045)*	*(430)*	(516)	-
Total gains/(losses) recognized in equity	**(10,954)**	***(6,467)***	***(4,487)***	**(7,268)**	**1,994**

Change				at Dec. 31, 2020		
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*
-	**(4,510)**	*(2,987)*	*(1,523)*	**(11,700)**	*(6,458)*	*(5,242)*
(150)	**(268)**	*(294)*	*26*	**(2,236)**	*(1,921)*	*(315)*
(2)	**(99)**	*(95)*	*(4)*	**(244)**	*(242)*	*(2)*
1	**(1)**	*(1)*	-	**-**	*1*	*(1)*
1	**(9)**	*(9)*	-	**(175)**	*(177)*	*2*
-	**(21)**	*(21)*	-	**(32)**	*(32)*	-
163	**(353)**	*(231)*	*(122)*	**(1,828)**	*(1,276)*	*(552)*
13	**(5,261)**	***(3,638)***	***(1,623)***	**(16,215)**	***(10,105)***	***(6,110)***

35.2 Dividends

	Amount distributed (millions of euro)	Dividend per share (euro)
Dividends paid in 2019		
Dividends for 2018	2,847	0.28
Interim dividends for 2019 [1]	-	-
Special dividends	-	-
Total dividend paid in 2019	**2,847**	**0.28**
Dividends paid in 2020		
Dividends for 2019	3,334	0.33
Interim dividends for 2020 [2]	-	-
Special dividends	-	-
Total dividend paid in 2020	**3,334**	**0.33**

(1) Approved by the Board of Directors on November 12, 2019, and paid as from January 22, 2020 (interim dividend of €0.16 per share for a total of €1,627 million).
(2) Approved by the Board of Directors on November 5, 2020, and paid as from January 20, 2021 (interim dividend of €0.175 per share for a total of €1,779 million).

The dividend for 2020 is equal to €0.358 per share, for a total amount of €3,640 million (of which €0.175 per share, for a total of €1,779 million, already paid as an interim dividend as from January 20, 2021) approved by the Board of Directors on March 18, 2020 and proposed to the Shareholders' Meeting of May 20, 2021 at single call. These consolidated financial statements do not take account of the effects of the distribution to shareholders of the dividend for 2020, except for the liability in respect of shareholders for the interim dividend for 2020 dividend, which was approved by the Board of Directors on November 5, 2020 for a potential maximum of €1,779 million, and paid as from January 20, 2021 net of the portion pertaining to the 3,269,152 million treasury shares held as at the record date of January 19, 2021.

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 2020.

To this end, the Group constantly monitors developments in the level of its debt in relation to equity. The situation at December 31, 2020 and 2019, is summarized in the following table.

Millions of euro

	at Dec. 31, 2020	at Dec. 31, 2019	Change
Non-current financial debt	49,519	54,174	(4,655)
Net current financial position	(1,359)	(5,814)	4,455
Non-current financial assets and long-term securities	(2,745)	(3,185)	440
Net financial debt	**45,415**	**45,175**	**240**
Equity attributable to owners of the Parent	28,325	30,377	(2,052)
Non-controlling interests	14,032	16,561	(2,529)
Equity	**42,357**	**46,938**	**(4,581)**
Debt/equity ratio	**1.07**	**0.96**	**-**

The percentage increase in the debt ratio is attributable to the decrease in equity, essentially reflecting adverse exchange rate developments, and the increase in net financial debt, mainly reflecting the funding requirements of investments in the year, the payment of dividends and extraordinary transactions in non-controlling interests connected with the acquisition of additional interests in Enel Américas and Enel Chile.

See note 43 for a breakdown of the individual items in the table.

35.3 Non-controlling interests - *€14,032 million*

The following table presents the composition of non-controlling interests by geographic area.

Millions of euro	Non-controlling interests		Profit for the year attributable to non-controlling interests	
	at Dec. 31, 2020	at Dec. 31, 2019	at Dec. 31, 2020	at Dec. 31, 2019
Italy	2	1	-	(2)
Iberia	5,869	5,961	468	36
Latin America	7,206	9,277	477	1,256
Europe	638	903	55	6
North America	160	222	6	(1)
Africa, Asia and Oceania	157	197	6	7
Total	**14,032**	**16,561**	**1,012**	**1,302**

The decrease in the portion attributable to non-controlling interests mainly reflects exchange rate effects, dividends and the increase in the percentage holding in Enel Américas and Enel Chile.

36. Borrowings

Millions of euro	Non-current		Current	
	at Dec. 31, 2020	at Dec. 31, 2019	at Dec. 31, 2020	at Dec. 31, 2019
Long-term borrowings	49,519	54,174	3,168	3,409
Short-term borrowings	-	-	6,345	3,917
Total	**49,519**	**54,174**	**9,513**	**7,326**

For more information on the nature of borrowings, see note 44 "Financial instruments by category".

37. Employee benefits - *€2,964 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 healthcare 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 ensured, 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 with foreign companies. For Italy, that benefit, which was granted until the end of 2015 to retired employees only, was unilaterally cancelled;
- the item "health insurance" refers to benefits for current or retired employees covering medical expenses;
- "other benefits" mainly regard 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, 2020, and December 31, 2019, respectively, as well as a reconciliation of that obligation with the actuarial liability.

Millions of euro	2020				
	Pension benefits	**Electricity discount**	**Health insurance**	**Other benefits**	**Total**
CHANGES IN ACTUARIAL OBLIGATION					
Actuarial obligation at the start of the year	**5,691**	**904**	**263**	**242**	**7,100**
Current service cost	18	3	4	38	**63**
Interest expense	249	5	7	4	**265**
Actuarial (gains)/losses arising from changes in demographic assumptions	45	12	6	1	**64**
Actuarial (gains)/losses arising from changes in financial assumptions	105	19	(2)	2	**124**
Experience adjustments	466	(21)	(7)	(8)	**430**
Past service cost	(24)	(504)	(13)	(1)	**(542)**
(Gains)/losses arising from settlements	(584)	-	-	-	**(584)**
Exchange differences	(1,206)	(1)	(30)	(7)	**(1,244)**
Employer contributions	-	-	-	-	**-**
Employee contributions	1	-	-	-	**1**
Benefits paid	(358)	(16)	(11)	(48)	**(433)**
Other changes	5	2	-	(1)	**6**
Liabilities included In disposal groups classified as held for sale	-	-	-	-	**-**
Actuarial obligation at year-end (A)	**4,408**	**403**	**217**	**222**	**5,250**
CHANGES IN PLAN ASSETS					
Fair value of plan assets at the start of the year	**3,374**	**-**	**-**	**-**	**3,374**
Interest income	160	-	-	-	**160**
Expected return on plan assets excluding amounts included in interest income	85	-	-	-	**85**
Exchange differences	(782)	-	-	-	**(782)**
Employer contributions	342	16	11	21	**390**
Employee contributions	1	-	-	-	**1**
Benefits paid	(358)	(16)	(11)	(21)	**(406)**
Other payments	(523)	-	-	-	**(523)**
Changes in the consolidation scope	-	-	-	-	**-**
Fair value of plan assets at year-end (B)	**2,299**	**-**	**-**	**-**	**2,299**
EFFECT OF ASSET CEILING					
Asset ceiling at the start of the year	**45**	**-**	**-**	**-**	**45**
Interest income	3	-	-	-	**3**
Changes in asset ceiling	(24)	-	-	-	**(24)**
Exchange differences	(11)	-	-	-	**(11)**
Changes in the consolidation scope	-	-	-	-	**-**
Asset ceiling at year-end	**13**	**-**	**-**	**-**	**13**
Net liability in statement of financial position (A-B+C)	**2,122**	**403**	**217**	**222**	**2,964**

2019				
Pension benefits	**Electricity discount**	**Health insurance**	**Other benefits**	**Total**
5,072	**767**	**253**	**231**	**6,323**
20	4	4	32	**60**
335	15	10	5	**365**
(16)	-	1	-	**(15)**
701	91	15	8	**815**
94	55	(4)	13	**158**
(8)	-	-	2	**(6)**
-	-	-	-	**-**
(84)	-	(2)	1	**(85)**
-	-	-	-	**-**
2	-	-	-	**2**
(431)	(31)	(14)	(45)	**(521)**
6	3	-	(5)	**4**
-	-	-	-	**-**
5,691	**904**	**263**	**242**	**7,100**
3,160	**-**	**-**	**-**	**3,160**
235	-	-	-	**235**
272	-	-	-	**272**
(50)	-	-	-	**(50)**
186	31	14	16	**247**
2	-	-	-	**2**
(431)	(31)	(14)	(16)	**(492)**
-	-	-	-	**-**
-	-	-	-	**-**
3,374	**-**	**-**	**-**	**3,374**
24	**-**	**-**	**-**	**24**
2	-	-	-	**2**
20	-	-	-	**20**
(1)	-	-	-	**(1)**
-	-	-	-	**-**
45	**-**	**-**	**-**	**45**
2,362	**904**	**263**	**242**	**3,771**

The decrease in the actuarial liability compared with 2019, equal to €807 million, is mainly attributable to the transfer by Enel Distribuição São Paulo in Brazil of part of its employee defined benefit plans to external companies. These plans thereby became defined contribution plans, which are not subject to actuarial measurement.

Note also that the obligations in respect of Enel Group personnel have not been appreciably affected by the effects of the COVID-19 emergency, which are considered temporary and short-term.

Millions of euro		
	2020	**2019**
(Gains)/Losses taken to profit or loss		
Service cost and past service cost	(509)	32
Net interest expense	108	129
(Gains)/Losses arising from settlements	(61)	-
Actuarial (gains)/losses on other long-term benefits	31	25
Other changes	(9)	-
Total	**(440)**	**186**

Millions of euro		
	2020	**2019**
Change in (gains)/losses in OCI		
Expected return on plan assets excluding amounts included in interest income	(85)	(272)
Actuarial (gains)/losses on defined benefit plans	626	958
Changes in asset ceiling excluding amounts included in interest income	(24)	20
Other changes	(1)	(4)
Total	**516**	**702**

The decrease in the cost recognized in profit or loss was equal to €626 million. The impact on the income statement is, therefore, smaller than in 2019, due mainly to the signing in 2020 of the 5th Endesa Collective Bargaining Agreement, which modified the electricity discount benefit for current and former employees, with the consequent reversal of the associated provision.

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, 2020. Those assets, which are entirely in Spain and Brazil, break down as follows.

	at Dec. 31, 2020	**at Dec. 31, 2019**
Investments quoted in active markets		
Equity instruments	7%	8%
Fixed-income securities	63%	68%
Investment property	2%	3%
Other	-	-
Unquoted investments		
Assets held by insurance undertakings	-	-
Other	28%	21%
Total	**100%**	**100%**

The main actuarial assumptions used to calculate the liabilities in respect of employee benefits and the plan assets, 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
	2020				2019			
Discount rate	0.00% -0.50%	0.00% -0.61%	2.55% -7.95%	0.75% -6.30%	0.00% -0.70%	0.00% -1.14%	3.40% -7.59%	1.20% -6.45%
Inflation rate	0.50%	1.00%	3.00% -4.85%	0.75% -3.83%	0.70%	2.00%	3.00% -8.00%	1.00% -3.94%
Rate of wage increases	0.50% -2.50%	1.00%	3.80% -5.04%	2.25% -3.83%	0.70% -1.70%	2.00%	3.80% -8.00%	2.50% -3.94%
Rate of increase in healthcare costs	1.50%	3.20%	7.12% -8.00%	-	1.70%	3.20%	7.12% -8.00%	-
Expected rate of return on plan assets	-	0.57%	6.08% -7.33%	-	-	1.09%	6.44% -7.38%	-

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, 2020				at Dec. 31, 2019			
Decrease of 0.5% in discount rate	239	30	11	(1)	321	78	15	5
Increase of 0.5% in discount rate	(190)	(30)	(15)	(11)	(285)	(73)	(19)	(7)
Increase of 0.5% in inflation rate	(1)	(5)	(3)	(7)	(2)	(74)	(5)	(3)
Decrease of 0.5% in inflation rate	33	2	7	(4)	31	79	10	1
Increase of 0.5% in remuneration	14	(2)	(3)	(3)	19	2	(2)	5
Increase of 0.5% in pensions currently being paid	15	(2)	(3)	(6)	9	(2)	(3)	(1)
Increase of 1% healthcare costs	-	-	(2)	-	-	-	12	-
Increase of 1 year in life expectancy of active and retired employees	27	(11)	2	(34)	179	36	19	(1)

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 €80 million.

The following table reports expected benefit payments in the coming years for defined benefit plans.

Millions of euro		
	at Dec. 31, 2020	at Dec. 31, 2019
Within 1 year	366	461
In 1-2 years	337	447
In 2-5 years	971	1,288
More than 5 years	1,534	2,040

38. Provisions for risks and charges – *€6,831 million*

Millions of euro	at Dec. 31, 2020		at Dec. 31, 2019	
	Non-current	Current	Non-current	Current
Provision for litigation, risks and other charges:				
- nuclear decommissioning	596	-	640	-
- site retirement, removal and restoration	2,017	99	1,840	102
- litigation	734	86	938	132
- environmental certificates	-	42	-	33
- taxes and duties	288	43	312	24
- other	757	343	762	504
Total	**4,392**	**613**	**4,492**	**795**
Provision for early retirement incentives and other restructuring plans	623	444	832	401
Provision for restructuring programs connected with energy transition	759	-	-	-
TOTAL	**5,774**	**1,057**	**5,324**	**1,196**

Millions of euro	at Dec. 31, 2019	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	at Dec. 31, 2020
Provision for litigation, risks and other charges:											
- nuclear decommissioning	640	1	-	-	1	(46)	-	-	-	-	596
- site retirement, removal and restoration	1,942	99	(50)	(44)	17	187	-	(36)	2	(1)	2,116
- litigation	1,070	187	(160)	(136)	37	-	-	(198)	21	(1)	820
- environmental certificates	33	41	(8)	(24)	-	-	-	-	-	-	42
- taxes and duties	336	46	(18)	(17)	34	-	-	(46)	(4)	-	331
- other	1,266	331	(147)	(178)	10	-	-	(51)	(131)	-	1,100
Total	**5,287**	**705**	**(383)**	**(399)**	**99**	**141**	**-**	**(331)**	**(112)**	**(2)**	**5,005**
Provision for early retirement incentives and other restructuring plans	1,233	223	(39)	(443)	59	-	-	(2)	36	-	1,067
Provision for restructuring programs connected with energy transition	-	759	-	-	-	-	-	-	-	-	759
TOTAL	**6,520**	**1,687**	**(422)**	**(842)**	**158**	**141**	**-**	**(333)**	**(76)**	**(2)**	**6,831**

Nuclear decommissioning provision

At December 31, 2020, the provision reflected solely the costs that will 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. Quantification of the costs is based on the standard contract between ENRESA and the electricity companies approved by the Ministry for the Economy in September 2001, 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 regards the Endesa Group, Enel Produzione and the companies in Latin America. The change in the provisions during 2020 is mainly linked to the redetermination of the future retirement costs of certain plants in Iberia and an increase in provisions for retirement costs resulting from the Group's decision to promote the termination of generation from coal-fired power plants in Iberia, Italy and Chile in order to achieve the Group's strategic objective of decarbonizing generation in order to mitigate the impacts of climate change.

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. The balance for litigation mainly regards the companies in Spain (€178 million), Italy (€107 million) and Latin America (€522 million).

The decrease compared with the previous year, equal to €250 million, mainly reflects the change in the provision in Latin America and North America, attributable in particular to adverse exchange rate developments in Brazil and Argentina, as well as the resolution of a number of disputes in the United States.

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 Enel Energia, Endesa Energía and Unelco.

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 new *Imposta Municipale Unica* ("IMU")) in Italy. The Group has taken due account of the criteria introduced with circular no. 6/2012 of the Public Land Agency (which resolved interpretive issues concerning the valuation methods for movable assets considered relevant for property registry purposes, including certain assets typical to generation plants, such as turbines) 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 charges on positions that have not yet been assessed by Land Agency offices and municipalities. The provision was virtually unchanged on December 31, 2019.

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 decrease of €166 million in other provisions is mainly attributable to Enel Energia and the adverse exchange rate effects in Latin America.

Note also the recognition of a provision for risks (equal to €47 million) as a result of the write-down of the sale of 50% of the investment in Slovak Power Holding.

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 €166 million for the year mainly reflects uses of provisions for incentives established in Spain and Italy in previous years.

In Italy, the latter is largely associated with the union-company agreements signed in September 2013 and December 2015, implementing, for a number of companies in Italy, the mechanism provided for under Article 4, paragraphs 1-7 *ter*, of Law 92/2012 (the Fornero Act). The latter agreement envisaged the voluntary termination, in Italy, of about 6,100 employees in 2016-2020.

In Spain, the provisions regard the *Acuerdo de Salida Voluntaria*.

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 that will involve around 1,300 people worldwide. 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 for restructuring programs, which at December 31, 2020 amounted to €759 million, which is mainly attributable to Spain and Italy, and represents the estimated costs that the Group has provisioned to accelerate the energy transition process, for all direct and indirect activities related to the review of processes and operating models and the roles and skills of employees.

39. Other non-current liabilities – *€3,458 million*

Millions of euro				
	at Dec. 31, 2020	at Dec. 31, 2019	Change	
Accrued operating expenses and deferred income	500	552	(52)	-9.4%
Other items	2,958	3,154	(196)	-6.2%
Total	**3,458**	**3,706**	**(248)**	**-6.7%**

The decrease of €52 million in "accrued operating expenses and deferred income" is essentially attributable to the €59 million reclassification carried out by Enel Finance International for presentation purposes for deferred income related to the negotiation of derivative contracts, now reported in "other items" of the same table.

In addition to the reclassification mentioned with regard to "accrued operating expenses and deferred income", the change in "other items" reflected an increase in liabilities for tax partnerships beyond 12 months in the United States and an increase in liabilities relating to the outcome of the PIS/COFINS dispute in Brazil (already discussed under "other non-current assets") in the amount of €330 million. These changes were more than offset by adverse exchange rate developments, mainly in Latin America.

40. Other current liabilities - *€11,651 million*

Millions of euro	at Dec. 31, 2020	at Dec. 31, 2019	Change	
Amounts due to customers	1,481	1,670	(189)	-11.3%
Amounts due to institutional market operators	4,012	4,507	(495)	-11.0%
Amounts due to employees	438	496	(58)	-11.7%
Other tax liabilities	886	1,082	(196)	-18.1%
Amounts due to social security institutions	207	212	(5)	-2.4%
Contingent consideration	53	116	(63)	-54.3%
Put options granted to non-controlling shareholders	1	3	(2)	-66.7%
Current accrued expenses and deferred income	346	372	(26)	-7.0%
Dividends	2,135	2,143	(8)	-0.4%
Other	2,092	2,560	(468)	-18.3%
Total	**11,651**	**13,161**	**(1,510)**	**-11.5%**

Amounts due to customers include €822 million (€880 million at December 31, 2019) in security deposits related to amounts received from customers in Italy as part of electricity and gas supply contracts. Following the finalization of the contract, deposits for electricity sales, the use of which is not restricted in any way, are classified as current liabilities given that the Parent does not have an unconditional right to defer repayment beyond 12 months.

Amounts due to institutional market operators include liabilities arising from the application of equalization mechanisms to electricity purchases on the Italian market amounting to €2,444 million (€3,064 million at December 31, 2019), on the Spanish market amounting to €1,538 million (€1,267 million at December 31, 2019) and on the Latin American market amounting to €30 million (€176 million at December 31, 2019).

Contingent consideration mainly regards a number of equity investments held by the Group in North America, the fair value of which was determined on the basis of the contractual conditions in the agreements between the parties.

Other mainly regards the liabilities of some Brazilian companies to the national electricity agency ANEEL (Regulatory Resolution no. 885/2020 of June 23) in respect of loans granted to distribution companies in order to provide liquidity to them and minimize the effects of the pandemic.

The decline in other is mainly attributable to the effect of the recognition in 2019 of the debt of €358 million associated with the purchase through financial intermediaries (with share swaps) of additional shares in Enel Américas and Enel Chile, compounded by the impact of the reduction in 2020 of liabilities for expired commodity derivatives, which were registered mainly in Italy and Spain. These effects were partially offset by an increase in liabilities for tax partnerships (€87 million) posted by renewables companies in North America in the amount of €181 million as a result of the entry of new plants into service.

41. Trade payables - *€12,859 million*

The item amounted to €12,859 million (€12,960 million in 2019) 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 €12,282 million (€12,322 million at December 31, 2019), while those with falling due in more than 12 months amounted to €577 million (€638 million at December 31, 2019).

42. Other current financial liabilities – *€622 million*

Millions of euro	at Dec. 31, 2020	at Dec. 31, 2019	Change	
Accrued financial expense and deferred financial income	535	607	(72)	-11.9%
Other items	87	147	(60)	-40.8%
Total	**622**	**754**	**(132)**	**-17.5%**

The decrease in other current financial liabilities is attributable to a €73 million decrease in accrued financial expense, connected primarily with the decline in interest on bonds, a €41 million decrease in the liability in respect of the deficit of the Spanish electrical system and a €20 million decrease in the liability in respect of bondholders for accrued interest to be settled.

43. Net financial position and long-term financial assets and securities – *€45,415 million*

The following table shows the net financial position and long-term financial assets and securities on the basis of the items on the consolidated statement of financial position.

Millions of euro	Notes	at Dec. 31, 2020	at Dec. 31, 2019	Change	
Long-term borrowings	36	49,519	54,174	(4,655)	-8.6%
Short-term borrowings	36	6,345	3,917	2,428	62.0%
Other current financial borrowings [1]		5	47	(42)	-89.4%
Current portion of long-term borrowings	36	3,168	3,409	(241)	-7.1%
Other non-current financial assets included in net financial debt	27.1	(2,745)	(3,185)	440	13.8%
Other current financial assets included in net financial debt	28	(4,971)	(4,158)	(813)	-19.6%
Cash and cash equivalents	33	(5,906)	(9,029)	3,123	34.6%
Total		**45,415**	**45,175**	**240**	**0.5%**

(1) "Other current financial borrowings" is included under "Other current financial liabilities".

Pursuant to CONSOB instructions of July 28, 2006, the following table reports the net financial debt at December 31, 2020 and December 31, 2019, reconciled with net financial debt as provided for in the presentation methods of the Enel Group.

Millions of euro				
	at Dec. 31, 2020	**at Dec. 31, 2019**	**Change**	
Cash and cash equivalents on hand	42	87	(45)	-51.7%
Bank and post office deposits	5,699	7,910	(2,211)	-28.0%
Other investments of liquidity	165	1,032	(867)	-84.0%
Securities	67	51	16	31.4%
Liquidity	**5,973**	**9,080**	**(3,107)**	**-34.2%**
Short-term loan assets	3,476	2,522	954	37.8%
Current portion of long-term loan assets	1,428	1,585	(157)	-9.9%
Current loan assets	**4,904**	**4,107**	**797**	**19.4%**
Short-term bank borrowings	(711)	(579)	(132)	-22.8%
Commercial paper	(4,854)	(2,284)	(2,570)	-
Current portion of long-term bank borrowings	(1,369)	(1,121)	(248)	-22.1%
Bonds issued (current portion)	(1,412)	(1,906)	494	25.9%
Other borrowings (current portion)	(387)	(382)	(5)	-1.3%
Other short-term borrowings [1]	(785)	(1,101)	316	28.7%
Total current financial debt	**(9,518)**	**(7,373)**	**(2,145)**	**-29.1%**
Net current financial position	**1,359**	**5,814**	**(4,455)**	**-76.6%**
Bank borrowings	(8,663)	(8,407)	(256)	-3.0%
Bonds	(38,357)	(43,294)	4,937	11.4%
Other borrowings	(2,499)	(2,473)	(26)	-1.1%
Non-current financial debt	**(49,519)**	**(54,174)**	**4,655**	**8.6%**
NET FINANCIAL DEBT as per CONSOB Communication	**(48,160)**	**(48,360)**	**200**	**0.4%**
Non-current financial assets and securities	**2,745**	**3,185**	**(440)**	**-13.8%**
NET FINANCIAL DEBT	**(45,415)**	**(45,175)**	**(240)**	**-0.5%**

(1) Includes current borrowings included under other current financial liabilities.

Financial instruments

44. 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.

44.1 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, 2020	at Dec. 31, 2019	at Dec. 31, 2020	at Dec. 31, 2019
Financial assets at amortized cost	44.1.1	**3,966**	**4,258**	**22,967**	**26,326**
Financial assets at FVOCI	44.1.2	**448**	**480**	**67**	**61**
Financial assets at fair value through profit or loss					
Derivative financial assets at FVTPL	44.1.3	52	29	2,765	3,086
Other financial assets at FVTPL	44.1.3	2,087	2,370	301	51
Financial assets designated upon initial recognition (fair value option)	44.1.3	-	-	-	-
Total financial assets at fair value through profit or loss		**2,139**	**2,399**	**3,066**	**3,137**
Derivative financial assets designated as hedging instruments					
Fair value hedge derivatives	44.1.4	50	32	28	-
Cash flow hedge derivatives	44.1.4	1,134	1,322	678	979
Total derivative financial assets designated as hedging instruments		**1,184**	**1,354**	**706**	**979**
TOTAL		**7,737**	**8,491**	**26,806**	**30,503**

For more information on fair value measurement, see note 48 "Assets and liabilities measured at fair value".

44.1.1 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, 2020	at Dec. 31, 2019	Notes	at Dec. 31, 2020	at Dec. 31, 2019
Cash and cash equivalents		-	-	33	5,702	9,029
Trade receivables	32	1,200	917	32	10,846	12,166
Current portion of long-term loan assets		-		28.1	1,331	1,534
Cash collateral		-	-	28.1	3,223	2,153
Other financial assets	27.1	2,337	2,769	28.1	253	370
Financial assets from service concession arrangements at amortized cost	27	243	340	28	9	13
Other financial assets at amortized cost		186	232		1,603	1,061
Total		**3,966**	**4,258**		**22,967**	**26,326**

Impairment of financial assets at amortized cost

Financial assets measured at amortized cost at December 31, 2020 amounted to €3,624 million (€3,370 million at December 31, 2019) and are recognized net of allowances for expected credit losses.

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 im-

pairment 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.

For more information on assets deriving from contracts with customers, please see note 26 "Current/Non-current contract assets/(liabilities).

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, 2020			at Dec. 31, 2019		
	Gross amount	Allowance for expected credit losses	Total	Gross amount	Allowance for expected credit losses	Total
Cash and cash equivalents	5,702	-	5,702	9,029	-	9,029
Trade receivables	15,333	3,287	12,046	16,063	2,980	13,083
Loan assets	7,352	208	7,144	7,057	231	6,826
Other financial assets at amortized cost	2,170	129	2,041	1,805	159	1,646
Total	**30,557**	**3,624**	**26,933**	**33,954**	**3,370**	**30,584**

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 simplified approach.

Millions of euro	ECL 12-month allowance	ECL lifetime allowance
Opening balance at Jan. 1, 2019	**87**	**142**
Accruals	-	26
Uses	-	-
Reversals to profit or loss	(1)	(3)
Other changes	(8)	(12)
Closing balance at Dec. 31, 2019	**78**	**153**
Opening balance at Jan. 1, 2020	**78**	**153**
Accruals	354	8
Uses	-	-
Reversals to profit or loss	(4)	(4)
Other changes	(363)	(14)
Closing balance at Dec. 31, 2020	**65**	**143**

The following table reports changes in the allowance for expected credit losses on trade receivables.

Millions of euro	
Opening balance at Jan. 1, 2019	**2,828**
Accruals	1,239
Uses	(834)
Reversals to profit or loss	(202)
Other changes	(51)
Closing balance at Dec. 31, 2019	**2,980**
Opening balance at Jan. 1, 2020	**2,980**
Accruals	1,505
Uses	(819)
Reversals to profit or loss	(194)
Other changes	(185)
Closing balance at Dec. 31, 2020	**3,287**

The following table reports changes in the allowance for expected credit losses on other financial assets at amortized cost.

Millions of euro	ECL lifetime allowance
Opening balance at Jan. 1, 2019	**64**
Accruals	105
Uses	-
Reversals to profit or loss	(7)
Other changes	(3)
Closing balance at Dec. 31, 2019	**159**
Opening balance at Jan. 1, 2020	**159**
Accruals	22
Uses	-
Reversals to profit or loss	(23)
Other changes	(29)
Closing balance at Dec. 31, 2020	**129**

Note 45 "Risk management" provides additional information on the exposure to credit risk and expected losses.

44.1.2 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, 2020	at Dec. 31, 2019	Notes	at Dec. 31, 2020	at Dec. 31, 2019
Equity investments in other companies at FVOCI	27	40	64		-	-
Securities	27.1	408	416	28.1	67	61
Total		**448**	**480**		**67**	**61**

Changes in financial assets at FVOCI

EQUITY INVESTMENTS IN OTHER COMPANIES

Millions of euro	Non-current	Current
Opening balance at Jan. 1, 2020	**64**	**-**
Purchases	6	-
Sales	-	-
Changes in fair value through OCI	(21)	-
Other changes	(9)	-
Closing balance at Dec. 31, 2020	**40**	**-**

SECURITIES AT FVOCI

Millions of euro	Non-current	Current
Opening balance at Jan. 1, 2020	**416**	**61**
Purchases	124	-
Sales	(54)	-
Changes in fair value through OCI	(3)	-
Reclassifications	(75)	75
Other changes	-	(69)
Closing balance at Dec. 31, 2020	**408**	**67**

44.1.3 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		Non-current			Current	
	Notes	at Dec. 31, 2020	at Dec. 31, 2019	Notes	at Dec. 31, 2020	at Dec. 31, 2019
Derivatives at FVTPL	47	52	29	47	2,765	3,086
Investments in liquid assets		-	-	32	204	-
Financial assets at FVTPL		-	-	28, 28.1	97	51
Equity investments in other companies at FVTPL	27	30	8		-	-
Financial assets from service concession arrangements at FVTPL	27	2,057	2,362		-	-
Total		**2,139**	**2,399**		**3,066**	**3,137**

44.1.4 Derivative financial assets designated as hedging instruments

For more information on derivative financial assets, please see note 47 "Derivatives and hedge accounting".

44.2 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 liabilities, showing hedging derivatives and derivatives measured at fair value through profit or loss separately.

Millions of euro		Non-current		Current	
	Notes	at Dec. 31, 2020	at Dec. 31, 2019	at Dec. 31, 2020	at Dec. 31, 2019
Financial liabilities measured at amortized cost	44.2.1	**50,254**	**54,931**	**29,598**	**28,261**
Financial liabilities at fair value through profit or loss					
Derivative financial liabilities at FVTPL	44.4	29	20	2,887	2,981
Total financial liabilities at fair value through profit or loss		**29**	**20**	**2,887**	**2,981**
Derivative financial liabilities designated as hedging instruments					
Fair value hedge derivatives	44.4	-	1	-	-
Cash flow hedge derivatives	44.4	3,577	2,386	644	573
Total derivative financial liabilities designated as hedging instruments		**3,577**	**2,387**	**644**	**573**
TOTAL		**53,860**	**57,338**	**33,129**	**31,815**

For more information on fair value measurement, please see note 48 "Liabilities measured at fair value".

44.2.1 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		Non-current			Current	
	Notes	at Dec. 31, 2020	at Dec. 31, 2019	Notes	at Dec. 31, 2020	at Dec. 31, 2019
Long-term borrowings	44.3	49,519	54,174	44.3	3,168	3,409
Short-term borrowings		-	-	44.3	6,345	3,917
Trade payables	41	577	638	41	12,282	12,322
Other financial liabilities		158	119		7,803	8,613
Total		**50,254**	**54,931**		**29,598**	**28,261**

44.3 Borrowings

44.3.1 Long-term borrowings (including the portion falling due within 12 months) - *€52,687 million*

The following table reports the carrying amount and fair value for each category of long-term debt and interest rate, including the portion falling due within 12 months.

Millions of euro	Nominal value	Carrying amount	Current portion	Portion due in more than 12 months	Fair value	Nominal value	Carrying amount	Current portion	Portion due in more than 12 months	Fair value	Changes in carrying amount
	at Dec. 31, 2020					at Dec. 31, 2019					
Bonds:											
- listed, fixed rate	23,629	23,052	1,041	22,011	27,470	27,312	26,593	1,621	24,972	31,073	(3,541)
- listed, floating rate	2,817	2,800	260	2,540	2,937	3,515	3,488	258	3,230	3,655	(688)
- unlisted, fixed rate	13,262	13,184	-	13,184	15,753	14,458	14,359	-	14,359	15,794	(1,175)
- unlisted, floating rate	733	733	111	622	828	760	760	27	733	753	(27)
Total bonds	**40,441**	**39,769**	**1,412**	**38,357**	**46,988**	**46,045**	**45,200**	**1,906**	**43,294**	**51,275**	**(5,431)**
Bank borrowings:											
- fixed rate	790	782	254	528	833	896	893	279	614	947	(111)
- floating rate	9,278	9,250	1,115	8,135	9,259	8,610	8,565	842	7,723	8,642	685
- use of revolving credit lines	-	-	-	-	-	70	70	-	70	70	(70)
Total bank borrowings	**10,068**	**10,032**	**1,369**	**8,663**	**10,092**	**9,576**	**9,528**	**1,121**	**8,407**	**9,659**	**504**
Leases:											
- fixed rate	1,979	1,979	225	1,754	1,979	1,856	1,856	257	1,599	1,856	123
- floating rate	89	89	22	67	89	108	108	18	90	108	(19)
Total leases	**2,068**	**2,068**	**247**	**1,821**	**2,068**	**1,964**	**1,964**	**275**	**1,689**	**1,964**	**104**
Other non-bank borrowings:											
- fixed rate	607	639	74	565	630	792	822	92	730	811	(183)
- floating rate	191	179	66	113	160	86	69	15	54	75	110
Total other non-bank borrowings	**798**	**818**	**140**	**678**	**790**	**878**	**891**	**107**	**784**	**886**	**(73)**
Total fixed-rate borrowings	**40,267**	**39,636**	**1,594**	**38,042**	**46,665**	**45,314**	**44,523**	**2,249**	**42,274**	**50,481**	**(4,887)**
Total floating-rate borrowings	**13,108**	**13,051**	**1,574**	**11,477**	**13,273**	**13,149**	**13,060**	**1,160**	**11,900**	**13,303**	**(9)**
TOTAL	**53,375**	**52,687**	**3,168**	**49,519**	**59,938**	**58,463**	**57,583**	**3,409**	**54,174**	**63,784**	**(4,896)**

The table below reports long-term financial debt by currency and interest rate.

LONG-TERM FINANCIAL DEBT 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
	at Dec. 31, 2020		at Dec. 31, 2019		at Dec. 31, 2020	
Euro	**25,581**	**26,089**	**27,272**	**27,915**	**2.2%**	**2.6%**
US dollar	18,500	18,589	20,103	20,239	4.5%	4.7%
Pound sterling	3,955	3,998	4,354	4,394	5.1%	5.3%
Colombian peso	1,283	1,283	1,381	1,381	6.8%	6.8%
Brazilian real	1,832	1,864	2,412	2,458	5.3%	5.3%
Swiss franc	328	329	419	419	1.8%	1.8%
Chilean peso/UF	368	374	414	421	4.9%	5.0%
Peruvian sol	388	388	426	426	5.8%	5.8%
Russian ruble	281	286	225	227	7.1%	7.1%
Other currencies	171	175	577	583		
Total non-euro currencies	**27,106**	**27,286**	**30,311**	**30,548**		
TOTAL	**52,687**	**53,375**	**57,583**	**58,463**		

Long-term financial debt denominated in currencies other than the euro decreased by €3,205 million, largely attributable to the positive effect of the exchange rates of the main currencies.

CHANGE IN THE NOMINAL VALUE OF LONG-TERM DEBT

Millions of euro	Nominal value	Repayments	Change in the consolidation scope	New issues	Other changes	Exchange differences	Nominal value
	at Dec. 31, 2019						at Dec. 31, 2020
Bonds	46,045	(2,109)	-	668	(1,797)	(2,366)	40,441
Borrowings	12,418	(1,638)	(389)	3,256	(48)	(665)	12,934
- of which leases	*1,964*	*(208)*	-	*441*	-	*(129)*	*2,068*
Total financial debt	**58,463**	**(3,747)**	**(389)**	**3,924**	**(1,845)**	**(3,031)**	**53,375**

The nominal value of long-term debt amounted to €53,375 million at December 31, 2020, a decrease of €5,088 million compared with December 31, 2019. The increase in debt deriving from new issues of €3,924 million was easily offset by reductions associated with repayments in the amount of €3,747 million, exchange gains of €3,031 million, the deconsolidation of the debt of a number of South African companies in the amount of €389 million (that amount is net of new issues in 2020 by the deconsolidated companies) and other changes in debt totaling €1,845 million. This value includes €1,797 million reflecting the accounting effects of the consent solicitation directed at the holders of three non-convertible subordinated hybrid bonds denominated in euros in order to align their features with those of new issues. More specifically, the main change to those instruments regarded their maturity, which was transformed from fixed to perpetual, which means that they will be redeemed only in the event of liquidation. As a result, those bonds are no longer recognized as debt instruments but as equity instruments.

Repayments in 2020 concerned bonds in the amount of €2,109 million and borrowings totaling €1,638 million.

More specifically, the main bonds maturing in 2020 included:

- €410 million in respect of a fixed-rate hybrid bond issued by Enel SpA, maturing in January 2020;
- €100 million in respect of a fixed-rate bond issued by Enel Finance International, maturing in January 2020;

- €482 million in respect of a fixed-rate bond issued by Enel Finance International, maturing in March 2020;
- the equivalent of €93 million in respect of a fixed-rate bond in Swiss francs issued by Enel Finance International, maturing in June 2020;
- the equivalent of €438 million in respect of a fixed-rate bond in pounds sterling issued by Enel SpA, maturing in September 2020;
- the equivalent of €274 million in respect of a fixed-rate hybrid bond in pounds sterling repurchased early by Enel SpA in September 2020;
- the equivalent of €286 million in respect of bonds issued by the Latin American companies.

The main repayments of borrowings in the year included the following:

- €150 million in respect of a floating-rate loan of Enel SpA;
- €182 million in respect of loan repayments by Endesa;
- €285 million in respect of loans linked to the achievement of sustainability goals of the Group's Italian companies;
- the equivalent of €585 million associated with Latin American companies.

New borrowing carried out in 2020 involved bonds in the amount of €668 million and borrowings of €3,256 million (both translated at the exchange rates prevailing at the issue date).

The table below shows the main characteristics of the most significant financial transactions involving bond issues and bank borrowings carried out in 2020 and translated into euros at the exchange rate prevailing at December 31, 2020.

Issuer/Borrower	Issue/Grant date	Amount in millions of euro	Currency	Interest rate	Interest rate type	Maturity
Bonds						
Enel Finance International	20.10.2020	557	GBP	1.00%	Fixed rate	20.10.2027
Codensa	25.08.2020	60	COP	CPI + 2.5%	Floating rate	25.08.2027
Codensa	25.08.2020	60	COP	4.700%	Fixed rate	25.08.2024
Total bonds		**677**				
Bank borrowings						
Enel SpA	26.10.2020	500	EUR	Euribor 6M + 1%	Floating rate	15.10.2026
Enel SpA	27.11.2020	500	EUR	Euribor 6M + 1%	Floating rate	15.10.2026
Enel Finance America	21.01.2020	277	USD	LIBOR 6M + 1.3%	Floating rate	20.11.2026
Endesa	20.04.2020	300	EUR	Euribor 3M + 0.7%	Floating rate	19.04.2022
e-distribuzione	30.03.2020	250	EUR	Euribor 6M + 0.42%	Floating rate	30.03.2035
Dolores Wind SA de Cv	09.03.2020	57	USD	LIBOR 6 M + 1.4%	Floating rate	15.01.2027
Enel Distribuição São Paulo	17.04.2020	71	USD	2.96%	Fixed rate	19.04.2021
Enel Rus Wind Kola	27.03.2020	39	RUB	OFZ 3Y+ 1.55%	Floating rate	26.02.2034
Endesa	01.09.2020	35	EUR	Euribor 6M + 0.51%	Floating rate	03.09.2035
Parque Amistad IV SA de CV	09.03.2020	33	USD	LIBOR 6 M + 1.4%	Floating rate	15.01.2027
EGP Magdalena Solar SA de CV	09.03.2020	33	USD	LIBOR 6 M + 1.4%	Floating rate	15.01.2027
Enel Distribuição Ceará	07.01.2020	30	USD	2.1%	Fixed rate	07.01.2021
Enel Distribuição Goiás	06.03.2020	27	USD	1.8%	Fixed rate	08.03.2021
Enel Distribuição Rio de Janeiro	23.12.2020	32	USD	1.4%	Fixed rate	23.12.2022
Total bank borrowings		**2,184**				

The Group's main long-term financial liabilities are governed by covenants that are commonly adopted in international business practice. These liabilities primarily regard the 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 program of (i) 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 its 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.

The main covenants covering Enel's hybrid bonds, including the perpetual hybrid bond issues in September, which will 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 and Enel Finance International NV and the other Group companies, including the sustainability-linked loan facility agreements obtained by Enel in 2019 and 2020, can be summarized as follows:

- 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 that 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) contain covenants and events of default typical of international business practice, which had all been complied with as at December 31, 2020.

The following table reports the impact on gross long-term debt of hedges to mitigate currency risk.

LONG-TERM FINANCIAL DEBT BY CURRENCY AFTER HEDGING

Millions of euro	at Dec. 31, 2020						at Dec. 31, 2019					
	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	**25,581**	**26,089**	**48.9%**	**18,423**	**44,512**	**83.4%**	**27,272**	**27,915**	**47.8%**	**20,218**	**48,133**	**82.3%**
US dollar	18,500	18,589	34.8%	(14,955)	3,634	6.8%	20,103	20,239	34.6%	(16,445)	3,794	6.5%
Pound sterling	3,955	3,998	7.5%	(3,998)	-	-	4,354	4,394	7.5%	(4,394)	-	-
Colombian peso	1,283	1,283	2.4%	-	1,283	2.4%	1,381	1,381	2.4%	-	1,381	2.4%
Brazilian real	1,832	1,864	3.5%	794	2,658	5.0%	2,412	2,458	4.2%	968	3,426	5.9%
Swiss franc	328	329	0.6%	(329)	-	-	419	419	0.7%	(419)	-	-
Chilean peso/ UF	368	374	0.7%	-	374	0.7%	414	421	0.7%	-	421	0.7%
Peruvian sol	388	388	0.7%	-	388	0.7%	426	426	0.7%	-	426	0.7%
Russian ruble	281	286	0.5%	-	286	0.5%	225	227	0.4%	-	227	0.4%
Other currencies	171	175	0.4%	65	240	0.5%	577	583	1.0%	72	655	1.1%
Total non-euro currencies	**27,106**	**27,286**	**51.1%**	**(18,423)**	**8,863**	**16.6%**	**30,311**	**30,548**	**52.2%**	**(20,218)**	**10,330**	**17.7%**
TOTAL	**52,687**	**53,375**	**100.0%**	**-**	**53,375**	**100.0%**	**57,583**	**58,463**	**100.0%**	**-**	**58,463**	**100.0%**

The amount of floating-rate debt that is not hedged against interest rate risk is a risk factor that could impact the income statement (raising borrowing costs) in the event of an increase in market interest rates.

Millions of euro	2020				2019			
	Pre-hedge	%	Post-hedge	%	Pre-hedge	%	Post-hedge	%
Floating rate	19,458	32.6%	13,672	22.9%	17,113	27.4%	12,208	19.6%
Fixed rate	40,267	67.4%	46,053	77.1%	45,314	72.6%	50,219	80.4%
Total	**59,725**		**59,725**		**62,427**		**62,427**	

At December 31, 2020, 32.6% of financial debt was floating rate (27.4% at December 31, 2019). Taking account of hedges of interest rates considered effective pursuant to the IFRS-EU, 22.9% of net financial debt at December 31, 2020 (19.6% at December 31, 2019) was exposed to interest rate risk. Including interest rate derivatives treated as hedges for management purposes but ineligible for hedge accounting, the percentage of net financial debt hedged at December 31, 2020 was unchanged compared with the previous year.

These results are in line with the limits established in the risk management policy.

44.3.2 Short-term borrowings - *€6,345 million*

At December 31, 2020 short-term borrowings amounted to €6,345 million, an increase of €2,428 million on December 31, 2019. They break down as follows.

Millions of euro	at Dec. 31, 2020	at Dec. 31, 2019	Change
Short-term bank borrowings	711	579	132
Commercial paper	4,854	2,284	2,570
Cash collateral and other financing on derivatives	370	750	(380)
Other short-term borrowings [1]	410	304	106
Short-term borrowings	**6,345**	**3,917**	**2,428**

(1) Does not include current financial borrowings included in other current financial liabilities.

Commercial paper amounted to €4,854 million, issued by Enel Finance International, Enel Finance America and Endesa.

The main commercial paper programs include:

- €6,000 million of Enel Finance International;
- €4,000 million of Endesa;
- $3,000 million (equivalent to €2,445 million at December 31, 2020) of Enel Finance America.

During 2020 Enel Finance International and Endesa structured commercial paper programs linked to sustainability goals and at December 31, 2020 these issues totaled €3,901 million.

44.4 Derivative financial liabilities

For more information on derivative financial liabilities, please see note 47 "Derivatives and hedge accounting".

44.5 Net gains and losses

The following table shows net gains and losses by category of financial instruments, excluding derivatives.

Millions of euro	2020		2019	
	Net gain/(loss)	*Of which impairment loss/gain*	Net gain/(loss)	*Of which impairment loss/gain*
Financial assets at amortized cost	**(1,326)**	**(1,334)**	**(525)**	**(1,137)**
Financial assets at FVOCI				
Equity investments at FVOCI	1	-	1	-
Other financial assets at FVOCI	6	-	5	-
Total financial assets at FVOCI	**7**	**-**	**6**	**-**
Financial assets at FVTPL				
Financial assets at FVTPL	(125)	(346)	177	(23)
Financial assets designated upon initial recognition (fair value option)	-	-	-	-
Total financial assets at FVTPL	**(125)**	**(346)**	**177**	**(23)**
Financial liabilities measured at amortized cost	**(1,385)**	**-**	**(3,514)**	**-**
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 12 "Net financial income/(expense) from derivatives".

45. 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 internal committees and the establishment of specific policies 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 Group's policies for managing financial risks provide for the mitigation of the effects on performance of changes in interest rates and exchange rates with the exclusion of translation risk (connected with consolidation of the accounts). This objective is achieved at the source of the risk, through the diversification of both the nature of the financial instruments and the sources of revenue, and by modifying the risk profile of specific exposures with derivatives entered into on over-the-counter markets or with specific commercial agreements.

As part of its governance of financial risks, Enel regularly monitors the size of the OTC derivatives portfolio in relation to the threshold values set by regulators for the activation of clearing obligations (EMIR - European Market Infrastructure Regulation no. 648/2012 of the European Parliament and of the Council). During 2020, no overshoot of those threshold values was detected.

There were no changes in the sources of exposure to such risks compared with the previous year.

Finally, the impact of COVID-19 on risk management issues was limited and in any case not such as to directly and materially influence the valuation of derivative instruments and the outcome of the assessment of the effectiveness of hedges of exchange rates, interest rates and commodities. The financial underlyings were not affected by the adverse impact of COVID-19 either, and no changes were recorded in the exposures.

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.

For the purpose of EMIR compliance, in order to test the actual effectiveness of the hedging techniques adopted, the Group subjects its hedge portfolios to periodic statistical assessment.

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.

Floating-to-fixed interest rate swaps transform floating-rate financial liabilities into fixed rate liabilities, thereby neutralizing the exposure of cash flows to changes in interest rates.

Fixed-to-floating interest rate swaps transform fixed rate financial liabilities into floating-rate liabilities, thereby neutralizing the exposure of their fair value to changes in interest rates.

Floating-to-floating interest rate swaps transform the indexing criteria for floating-rate financial liabilities.

Some structured borrowings have multi-stage cash flows hedged by interest rate swaps that at the reporting date, and for a limited time, provide for the exchange of fixed-rate interest flows.

Interest rate options involve the exchange of interest differences calculated on a notional principal amount once certain thresholds (strike prices) are reached. These thresholds specify the effective maximum rate (cap) or the minimum rate (floor) to which the synthetic financial instrument will be indexed as a result of the hedge. Certain hedging strategies provide for the use of combinations of options (collars) that establish the minimum and maximum rates at the

same time. In this case, the strike prices are normally set so that no premium is paid on the contract (zero cost collars). Such contracts are normally used when the fixed interest rate that can be obtained in an interest rate swap is considered too high with respect to market expectations for future interest rate developments. In addition, interest rate options are also considered most appropriate in periods of greater uncertainty about future interest rate developments because they make it possible to benefit from any decrease in interest rates.

The following table reports the notional amount of interest rate derivatives at December 31, 2020 and December 31, 2019 broken down by type of contract.

Millions of euro	Notional amount	
	2020	**2019**
Floating-to-fixed interest rate swaps	7,323	7,932
Fixed-to-floating interest rate swaps	173	152
Fixed-to-fixed interest rate swaps	-	-
Floating-to-floating interest rate swaps	276	327
Interest rate options	50	50
Total	**7,822**	**8,461**

For more details on interest rate derivatives, please see note 47 "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	2020				
		Pre-tax impact on profit or loss		Pre-tax impact on equity	
	Basis points	**Increase**	**Decrease**	**Increase**	**Decrease**
Change in financial expense on gross long-term floating-rate debt after hedging	25	18	(18)	-	-
Change in fair value of derivatives classified as non-hedging instruments	25	6	(6)	-	-
Change in fair value of derivatives designated as hedging instruments					
Cash flow hedges	25	-	-	112	(112)
Fair value hedges	25	-	-	-	-

At December 31, 2020, 24.6% (22.5% at December 31, 2019) 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), 86.3% of gross long-term financial debt was hedged at December 31, 2020 (85.9% at December 31, 2019).

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 derivative, typically on the OTC market.

The derivatives in the Group's portfolio of financial instruments 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, 2020 and December 31, 2019, broken down by type of hedged item.

Millions of euro	Notional amount	
	2020	**2019**
Cross currency interest rate swaps (CCIRSs) hedging debt denominated in currencies other than the euro	20,636	22,756
Currency forwards hedging currency risk on commodities	5,469	4,291
Currency forwards/swaps hedging future cash flows in currencies other than the euro	3,971	4,760
Other currency forwards	990	1,488
Total	**31,066**	**33,295**

More specifically, these include:

- CCIRSs with a notional amount of €20,636 million to hedge the currency risk on debt denominated in currencies other than the euro (€22,756 million at December 31, 2019);
- currency forwards with a total notional amount of €9,440 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 (€9,051 million at December 31, 2019);
- other currency forwards include OTC derivatives transactions carried out to mitigate currency risk on expected cash flows in currencies other than the presentation currency connected with the purchase of investment goods in the renewables 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.

At December 31, 2020, 51% (52% at December 31, 2019)

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 17% at December 31, 2020 (18% at December 31, 2019).

Currency risk sensitivity analysis

The Group analyses 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		2020			
			Pre-tax impact on profit or loss		Pre-tax impact on equity
	Exchange rate	Increase	Decrease	Increase	Decrease
Change in fair value of derivatives classified as non-hedging instruments	10%	605	(739)	-	-
Change in fair value of derivatives designated as hedging instruments					
Cash flow hedges	10%	-	-	(2,968)	3,626
Fair value hedges	10%	(53)	65	-	-

Commodity price risk

The risk of fluctuations in the price of energy commodities such as electricity, gas, oil, CO_2, etc. 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 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 (PPAs) and financial contracts (e.g. contracts for differences, VPP contracts, 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 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, CO_2, 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, CO_2 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.
The following table reports the notional amount of outstanding transactions at December 31, 2020 and December 31, 2019, broken down by type of instrument.

Millions of euro	Notional amount	
	2020	2019
Forward and futures contracts	48,064	35,824
Swaps	1,862	5,706
Options	576	654
Embedded	7	68
Total	**50,509**	**42,252**

For more details, please see note 47 "Derivatives and hedge accounting".

Sensitivity analysis of commodity risk

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 CO_2. 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, CO_2.
The Group's exposure to changes in the prices of other commodities is not material.

Millions of euro	2020				
		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%	(43)	43	-	-
Change in the fair value of derivatives on commodities designated as hedging instruments	15%	-	-	25	(25)

Credit and counterparty risk

The Group's commercial, commodity and financial transactions expose it to credit and counterparty risk, i.e. the possibility that a deterioration in the creditworthiness of a counterparty that has an adverse impact on the expected value of the creditor position or, for trade payables only, increase average collection times.
Accordingly, the exposure to credit 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);
- 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 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 all the main Regions/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 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 Regions/Countries/Global Business Li-

nes, 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 global pandemic. This reflects the strengthening of digital collection channels and a sound diversification of commercial customers with a low exposure to the impacts of COVID (e.g. utilities and distribution companies).

LOAN ASSETS

Millions of euro

	at Dec. 31, 2020				
Staging	**Basis for recognition of expected credit loss allowance**	**Avg loss rate (PD*LGD)**	**Gross carrying amount**	**Expected credit loss allowance**	**Carrying amount**
Performing	12 m ECL	0.9%	7,088	65	7,023
Underperforming	Lifetime ECL	25.0%	88	22	66
Non-performing	Lifetime ECL	68.8%	176	121	55
Total			**7,352**	**208**	**7,144**

CONTRACT ASSETS, TRADE RECEIVABLES AND OTHER FINANCIAL ASSETS: INDIVIDUAL MEASUREMENT

Millions of euro

	at Dec. 31, 2020			
	Avg loss rate (PD*LGD)	**Gross carrying amount**	**Expected credit loss allowance**	**Carrying amount**
Contract assets	**4.3%**	**23**	**1**	**22**
Trade receivables				
Trade receivables not past due	1.3%	4,953	66	4,887
Trade receivables past due:				
- 1-30 days	1.5%	453	7	446
- 31-60 days	2.8%	106	3	103
- 61-90 days	12.8%	39	5	34
- 91-120 days	28.0%	25	7	18
- 121-150 days	12.9%	31	4	27
- 151-180 days	100.0%	53	53	-
- more than 180 days (credit impaired)	83.8%	1,692	1,418	274
Total trade receivables		**7,352**	**1,563**	**5,789**
Other financial assets				
Other financial assets not past due	3.1%	1,243	38	1,205
Other financial assets past due:				
- 1-30 days	15.6%	499	78	421
- 31-60 days	-	11	-	11
- 61-90 days	-	-	-	-
- 91-120 days	-	-	-	-
- 121-150 days	-	-	-	-
- 151-180 days	40.0%	5	2	3
- more than 180 days (credit impaired)	6.3%	79	5	74
Total other financial assets		**1,837**	**123**	**1,714**
TOTAL		**9,212**	**1,687**	**7,525**

CONTRACT ASSETS, TRADE RECEIVABLES AND OTHER FINANCIAL ASSETS COLLECTIVE MEASUREMENT

Millions of euro

	at Dec. 31, 2020			
	Avg loss rate (PD*LGD)	Gross carrying amount	Expected credit loss allowance	Carrying amount
Contract assets	**1.2%**	**163**	**2**	**161**
Trade receivables				
Trade receivables not past due	0.6%	5,487	32	5,455
Trade receivables past due:				
- 1-30 days	7.2%	554	40	514
- 31-60 days	16.2%	154	25	129
- 61-90 days	26.4%	110	29	81
- 91-120 days	36.6%	71	26	45
- 121-150 days	43.1%	58	25	33
- 151-180 days	100.0%	79	79	-
- more than 180 days (credit impaired)	100.0%	1,468	1,468	-
Total trade receivables		**7,981**	**1,724**	**6,257**
Other financial assets				
Other financial assets not past due	2.2%	274	6	268
Other financial assets past due:				
- 1-30 days	-	3	-	3
- 31-60 days	-	1	-	1
- 61-90 days	-	-	-	-
- 91-120 days	-	-	-	-
- 121-150 days	-	-	-	-
- 151-180 days	-	-	-	-
- more than 180 days (credit impaired)	-	55	-	55
Total other financial assets		**333**	**6**	**327**
TOTAL		**8,477**	**1,732**	**6,745**

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, available 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.

In order to respond to any exceptional circumstances that might arise in the context of the COVID-19 emergency, in 2020 the Group decided to further increase its already large and robust level of liquid financial resources available by expanding its committed credit lines and commercial paper programs.

The Group holds the following undrawn lines of credit and commercial paper programs.

Millions of euro	at Dec. 31, 2020		at Dec. 31, 2019	
	Expiring within one year	Expiring beyond one year	Expiring within one year	Expiring beyond one year
Committed credit lines	4,028	14,531	215	15,461
Uncommitted credit lines	802	-	927	-
Commercial paper	7,591	-	9,627	-
Total	**12,421**	**14,531**	**10,769**	**15,461**

Maturity analysis

The table below summarizes the maturity profile of the Group's long-term debt.

Millions of euro	Maturing in						
	Less than 3 months	From 3 months to 1 year	2022	2023	2024	2025	Beyond
Bonds:							
- listed, fixed rate	175	866	2,256	2,085	4,595	3,408	9,667
- listed, floating rate	-	260	437	580	397	308	818
- unlisted, fixed rate	-	-	1,677	2,032	1,217	1,213	7,045
- unlisted, floating rate	-	111	97	97	97	97	234
Total bonds	**175**	**1,237**	**4,467**	**4,794**	**6,306**	**5,026**	**17,764**
Bank borrowings:							
- fixed rate	69	185	233	63	32	32	168
- floating rate	181	934	944	713	722	683	5,073
- use of revolving credit lines	-	-	-	-	-	-	-
Total bank borrowings	**250**	**1,119**	**1,177**	**776**	**754**	**715**	**5,241**
Leases:							
- fixed rate	62	163	194	159	121	115	1,165
- floating rate	5	17	15	13	13	13	13
Total leases	**67**	**180**	**209**	**172**	**134**	**128**	**1,178**
Other non-bank borrowings:							
- fixed rate	21	53	63	90	130	24	258
- floating rate	44	22	24	17	14	19	39
Total other non-bank borrowings	**65**	**75**	**87**	**107**	**144**	**43**	**297**
TOTAL	**557**	**2,611**	**5,940**	**5,849**	**7,338**	**5,912**	**24,480**

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, 2020.

Millions of euro	at Dec. 31, 2020	2021-2024	2025-2029	2030-2034	Beyond
Commitments to purchase commodities:					
- electricity	67,400	19,058	15,730	13,273	19,339
- fuels	41,855	21,207	12,855	5,832	1,961
Total	**109,255**	**40,265**	**28,585**	**19,105**	**21,300**

46. Offsetting financial assets and financial liabilities

At December 31, 2020, 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.

47. 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 a 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, 2020	at Dec. 31, 2019	at Dec. 31, 2020	at Dec. 31, 2019	at Dec. 31, 2020	at Dec. 31, 2019	at Dec. 31, 2020	at Dec. 31, 2019
DERIVATIVE ASSETS								
Fair value hedge derivatives:								
- on interest rates	138	12	22	7	-	-	-	-
- on exchange rates	639	166	28	25	79	-	28	-
Total	**777**	**178**	**50**	**32**	**79**	**-**	**28**	**-**
Cash flow hedge derivatives:								
- on interest rates	161	335	21	26	-	133	-	-
- on exchange rates	5,061	11,705	685	1,081	698	2,717	51	132
- on commodities	2,541	1,628	428	215	2,165	3,081	627	847
Total	**7,763**	**13,668**	**1,134**	**1,322**	**2,863**	**5,931**	**678**	**979**
Trading derivatives:								
- on interest rates	50	50	2	2	-	-	-	-
- on exchange rates	71	-	4	-	3,430	3,399	79	34
- on commodities	379	322	46	27	21,424	17,203	2,686	3,052
Total	**500**	**372**	**52**	**29**	**24,854**	**20,602**	**2,765**	**3,086**
TOTAL DERIVATIVE ASSETS	**9,040**	**14,218**	**1,236**	**1,383**	**27,796**	**26,533**	**3,471**	**4,065**

Millions of euro	Non-current				Current			
	Notional		Fair value		Notional		Fair value	
	at Dec. 31, 2020	at Dec. 31, 2019	at Dec. 31, 2020	at Dec. 31, 2019	at Dec. 31, 2020	at Dec. 31, 2019	at Dec. 31, 2020	at Dec. 31, 2019
DERIVATIVE LIABILITIES								
Fair value hedge derivatives:								
- on exchange rates	-	5	-	1	-	-	-	-
Total	**-**	**5**	**-**	**1**	**-**	**-**	**-**	**-**
Cash flow hedge derivatives:								
- on interest rates	7,201	7,704	938	779	122	65	2	1
- on exchange rates	16,310	11,049	2,491	1,560	3,766	2,573	263	115
- on commodities	1,535	601	148	47	1,466	1,613	379	457
Total	**25,046**	**19,354**	**3,577**	**2,386**	**5,354**	**4,251**	**644**	**573**
Trading derivatives:								
- on interest rates	50	62	4	6	100	100	88	79
- on exchange rates	28	2	3	-	984	1,679	41	38
- on commodities	89	154	22	14	20,910	17,650	2,758	2,864
Total	**167**	**218**	**29**	**20**	**21,994**	**19,429**	**2,887**	**2,981**
TOTAL DERIVATIVE LIABILITIES	**25,213**	**19,577**	**3,606**	**2,407**	**27,348**	**23,680**	**3,531**	**3,554**

47.1 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 and net investments in foreign operations 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 45 "Risk management".

To be effective a hedging 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 underling 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 those 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 hedging 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 included 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 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 impact the changes in the fair value of the hedging instruments and hedged items).

Fair value hedges
Fair value hedges are used to protect the Group against exposures to changes in the fair value of assets, liabilities or firm commitment attributable to a particular risk that could affect profit or loss.
Changes in fair value of derivatives that qualify and are designated as hedging instruments are recognized in the income statement, together with changes in the fair value 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 hedging 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, hedging 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 hedging 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 hedging 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 and the associated risk

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 the benchmarks for the determination of interest rates that includes the replacement of some benchmark indices with alternative risk-free reference rates (the IBOR reform).

In a context of significant uncertainty regarding the timing and transition procedures in the various countries, the Group is finalizing an assessment of the impact of the reform on contracts after having delineated their global scope in terms of their number and nominal value through a census based on data collection from Countries and Business Lines. In addition, contractual amendments are beginning to be implemented gradually in a process that will continue in 2021, although this may vary depending on developments in the reform of benchmarks for determining interest rates and alternative risk-free reference rates associated with market liquidity.

Derivatives

For risk management purposes, the Group holds interest rate swaps and cross currency interest rate swaps that are mostly designated as cash flow hedging relationships, with only a minority portion designated as fair value hedges.

Interest rate swaps and cross currency interest rate swaps are essentially indexed to either Euribor or LIBOR in dollars or pounds. 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 benchmark reform and plans to amend the 2006 ISDA definitions relating to floating rates to include replacement clauses (fallbacks) that would apply upon the permanent discontinuation of certain key IBORs. The ISDA has published a supplement to amend the ISDA 2006 definitions (the ISDA Fallback Supplement) and a protocol to facilitate multilateral amendments to include the amended floating-rate options in derivative transactions entered into prior to the entry into force of the supplement (ISDA Fallback Protocol). The Group is evaluating whether or not to adopt to this protocol, monitoring whether other counterparties are doing so. In the event of a change in the plan or if certain counterparties do not adopt the protocol, the Group would negotiate bilaterally with them about the inclusion of new fallback clauses.

Hedging relationships

The Group has assessed the impact of uncertainty engendered by the IBOR reform on hedging relationships at December 31, 2020 with reference to both hedging instruments and hedged items. Both the hedged items and the Group's hedging instruments will change their parameterization from interbank market-based benchmarks (IBORs) to alternative risk-free rates (RFRs) as a result of the contractual amendments that will take effect in 2021. More

specifically, for hedging instruments indexed to Euribor, the replacement rate will be based on the Euro STR (Euro Short-Term Rate), while those indexed to LIBOR in dollars and pounds will be indexed to SOFR (Secured Overnight Financing Rate) and SONIA (Sterling Overnight Index Average), respectively.

The most significant exposure of the Group is to Euribor, together with significant exposures to LIBOR in pounds and dollars as well. However, it is certainly on the euro side that the uncertainty surrounding the replacement process is greatest.

However, even if the Group expects the benchmark rates based on interbank markets to be discontinued after the end of 2021, there is uncertainty about the timing and procedures for replacing these indices for both hedged items and hedging instruments. The Group is therefore applying the amendments to IFRS 9 issued in September 2019 to hedging relationships directly impacted by the IBOR reform.

The hedging relationships affected by the IBOR reform could become ineffective owing to the expectations of market players regarding the moment in which the transition from the benchmarks for determining interest rates based on interbank markets to alternative rates will take place. This transition could occur at different times for hedged items and hedging instruments and lead to ineffectiveness. In any case, the Group will work to implement the replacements at the same time.

The exposure of the Enel Group to hedging relationships impacted by the IBOR reform, for which the exceptions provided for in the amendments to IFRS 9 issued in September 2019 were applied, amounts to €9,434 million in terms of the notional amount of the hedging instruments at December 31, 2020. The following table provides a breakdown of the notional amounts of the hedging instruments by IBOR rate.

Millions of euro	**Notional amount**
	at Dec. 31, 2020
Hedging instruments	
GBP LIBOR	1,225
USD LIBOR	1,595
Euribor	6,614
Total	**9,434**

47.1.1 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, 2020 and December 31, 2019, broken down by maturity.

Millions of euro	Maturity					
	2021	**2022**	**2023**	**2024**	**2025**	**Beyond**
At Dec. 31, 2020						
Interest rate swaps						
Total notional amount	122	461	178	155	591	6,115
Notional amount related to IRS in euro	-	135	178	155	591	5,295
Average IRS rate in euro		5.0139	4.1593	4.4380	1.9058	1.8321
Notional amount related to IRS in US dollars	122	326	-	-	-	639
Average IRS rate in US dollars	2.0350	3.5227				2.4648

	2020	**2021**	**2022**	**2023**	**2024**	**Beyond**
At Dec. 31, 2019						
Interest rate swaps						
Total notional amount	199	140	499	187	170	7,054
Notional amount related to IRS in euro	47	-	143	187	170	6,042
Average IRS rate in euro	3.1825		4.9699	4.0516	4.1629	1.8298
Notional amount related to IRS in US dollars	134	134	356	-	-	665
Average IRS rate in US dollars	1.5740	2.0350	3.5227			2.9665

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, 2020 and December 31, 2019, 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, 2020**			at Dec. 31, 2019		
Fair value hedges							
Interest rate swaps	Floating-rate non-bank borrowings	15	-	126	-	-	-
Interest rate swaps	Fixed-rate bank borrowings	7	-	12	7	-	12
Cash flow hedges							
Interest rate swaps	Floating-rate bonds	-	(232)	1,190	11	(499)	3,953
Interest rate swaps	Floating-rate loan assets	21	-	161	15	-	140
Interest rate swaps	Floating-rate non-bank borrowings	-	(708)	6,133	-	(281)	4,144
Total		**43**	**(940)**	**7,622**	**33**	**(780)**	**8,249**

The following table shows the notional amount and the fair value of hedging derivatives on interest rate risk as at December 31, 2020 and December 31, 2019, broken down by type of hedge.

Millions of euro	Notional amount		Fair value assets		Notional amount		Fair value liabilities	
Derivatives	**at Dec. 31, 2020**	**at Dec. 31, 2019**	**at Dec. 31, 2020**	**at Dec. 31, 2019**	**at Dec. 31, 2020**	**at Dec. 31, 2019**	**at Dec. 31, 2020**	**at Dec. 31, 2019**
Fair value hedges								
Interest rate swaps	138	12	22	7	-	-	-	-
Interest rate options	-	-	-	-	-	-	-	-
Total	**138**	**12**	**22**	**7**	**-**	**-**	**-**	**-**
Cash flow hedges								
Interest rate swaps	161	468	21	26	7,323	7,769	(940)	(780)
Interest rate options	-	-	-	-	-	-	-	-
Total	**161**	**468**	**21**	**26**	**7,323**	**7,769**	**(940)**	**(780)**
TOTAL INTEREST RATE DERIVATIVES	**299**	**480**	**43**	**33**	**7,323**	**7,769**	**(940)**	**(780)**

The notional amount of derivatives classified as hedging instruments at December 31, 2020, came to €7,622 million, with a corresponding negative fair value of €897 million.

Compared with December 31, 2019, the notional amount decreased by €627 million, mainly reflecting:

- the expiry of interest rate swaps amounting to €180 million;
- a reduction of €127 million in interest rate swaps due to a change in the consolidation method used for available-for-sale entities in the Africa, Asia and Oceania area;
- new interest rate swaps amounting to €40 million. The amount also reflects the reduction of €360 million in the notional amount of amortizing interest rate swaps.

The deterioration in the fair value of €150 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 deriving from changes in the fair value of fair value hedge derivatives and the changes in the fair value of the hedged item that are attributable to interest rate risk both in 2020 and the previous year.

Millions of euro	2020	2019
	Net gain/(loss)	**Net gain/(loss)**
Interest rate hedging instruments	15	-
Hedged item	(14)	-
Ineffective portion	**1**	**-**

The following table shows the impact of fair value hedges of interest rate risk in the statement of financial position at December 31, 2020 and December 31, 2019.

Millions of euro	2020			2019		
	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	138	22	22	12	7	7

The following table shows the impact of the hedged item of fair value hedges in the statement of financial position at December 31, 2020 and December 31, 2019.

Millions of euro	2020			2019		
	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	20	7	(7)	20	7	(7)
Floating-rate borrowings	146	15	(15)	-	-	-
Total	**166**	**22**	**(22)**	**20**	**7**	**(7)**

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, 2020	2021	2022	2023	2024	2025	Beyond
Cash flow hedge derivatives on interest rates							
Positive fair value	21	4	4	4	3	2	5
Negative fair value	(940)	(149)	(141)	(141)	(125)	(104)	(306)

The following table shows the impact of cash flow hedges of interest rate risk in the statement of financial position at December 31, 2020 and December 31, 2019.

Millions of euro	2020			2019		
	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	7,484	(919)	(919)	8,237	(754)	(754)
Total	**7,484**	**(919)**	**(919)**	**8,237**	**(754)**	**(754)**

The following table shows the impact of the hedged item of cash flow hedges in the statement of financial position at December 31, 2020 and December 31, 2019.

Millions of euro	2020					2019				
	Fair value used to measure ineffectiveness in the year	Fair value at the designation date of CFH derivatives through profit or loss	Hedging reserve	Hedging costs reserve	Ineffective portion of carrying amount of CFH derivatives	Fair value used to measure ineffectiveness in the year	Fair value at the designation date of CFH derivatives through profit or loss	Hedging reserve	Hedging costs reserve	Ineffective portion of carrying amount of CFH derivatives
Floating-rate bonds	232	-	(232)	-	-	486	-	(486)	-	(2)
Floating-rate loan assets	(21)	-	21	-	-	(15)	-	15	-	-
Floating-rate non-bank borrowings	653	(44)	(653)	-	(11)	275	(49)	(226)	-	(6)
Total	**864**	**(44)**	**(864)**	**-**	**(11)**	**746**	**(49)**	**(697)**	**-**	**(8)**

Finally, note that for cash flow hedge derivatives on interest rates, the amount reclassified in 2020 from other comprehensive income to profit or loss generated financial expense of €82 million gross of tax effects, while the previous year the financial expense recognized amounted to €1,315 million.

Currency risk

The following table reports the maturity profile of the notional amount and associated average contractual exchange rate for the instruments hedging currency risk on transactions outstanding at December 31, 2020 and December 31, 2019.

Millions of euro	Maturity						
	2021	2022	2023	2024	2025	Beyond	Total
At Dec. 31, 2020							
Cross currency interest rate swaps (CCIRS)							
Total notional amount of CCIRS	859	1,702	3,120	3,088	1,336	10,882	20,987
Notional amount for CCIRS EUR-USD	185	1,630	2,038	1,223	1,223	6,928	13,227
Average exchange rate EUR/USD	1.1348	1.1213	1.2493	1.1039	1.1593	1.2397	
Notional amount for CCIRS EUR-GBP	278	-	-	946	-	3.443	4,667
Average exchange rate EUR/GBP	0.8248			0.8765		0.7876	
Notional amount for CCIRS EUR-CHF	-	-	-	208	-	120	328
Average exchange rate EUR/CHF				1.0642		0.9040	
Notional amount for CCIRS USD-BRL	395	71	64	-	-	244	774
Average exchange rate USD/BRL	4.3935	4.1779	5.1967			3.4489	
Currency forwards							
Total notional amount of forwards	3.684	1.871	12	-	-	-	5,567
Notional amount - currency forward EUR/USD	2.671	1.786	12	-	-	-	4,469
Average currency forward rate - EUR/USD	1.1473	1.1535	1.1976				
Notional amount - currency forward USD/BRL	379	37	-	-	-	-	416
Average currency forward rate - USD/BRL	5.2226	5.4405					
Notional amount - currency forward USD/COP	187	-	-	-	-	-	187
Average currency forward rate - USD/COP	3.782						
Notional amount - currency forward USD/CLP	121	-	-	-	-	-	121
Average currency forward rate - USD/CLP	716.8847						
Notional amount - currency forward EUR/RUB	100	-	-	-	-	-	100
Average currency forward rate - EUR/RUB	91.8464						

Millions of euro	Maturity						
	2020	**2021**	**2022**	**2023**	**2024**	**Beyond**	**Total**
At Dec. 31, 2019							
Cross currency interest rate swaps (CCIRS)							
Total notional amount of CCIRS	831	1.115	1.781	3.339	3.146	12.511	22.723
Notional amount for CCIRS EUR-USD	-	202	1.781	3.339	1.336	8.904	15.562
Average exchange rate EUR/USD		1.1348	1.1213	1.2184	1.1039	1.2067	
Notional amount for CCIRS EUR-GBP	470	587	-	-	999	3.041	5.097
Average exchange rate EUR/GBP	0.8466	0.8245			0.8765	0.8062	
Notional amount for CCIRS EUR-CHF	92	-	-	-	207	120	419
Average exchange rate EUR/CHF	1.2169				1.0642	1.21	
Notional amount for CCIRS USD-BRL	269	326	-	-	-	288	883
Average exchange rate USD/BRL	3.9273	3.4742				3.5655	
Currency forwards							
Total notional amount of forwards	4.459	1.015	18	-	-	-	5.492
Notional amount - currency forward EUR/USD	2.899	958	18	-	-	-	3.875
Average currency forward rate - EUR/USD	1.1774	1.1803	1.1609				
Notional amount - currency forward USD/CLP	527	44	-	-	-	-	571
Average currency forward rate - USD/CLP	678.0443	680					
Notional amount - currency forward USD/BRL	313	14	-	-	-	-	327
Average currency forward rate - USD/BRL	4.1274	4.1330					
Notional amount - currency forward EUR/ZAR	221	-	-	-	-	-	221
Average currency forward rate - EUR/ZAR	17.7856						
Notional amount - currency forward EUR/RUB	181	-	-	-	-	-	181
Average currency forward rate - EUR/RUB	74.1277						

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, 2020 and December 31, 2019, broken down by type of hedged item.

Millions of euro		Fair value		Notional amount	Fair value		Notional amount
Hedging instrument	**Hedged item**	**Assets**	**Liabilities**		**Assets**	**Liabilities**	
		at Dec. 31, 2020			**at Dec. 31, 2019**		
Fair value hedges							
Cross currency interest rate swaps (CCIRS)	Fixed-rate borrowings/bonds in foreign currencies	28	-	639	25	(1)	171
Cross currency interest rate swaps (CCIRS)	Floating-rate borrowings in foreign currencies	28	-	79	-	-	-
Cash flow hedges							
Cross currency interest rate swaps (CCIRS)	Floating-rate borrowings in foreign currencies	67	(15)	579	55	(5)	999
Cross currency interest rate swaps (CCIRS)	Fixed-rate borrowings in foreign currencies	50	-	484	-	(4)	72
Cross currency interest rate swaps (CCIRS)	Floating-rate bonds in foreign currencies	12	-	356	6	(1)	302
Cross currency interest rate swaps (CCIRS)	Fixed-rate bonds in foreign currencies	588	(2,374)	18,499	1,022	(1,535)	20,877
Cross currency interest rate swaps (CCIRS)	Future cash flows denominated in foreign currencies	7	(4)	351	-	(17)	302
Currency forwards	Future cash flows denominated in foreign currencies	3	(12)	574	3	(63)	811
Currency forwards	Future commodity purchases denominated in foreign currencies	5	(309)	4,167	124	(7)	3,462
Currency forwards	Purchases of investment goods and other in foreign currency	4	(40)	825	3	(43)	1,219
Total		**792**	**(2,754)**	**26,553**	**1,238**	**(1,676)**	**28,215**

Cash flow hedges and fair value hedges include:

- CCIRSs with a notional amount of €19,622 million used to hedge the currency risk on fixed-rate debt denominated in currencies other than the euro, with a negative fair value of €1,708 million;
- CCIRSs with a notional amount of €1,365 million used to hedge the currency risk on floating-rate debt denominated in currencies other than the euro, with a positive fair value of €95 million;
- currency forwards with a notional amount of €4,741 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 negative fair value of €313 million;
- currency forwards with a notional amount of €825 million and a negative fair value of €36 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 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, 2020 and December 31, 2019, broken down by type of hedge.

Millions of euro	Notional amount		Fair value assets		Notional amount		Fair value liabilities	
Derivatives	**at Dec. 31, 2020**	**at Dec. 31, 2019**	**at Dec. 31, 2020**	**at Dec. 31, 2019**	**at Dec. 31, 2020**	**at Dec. 31, 2019**	**at Dec. 31, 2020**	**at Dec. 31, 2019**
Fair value hedges								
CCIRS	718	166	56	25	-	5	-	(1)
Total	**718**	**166**	**56**	**25**	**-**	**5**	**-**	**(1)**
Cash flow hedges								
Currency forwards	476	3,253	12	130	5,090	2,238	(361)	(113)
CCIRS	5,582	11,169	724	1,083	14,687	11,384	(2,393)	(1,562)
Total	**6,058**	**14,422**	**736**	**1,213**	**19,777**	**13,622**	**(2,754)**	**(1,675)**
TOTAL EXCHANGE RATE DERIVATIVES	**6,776**	**14,588**	**792**	**1,238**	**19,777**	**13,627**	**(2,754)**	**(1,676)**

The notional amount of CCIRSs at December 31, 2020 amounted to €20,987 million (€22,724 million at December 31, 2019), a decrease of €1,737 million. Cross currency interest rate swaps with a total amount of €831 million expired, while new derivatives amounted to €1,108 million, of which €557 million in respect of bond issues denominated in pounds sterling in October 2020. In addition, cross currency interest rate swaps of €294 million were terminated early. The amount also reflects developments in the exchange rate of the euro against the main other currencies and the effect of amortization, which caused their notional amount to decrease by €1,720 million.

The notional amount of currency forwards at December 31, 2020 amounted to €5,566 million (€5,491 million at December 31, 2019), an increase of €75 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. Changes in the notional amount are connected with normal developments in operations.

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 changes in the fair value of the hedged item that are attributable to currency risk for 2020 and the previous year.

Millions of euro	2020	2019
	Net gain/(loss)	**Net gain/(loss)**
Interest rate hedging instruments	44	1
Hedged item	(51)	(4)
Ineffective portion	**(7)**	**(3)**

The following table shows the impact of fair value hedges of currency risk in the statement of financial position at December 31, 2020 and December 31, 2019.

Millions of euro	at Dec. 31, 2020			at Dec. 31, 2019		
	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)	718	56	56	171	24	24

The following table shows the impact of the hedged item of fair value hedges in the statement of financial position at December 31, 2020 and December 31, 2019.

Millions of euro	at Dec. 31, 2020			at Dec. 31, 2019		
	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 in foreign currency	637	34	(34)	81	11	(11)
Floating-rate borrowings in foreign currency	79	28	(28)	90	15	(15)
Total	**716**	**62**	**(62)**	**171**	**26**	**(26)**

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, 2020	2021	2022	2023	2024	2025	Beyond
Cash flow hedge derivatives on exchange rates							
Positive fair value	736	140	105	178	87	13	53
Negative fair value	(2,754)	(139)	(180)	(18)	(96)	27	(98)

The following table shows the impact of cash flow hedges of currency risk in the statement of financial position at December 31, 2020 and December 31, 2019.

Millions of euro	at Dec. 31, 2020			at Dec. 31, 2019		
	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)	20,269	(1,669)	(1,463)	22,552	(479)	(345)
Currency forwards	5,566	(349)	(342)	5,491	17	52
Total	**25,835**	**(2,018)**	**(1,805)**	**28,043**	**(462)**	**(293)**

The following table shows the impact of the hedged item of cash flow hedges in the statement of financial position at December 31, 2020 and December 31, 2019.

Millions of euro	at Dec. 31, 2020				at Dec. 31, 2019			
	Fair value used to measure ineffectiveness in the year	**Hedging reserve**	**Hedging costs reserve**	**Ineffective portion of carrying amount of CFH derivatives**	**Fair value used to measure ineffectiveness in the year**	**Hedging reserve**	**Hedging costs reserve**	**Ineffective portion of carrying amount of CFH derivatives**
Floating-rate borrowings in foreign currencies	(52)	52	-	-	(49)	49	1	-
Fixed-rate borrowings in foreign currencies	(50)	50	-	-	3	(3)	(1)	-
Floating-rate bonds in foreign currencies	(12)	12	-	-	(5)	5	-	-
Fixed-rate bonds in foreign currencies	1,580	(1,580)	(205)	-	378	(378)	(135)	-
Future cash flows denominated in foreign currencies	(3)	3	-	-	17	(17)	-	-
Future cash flows denominated in foreign currencies	7	(7)	(3)	-	59	(59)	(1)	-
Future commodity purchases denominated in foreign currencies	305	(305)	-	1	(119)	119	-	(2)
Purchases of investment goods and other in foreign currency	30	(30)	(5)	(1)	9	(9)	(32)	1
Total	**1,805**	**(1,805)**	**(213)**	**-**	**293**	**(293)**	**(168)**	**(1)**

Finally, note that for cash flow hedge derivatives on exchange rates, the amount reclassified in 2020 from other comprehensive income to profit or loss generated financial expense of €1,483 million gross of tax effects, while the previous year the financial expense recognized amounted to €770 million.

Commodity price risk

	Maturity						
Millions of euro	2021	2022	2023	2024	2025	Beyond	Total
At Dec. 31, 2020							
Commodity swaps							
Notional value on power	78	65	64	65	53	281	**606**
Average commodity swap price on power (€/MWh)	40.3	37.9	37.7	37.7	37.6	37.7	
Notional value on coal/ shipping	32	2	-	-	-	-	**34**
Average commodity swap price on coal/ shipping ($/ton)	51.2	57.9	-	-	-	-	
Notional value on gas	-	-	-	-	-	-	**-**
Average commodity swap price on gas (€/ MWh)	-	-	-	-	-	-	
Commodity forwards/ futures							
Notional value on power	1,065	244	246	197	191	741	**2,684**
Average commodity forward/future price on power (€/MWh)	43.2	25.0	19.1	17.9	17.4	15.2	
Notional value on gas	1,521	973	17	20	20	108	**2,659**
Average commodity forward/future price on gas (€/MWh)	14.3	14.9	15.2	4.9	4.9	2.5	
Notional value on CO_2	317	134	37	-	-	-	**488**
Average commodity forward/future price on CO_2 (€/ton)	24.2	26.6	27.9	-	-	-	
Notional value on oil	744	413	-	-	-	-	**1,157**
Average commodity forward/future price on oil ($/bbl)	45.0	44.3	-	-	-	-	
Commodity options							
Notional value on power	-	8	9	9	9	45	**80**
Average commodity option price on power (€/MWh)	-	29.7	26.4	26.4	26.4	31.7	

	Maturity						
Millions of euro	**2020**	**2021**	**2022**	**2023**	**2024**	**Beyond**	**Total**
At Dec. 31, 2019							
Commodity swaps							
Notional value on power	703	123	121	135	128	712	1.922
Average commodity swap price on power (€/MWh)	47.7	20.5	20.2	20.2	20.2	20.7	
Notional value on coal/ shipping	253	-	-	-	-	-	253
Average commodity swap price on coal/ shipping ($/ton)	62.4	-	-	-	-	-	
Notional value on gas	13	13	13	13	41	66	159
Average commodity swap price on gas (€/ MWh)	3.0	3.0	3.0	3.0	7.0	7.9	
Commodity forwards/ futures							
Notional value on power	726	2	-	-	-	-	728
Average commodity forward/future price on power (€/MWh)	50.5	50.4	-	-	-	-	
Notional value on gas	1,869	662	1	-	-	-	2,532
Average commodity forward/future price on gas (€/MWh)	15.9	19.1	17.2	-	-	-	
Notional value on CO_2	217	9	-	-	-	-	226
Average commodity forward/future price on CO_2 (€/ton)	18.0	25.0	-	-	-	-	
Notional value on oil	988	115	-	-	-	-	1,103
Average commodity forward/future price on oil ($/bbl)	64.8	59.7	-	-	-	-	
Commodity options							
Notional value on power	-	-	-	-	-	-	-
Average commodity option price on power (€/MWh)	-	-	-	-	-	-	

The following table reports the notional amount and fair value of instruments hedging commodity price risk on transactions outstanding at December 31, 2020 and December 31, 2019, broken down by type of commodity.

Millions of euro	Notional amount		Fair value assets		Notional amount		Fair value liabilities	
	at Dec. 31, 2020	at Dec. 31, 2019	at Dec. 31, 2020	at Dec. 31, 2019	at Dec. 31, 2020	at Dec. 31, 2019	at Dec. 31, 2020	at Dec. 31, 2019
Derivatives								
Cash flow hedges								
Derivatives on power:								
- swaps	369	1,301	70	234	236	621	(56)	(107)
- forwards/futures	2,066	280	361	34	571	448	(16)	(44)
- options	70	-	-	-	-	-	-	-
Total derivatives on power	**2,505**	**1,581**	**431**	**268**	**807**	**1,069**	**(72)**	**(151)**
Derivatives on coal/shipping:								
- swaps	34	-	11	7	-	253	-	(54)
- forwards/futures	-	-	-	-	-	-	-	-
- options	-	-	-	-	-	-	-	-
Total derivatives on coal/shipping	**34**	**-**	**11**	**7**	**-**	**253**	**-**	**(54)**
Derivatives on gas and oil:								
- swaps	-	79	-	9	-	80	-	(1)
- forwards/futures	1,674	2,823	456	694	2,189	812	(455)	(298)
- options	11	-	18	-	-	-	-	-
Total derivatives on gas and oil	**1,685**	**2,902**	**474**	**703**	**2,189**	**892**	**(455)**	**(299)**
Derivatives on CO_2:								
- swaps	-	-	-	-	-	-	-	-
- forwards/futures	482	226	139	84	5	-	-	-
- options	-	-	-	-	-	-	-	-
Total derivatives on CO_2	**482**	**226**	**139**	**84**	**5**	**-**	**-**	**-**
TOTAL COMMODITY DERIVATIVES	**4,706**	**4,709**	**1,055**	**1,062**	**3,001**	**2,214**	**(527)**	**(504)**

The table reports the notional amount and fair value of derivatives hedging commodity price risk on at December 31, 2020 and at December 31, 2019, 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 €474 million, derivatives on CO_2 (€139 million), derivatives on power (€431 million) and, to a lesser extent, hedges of coal purchases requested by the generation companies in the amount of €11 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 CO_2 category mainly includes hedging transactions undertaken for Enel Group compliance purposes.

The power category mainly includes medium/long-term hedging transactions, especially in North America.

Cash flow hedge derivatives on commodities included in liabilities regard derivatives on gas and oil commodities in the amount of €455 million (mainly for derivatives hedging sales) and derivatives on power in the amount of €72 million.

The Group's main hedge accounting transactions have not currently been affected by any particular adverse negative effects (e.g. discontinuation, ineffectiveness) associated with the COVID-19 emergency either globally or at the local economy level.

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, 2020	2021	2022	2023	2024	2025	Beyond
Cash flow hedge derivatives on commodities							
Positive fair value	1,055	626	131	34	18	19	227
Negative fair value	(527)	(392)	(99)	(23)	(6)	(6)	(1)

The following table shows the impact of cash flow hedges of commodity price risk in the statement of financial position at December 31, 2020 and December 31, 2019.

Millions of euro	at Dec. 31, 2020			at Dec. 31, 2019		
	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	605	23	23	1,922	127	127
Coal/shipping swaps	34	11	11	253	(47)	(47)
Gas and oil swaps	-	-	-	159	8	8
Power forwards/futures	2,717	375	356	728	(10)	(10)
Coal/shipping forwards/futures	-	-	-	-	-	-
Gas and oil forwards/futures	3,794	(20)	(20)	3,635	396	396
CO_2 forwards/futures	487	139	139	226	84	84
Power options	70	-	-			
Total	**7,707**	**528**	**509**	**6,923**	**558**	**558**

The following table shows the impact of the hedged item of cash flow hedges in the statement of financial position at December 31, 2020 and December 31, 2019.

Millions of euro	at Dec. 31, 2020				at Dec. 31, 2019			
	Fair value used to measure ineffectiveness in the year	Hedging reserve	Hedging costs reserve	Ineffective portion of carrying amount of CFH derivatives	Fair value used to measure ineffectiveness in the year	Hedging reserve	Hedging costs reserve	Ineffective portion of carrying amount of CFH derivatives
Future transactions in power	(316)	374	-	24	(110)	110	-	7
Future transactions in coal/shipping	(11)	11	-	-	47	(47)	-	-
Future transactions in gas and oil	20	(20)	-	-	(404)	404	-	-
Future transactions in CO_2	(139)	139	-	-	(84)	84	-	-
Total	**(446)**	**504**	**-**	**24**	**(551)**	**551**	**-**	**7**

Finally, note that for cash flow hedge derivatives on commodity prices, the amount reclassified in 2020 from other comprehensive income to profit or loss generated financial expense of €293 million gross of tax effects, while the previous year the financial income recognized amounted to €20 million.

47.2 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, 2020 and December 31, 2019.

Millions of euro	Notional amount		Fair value assets		Notional amount		Fair value liabilities	
	at Dec. 31, 2020	at Dec. 31, 2019	at Dec. 31, 2020	at Dec. 31, 2019	at Dec. 31, 2020	at Dec. 31, 2019	at Dec. 31, 2020	at Dec. 31, 2019
Derivatives at FVTPL:								
- derivatives on interest rates:								
- interest rate swaps	50	50	2	2	100	112	(88)	(80)
- interest rate options	-	-	-	-	50	50	(4)	(5)
- derivatives on exchange rates:								
- currency forwards	3,501	3,399	83	34	1,012	1,648	(44)	(38)
- CCIRS	-	-	-	-	-	33	-	-
- derivatives on commodities	-	-	-	-	-	-	-	-
Derivatives on power:								
- swaps	144	282	14	25	109	281	(18)	(28)
- forwards/futures	5,493	5,353	75	403	5,626	4,329	(428)	(155)
- options	137	3	24	2	9	27	(12)	(14)
Total derivatives on power	**5,774**	**5,638**	**113**	**430**	**5,744**	**4,637**	**(458)**	**(197)**
Derivatives on coal:								
- swaps	47	311	4	69	16	367	(1)	(80)
- forwards/futures	200	-	40	-	144	-	(27)	-
Total derivatives on coal	**247**	**311**	**44**	**69**	**160**	**367**	**(28)**	**(80)**
Derivatives on gas and oil:								
- swaps	635	1,259	81	168	259	852	(34)	(97)
- forwards/futures	13,993	9,782	2,108	2,126	14,121	11,047	(1,999)	(2,190)
- options	185	315	165	247	170	309	(173)	(273)
Total derivatives on gas and oil	**14,813**	**11,356**	**2,354**	**2,541**	**14,550**	**12,208**	**(2,206)**	**(2,560)**
Derivatives on CO_2:								
- swaps	-	-	-	-	-	-	-	-
- forwards/futures	770	185	209	31	290	524	(72)	(32)
- options	-	-	-	-	5	-	(5)	-
Total derivatives on CO_2	**770**	**185**	**209**	**31**	**295**	**524**	**(77)**	**(32)**
Derivatives on other:								
- swaps	-	4	-	2	13	16	(7)	(1)
- forwards/futures	195	6	9	3	234	9	(1)	(4)
Total derivatives on other	**195**	**10**	**9**	**5**	**247**	**25**	**(8)**	**(5)**
Embedded derivatives	4	25	3	3	3	43	(3)	(4)
TOTAL	**25,354**	**20,974**	**2,817**	**3,115**	**22,161**	**19,647**	**(2,916)**	**(3,001)**

At December 31, 2020 the notional amount of trading derivatives on interest rates came to €200 million. The net negative fair value of €90 million increased by €7 million on the previous year, mainly due to developments in the yield curve.

At December 31, 2020, the notional amount of derivatives on exchange rates was €4,513 million. The overall decrease in their notional value and the increase in the associated net positive fair value of €43 million mainly reflected normal operations and developments in exchange rates.

At December 31, 2020, the notional amount of derivatives on commodities came to €42,802 million. The fair value of trading derivatives on commodities classified as assets mainly reflects the market valuation of hedges of gas and oil amounting to €2,354 million and derivatives on power amounting to €113 million.

The fair value of trading derivatives on commodities classified as liabilities mainly regards hedges of gas and oil amounting to €2,206 million and derivatives on power amounting to €458 million.

The "other" category includes hedges using weather derivatives. In addition to commodity risk, the Group companies are also exposed to changes in volumes associated with weather conditions (for example, temperature impacts the consumption of gas and power).

Embedded derivatives, which are held by Enel Green Power North America, mainly regard supplementary financial clauses in more complex tax equity partnership agreements, which are used to finance investment in new renewables capacity.

Derivatives at fair value through profit or loss include transactions managed within the trading portfolios and transactions that, although established for hedging purposes, did not meet the requirements for hedge accounting.

Measurement at fair value

48. 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 publically 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 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 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".

48.1 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 measurement 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
Equity investments in other companies at FVOCI	27	**40**	4	13	23	**-**	-	-	-
Securities at FVOCI	27.1, 28.1	**408**	408	-	-	**67**	67	-	-
Equity investments in other companies at FVTPL	27	**30**	21	-	9	**-**	-	-	-
Financial assets from service concession arrangements at FVTPL	27	**2,057**	-	2,057	-	**-**	-	-	-
Loan assets and other financial assets measured at fair value	27	**-**	-	-	-	**301**	226	75	-
Fair value hedge derivatives:									
- on interest rates	47	**22**	-	22	-	**-**	-	-	-
- on exchange rates	47	**28**	-	28	-	**28**	-	28	-
Cash flow hedge derivatives:									
- on interest rates	47	**21**	-	21	-	**-**	-	-	-
- on exchange rates	47	**685**	-	685	-	**51**	-	51	-
- on commodities	47	**428**	102	282	44	**627**	279	333	15
Trading derivatives:									
- on interest rates	47	**2**	-	2	-	**-**	-	-	-
- on exchange rates	47	**4**	-	4	-	**79**	-	79	-
- on commodities	47	**46**	5	40	2	**2,686**	1,637	1,049	-
Inventories measured at fair value	47	**-**	-	-	-	**55**	41	2	12
Contingent consideration	29, 30	**21**	-	8	13	**23**	-	11	12

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 Goiás, as well as the generation plant of PH Chucas in Costa Rica, 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.

"Loan assets and other financial assets measured at fair value" essentially regard investments of liquidity. Their fair value is determined using Level 1 or Level 2 market inputs.
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.
Marginal exceptions for both cash flow hedges and trading transactions include certain derivatives relating to weather derivatives, which are measured on the basis of certified hi-

storical data for the underlying variables as well as certain long-term financial contracts (virtual power purchase agreements, or VPPAs), for which internal measurement models were also used in part in order to measure these instruments over longer time horizons, given the illiquidity of the underlying variables.

In accordance with the IFRS, the Group assess 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. 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.

48.2 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
Investment property	20	**148**	-	-	148	**-**	-	-	-
Inventories	31	**-**	-	-	-	**52**	-	-	52

The table reports the fair value of investment property and inventories of real estate not used in the business in the amount of €148 million and €52 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.

48.3 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 measurement 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
Cash flow hedge derivatives:									
- on interest rates	47	**938**	-	938	-	**2**	-	2	-
- on exchange rates	47	**2,491**	-	2,491	-	**263**	-	263	-
- on commodities	47	**148**	29	76	43	**379**	75	302	2
Trading derivatives:									
- on interest rates	47	**4**	-	4	-	**88**	-	88	-
- on exchange rates	47	**3**	-	3,0	-	**41**	-	41	-
- on commodities	47	**22**	3	19	-	**2,758**	1,629	1,122	7
Contingent consideration	39, 40	**41**	-	-	41	**53**	-	51	2

Contingent consideration mainly regards a number of equity investments held by the Group in North America and Greece, whose fair value was determined on the basis of the contractual terms and conditions.

48.4 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

	Notes	Fair value	Level 1	Level 2	Level 3
Bonds:					
- fixed rate	44.3.1	43,223	39,722	3,501	-
- floating rate	44.3.1	3,765	147	3,618	-
Bank borrowings:					
- fixed rate	44.3.1	833	-	833	-
- floating rate	44.3.1	9,259	-	9,259	-
Non-bank borrowings:					
- fixed rate	44.3.1	2,609	-	2,609	-
- floating rate	44.3.1	249	-	249	-
Total		**59,938**	**39,869**	**20,069**	**-**

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

49. Share-based payments

Long-term incentive plans, described below, are part of the Remuneration Policy adopted by the Group and described in the section "Incentive system" in the Report on Operations.

Plan beneficiaries are the Chief Executive Officer/General Manager of Enel and 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 a non-transferrable incentive consisting of an equity component (share-based payment transaction) and a monetary component (classified as another long-term employee benefit).

For more details on the accounting treatment of these plans, please see note 2.2 "Significant accounting policies".

The following information describes the main characteristics of the share-based incentive plans adopted by Enel outstanding during 2020:

	Date of approval	Grant date	Performance period	Verification of achievement of targets	Payout
2019 LTI Plan	16.05.2019 (3)	12.11.2019 (4)	2019-2021	2021 (5)	2022-2023
2020 LTI Plan	14.05.2020 (6)	17.09.2020 (7)	2020-2022	2022 (8)	2023-2024

The vesting of the incentive envisaged under these plans is subject to the condition that the beneficiaries remain employed with the Group during the vesting period (i.e. the service condition), with a small number of exceptions specifically governed by the Rules, and that they achieve specific performance conditions connected with the following three-year performance variables:

- Enel's average TSR (Total Shareholder Return)(9) compared with the average TSR for the EURO STOXX Utilities - EMU for the three-year reference period (with a weight of 50%);
- cumulative consolidated ROACE (Return on Average Capital Employed) over the three-year reference period (with a weight of 25% in the 2020 LTI Plan and 40% in the 2019 LTI Plan);
- emissions of CO_2 in grams per kWh equivalent produced by the Group in the last year of the three-year reference period(10) (with a weight of 10%);
- consolidated net installed renewables capacity as a percentage of total consolidated net installed capacity at the end of the last year of the three-year reference period (only in the 2020 LTI Plan; with a weight of 15%).

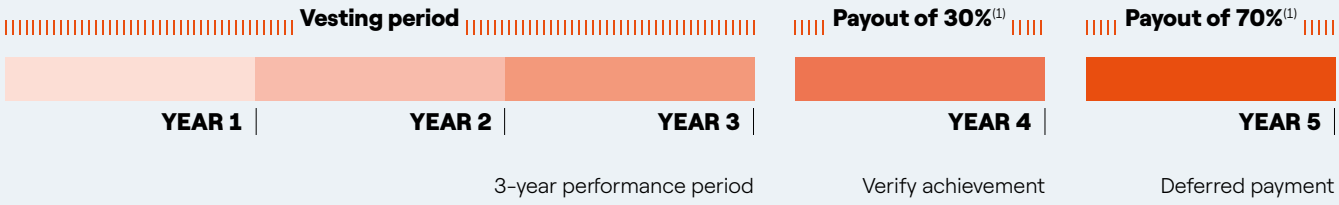
This incentive – determined, at the time of the award, as a base value calculated in relation to the fixed remuneration of the individual beneficiary – may vary depending on the degree of achievement of each of the three-year performance targets by the plans, ranging from zero up to a maximum of 280% 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 any bonus vested shall be 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, the plans envisage that 100% of the base value for the Chief Executive Officer and General Manager and 50% of the base value for key management personnel will be paid in Enel shares previously acquired by the Company for the amount of the award that has effectively vested. This equity component represents a share-based payment transaction settled with equity instruments.

If the targets have been achieved, the disbursement of a significant portion of the equity and cash components of the vested incentive (70% of the total) is deferred to the second year following the three-year performance period covered by the plans, without prejudice to the beneficiaries' right to request deferred payment of the entire incentive.

(3) The date of the Enel Shareholders' Meeting that approved the 2019 LTI Plan pursuant to Article 2359 of the Civil Code, granting the Board of Directors all powers necessary to implement the Plan.
(4) 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).
(5) On the occasion of the approval of the financial statements of Enel SpA at December 31, 2021, the Company will verify the level of achievement of the performance targets of the 2019 LTI Plan.
(6) The date of the Enel Shareholders' Meeting that approved the 2020 LTI Plan pursuant to Article 2359 of the Civil Code, granting the Board of Directors all powers necessary to implement the Plan.
(7) 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).
(8) On the occasion of the approval of the financial statements of Enel SpA at December 31, 2022, the Company will verify the level of achievement of the performance targets of the 2020 LTI Plan.
(9) Average Total Shareholder Return (TSR) of Enel and the EURO STOXX Utilities – EMU index is calculated for the three months preceding the start and end of the performance period in order to neutalize any market volatility.
(10) Emissions from generation by Group plants.

LTI PLANS (Long-Term Incentive Plans)



(1) If performance targets are achieved.

In implementation of the authorization granted by the Shareholders' Meeting and in compliance with the relevant terms and conditions, the Board of Directors approved the launch of a share buyback programs to support the LTI Plans.

	Purchases authorized		Actual purchases		
	Number of shares	Total (euro)	Number of shares	Weighted average price (euros per share)	Total (euro)
2019 LTI Plan (11)	2,500,000	10,500,000	1,549,152 (12)	6.7779	10,499,999
2020 LTI Plan (13)	1,720,000		1,720,000 (14)	7.4366	12,790,870

As a result of the purchases made to support the LTI Plans, at December 31, 2020 Enel holds a total of. 3,269,152 treasury shares, equal to approximately 0.032% of the share capital.

The following information concerns the equity instruments granted in 2019 and 2020.

	2020			2019		
	Number of shares granted	Fair value per share	Number of shares potentially available for award	Number of shares granted	Fair value per share	Number of shares potentially available for award
2019 LTI Plan	-	-	1,529,182	1,538,547	6,983	1,538,547
2020 LTI Plan	1,635,307	7,380	1,635,307		-	-

The fair value of those equity instruments is measured on the basis of the market price of Enel shares at the grant date(15).

The total costs recognized by the Group through profit or loss amounted to €5 million in 2020 (€0.3 million in 2019).

There have been no terminations or amendments involving either of the plans.

(11) On September 19, 2019 the Board of Directors approved the launch of a share buyback program to support the 2019 LTI Plan.
(12) Number of shares purchased in the period between September 23 and December 2, 2019 equivalent to approximately 0.015% of Enel's share capital.
(13) On July 29, 2020 the Board of Directors approved the launch of a share buyback program to support the 2020 LTI Plan.
(14) Number of shares purchased in the period between September 3 and October 28, 2020 equivalent to approximately 0.017% of Enel's share capital.
(15) 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.

50. 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, 2020 and December 31, 2019 and carried out during the period.

Millions of euro

	Single Buyer	EMO	ESO	Cassa Depositi e Prestiti Group	Other
Income statement					
Revenue from sales and services	-	808	295	2,542	187
Other income	-	-	-	-	1
Financial income	-	-	-	-	-
Electricity, gas and fuel purchases	2,038	2,059	-	1,122	-
Costs for services and other materials	-	38	3	2,728	44
Other operating costs	6	183	-	9	1
Net income/(expense) from commodity derivatives	-	-	-	1	-
Financial expense	-	-	-	13	-

Millions of euro

	Single Buyer	EMO	ESO	Cassa Depositi e Prestiti Group	Other
Statement of financial position					
Other non-current financial assets	-	-	-	-	-
Non-current financial derivative assets	-	-	-	-	-
Trade receivables	-	35	15	569	29
Other current financial assets	-	-	-	-	1
Other current assets	-	9	84	63	2
Long-term borrowings	-	-	-	625	-
Non-current contract liabilities	-	-	-	4	6
Short-term borrowings	-	-	-	-	-
Current portion of long-term borrowings	-	-	-	89	-
Trade payables	554	83	746	748	5
Current contract liabilities	-	-	-	-	1
Other current liabilities	-	-	-	15	13
Other information					
Guarantees issued	-	250	-	13	83
Guarantees received	-	-	-	157	36
Commitments	-	-	-	102	2

Key management personnel	Total 2020	Associates and joint ventures	Overall total 2020	Total in financial statements	% of total
-	**3,832**	206	**4,038**	**62,623**	**6.4%**
-	**1**	9	**10**	**2,362**	**0.4%**
-	**-**	62	**62**	**2,763**	**2.2%**
-	**5,219**	166	**5,385**	**25,049**	**21.5%**
-	**2,813**	145	**2,958**	**18,298**	**16.2%**
-	**199**	3	**202**	**2,202**	**9.2%**
-	**1**	-	**1**	**(212)**	**-0.5%**
-	**13**	58	**71**	**4,485**	**1.6%**

Key management personnel	Total at Dec. 31, 2020	Associates and joint ventures	Overall total at Dec. 31, 2020	Total in financial statements	% of total
-	**-**	1,144	**1,144**	**5,159**	**22.2%**
-	**-**	21	**21**	**1,236**	**1.7%**
-	**648**	215	**863**	**12,046**	**7.2%**
-	**1**	189	**190**	**5,113**	**3.7%**
-	**158**	6	**164**	**3,578**	**4.6%**
-	**625**	359	**984**	**49,519**	**2.0%**
-	**10**	151	**161**	**6,191**	**2.6%**
-	**-**	21	**21**	**6,345**	**0.3%**
-	**89**	19	**108**	**3,168**	**3.4%**
-	**2,136**	69	**2,205**	**12,859**	**17.1%**
-	**1**	15	**16**	**1,275**	**1.3%**
-	**28**	9	**37**	**11,651**	**0.3%**
-	**346**	-	**346**		
-	**193**	-	**193**		
-	**104**	-	**104**		

Millions of euro

	Single Buyer	EMO	ESO	Cassa Depositi e Prestiti Group	Other
Income statement					
Revenue from sales and services	-	1,320	255	2,733	183
Other income	-	-	5	1	-
Other financial income	-	-	-	1	-
Electricity, gas and fuel purchases	2,661	3,009	4	1,372	-
Costs for services and other materials	-	54	4	2,338	70
Other operating costs	3	182	1	4	-
Net income/(expense) from commodity derivatives	-	-	-	11	-
Financial expense	-	-	1	14	-

Millions of euro

	Single Buyer	EMO	ESO	Cassa Depositi e Prestiti Group	Other
Statement of financial position					
Non-current financial derivative assets	-	-	-	-	-
Trade receivables	-	45	15	573	13
Current financial derivative assets	-	-	-	-	-
Other current financial assets	-	-	-	-	-
Other current assets	-	23	89	69	1
Long-term borrowings	-	-	-	715	-
Non-current contract liabilities	-	-	-	2	6
Current portion of long-term borrowings	-	-	-	89	-
Trade payables	601	92	793	726	18
Current financial derivative liabilities	-	-	-	-	-
Current contract liabilities	-	-	-	-	1
Other current liabilities	-	-	-	16	9
Other information					
Guarantees issued	-	250	-	354	164
Guarantees received	-	-	-	125	35
Commitments	-	-	-	9	4

Key management personnel	Total 2019	Associates and joint ventures	Overall total 2019	Total in financial statements	% of total
-	**4,491**	313	**4,804**	**77,366**	**6.2%**
-	**6**	10	**16**	**2,961**	**0.5%**
-	**1**	87	**88**	**1,637**	**5.4%**
-	**7,046**	143	**7,189**	**38,082**	**18.9%**
-	**2,466**	151	**2,617**	**18,836**	**13.9%**
-	**190**	45	**235**	**2,693**	**8.7%**
-	**11**	-	**11**	**(733)**	**-1.5%**
-	**15**	31	**46**	**4,518**	**1.0%**

Key management personnel	Total at Dec. 31, 2019	Associates and joint ventures	Overall total at Dec. 31, 2019	Total in financial statements	% of total
-	**-**	15	**15**	**1,383**	**1.1%**
-	**646**	250	**896**	**13,083**	**6.8%**
-	**-**	8	**8**	**4,065**	**0.2%**
-	**-**	27	**27**	**4,305**	**0.6%**
-	**182**	1	**183**	**3,115**	**5.9%**
-	**715**	-	**715**	**54,174**	**1.3%**
-	**8**	143	**151**	**6,301**	**2.4%**
-	**89**	-	**89**	**3,409**	**2.6%**
-	**2,230**	61	**2,291**	**12,960**	**17.7%**
-	**-**	8	**8**	**3,554**	**0.2%**
-	**1**	38	**39**	**1,328**	**2.9%**
-	**25**	5	**30**	**13,161**	**0.2%**
-	**768**	-	**768**		
-	**160**	-	**160**		
-	**13**	-	**13**		

With regard to disclosures on the remuneration of key management personnel, provided for under IAS 24, please see Section I "Remuneration Policy for the Members of the Board of Directors, the General Manager, the Executives with Strategic Responsibilities and the Members of the Board of Statutory Auditors. Procedures for the Adoption and Implementation of the Policy" of the Remuneration Report published on the Enel website at https://www.enel.com/investors/governance/remuneration.

In November 2010, the Board of Directors of Enel SpA approved (and subsequently updated) a procedure governing the approval and execution of transactions with related parties carried out by Enel SpA directly or through subsidiaries. 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. In 2020, no transactions were carried out for which it was necessary to make the disclosures required in the rules on transactions with related parties adopted with CONSOB Resolution no. 17221 of March 12, 2010, as amended.

51. 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 2020, even if made through 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
Min. Education, Universities & Research (MIUR)	Enel X Srl	0.03	Instalment of grant received for WinSic4AP project, funded under the ECSEL-2016-1-RIA call
		0.03	**Total**

Donations made in millions of euro

Donor	Beneficiary	Amount	Notes
Enel SpA	Elettrici senza frontiere Onlus	0.04	Donation for development energy
Enel SpA	Enel Cuore Onlus	1	2020 grant
Enel SpA	European University Institute	0.11	Donation to support research
Enel SpA	Fondazione Accademia Nazionale "Santa Cecilia"	0.65	2020 donation for cultural projects
Enel SpA	Fondazione Centro Studi Enel	0.05	2020 donation
Enel SpA	Fondazione MAXXI	0.6	2020 donation for cultural projects
Enel SpA	Fondazione Teatro del Maggio Musicale	0.4	2020 donation for cultural projects
Enel SpA	OECD International Energy Agency (IEA)	0.15	2019 and 2020 donation
Enel SpA	Responsible Business Alliance Foundation	0.05	2020 donation

Enel SpA	Stichting Global Reporting Initiative	0.04	2020 donation
Enel SpA	Università Commerciale Luigi Bocconi	0.13	Donation to support study grants
Enel X Srl	Enel Cuore Onlus	1	Donation under Article 66 of Decree 18 of March 17, 2020
Enel Produzione SpA	Municipality of Gualdo Cattaneo	0.02	Coronavirus emergency - Civil Protection
Enel Produzione SpA	Municipality of Porto Tolle	0.03	Donation for purchase of school equipment
Enel Produzione SpA	Amatrice Alpinist Club	0.03	Donation to Amatrice Alpinist Club for three small brick huts
Enel Produzione SpA	Municipality of Brindisi	0.08	Donation for July 1 - August 31 period of 130 meals per day for persons experiencing financial difficulty resident in the city
Enel Produzione SpA	Autorità di Sistema Portuale del Mare Adriatico Meridionale - Porto di Brindisi (Faro Porto)	0.08	Donation for installation and connection of a RACON in the outer port of Brindisi
Enel Produzione SpA	Municipality of Civitavecchia	0.07	Donation of an artistic lighting installation
Enel Produzione SpA	Enel Foundation Onlus	0.16	Donation - 50% of balance of 2019 grant Enel Foundation
Enel Produzione SpA	Enel Cuore Onlus	1	Article 66 of Decree 18 of March 17, 2020 COVID-19
Enel Italia SpA	Enel Cuore Onlus	1	Enel Cuore Onlus grant - COVID-19 emergency
Enel Italia SpA	Fondazione Centro Studi Enel	0.05	2020 donation
Enel Italia SpA	Legambiente Onlus	0.03	3° Sal Legambiente - Alleva La Speranza
Enel Italia SpA	Progetto Itaca Roma	0.01	Donation UPSKILLING 4 AN H project
Enel Italia SpA	Progetto Itaca Roma	0.01	Donation UPSKILLING 4 AN H project
Enel Italia SpA	Ashoka Italy Onlus	0.13	Grant for creation of ecosystems for territorial transformation and development ("Puglia fa sistema")
Enel Italia SpA	Municipality of Matera	0.06	Donation of an artistic lighting installation within the Palombaro Lungo cistern
Enel Italia SpA	Municipality of Civitavecchia	0.05	Donation of an artistic lighting installation
Enel Italia SpA	Municipality of Piegaro (PG)	0.04	Enel Italy contributed design and construction of a 32 kW photovoltaic plant on the roof of the "Luigi Boldrini" Museum of Paleontology
Enel Italia SpA	Municipality of Tolfa (RM)	0.01	Grant for upgrade of gym facilties for use as emergency shelter under provisions of town civil protection plan
Enel Italia SpA	Moige - Movimento italiano genitori Onlus	0.06	Enel collaborated with Moige to counter cyber risks, bullying and cyber bullying in all its forms. Part of pursuit Sustainable Development Goals 4 (Quality Education) and 10 (Reduced Inequalities)
Enel Italia SpA	ASES - Agricoltori, Sostenibilità E Sviluppo (Associazione non profit)	0.02	Donation for #lanaturanonsiferma project
Enel Italia SpA	Fondazione Teatro alla Scala	0.6	Donation for 2020-2023
Enel Italia SpA	Società Cooperativa Sociale Camelot Onlus (Progetto WE)	0.03	Donation for the implementation of a social innovation project with the aim of contributing to increasing the capacity for cooperation between citizens and public-private entities in a specific territory, for the implementation of projects capable of creating long-term value
e-distribuzione SpA	Enel Cuore Onlus	9	Donation to support initiatives to counter COVID-19 emergency - pursuant to Cure Italy Decree of March 16, 2020
e-distribuzione SpA	Fondazione Centro Studi Enel	1.66	50% balance of 2019 donation
e-distribuzione SpA	Fondazione Centro Studi Enel	1.4	50% of 2020 donation
e-distribuzione SpA	Comando dei Vigili del Fuoco di Belluno	0.05	Donatino of 66 generators to Belluno Fire Department
e-distribuzione SpA	Azienda Sanitaria Locale BT	0.02	Donation for power grid connection of healthcare facilities involved in fighting COVID-19 pandemic
e-distribuzione SpA	Municipality of Crema	0.03	Donation for power grid connection of healthcare facilities involved in fighting COVID-19 pandemic

e-distribuzione SpA	Soggetto Attuatore Emergenza COVID-19 Calabria	0.04	Donation for power grid connection of healthcare facilities involved in fighting COVID-19 pandemic
e-distribuzione SpA	Azienda Ospedaliera Regionale San Carlo	0.05	Donation for power grid connection of healthcare facilities involved in fighting COVID-19 pandemic
e-distribuzione SpA	Azienda Ospedaliera di Perugia	0.05	Donation for power grid connection of healthcare facilities involved in fighting COVID-19 pandemic
e-distribuzione SpA	A.S.M. Azienda Sanitaria Locale Di Matera	0.09	Donation for power grid connection of healthcare facilities involved in fighting COVID-19 pandemic
Enel Energia SpA	Enel Cuore Onlus	8	Article 66 of Decree 18 of March 17, 2020 COVID-19
Enel Energia SpA	Protezione Civile Regione Sicilia	0.07	Donation to Civil Protection of Sicily
Enel Energia SpA	Federazione Nazionale Ordine Professioni Infermieristiche	0.13	COVID-19 emergency - donation for the purchase of personal protective equipment and material for sanitization to protect nurses.
Enel Energia SpA	Fondazione Centro Studi Enel	0.86	Balance of 2019 donation
Enel Energia SpA	Enel Cuore Onlus	0.32	20% payment on account of 2019 grant
Enel Energia SpA	Enel Cuore Onlus	1.28	80% balance of 2018 grant
Enel Energia SpA	Enel Cuore Onlus	0.13	Donation enelpremia 3.0 2016/2017/2018 editions
Enel Energia SpA	Enel Cuore Onlus	0.04	2019 assocation dues
Enel Energia SpA	Regione Sicilia - Dipartimento Protezione Civile	0.06	COVID-19 emergency - donation for the purchase of personal protective equipment and material for sanitization, especially for healthcare personnel, and for the purchase of machinery and equipment for new intensive/semi-intensive care beds
Enel Global Trading SpA	Enel Cuore Onlus	0.04	2020 grant to support and develop organization's projects
Enel Global Trading SpA	Enel Cuore Onlus	1	COVID-19 emergency donation
		32.11	**Total**

52. 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, 2020	at Dec. 31, 2019	Change
Guarantees given:			
- sureties and other guarantees granted to third parties	11,451	11,078	373
Commitments to suppliers for:			
- electricity purchases	67,400	97,472	(30,072)
- fuel purchases	41,855	48,016	(6,161)
- various supplies	1,511	1,034	477
- tenders	3,604	3,522	82
- other	9,672	3,391	6,281
Total	**124,042**	**153,435**	**(29,393)**
TOTAL	**135,493**	**164,513**	**(29,020)**

Compared with December 31, 2019, the decrease of €30,072 million in commitments for "electricity purchases" million is essentially attributable to companies in Latin America Region, in particular in Brazil, and mainly reflects exchange rate effects, as well as differences in the state of progress of outstanding contracts.

The decrease of €6,161 million in commitments for "fuel purchases" mainly regards to gas supplies, especially in Spain and Italy, and was affected by the decline in demand for natural gas and gas prices, as well as exchange rate effects.

For more details on the expiry of commitments and guarantees, please see the section "Commitments to purchase commodities" in note 45.

53. Contingent assets and liabilities

The following reports the main contingent assets and liabilities at December 31, 2020, which are not recognized in the consolidated financial statements as they do not meet the requirements provided for in IAS 37.

Brindisi Sud thermal generation plant – Criminal proceedings against Enel employees

A criminal proceeding was held before the Court of Brindisi concerning the Brindisi Sud thermal plant in which a number of employees of Enel Produzione – cited as a liable party in civil litigation – have been accused of causing criminal damage and dumping hazardous substances with regard to the alleged contamination of land adjacent to the plant with coal dust as a result of actions between 1999 and 2011. At the end of 2013, the accusations were extended to cover 2012 and 2013. As part of the proceeding, injured parties, including the Province and City of Brindisi, have submitted claims for total damages of about €1.4 billion. In its decision of October 26, 2016, the Court of Brindisi: (i) acquitted nine of the thirteen defendants (all employees of Enel Produzione) for not having committed the offense; (ii) ruled that it did not have to proceed as the offense was time-barred for two of the defendants; and (iii) convicted the remaining two defendants, sentencing them with all the allowances provided for by law to nine months' imprisonment. With regard to payment of damages, the Court's ruling also: (i) denied all claims of public parties and associations acting in the criminal proceeding to recover damages; and (ii) granted most of the claims filed by the private parties acting to recover damages, referring the latter to the civil courts for quantification without granting a provisional award. The convicted defendants and the civil defendant, Enel Produzione, as well as by one of the two employees for whom the expiry of the period of limitations had been declared, appealed the conviction. In a ruling issued on February 8, 2019, the Lecce Court of Appeal: (i) confirmed the trial court ruling regarding the criminal convictions of two Enel Produzione executives; (ii) denied the claims for damages of some private appellants; (iii) granted some claims for damages, which had been denied in the trial court, referring the parties, like the others – whose claims had been granted by the trial court – to the civil courts for quantification, without granting a provisional award; (iv) confirmed for the rest the ruling of the Court of Brindisi except for extending litigation costs to the Province of Brindisi, which had not been awarded damages at either the trial court or on appeal.

With a subsequent ruling, the Court of Appeal of Lecce granted the appeal lodged by the Province of Brindisi against the ruling, acknowledging that a material error had been made and therefore recognizing the generic entitlement of the Province to damages. The defendants filed an appeal against ruling with the Court of Cassation on June 22, 2019. The hearing initially scheduled for April 24, 2020 was postponed until October 1, 2020 owing to the COVID-19 health emergency. On that date, the Court of Cassation voided the ruling of the Court of Appeal of Lecce, with referral to another section of the same court for a new proceeding.

Criminal proceedings are also under way before the Courts of Reggio Calabria and Vibo Valentia against a number of employees of Enel Produzione for the offense of illegal waste disposal in connection with alleged violations concerning the disposal of waste from the Brindisi plant. Enel Produzione has not been cited as a liable party for civil damages.

The criminal proceedings before the Court of Reggio Calabria ended with the hearing of June 23, 2016. The court acquitted nearly all of the Enel defendants of the main charges because no crime was committed. Just one case was dismissed under the statute of limitations. Similarly, all of the remaining charges involving minor offenses were dismissed under the statute of limitations. The proceedings before the Court of Vibo Valentia are still pending and are currently in the testimony phase, as the court ruled that the offenses could not be dismissed under the statute of limitations. At a hearing on February 24, 2020, the Prosecution's expert witness testified. Following the postponement of hearings in all criminal and civil proceedings as part of the measures to counter COVID-19, the hearings in this case resumed on September 7, 2020, when a number of the witnesses of the co-defendants testified. On October 22, 2020, an additional hearing was held to hear witness testimony. Arguments were initially scheduled to continue on November 19, 2020. However, due to the persistence of the health emergency, the hearing was then postponed to January 14, 2021, the date on which the legal counsel of the defendants were heard. The arguments of the public prosecutor and the civil parties were heard on February 4, 2021, while the discussion of the defense being scheduled for March 18 and 25, 2021.

Enel Energia and Servizio Elettrico Nazionale antitrust proceeding

On May 11, 2017, the Competition Authority announced the beginning proceedings for alleged abuse of a dominant position against Enel SpA (Enel), Enel Energia SpA (EE) and Servizio Elettrico Nazionale SpA (SEN), with the concomitant performance of inspections. The proceeding was

initiated on the basis of complaints filed by the Italian Association of Energy Wholesalers and Traders (AIGET) and the company Green Network SpA (GN), as well as a number of complaints from individual consumers. According to the charges filed by the Competition Authority, the Enel Group, as an integrated participant in the distribution and sale of power on the regulated market and at a crucial phase of the liberalization of retail markets for residential and non-residential low-voltage customers, engaged in an exclusionary strategy, using a series of non-replicable commercial stratagems capable of hindering its non-integrated competitors to the benefit of the Group company operating on the free market (EE).

On December 20, 2018 the Competition Authority issued its final ruling, subsequently notified to the parties on January 8, 2019, with which it levied a fine on Enel SpA, SEN and EE of €93,084,790.50, for abuse of a dominant position in violation of Article 102 of the Treaty on the Functioning of the European Union (TFEU).

The disputed conduct consisted in the adoption of a strategy to exclude competitors from the free market for retail power supply on the part of the Group's operating companies, in particular EE, who used the privacy consent given by consumers to channel their offers within the Group in order to contact SEN customers who were still being served on the regulated market.

With regard to other allegations made with the measure to initiate the proceeding, concerning the organization and performance of sales activities at physical locations (Enel Points and Enel Point Partner Shops) and winback policies reported by GN, the Competition Authority reached the conclusion that the preliminary findings did not provide sufficient evidence of any abusive conduct on the part of Enel Group companies.

The companies involved filed an appeal to void the ruling before the Lazio Regional Administrative Court. The decision of that court, filed on October 17, 2019, partially upheld the appeals filed by SEN and EE, declaring that the abusive conduct had been engaged in for a period of 1 year and 9 months, rather than the original period of 5 years and 5 months referred to in the penalty ruling of the Competition Authority and requiring that authority to recalculate the penalty in accordance with the criteria specified in the ruling. At the same time, the Regional Administrative Court denied Enel's appeal concerning solely the reasons for the alleged joint and several liability of the Parent with SEN and EE, therefore without an autonomous financial impact on the recalculation of the penalty. With a measure November 27, 2019, the Competition Authority set the recalculated penalty at €27,529,786.46.

The rulings of the Regional Administrative Court were challenged on appeal before the Council of State by the three Enel Group companies and a precautionary request was presented to the Council of State asking for the suspension of the measure for recalculating the penalty levied by the Competition Authority. At the pre-trial hearing, held on February 20, 2020, this petition was not discussed in consideration of the supervening action of the Council of State to set a date for the hearing of the arguments in the dispute for May 21, 2020.

With an order of July 20, 2020, the Council of State (accepting a subordinate petition from the counsel defending the three companies), after the joinder of the three judgments, suspended the ruling and ordered that the issue be submitted for a preliminary ruling before the Court of Justice of the European Union (CJEU) pursuant to Article 267 of the TFEU, formulating a number of questions aimed at clarifying the interpretation of the concept of "abuse of a dominant position" to be applied to the present case. On September 11 and 18, 2020, the CJEU notified EE and SEN and Enel, respectively, of the initiation of a proceeding pursuant to Article 267 of the TFEU. The companies then filed briefs and are now waiting for the proceeding to continue.

Pending the opening of the proceedings before the CJEU, Enel, EE and SEN filed an additional precautionary petition to the Council of State asking for the suspension of the enforceability of the contested ruling of the Regional Administrative Court and the measure recalculating the penalty.

Following the precautionary hearing on November 11, 2020, with three separate orders with identical content – published on November 16 – the Council of State granted the request for suspension filed by the Enel companies and, as a guarantee of payment of the penalty in the event of an unfavorable final ruling for Enel, required the issue of a first demand surety in favor of the Competition Authority in an amount equal to that of the penalty suspended with the precautionary orders.

Subsequently, with a separate ruling, the Council of State also set the date of the final trial session of the appeal for November 11, 2021, believing that the suspended proceeding could be resumed by that date. The Company is therefore still awaiting the final decision.

BEG litigation

Following an arbitration proceeding initiated by BEG SpA in Italy, Enelpower SpA obtained a ruling in its favor in 2002,

which was upheld by the Court of Cassation in 2010, which entirely rejected the claim for damages with regard to alleged breach by Enelpower of an agreement concerning the construction of a hydroelectric power station in Albania. Subsequently, BEG, acting through its subsidiary Albania BEG Ambient Shpk (ABA), an Albanian company, filed suit against Enelpower and Enel SpA concerning the matter, obtaining a ruling from the District Court of Tirana, 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, ABA demanded payment of more than €430 million from Enel.

With a ruling of June 16, 2015, the first level of adjudication was completed in the additional suit lodged by Enelpower and Enel with the Court of Rome asking the Court to ascertain the liability of BEG for having evaded compliance with the arbitration ruling issued in Italy in favor of Enelpower through the legal action taken by ABA. With this action, Enelpower and Enel asked the Court to find BEG liable and order it to pay damages in the amount that they could be required to pay to ABA in the event of the enforcement of the ruling issued by the Albanian courts. With the ruling, the Court of Rome found that BEG did not have standing to be sued, or alternatively, that the request was not admissible for lack of an interest for Enel and Enelpower to sue, as the Albanian ruling had not yet been declared enforceable in any court. The Court ordered the setting off of court costs. Enel and Enelpower appealed the ruling before the Rome Court of Appeal, asking that it be overturned in full. The hearing scheduled for February 18, 2021 was postponed until November 11, 2021.

On November 5, 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.

Proceedings undertaken by Albania BEG Ambient Shpk (ABA) to obtain enforcement of the ruling of the District Court of Tirana of March 24, 2009

ABA had initiated two proceedings requesting recognition and enforcement of the Albanian ruling 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.

France

In February 2012, ABA filed suit against Enel and Enelpower with the Tribunal de Grande Instance in Paris (TGI) in order to render the ruling of the Albanian court enforceable in France. Enel SpA and Enelpower SpA challenged the suit.

Following the beginning of the case before the TGI, again at the initiative of ABA, between 2012 and 2013 Enel France was served with two "*Saise Conservatoire de Créances*" (orders for the precautionary attachment of receivables) to conserve any receivables of Enel in respect of Enel France.

On January 29, 2018, the TGI issued a ruling in favor of Enel and Enelpower, denying ABA the recognition and enforcement of the Tirana court's ruling in France for lack of the requirements under French law for the purposes of granting *exequatur*. Among other issues, the TGI ruled that: (i) the Albanian ruling conflicted with an existing decision, in this case 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. ABA appealed the ruling. The hearing before the Paris Court of Appeal was held on February 2, 2021 and a ruling is pending.

The Netherlands

At the end of July 2014, ABA filed suit with the Court of Amsterdam to render the ruling of the Albanian court enforceable in the Netherlands. On June 29, 2016, the court filed its judgment, which: (i) ruled that the Albanian ruling meet the requirements for recognition and enforcement in the Netherlands; (ii) ordered Enel and Enelpower to pay €433,091,870.00 to ABA, in addition to costs and ancillary charges of €60,673.78; and (iii) denied ABA's request to declare the ruling provisionally enforceable.

On June 29, 2016, Enel and Enelpower filed appeals against the first-level ruling of the Court of Amsterdam issued on the same date. On September 27, 2016, ABA also appealed the court's ruling of June 29, 2016, to request the reversal of its partial loss on the merits. On April 11, 2017, the Amsterdam Court of Appeal granted the request of Enel and Enelpower to join to two pending appeals.

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. The Court of Appeal found that the Albanian decision was arbitrary and manifestly unreasonable and therefore contrary to Dutch public order. For these reasons, the court did not consider it necessary to analyze the additional arguments of Enel and Enelpower.

The proceeding before the Court of Appeal continued with regard to the subordinate question raised by ABA in the appeal proceedings, with which it is asking the court to rule on the merits of the dispute in Albania and in particular the alleged non-contractual liability of Enel and Enelpower in the failure to build the plant in Albania. On December 3, 2019, the Amsterdam Court of Appeal issued a ruling in which it quashed the trial court judgment of June 29, 2016, rejecting any claim made by ABA. The Court came to this

conclusion after affirming its jurisdiction over ABA's subordinate claim and re-analyzing the merits of the case under Albanian law. Enel and Enelpower are therefore not liable to pay any amount to ABA, which was in fact ordered by the Court of Appeal to reimburse the appellant 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 March 3, 2020, ABA filed an appeal with the Supreme Court of the Netherlands against the ruling of the Court of Appeal. On April 3, 2020, Enel and Enelpower appeared before the Supreme Court. Following the exchange of briefs between the parties, on July 17, 2020 the Supreme Court ordered the Advocate General to issue an opinion on the case. On February 5, 2021, the Advocate General issued an opinion favorable to Enel and Enelpower, calling for the denial the appeal filed by ABA. On February 19, 2021, ABA submitted a response to the opinion of the Advocate General. The issuance of the decision is pending.

Luxembourg

In Luxembourg, again at the initiative of ABA, J.P. Morgan Bank Luxembourg SA was also served with an order for the precautionary attachment of any receivables of Enel SpA.
In parallel ABA filed a claim to obtain enforcement of the ruling of the Court of Tirana in that country. The proceeding is still under way and briefs are being exchanged between the parties. No ruling has been issued.

Environmental incentives – Spain

Following the Decision of the European Commission of November 27, 2017 on the issue of environmental incentives for thermal power plants, the European Commission's Directorate-General for Competition opened an investigation pursuant to Article 108, paragraph 2, of the Treaty on the Functioning of the European Union (TFEU) in order to assess whether the environmental incentive for coal power plants provided for in Order ITC/3860/2007 represents State aid compatible with the internal market. According to a literal interpretation of that Decision, the Commission reached the preliminary conclusion that the incentive in question would constitute State aid pursuant to Article 107, paragraph 1, of the TFEU, expressing doubts about the compatibility of the incentive with the internal market while recognizing that the incentives are in line with the European Union's environmental policy. On April 13, 2018, Endesa Generación SA, acting as an interested third party, submitted comments contesting this interpretation, while on July 30, 2018, it was learned that Gas Natural had appealed the decision of the Commission.

Bono Social – Spain

With the rulings of October 24 and 25, 2016 and November 2, 2016, the Spanish Supreme Court declared Article 45.4 of the Electricity Industry Law no. 24 of December 26, 2013 void for incompatibility with Directive 2009/72/EC of the European Parliament and of the Council of July 13, 2009, granting the appeals filed by Endesa against the obligation to finance the "*Bono Social*" (Social Bonus) mechanism. The Supreme Court recognized Endesa's right to receive all amounts that had been paid to users, in addition to legal interest (equal to about €214 million), under the "*Bono Social*" system, provided for in the law declared void by the Supreme Court. The government challenged these rulings of the Supreme Court, requesting that they be overturned, but the related appeals were denied. Subsequently, the government initiated two proceedings before the Constitutional Court requesting the reopening of the Supreme Court proceedings so that the latter may ask for a preliminary ruling from the European Court of Justice (CJEU). The Constitutional Court granted the appeals and a preliminary ruling on the petition before the CJEU is pending. The government has not requested the repayment of any sum so far.
The CJEU had initially set the date for oral arguments of the preliminary question as October 8, 2020. Following the adoption of COVID-19 containment measures, the CJEU canceled this hearing, replacing it with the submission of written arguments. All parties, including Endesa, presented their respective written arguments by the deadline of November 13, 2020.

"Endesa I" industrial relations dispute – Spain

After a series of meetings of the *Comisión Negociadora* of the 5th Endesa Collective Bargaining Agreement (*Comisión Negociadora*) which began in October 2017 and continued throughout 2018, in view of the impossibility of reaching an agreement between the social partners, Endesa notified the workers and their union representatives that, with effect from January 1, 2019, the 4th Collective Bargaining Agreement must be considered terminated under the terms of the "framework guarantee contract" and the "agreement on the voluntary suspension or resolution of employment contracts in the period 2013-2018", applying from that date the provisions of general labor law, as well as the applicable legal criteria established in the matter.
Despite the resumption of negotiations within the *Comi-*

sión Negociadora in February 2019, the interpretative differences between Endesa and the trade union representatives regarding the effects of the resolution of the 4th Collective Bargaining Agreement with regard, in particular, to the social benefits granted to retired personnel, led to the initiation of a suit by the unions having representation in the company. On March 13, 2019 a hearing was held before the court of first instance, which on March 26, 2019, issued a ruling in favor of Endesa, upholding the company's position concerning the legitimacy of abolishing certain social benefits for retired personnel as a consequence of the termination of the 4th Endesa Collective Bargaining Agreement. The unions appealed this decision before the Supreme Court, while the initial ruling remains provisionally enforceable. On June 19, 2019, Endesa submitted its defense. In order to submit the dispute to arbitration, in December 2019, Endesa's largest union agreed to waive its appeal before the Supreme Court against the ruling of the court of first instance of March 26, 2019. The other trade unions involved refused to join the arbitration proceeding, electing to go ahead with the proceedings before the Supreme Court.

On January 21, 2020, the arbitration award was issued, with the amendment of the corresponding parts of the 5th Endesa Collective Bargaining Agreement, which was subsequently signed by the social partners. It entered force on January 23, 2020. On the same date, Endesa also signed two further collective bargaining agreements (a "framework guarantee contract" and an "agreement on voluntary measures to suspend or terminate employment contracts") with all the unions present in the company. On June 17, 2020, 5th Endesa Collective Bargaining Agreement was published in the Spanish Official Journal (*Boletín Oficial del Estado*), taking full effect.

In view of the foregoing, the proceedings before the Supreme Court continue at the request of the three minority unions that had initially initiated the action together with the most representative union.

In parallel, numerous individual actions have been filed by retired staff and former employees who had agreed to participate in termination incentive agreements in order to obtain judicial confirmation that the termination of the 4th Endesa Collective Bargaining Agreement did not affect them. Currently, the majority of these proceedings have been suspended or are being suspended, pending the definition of the collective action pending before the Supreme Court, on whose outcome these proceedings depend.

"Endesa II" industrial relations dispute – Spain

On December 30, 2020, the *Audiencia Nacional* notified Endesa a petition for a "collective dispute" initiated by three trade unions with minority representation filed on December 16, 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 (ruling of the court of first instance of March 26, 2019, now under appeal before the Supreme Court). The conciliation hearing is scheduled for June 23, 2021.

Furnas-Tractebel litigation – Brazil

In 1998 the Brazilian company CIEN (now Enel CIEN) signed an agreement with Tractebel 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, CIEN was unable to make the electricity available to Tractebel.

In October 2009, Tractebel sued CIEN, which submitted its defense. CIEN cited force majeure as a result of the Argentine crisis as the main argument in its defense. Out of court, the Tractebel has indicated that it plans to acquire 30% of the interconnection line involved in the dispute. On February 14, 2019, CIEN received notice of an order beginning expert witness operation, which is still pending. The amount involved in the dispute is estimated at about R$118 million (about €28 million), plus unspecified damages.

For analogous reasons, in May 2010 Furnas had also filed suit against CIEN for failure to deliver electricity, requesting payment of about R$520 million (about €124 million), in addition to unspecified damages, seeking to acquire ownership (in this case 70%) of the interconnection line. The proceeding was decided in CIEN's favor with a ruling of the *Tribunal de Justiça* with a definitive ruling of October 18, 2019, which denied all of the claims of Furnas.

Cibran litigation – Brazil

Companhia Brasileira de Antibióticos (Cibran) has filed six suits against the Enel Group company Ampla Energia e Serviços SA (Ampla)[16] to obtain damages for alleged losses incurred as a result of the interruption of electricity service by the Brazilian distribution company between 1987 and

(16) The trading name of Ampla is Enel Distribuição Rio de Janeiro.

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 Ampla. The latter challenged the findings, asking for a new study, which led to the denial of part of Cibran's petitions. Cibran subsequently appealed the decision and the ruling was in favor of Ampla.

The first suit, filed in 1999 and regarding the years from 1995 to 1999, was adjudicated in September 2014 when the court of first instance issued a ruling against Ampla, levying a fine of about R$200,000 (about €46,000) as well as other damages to be quantified at a later stage. Ampla appealed the ruling and the appeal was upheld by the *Tribunal de Justiça*. In response, on December 16, 2016, Cibran filed an appeal (recurso especial) before the *Superior Tribunal de Justiça*, which was denied on June 19, 2020. The ruling 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 Ampla to pay R$80,000 Brazilian (about €19,000) in non-pecuniary damages as well as R$96,465,103 (about €23 million) in pecuniary damages, plus interest. On July 8, 2015 Ampla appealed the decision with the *Tribunal de Justiça* of Rio de Janeiro, which on November 6, 2019 issued a ruling granting Ampla's petition and denying all of Cibran's claims. On November 25, 2019, Cibran filed an appeal against the ruling of the *Tribunal de Justiça* of Rio de Janeiro, which was preliminarily denied on September 10, 2020. On January 29, 2021 Cibran appealed the decisions before the *Superior Tribunal de Justiça*. Decisions at first instance are still pending with regard to the remaining four suits for the years 2001 and 2002. The value of all the disputes is estimated at about R$605 million (about €103 million).

Coperva litigation – Brazil

As part of the project to expand the grid in rural areas of Brazil, in 1982 Companhia Energética do Ceará SA (Coelce), 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 Coelce, which was also required to maintain the networks.

Those contracts, between cooperatives established in special circumstances and the then public-sector company, do not specifically identify the grids governed by the agreements, which has prompted a number of the cooperatives to sue Coelce asking for, among other things, a revision of the fees agreed in the contracts.

These actions include the suit filed by Cooperativa de Eletrificação Rural do Vale do Acarau Ltda (Coperva) with a value of about R$310 million (about €53 million). Coelce was granted rulings in its favor from the trial court and the court of appeal, but Coperva filed a further appeal (*Embargo de Declaração*) based on procedural issues, which was also denied by the appeal court in a ruling of January 11, 2016. On February 3, 2016, Coperva lodged an extraordinary appeal before the *Superior Tribunal de Justiça* (the court of third instance) against the appeal court 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 filed an appeal (*Agravo Interno*) against this ruling of the *Superior Tribunal de Justiça*. The proceedings are currently pending.

AGM litigation – Brazil

In 1993, Celg-D,[17] the Association of Municipalities of Goiás (AGM), the State of Goiás and the Banca di Goiás reached an agreement (*convenio*) for the payment of municipal debts to Celg-D through the transfer of the portion of ICMS - *Imposto sobre Circulação de Mercadorias e Serviços* (VAT) that the State would have transferred to those governments. In 2001 the parties to the agreement were sued by the individual municipal governments to obtain a ruling that the agreement was invalid, a position then upheld by the Supreme Federal Court on the grounds of the non-participation of the local governments themselves in the agreement process. In September 2004, Celg-D reached a settlement with 23 municipalities. Between 2007 and 2008, Celg-D was again sued on numerous occasions (there are currently 90 pending suits) seeking the restitution of amounts paid under the agreement. Despite the ruling that the agreement was void, Celg-D argues that the payment of the debts on the part of the local governments is legitimate, as electricity was supplied in accordance with the supply contracts and, accordingly, the claims for restitution of amounts paid should be denied.

The proceedings pending before the Goiás State Court include: (i) a suit filed by the Municipio de Aparecida de Goiânia, which is pending at the preliminary stage at first instance, for an amount of approximately R$624 million

(17) The trading name of Celg-D is Enel Distribuição Goiás.

(approximately €106 million); (ii) a suit filed by the Municipio de Quirinópolis, also pending at the preliminary stage of the proceeding at first instance for an amount of about R$334 million (about €57 million); and (iii) a suit filed by the Municipio de Anápolis, submitted to the court of first instance after a failed attempt at conciliation between the parties, for an amount of approximately R$320 million (about €54 million).

The total value of the suits is equal to about R$3.5 billion (about €599 million). It is important to emphasize that the contingent liability deriving from this dispute is covered by the "Funac" provision established during the privatization of Celg-D.

ANEEL litigation – Brazil

In 2014, Eletropaulo[18] initiated an action before the federal courts seeking to void the administrative measure of 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, the Authority ordered the restitution of the value of some components of the network previously included in rates because they were considered non-existent and denied Eletropaulo's request to include additional components in rates. On September 9, 2014, the administrative measure of ANEEL was suspended on a precautionary basis. The first-instance proceeding is in its preliminary stages and the value of the suit is R$1,093 million (about €186 million).

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 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 an unfavorable ruling against Emgesa, sentencing it to fulfill the obligations already provided for in the environmental license. ANLA has submitted a request for clarification of the ruling. 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 June 15, 2018, Emgesa filed its final pleadings. On January 12, 2021, it was learned that the ruling of first instance of the Court of Huila had been issued (it was subsequently notified to the company on February 1, 2021). The ruling, while acknowledging that the oxygenation system implemented by Emgesa has 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. Emgesa will take all necessary actions to safeguard its rights.

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 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 suit is at a preliminary stage. The estimated value of the proceeding is about 337 billion Colombian pesos (about €96 million).

(18) The trading name of Eletropaulo is Enel Distribuição São Paulo.

Arbitration proceedings in Colombia

On October 8, 2018 the Grupo Energía de Bogotá (GEB) (which holds about 51.5% of Emgesa and Codensa) announced that it had started arbitration proceedings before the *Centro de Arbitraje y Conciliación de la Cámara de Comercio de Bogotá* against Enel Américas SA for an alleged breach of contract in relation to the non-distribution of dividends in the 2016, 2017 and 2018 financial years for the companies Emgesa and Codensa and for the failure to comply with certain provisions of the shareholders' agreement. The GEB is claiming damages of about €514 million plus interest. The preliminary phase has been completed and the procedure is currently suspended.

In parallel, GEB also initiated, respectively, 17 arbitration proceedings against Codensa and 20 against Emgesa, for a total of 37 pending disputes (now joined into two separate proceedings for each company), in an attempt to void the decisions of the *Junta Directiva* and shareholders' meetings of the defendant companies for alleged violation of mandatory rules, defect of absolute nullity for illegality of motive and subject matter and alleged violation of shareholders' agreements. On February 24, 2020, GEB filed a revision of the arbitration petition filed against Emgesa, including, among other things, claims concerning the failure to pursue the corporate purpose and abuse of the exercise of voting rights by Enel Américas and its directors. Emgesa filed a defense brief challenging GEB's new claims. Both of the two suits launched against Emgesa and Codensa are currently suspended due to negotiations by agreement of the parties. The value of the disputes is undetermined and the proceedings are both in the preliminary phase.

Gabčíkovo dispute – 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 Výsatavba 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 immediately 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. SE then appealed the ruling to the Constitutional Court, which denied the appeal on January 18, 2017.

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) of the Slovak Republic and SE, the latter is entitled to an indemnity in the event of the early termination of the VEG Operating Agreement for reasons not attributable to SE. The arbitration court rejected the objection that it did not have jurisdiction and the arbitration proceeding continued to examine the merits of the case, with a ruling on the amount involved being deferred to any subsequent proceeding. Following the hearing held on February 2, 2017, the arbitration court issued its ruling denying the request of SE on June 30, 2017.

In parallel with the arbitration proceeding launched by SE, both VV and MH Manazment 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 joindered and, on September 27, 2017, a hearing was held before the Court of Bratislava in which the judge denied the request of the plaintiffs for procedural reasons. Both VV and MH Manazment appealed that decision. The appeal filed by MH Manazment was denied by the Bratislava Court of Appeal on June 8, 2019, upholding the decision of the court of first instance in favor of SE. Similarly, the appeal filed by VV was denied, upholding the trial court decision in favor of SE. VV filed a further appeal (*dovolanie*) against that decision on March 9, 2020, to which SE replied with a brief submitted on June 8, 2020. At the local level, SE was sued by VV for alleged unjustified enrichment (estimated at about €360 million plus interest) for the period from 2006 to 2015. SE filed counter-claims for all of the proceedings under way and, in particular: (i) for 2006, 2007 and 2008, at the he-

aring of June 26, 2019, the Court of Bratislava denied the claims of both parties for procedural reasons. The ruling in first instance was appealed by both VV and SE and the appeals for the years 2006-2008 are pending. As for the appeal proceedings relating to 2007, in November 2019, SE had raised a preliminary question which was rejected by the Court of Appeal on January 15, 2020. On August 18, 2020, SE filed an appeal with the Constitutional Court; (ii) for the proceedings relating to 2009, the Court of Bratislava had initially scheduled the first hearing for October 13, 2020, which was then postponed to November 24, 2020 and again postponed to March 23, 2021; (iii) for the proceeding relating to 2011, the Court set the first hearing for November 19, 2020, again postponed to a date to be decided due to the COVID-19 situation; (iv) with regard to the proceeding involving 2012, at the hearing of April 24, 2019, the Court denied the petition of VV, which filed an appeal on June 21, 2019 and the appeal is under way; (v) for the proceedings relating to the years 2010 and 2013, the exchange of final pleadings between the parties was concluded and the hearing at first instance, initially set for May 12, 2020, was postponed to October 6, 2020. On this date, VV has asked for the hearing to be postponed to November 6, 2020, and subsequently to February 23, 2021. The hearing was subsequently postponed to a date to be determined as a result of the epidemiological emergency; (vi) for the proceeding relating to 2014, the hearing at first instance initially scheduled for October 6, 2020 was first postponed to November 6, 2020, and then to February 23, 2021. The hearing was subsequently postponed to a date to be determined due to the health emergency.

Finally, in another proceeding before the Court of Bratislava, 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. The parties exchanged briefs. At the hearing on November 19, 2019, the court issued a preliminary decision on the case in which it noted the lack of standing of VV. At the hearing of October 1, 2020, the parties filed their final briefs and on December 18, 2020, the court issued a decision in favor of SE, rejecting VV's claims. On January 7, 2021, VV filed an appeal against the decision, and the proceeding is pending.

Precautionary administrative proceeding and Chucas arbitration

PH Chucas SA (Chucas) is a special purpose entity established by Enel Green Power Costa Rica SA after it won a tender organized in 2007 by the *Instituto Costarricense de Electricidad* (ICE) for the construction of a 50 MW hydroelectric plant and the sale of the power generated by the plant to ICE under a build, operate and transfer contract (BOT).

On May 27, 2015, under the provisions of the BOT contract, Chucas initiated an arbitration proceeding before the *Cámara Costarricense-Norteamericana de Comercio* (AMCHAM CICA) seeking reimbursement of the additional costs incurred to build the plant and as a result of the delays in completing the project as well as voidance of the fine levied by ICE for alleged delays in finalizing the works. In a decision issued in December 2017, the arbitration board ruled in Chucas' favor, granting recognition of the additional costs in the amount of about $113 million (about €91 million) and legal costs and ruling that the fines should not be paid. ICE appealed the arbitration ruling before the Supreme Court and on September 5, 2019 Chucas was notified of the ruling upholding the ICE's appeal to void the arbitration ruling for a number of formal procedural reasons. On September 11, 2019, Chucas filed a "*recurso de aclaración y adición*" with the same court and it was partially upheld on June 8, 2020. The Court's decision expanded on the ruling of September 5, 2019 with information concerning the admission of evidence deposited by Chucas without, however, modifying the decision concerning the voidance of the arbitration award. On July 15, 2020, Chucas filed a request for arbitration with the AMCHAM CICA for an estimated amount of about $240 million. On August 14, 2020, ICE filed a response to Chucas's arbitration petition, requesting the dismissal of the proceeding for lack of jurisdiction on the part of the arbitration tribunal. The request was denied by AMCHAM CICA. In parallel, ICE filed precautionary appeals to the *Tribunal Contencioso Administrativo* against Chucas and the AMCHAM CICA in order to suspend the arbitration proceedings. These appeals were preliminarily upheld and subsequently revoked. Arbitration is therefore in the initial stages.

GasAtacama Chile – Chile

On August 4, 2016, the *Superintendencia de Electricidad y Combustibles* (SEC) fined GasAtacama Chile $8.3 million (about 5.8 billion Chilean pesos) for information provided by the latter to the CDEC-SING (*Centro de Despacho Económico de Carga*) between January 1, 2011 and October 29, 2015, relating to the Minimum Technical and Minimum Operating Time variables at the Atacama plant.

GasAtacama Chile appealed this measure with the SEC, which denied the appeal on November 2, 2016. GasAtacama Chile appealed this decision before the Santiago Court of Appeal, which on April 9, 2019, issued a ruling reducing the fine to $432,000 (about 290 million Chilean pesos). Both GasAtacama Chile and the SEC have appealed this decision before the Supreme Court of Chile. On June 28, 2019, a hearing was held for both parties to submit arguments and on January 15, 2020 the Supreme Court upheld the ruling of the Santiago Court of Appeal, leaving unchan-

ged the reduction in the fine established by that court. The adjusted fine was paid on March 12, 2020.
In parallel, GasAtacama Chile also filed an appeal before the Constitutional Court, claiming that the legal provisions under which the SEC imposed the fine had been repealed at the time the penalty was issued. On July 17, 2018, the Constitutional Court rejected GasAtacama Chile's appeal.
In relation to this issue, some operators of the *Sistema Interconectado del Norte Grande* (SING), including Aes Gener SA, Eléctrica Angamos SA and Engie Energía Chile SA, have initiated actions in order to obtain damages in an amount of about €58 million (the former) and about €141 million (the latter two). The disputes were joindered in part in a single proceeding and the preliminary phase is currently suspended under the state of national emergency declared in response to the COVID-19 pandemic.

Kino arbitration – Mexico

On September 16, 2020, Kino Contractor SA de Cv, Kino Facilities Manager SA de Cv and Enel SpA 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 SpA – which is the guarantor of the obligations of Kino Contractor and Kino Facilities deriving from the above contracts – has also been called into the arbitration proceeding, but without specific claims being filed against it.
The Project Companies, in which Enel Green Power SpA is a non-controlling shareholder, are controlled by Caisse de Dépôt et Placement du Québec and CKD Infraestructura México SA de Cv. The proceeding is in the preliminary phase and the formation of the arbitration panel is in progress. The claim is provisionally quantified at about $140 million, while the Project Companies provisionally quantified their claim at about $15.4 million.

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 provided the additional documentation and is awaiting the court's assessment of the arguments and documents presented.
The amount involved in the dispute at December 31, 2020 was about €206 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, 2020 was about €103 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[19] (2003, 2004, 2006-2012 and 2015) and Eletropaulo (2008-2019), challenging the deduction of ICMS (*Imposto sobre Circulação de Mercadorias e Serviços*) 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 €75 million at December 31, 2020.

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 payments of allegedly higher dividends 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, 2020 was about €56 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 authority 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, 2020 was about €38 million.

ICMS - 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*) and in particular the method of calculation of the pro-rata deduction with reference to the revenue deriving from the application of a

(19) The trading name of Coelce is Enel Distribuição Ceará.

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, 2020 was about €39 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, 2020 was about €36 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 2012 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.
With regard to the disputes concerning corporate income tax, the issues for which an unfavorable outcome is considered possible amounted to about €151 million at December 31, 2020: (i) Enel Iberia is defending the appropriateness of the criterion adopted for determining the deductibility of capital losses deriving from stock sales (around €103 million) and certain financial expense (around €18 million); (ii) Endesa and its subsidiaries are mainly defending the appropriateness of the criteria adopted for the deductibility of certain financial expense (about €24 million) and costs for decommissioning nuclear power plants (about €6 million).

Income taxes - 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, 2020 was about €95 million.

Tax litigation in Italy

Withholding tax - Enel Servizio Elettrico Nazionale
As a result of a tax audit initiated in March 2018 and following a subsequent investigation conducted with questionnaires submitted to the banks involved as assignees in certain transfers of receivables from Servizio Elettrico Nazionale SpA (SEN) in respect of mass market customers under a framework agreement, on December 19, 2018, the Revenue Agency Regional Directorate of Lazio Large Taxpayers Office, notified the company of an assessment in respect of the alleged violation of withholding tax obligations relating to the amounts paid to the banks as part of the aforementioned transfers in 2013.
In particular, the dispute arises from an assessment by the Office that: (i) reclassified, for tax purposes only, the assignment of receivables as a financing transaction; (ii) asserted an alleged withholding obligation for the company commensurate with the cost of the transaction (as the difference between the nominal value of the assigned receivables and the transfer price), reconstructing the subsequent transactions involving the assigned receivables (further sales and/or securitizations with non-residents carried out by

the banks), in which the company had no role.
In the first stages of the proceeding, which arose following SEN's appeal of the assessment, the company's objections concerning the illegitimacy of the Office's reclassification of the transaction for tax purposes and, consequently, of the payment flows were not upheld, despite significant procedural violations in the assessment activity.
Believing that it has valid legal grounds to continue the dispute, the company filed an appeal with the Court of Cassation, asserting the illegitimacy of the tax claim for violation and false application of the rules that, in the view of the trial court, permit the classification of the income generated by the assignment of receivables as "property income", which, consequently, would require SEN to apply withholding tax.
The overall amount involved in the dispute at December 31, 2020 is about €81 million.

54. Future accounting standards

The following provides a list of accounting standards, amendments and interpretations that will take effect for the Group after December 31, 2020.

- "*IFRS 17 - Insurance contracts*", issued in May 2017. The standard will take effect, subject to endorsement, for annual periods beginning on or after January 1, 2021, with earlier application permitted.
- "*Amendment to IFRS 16: COVID 19-related rent concessions*", issued on May 28, 2020 in order to permit lessees to not account for rent concessions (rent payment holidays, deferral of lease payments, reductions in rent for a period of time, possibly followed by rent increases in future periods) as lease modifications if they are a direct consequence of the COVID-19 pandemic and meet certain conditions. According to IFRS 16, a lease modification is a change in the scope of a lease, or the consideration for a lease, that was not part of the original terms and conditions of the lease. Accordingly, rent concessions would represent lease modifications unless they were provided for in the original lease agreement. The amendment applies only to lessees, while lessors are required to apply the current provisions of IFRS 16. The amendment, which applies retrospectively for annual reporting periods beginning on or after June 1, 2020, was not applied early by the Group.
- "*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, but if the amendments are applied early, they must be applied prospectively.
- "*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 of an entity to defer settlement and that that right must exist at the end of the reporting period;
  - the classification is unaffected by the intentions or expectations of management about when the entity will exercise its right to defer settlement of a liability;
  - that the right to defer exists if and only if the entity satisfies the terms of the loan at the end of the reporting period, even if the creditor does not verify compliance until later; and
  - that settlement regards the transfer to the counterparty of cash, equity instruments, other assets or services.

  The amendments will take effect, subject to endorsement, for annual periods beginning on or after January 1, 2023, with earlier application permitted.
- "*Amendments to IFRS 3 - Reference to the Conceptual Framework*" issued in May 2020. The amendments are intended to replace a reference to the definitions of assets and liabilities provided by the Revised Conceptual Framework for Financial Reporting issued in March 2018 (Conceptual Framework) without significantly changing its provisions.
  The amendments also add to IFRS 3 a requirement that, for transactions and other events within the scope of "IAS 37 - Provisions, contingent liabilities and contingent assets" or "IFRIC 21 - Levies", an acquirer applies IAS 37 or IFRIC 21 (instead of the Conceptual Framework) to identify the liabilities it has assumed in a business combination.
  Finally, the amendments clarify the existing guidelines in IFRS 3 for contingent assets acquired in a business combination, specifying that, if it is not sure that an asset exists at the acquisition date, the contingent asset shall not be recognized.
  The amendments will take effect, subject to endorsement, for annual periods beginning on or after January 1, 2022.
- "*Amendments to IAS 16 - Property, Plant and Equipment: Proceeds before Intended Use*", issued in May 2020. The amendments prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognize such sales proceeds and related cost in profit or loss. The amendments will take effect, subject

to endorsement, for annual periods beginning on or after January 1, 2022. Early application is permitted.

> "*Amendments to IAS 37 - Onerous Contracts - Costs of Fulfilling a Contract*", issued in May 2020. The amendments specify which costs an entity includes in determining the cost of fulfilling a contract for the purpose of assessing whether the contract is onerous. To this end, the cost of fulfilling a contract comprises the costs that relate directly to the contract. These consist of the incremental costs of fulfilling that contract or an allocation of other costs that relate directly to fulfilling contracts. The amendments will take effect, subject to endorsement, for annual periods beginning on or after January 1, 2022. Early application is permitted.

> "*Annual improvements to IFRS Standards 2018-2020*", issued in May 2020. The document mainly comprises amendments to the following standards:

- "*IFRS 1 - First-Time Adoption of International Financial Reporting Standards*"; the amendment simplifies the application of IFRS 1 by an investee (subsidiary, associate or joint venture) that becomes a first-time adopter of IFRS Standards after its parent has already adopted them. More specifically, if the investee adopts the IFRSs after its parent and applies IFRS 1.D16 (a), then the investee can elect to measure the cumulative translation differences for all foreign operations at the amounts that would be included in the parent's consolidated financial statements, based on parent's date of transition to the IFRSs;
- "*IFRS 9 - Financial Instruments*"; with regard to fees included in the '10 per cent' test for derecognition of financial liabilities, the amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. In particular, these include only fees paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf;
- "*IFRS 16 - Leases*"; the International Accounting Standards Board amended Illustrative Example 13 accompanying "IFRS 16 - Leases". Specifically, the amendment eliminates the potential for confusion in the application of IFRS 16 created by the way in which Illustrative Example 13 had illustrated the requirements for lease incentives. The example had included a reimbursement relating to leasehold improvements without explaining whether the reimbursement qualified as a lease incentive. The amendment removes the illustration of a reimbursement relating to leasehold improvements from the example;
- "*IAS 41 - Agriculture*"; the amendment removes the requirement for entities to exclude cash flows for taxation when measuring fair value. Accordingly, entities shall use pre-tax cash flows and a pre-tax rate to discount those cash flows.

The amendments shall be applied prospectively, subject to endorsement, for annual periods beginning on or after January 1, 2022. Early application is permitted.

> "*Amendments to IFRS 9, IAS 39, IFRS 7, and IFRS 16 - Interest Rate Benchmark Reform - Phase 2*", issued in August 2020. The amendments supplement those issued in 2019 (Interest Rate Benchmark Reform - Phase 1) and address issues that could affect financial reporting after a benchmark has been reformed or replaced with an alternative benchmark rate. The objectives of the Phase 2 amendments are to assist companies: (i) in applying the IFRSs when changes occur in contractual cash flows or hedging relationships due to the reform of the benchmarks for determining interest rates; and (ii) in providing information to users of financial statements.

In addition, when the Phase 1 exemptions cease to apply, companies are required to amend the documentation of hedging relationship to reflect the changes required under the IBOR reform by the end of the year in which the changes are made (such changes do not constitute the discontinuation of the hedging relationship). When the description of a hedged element in the documentation of the hedging relationship is changed, the amounts accumulated in the hedging reserve shall be considered to be based on the alternative benchmark rate on the basis of which the future hedged cash flows will be determined.

The amendments will require providing additional disclosures about the entity's exposure to the risks arising from the interest rate benchmark reform and related risk management activities.

The amendments will take effect for annual periods beginning on or after January 1, 2021. Early application is permitted.

> "*Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of Accounting Policies*", issued in February 2021. The amendments are intended to support entities in deciding which accounting policies to disclose in the financial statements. The amendments to IAS 1 require companies to disclose their material accounting policy information rather than their significant accounting policies. A guide on how to apply the concept of materiality to disclosures on accounting policies is provided in the amendments to IFRS

Practice Statement 2. The amendments will take effect, subject to endorsement, for annual periods beginning on or after January 1, 2023. Early application is permitted.

- *"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". The amendments will take effect, subject to endorsement, for annual periods beginning on or after January 1, 2023. Early application is permitted.

The Group is assessing the potential impact of the future application of the new provisions.

55. Events after the reporting period

Enel closes Unit I of Bocamina coal-fired plant three years ahead of date set in Chile's National Decarbonization Plan

On January 4, 2021 the Enel Group disconnected and ceased operations at Unit I of the Bocamina coal-fired power plant, which is located in the Chilean municipality of Coronel. The 128 MW Unit I was disconnected three years before the date set in Chile's National Decarbonization Plan. With this milestone, coupled with the closure of Tarapacá coal plant on December 31, 2019 and the expected closure of Enel's last coal facility in the country, Bocamina's Unit II, by May 2022, steadily progress is being made towards the decarbonization of Enel's Chilean generation mix.

Moody's upgrades Enel's long-term rating to "Baa1"

On January 15, 2021, Moody's Investors Service (Moody's) announced that it had upgraded its long-term rating of Enel SpA to "Baa1" from the previous level of "Baa2". Among the rating drivers prompting the upgrade, Moody's cited:

- low earnings volatility driven by large scale and geographical diversification;
- stable earnings stemming from regulated networks and contracted generation, which account for 80% of the Group's EBITDA;
- solid financial profile, with funds from operations/net debt in excess of 20%.

Enel's Board of Directors approves the issue of hybrid bonds up to a maximum of €3 billion

On February 25, 2021, the Board of Directors of Enel SpA authorized the issue, by December 31, 2021, of one or more non-convertible subordinated hybrid bonds, including perpetual bonds, for up to a maximum of €3 billion. The bonds are to be placed exclusively with European and non-European institutional investors, including through private placements.

Enel issues new hybrid bonds for an aggregate principal amount of €2.25 billion

In execution of the February 25, 2021 resolution, on March 4, 2021 Enel announced the issue of a new perpetual hybrid bond of €2.25 billion. The new issue strengthens and optimizes the Group's capital structure with an incremental hybrid bond component, thus contributing to support the Group's growth set out in the 2021-2023 Strategic Plan, which envisages direct investments of around €40 billion over the period.

Enel signs the largest ever sustainability-linked revolving credit facility

On March 5, 2021, Enel and its Dutch subsidiary Enel Finance International NV (EFI) signed the largest ever sustainability-linked revolving credit facility in the amount of €10 billion, with a term of five years.

The facility, which will be used to meet the Group's financial requirements, is linked to a key performance indicator consisting of direct greenhouse gas emissions (i.e., Group Scope 1 CO_2 equivalent emissions from the production of electricity and heat), contributing to the achievement of the United Nations Sustainable Development Goal (SDG) 13 "Climate Action" and in line with the Group's "Sustainability-Linked Financing Framework", for which Vigeo Eiris provided a second-party opinion.

The facility replaces the previous €10 billion revolving credit line signed by Enel and EFI in December 2017 and has a lower all-in cost than the earlier facility.

Voluntary partial public tender offer for the shares and American Depositary Shares of Enel Américas SA

As part of the process of corporate reorganization aimed at integrating the non-conventional renewable energy business of the Enel Group in Central and South America (excluding Chile) into the listed Chilean subsidiary Enel Américas SA, on March 15, 2021, Enel SpA, as previously announced to investors, launched a voluntary partial public tender offer for Enel Américas common stock and American Depositary Shares (ADSs) up to a maximum overall amount of 7,608,631,104 shares (including the shares represented by ADSs), equal to 10% of the company's outstanding share capital at that date.

The tender was organized as a voluntary public tender offer in the United States and a voluntary public tender offer in Chile.

The Offer period ran from March 15 to April 13, 2021.

The Offer was conditional upon the effectiveness of the merger of EGP Américas SpA into Enel Américas SA, which occurred on April 1, 2021.

The total maximum outlay of approximately 1,065.2 billion Chilean pesos (equal to about €1.2 billion, calculated at the exchange rate prevailing on March 12, 2021 of 853.44 Chilean pesos per euro) was funded through internally generated cash flows and existing borrowing capacity.

Following the completion of the voluntary partial public tender offer and the completion of the merger of EGP Américas, Enel owns about 82.3% of the share capital of Enel Américas currently in circulation.

Declaration of the Chief Executive Officer and the officer in charge of financial reporting of the Enel Group at December 31, 2020, 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 Francesco Starace and Alberto De Paoli, 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, 2020 and December 31, 2020.

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, 2020:
   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, 2020, 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 18, 2021

Francesco Starace
Chief Executive Officer of Enel SpA

Alberto De Paoli
Officer in charge of financial reporting of Enel SpA

Report of the Board of Statutory Auditors to the Shareholders' Meeting of Enel SpA

REPORT OF THE BOARD OF STATUTORY AUDITORS TO THE SHAREHOLDERS' MEETING OF ENEL SpA CALLED TO APPROVE THE FINANCIAL STATEMENTS FOR 2020

(pursuant to Article 153 of Legislative Decree 58/1998)

Shareholders,

during the year ended December 31, 2020 we performed the oversight activities envisaged by law at Enel SpA (hereinafter also "Enel" or the "Company"). 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, as amended by Legislative Decree 135 of July 17, 2016 (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 2018 edition of the Corporate Governance Code for Listed Companies (hereinafter, the "Corporate Governance Code"), which the Company had adopted until March 2021;[(1)]
- 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 particular issues to report.

In compliance with the instructions issued by CONSOB with (i) Communication no. DEM/1025564 of April 6, 2001, as amended, and (ii) in warning notice no. 1/2021 of February 16, 2021, we report the following:

(1) In March 2021, the Board of Directors completed the adoption of measures to ensure that Enel had implemented the amendments to the Italian Corporate Governance Code published in January 2020.

- 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. We report that the actions approved and implemented were 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 2020 (in the section "Significant events in 2020");
- 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 2020 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. 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 2020. All transactions with related parties reported in the notes to the separate financial statements for 2020 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 2020 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 2020, 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 2020 have been prepared on a going-concern basis using the cost method, with the exception of items that are measured at fair value under the IFRS-EU, as indicated in the accounting policies for the individual items of the financial statements. 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 2020, which as indicated in the notes did not have a significant impact in the year under review, and standards that will apply in the future. The separate financial statements for 2020 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 Legislative 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 separate financial statements; and
- the declaration provided pursuant to Article 14, paragraph 2(e) of Legislative 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 2020 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 2020, 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 2020 consolidated financial statements of the Enel Group are also prepared on a going-concern basis using the cost method, with the exception of items that are measured at fair value under the IFRS-EU (as indicated in the discussion of measurement criteria for the individual items) and non-current assets (or disposal groups) classified as held for sale, which are measured at the lower of carrying amount and fair value less costs to sell. 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 2020, which did not have a significant impact in the year under review. The consolidated financial statements for 2020 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 2020 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 confirmed with the Public Statement of October 28, 2020, 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 2021, i.e. prior to the date of approval of the financial statements for 2020;
- we examined the Board of Directors' proposal for the allocation of net profit for 2020 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 2021, that as at the date on which the 2020 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, 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 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. As from the second half of 2014, the organizational structure of the Enel Group is based on a matrix of global business lines and geographical areas. Taking account of the changes implemented most recently in 2020 and the early months of 2021, it is organized into: (i) 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. The Global Business Lines are: Global Power Generation, Global Energy and Commodity Management, Global Infrastructure and Networks and Enel X; (ii) Regions and Countries, which are responsible for managing relationships with local institutional bodies, regulatory authorities, the media and other local stakeholders, as well as the development of the customer base with regard to the sale of electricity and gas, in each of the countries in which the Group is present, while also providing staff and other service support to the Global Business Lines and adopting appropriate security, safety and environmental standards. Regions and Countries comprise: Italy, Iberia, Europe, Latin America, North America, and Africa, Asia and Oceania; (iii) Global Service Functions, which are responsible for managing information and communication technology activities (Global Digital Solutions) and procurement at the Group level (Global Procurement); and (iv) Holding Company Functions, which among other things are responsible for managing governance processes at the Group level. They include: Administration, Finance and Control, Human Resources and Organization, Communication, Legal and Corporate Affairs, Audit, and Innovation and Sustainability. The Board of Statutory Auditors feels that the organizational system described above is adequate to support the strategic development of the Company and the Enel Group and is also consistent with control requirements;
- during meetings 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 that would require reporting here;

- we monitored the independence of the audit firms, first EY SpA and then its successor during 2020 KPMG SpA, having received today from KPMG (which succeeded EY SpA beginning with the audit activity performed for Enel's consolidated half-year report for 2020) specific written confirmation that they met that requirement (pursuant to the provisions of Article 6, paragraph 2(a), of Regulation (EU) no. 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 Legislative Decree 39/2010 – the nature and the scale of non-audit services provided to the Company and other Enel Group companies by EY SpA and then KPMG SpA and the entities belonging to their respective networks. 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 feels that there are no critical issues concerning the independence of EY SpA or its successor during the 2020 KPMG SpA.

  We held periodic meetings with the representatives of the audit firms, 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) no. 537/2014, KPMG SpA today provided the Board of Statutory Auditors with the "additional report" for 2020 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 Legislative Decree 39/2010.

  As at the date of this report, the audit firm also reported that it did not prepare any management letter for 2020;
- 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 first by EY SpA and then its successor during 2020 KPMG SpA. The Chief Executive Officer and the officer in charge of financial reporting of Enel issued a statement (regarding the Company's 2020 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 – only for the Information Technology General Controls – the Company's Audit department) 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 2020 of the Enel Group;

- we monitored the adequacy and effectiveness of the internal control system, primarily through constant 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, the internal control and risk management system can be considered adequate and effective. In February 2021, the Board of Directors of the Company expressed an analogous assessment of the situation and also noted, in November 2020, that the main risks associated with the strategic targets set out in the 2021-2023 Business Plan were compatible with the management of the Company in a manner consistent with those targets;

- in 2020 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, which the Company has adopted, verifying the compliance of Enel's 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 2020.

  In February and June 2020, the Board of Statutory Auditors verified that the Board of Directors, 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 set out in that Code, adopting a transparent procedure, the details of which are discussed in the Report on Corporate Governance and Ownership Structure for 2020.

  With regard to the so-called "self-assessment" of the independence of its members, the Board of Statutory Auditors – in February 2020 – 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 2020 and during the first two months of 2021, 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 was done for 2018 and 2019, 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 findings of the board review for 2020 reveal the unanimous agreement of the members of the Board of Statutory Auditors concerning the complete adequacy of its size, membership and functioning. Compared with the previous year, it was confirmed that the oversight body has adopted effective and efficient operating methods that comply with the reference regulatory framework.

  Note that during the assessment phase that preceded the adoption by the Board of Directors of Enel of the measures intended to ensure the implementation of the changes contained in the Italian Corporate Governance Code published in January 2020, the Board of Statutory Auditors, in December 2020, invited the Board of Directors to take account of a number of recommendations intended to ensure the optimal functioning of the Board committees. In particular, the Board of

Statutory Auditors recommended that the task of assisting the Board of Directors in implementing the board review should be entrusted to a single Board committee and that the organizational rules of the Committees should limit the number of responsibilities to be exercised jointly to the greatest possible extent.[2] The Board of Directors, when adopting the measures intended to ensure the implementation by Enel of the changes to the Italian Corporate Governance Code published in January 2020, took account of the guidance offered by the Board of Statutory Auditors;

- during 2020, the Board of Statutory Auditors also participated in an induction program, structured into 17 meetings, organized by the Company to provide an adequate understanding of the business sectors in which the Enel Group operates, as well as the company dynamics and their evolution, market trends and the applicable regulatory framework. For an analysis of the issues addressed at the various induction sessions, please see the Report on Corporate Governance and Ownership Structure for 2020;
- 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 statement for 2020 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. As at the date of this report, the audit firm, KPMG SpA, had not yet 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. In any event, during meetings with KPMG SpA, the audit firm did not raise any issues in this regard of such significance that they would require mention in this report;
- 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

(2) This is because the assignment of assessment duties jointly to multiple Board committees, the sum of whose members represents more than half of the members of the Board of Directors, may in the opinion of the Board of Statutory Auditors – taking account of the fact that its power is not merely consultative but advisory – have an adverse impact on the evaluative independence of the Board of Directors and, therefore, impede the correct functioning of the collegial method.

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 (in fact criminal) 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 2020. The structure that monitors the operation and compliance with the program and is responsible for updating it is a collegial body. In July 2020, the Board of Directors again appointed the members of that body, which 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 2020 by that structure, including in meetings with its members. Our examination of those activities found no facts or situations that would require mention in this report;
- in 2020, the Board of Statutory Auditors issued a the following opinions:
  - a favorable opinion (at the meeting of January 28, 2020) on the 2020 Audit Plan, in accordance with the provisions of Article 7.C.1, letter c) of the Corporate Governance Code;
  - a favorable opinion (at the meeting of July 2, 2020) pursuant to Article 2389, paragraph 3, of the Italian Civil Code, regarding the amount of remuneration to be paid to the members of the various committees established within the Board of Directors, following the appointment of the latter body by the Shareholders' Meeting on May 14, 2020, taking account of the provisions of

Enel's remuneration policy for 2020 approved with a binding vote by the Shareholders' Meeting;

- a favorable opinion (at the same meeting of July 2, 2020) on the attendance fee to be paid to the Magistrate of the Court of Auditors delegated to monitor the financial management of Enel for participation in the meetings of the corporate bodies;
- a favorable opinion (at the meeting of October 7, 2020) pursuant to Article 2389, paragraph 3, of the Civil Code, regarding the decisions concerning the remuneration and terms and conditions of employment for top management, taking account of the provisions of Enel's remuneration policy for 2020 approved with a binding vote by the Shareholders' Meeting of May 14, 2020;

- 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 2020 for their respective positions and any compensation instruments awarded to them is contained in the second section of the Report on Remuneration Policy for 2021 and Remuneration Paid in 2020 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 15, 2021, 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. In addition, the second section of the Remuneration Report contains, in compliance with the applicable CONSOB regulations, specific disclosures on the remuneration earned in 2020 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 2021 – 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) no. 2017/828 as transposed into Italian law, with (ii) the recommendations of the Italian Corporate Governance

Code published in January 2020, 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.

As indicated in the first section of the Remuneration Report, during the preparation of the remuneration policy for 2021, the Board of Statutory Auditors – taking account of the recommendations in this regard by the Italian Corporate Governance Committee – 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 on the basis of the data reported in the documentation published on the occasion of 2020 Shareholders' Meetings by issuers belonging to a peer group composed – unlike that used for the analogous analysis concerning the Board of Directors – exclusively of Italian companies belonging the FTSE-MIB index([3]). The functions that the Italian legal system assigns to the Board of Statutory Auditors differentiate the latter from the bodies with oversight functions provided for in the one-tier and two-tier governance systems commonly adopted in other countries. For the purpose of identifying the peer group, the consultant, in agreement with the Board of Statutory Auditors, agreed to exclude certain industrial companies belonging to the FTSE-MIB index that have concentrated ownership structures, while evaluating some companies in the FTSE-MIB index operating in the financial services industry.

The analysis showed that, on the basis of the data as at December 31, 2019, Enel exceeds the peer group in terms of capitalization, is above the ninth decile in terms of revenue and slightly below the ninth decile in terms of number of employees.

The same analysis also found that – against Enel's very high positioning compared with the companies included in the panel in terms of capitalization, revenue and number of employees – the remuneration of the Chairman of the Board of Statutory Auditors and of the other Statutory Auditors is just above the peer group median. The analysis also found that in 2019, on average, the boards of statutory auditors of the companies belonging to the panel were composed of four standing auditors compared with the three standing members of Enel's Board of Statutory Auditors, and held 26 meetings compared with the 17 meetings held by Enel's Board of Statutory Auditors. From this last point of view, however, it

([3]) The peer group consists of the following 19 companies: A2A, Atlantia, Banco BPM, BPER Banca, Eni, Generali, Hera, Leonardo, Mediobanca, Nexi, Pirelli, Poste Italiane, Prysmian, Saipem, Snam, Terna, TIM, Unicredit and Unipol.

should be noted that in 2020 the Enel Board of Statutory Auditors held 27 meetings, a significant increase compared with the previous year.

On the basis of the analysis, it therefore emerged that the competitiveness of the remuneration envisaged for the Chairman and the standing members of Enel's Board of Statutory Auditors is substantially similar to that envisaged for non-executive directors with regard to the remuneration paid to them in their capacity as directors. However, the consultant noted that there is a weaker correlation compared with non-executive directors between the remuneration paid to the members of the Board of Statutory Auditors and the volume of work requested of them. In this regard, it should borne in mind that the overall remuneration paid to non-executive directors also takes into account their possible participation on the Board committees, while the members of the Board of Statutory Auditors regularly take part in the meetings of these committees as a necessary part of the performance of the oversight tasks assigned to them by law without being remunerated for this activity.

Finally, it should be noted that the benchmark analysis found a clear correlation between the competitiveness of the remuneration offered by the peer group companies to their respective boards of statutory auditors and the different work load required of them, as indicated by the number of meetings held in 2019. At the same time, the analysis noted that the amount of remuneration paid to the Chairman and the standing members of Enel's Board of Statutory Auditors is substantially in line with that currently paid by most of the peer group companies in which the Ministry for the Economy and Finance holds a significant direct and/or indirect investment.

The Board of Statutory Auditors' oversight activity in 2020 was carried out in 27 meetings (12 of which held jointly with the Control and Risk Committee) and with participation in the 16 meetings of the Board of Directors, and, through the chairman or one or more of its members, in the 12 meetings of the Nomination and Compensation Committee, in the 4 meetings of the Related Parties Committee and in the 11 meetings of the Corporate Governance and Sustainability Committee. The delegated magistrate of the 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.

Finally, the Board of Statutory Auditors notes that, as at the date of this report, the major global health emergency associated with the COVID-19 pandemic has not

ended. Italian authorities have introduced significant limitations on freedom of movement within the country to contain the contagion, among other things imposing bans on gatherings.

In this context, the Board of Statutory Auditors, in compliance with the above measures to contain the COVID-19 pandemic, held nearly all of its meetings – beginning with the meeting of February 26, 2020 – exclusively with the use of audio/video conference systems by all participants, which nevertheless ensured their identification and the exchange of documentation – in accordance with the provisions of Article 25.4 of the bylaws – and, more generally, the full performance of the oversight body's functions.

The Board of Statutory Auditors also notes that the Company's Board of Directors has called the ordinary Shareholders' Meeting for May 20, 2021 in a single call, establishing that – in light of the evolution of the COVID-19 pandemic and taking account of the provisions concerning the holding of company meetings in Article 106, paragraph 4, of Decree Law 18 of March 17, 2020, ratified with amendments by Law 27 of April 24, 2020[4] – it will be conducted in a manner that enables shareholders to participate exclusively through the shareholders' representative designated by the Company referred to in Article 135-*undecies* of the Consolidated Law on Financial Intermediation, to whom shareholders may also confer proxies or sub-proxies pursuant to Article 135-*novies* of the Consolidated Law, also in derogation from the provisions of Article 135-*undecies*, paragraph 4, of the Consolidated Law. The Board of Statutory Auditors will ensure that the rights of the shareholders can be exercised on the occasion of the aforementioned Shareholders' Meeting, within the limits permitted by the special procedures envisaged for holding the Meeting.

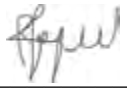
During 2021, the Board of Statutory Auditors will continue to carry out its oversight activity in close coordination with the Board of Directors and the audit firm to evaluate the impact of the COVID-19 pandemic on the performance and financial position of the Company and the Enel Group.

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, 2020 in conformity with the proposals of the Board of Directors.

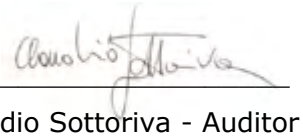
Rome, April 16, 2021 The Board of Auditors

(4) Whose validity was extended until July 31, 2021 by Article 3, paragraph 6, of Decree Law 183 of December 31, 2020, ratified with amendments by Law 21 of February 26, 2021.

Barbara Tadolini - Chairman



Romina Guglielmetti - Auditor



Claudio Sottoriva - Auditor

Independent auditors' report

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

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 2020, 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 a summary of the significant 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 2020 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 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 opinion.

Other matters

The group's 2019 consolidated financial statements were audited by other auditors, who expressed their unqualified opinion thereon on 8 April 2020.

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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.

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 "Significant accounting policies – Revenue from contracts with customers", 9.a "Revenue from sales and services" and 32 "Trade receivables"

Key audit matter	Audit procedures addressing the key audit matter
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 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. These estimates are very complex given the nature of underlying assumptions. Therefore, we believe that the recognition of revenue from the supply of electricity and gas not yet invoiced is a key audit matter.	Our audit procedures included: — 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.

Recoverability of non-current assets

Notes to the consolidated financial statements: notes 2.1 "Use of estimates and management judgement - Impairment of non-financial assets and Identification of cash-generating units (CGUs)", 2.2. "Significant accounting policies – Impairment of non-financial assets", 10.e "Depreciation, amortisation and other impairment losses", 17 "Property, plant and equipment" and 22 "Goodwill"

Key audit matter	Audit procedures addressing the key audit matter
The consolidated financial statements at 31 December 2020 include property, plant and equipment of €78,718 million, intangible assets of €17,668 million and goodwill of €13,779 million under non-current assets.	Our audit procedures included: — understanding the impairment testing procedure approved by the company's board of directors on 25 February 2021;

The directors tested the cash-generating units (CGUs) to which goodwill is allocated or that include other non-current assets for which indicators of impairment had been identified for impairment. The directors have calculated the CGUs' estimated recoverable amount, based on their value in use, using the discounted cash flow model.The model is very complex and entails the use of estimates which, by their very nature, are uncertain and subjective, about: — the expected cash flows, calculated by taking into account the general economic performance and that of the group's sector, the actual cash flows for recent years and the projected growth rates; — the financial parameters used to calculate the discount rate. For the above reasons, we believe that the recoverability of non-current assets is a key audit matter.	— understanding the process for preparing the business plan approved by the parent's board of directors on 23 November 2020 (the "business plan"); — analysing the reasonableness of the main assumptions used by the directors to prepare the business plan, including their consistency with the group's strategies addressing the climate change and the objectives of the Paris Agreement; — analysing the criteria used to identify the CGUs and tracing the amount of the CGUs' assets and liabilities to the relevant carrying amounts in the consolidated financial statements; — assessing the consistency of the cash flows used for impairment testing with the cash flows forecast in the business plan; — analysing the most significant discrepancies between the previous year business plans' figures and actual figures, in order to check the accuracy of the estimation process adopted; — involving experts of the KPMG network in the assessment of the reasonableness of the impairment testing and related assumptions, including by means of a comparison with external data and information; — assessing the appropriateness of the disclosures provided in the notes about non-current assets and the related impairment tests.

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 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, related safeguards.

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 our auditors' report.

Other information required by article 10 of Regulation (EU) no. 537/14

On 16 May 2019, the company'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 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 2020 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 2020 and their compliance with the applicable law and to state whether we have identified material misstatements.

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 2020 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 non-financial statement pursuant to Legislative decree no. 254/16. We have checked that the directors had approved such non-financial statement. In accordance with article 3.10 of Legislative decree no. 254/16, we attested the compliance of the non-financial statement separately.

Rome, 16 April 2021

KPMG S.p.A.

(signed on the original)

Renato Naschi
Director of Audit

ATTACHMENTS

Subsidiaries, associates and other significant equity investments of the Enel Group at December 31, 2020

In compliance with CONSOB Notice no. DEM/6064293 of July 28, 2006 and Article 126 of CONSOB Resolution no. 11971 of May 14, 1999, a list of subsidiaries and associates of Enel SpA at December 31, 2020, 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.

Business segment	Description of business segments
enel	Group holding company
	Country holding company
	Enel Green Power
	Thermal Generation
	Trading
	Infrastructure and Networks
	Enel X
	End-user Markets
	Services
	Finance

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Parent									
Enel SpA	Rome	IT	10,166,679,946.00	EUR		Holding			100.00%
Subsidiaries									
400 Manley Solar LLC	Boston	US	-	USD		Line-by-line	Enel X Finance Partner LLC	100.00%	100.00%
4814 Investments LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
ABC Solar 11 SpA	Santiago de Chile	CL	1,000,000.00	CLP		Line-by-line	Enel Green Power Chile SA	100.00%	64.93%
ABC Solar 3 SpA	Santiago de Chile	CL	1,000,000.00	CLP		Line-by-line	Enel Green Power Chile SA	100.00%	64.93%
Aced Renewables Hidden Valley (RF) (Pty) Ltd	Johannesburg	ZA	1,000.00	ZAR		AFS	Enel Green Power RSA 2 (RF) (Pty) Ltd	60.00%	60.00%
ACEFAT AIE	Barcelona	ES	793,340.00	EUR		-	Edistribución Redes Digitales SL (Sociedad Unipersonal)	14.29%	10.02%
Adams Solar PV Project Two (RF) (Pty) Ltd	Johannesburg	ZA	10,000,000.00	ZAR		Line-by-line	Enel Green Power RSA (Pty) Ltd	60.00%	60.00%
Adria Link Srl	Gorizia	IT	300,297.00	EUR		Equity	Enel Produzione SpA	50.00%	50.00%
Aero-Tanna Srl	Rome	IT	15,000.00	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
Agassiz Beach LLC	Minneapolis	US	-	USD		Line-by-line	Chi Minnesota Wind LLC	51.00%	51.00%
Agatos Green Power Trino Srl	Rome	IT	10,000.00	EUR		Line-by-line	Enel Green Power Solar Energy Srl	80.00%	80.00%
Aguilón 20 SA	Zaragoza	ES	2,682,000.00	EUR		Line-by-line	Enel Green Power España SL	51.00%	35.75%
Alba Energia Ltda	Niterói	BR	16,045,169.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Albany Solar LLC	Wilmington	US	-	USD		Line-by-line	Aurora Distributed Solar LLC	100.00%	74.13%
Alliance SA	Managua	NI	6,180,150.00	NIO		Equity	Ufinet Latam SLU	49.90%	10.28%
Almeyda Solar SpA	Santiago de Chile	CL	61,655,088.43	USD		Line-by-line	Enel Green Power Chile SA	100.00%	64.93%
Alpe Adria Energia Srl	Udine	IT	900,000.00	EUR		Line-by-line	Enel Produzione SpA	50.00%	50.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Alta Farms Wind Project II LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Alvorada Energia SA	Niterói	BR	22,317,415.92	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Ampla Energia e Serviços SA	Niterói	BR	2,498,230,386.65	BRL		Line-by-line	Enel Brasil SA	99.73%	64.83%
Annandale Solar LLC	Wilmington	US	-	USD		Line-by-line	Aurora Distributed Solar LLC	100.00%	74.13%
Apiacás Energia SA	Niterói	BR	14,216,846.33	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Aquilla Wind Project LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Aragonesa de Actividades Energéticas SA	Teruel	ES	60,100.00	EUR		Line-by-line	Endesa Red SA (Sociedad Unipersonal)	100.00%	70.11%
Aranort Desarrollos SL	Madrid	ES	3,010.00	EUR		Line-by-line	Enel Green Power España SL	100.00%	70.11%
Aravalli Surya (Project 1) Private Limited	Gurugram	IN	100,000.00	INR		Line-by-line	Enel Green Power India Private Limited (formerly BLP Energy Private Limited)	100.00%	100.00%
Asociación Nuclear Ascó-Vandellós II AIE	Tarragona	ES	19,232,400.00	EUR		Proportional	Endesa Generación SA	85.41%	59.88%
Athonet France SASU	Paris	FR	50,000.00	EUR		-	Athonet Srl	100.00%	16.00%
Athonet Srl	Trieste	IT	68,927.57	EUR		-	Enel X Srl	16.00%	16.00%
Athonet UK Ltd	Battle, East Sussex	GB	1.00	GBP		-	Athonet Srl	100.00%	16.00%
Athonet USA Inc.	Wilmington	US	1.00	USD		-	Athonet Srl	100.00%	16.00%
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%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Aurora Wind Project LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Autumn Hills LLC	Wilmington	US	-	USD		Line-by-line	Chi Minnesota Wind LLC	51.00%	51.00%
Avikiran Energy India Private Limited	Gurugram	IN	100,000.00	INR		Line-by-line	Enel Green Power India Private Limited (formerly BLP Energy Private Limited)	100.00%	100.00%
Avikiran Solar India Private Limited	New Delhi	IN	100,000.00	INR		Line-by-line	Enel Green Power India Private Limited (formerly BLP Energy Private Limited)	100.00%	100.00%
Avikiran Surya India Private Limited	Gurugram	IN	100,000.00	INR		Line-by-line	Enel Green Power India Private Limited (formerly BLP Energy Private Limited)	100.00%	100.00%
Avikiran Vayu India Private Limited	Gurugram	IN	100,000.00	INR		Line-by-line	Enel Green Power India Private Limited (formerly BLP Energy Private Limited)	100.00%	100.00%
Azure Sky Solar Project LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	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	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Azure Sky Wind Storage LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Baikal Enterprise SL	Palma de Mallorca	ES	3,006.00	EUR		Line-by-line	Enel Green Power España SL	100.00%	70.11%
Baleares Energy SL	Palma de Mallorca	ES	4,509.00	EUR		Line-by-line	Enel Green Power España SL	100.00%	70.11%
Barnwell County Solar Project LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Baylio Solar SLU	Seville	ES	3,000.00	EUR		Line-by-line	Enel Green Power España SL	100.00%	70.11%
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%
Belomechetskaya WPS	Moscow	RU	3,010,000.00	RUB		Line-by-line	Enel Green Power Rus Limited Liability Company	100.00%	100.00%
Bijou Hills Wind LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Bioenergy Casei Gerola Srl	Rome	IT	100,000.00	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
Bison Meadows Wind Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Blue Star Wind Project LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
BluRe M.A.	San José	LU	7,092,970.00	EUR		-	Slovenské elektrárne AS	5.00%	1.65%
Bogaris PV1 SLU	Seville	ES	3,000.00	EUR		Line-by-line	Enel Green Power España SL	100.00%	70.11%
Bogotá ZE SAS	Bogotá	CO	1,000,000.00	COP		Line-by-line	Enel X Colombia SAS	100.00%	31.40%
Boiro Energía SA	Boiro	ES	601,010.00	EUR		Equity	Enel Green Power España SL	40.00%	28.04%
Bondia Energia Ltda	Niterói	BR	2,950,888.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Bosa del Ebro SL	Zaragoza	ES	3,010.00	EUR		Line-by-line	Enel Green Power España SL	51.00%	35.75%
Bottom Grass Solar Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Boujdour Wind Farm	Casablanca	MA	300,000.00	MAD		Equity	Nareva Enel Green Power Morocco SA	90.00%	45.00%
Bp Hydro Finance Partnership	Salt Lake City	US	-	USD		Line-by-line	Enel Kansas LLC Enel Green Power North America Inc.	75.92% 24.08%	100.00%
Bravo Dome Wind Project LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Brazoria County Solar Project LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
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%
Broadband Comunicaciones SA	Quito	EC	436,425.00	USD		Equity	Ufinet Ecuador Ufiec SA Ufinet Latam SLU	100.00% 0.00%	20.60%
Brush County Solar Project LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Buffalo Dunes Wind Project LLC	Topeka	US	-	USD		Line-by-line	EGPNA Development Holdings LLC	75.00%	75.00%
Buffalo Jump LP	Alberta	CA	10.00	CAD		Line-by-line	Enel Alberta Wind Inc. Enel Green Power Canada Inc.	0.10% 99.90%	100.00%
Buffalo Spirit Wind Project LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Bungala One Finco (Pty) Ltd	Sydney	AU	1,000.00	AUD		Equity	Bungala One Property (Pty) Ltd	100.00%	51.00%
Bungala One Operation Holding Trust	Sydney	AU	100.00	AUD		Equity	Enel Green Power Bungala (Pty) Ltd	50.00%	50.00%
Bungala One Operations Holding (Pty) Ltd	Sydney	AU	100.00	AUD		Equity	Enel Green Power Bungala (Pty) Ltd	51.00%	51.00%
Bungala One Operations (Pty) Ltd	Sydney	AU	1,000.00	AUD		Equity	Bungala One Operations Holding (Pty) Ltd	100.00%	51.00%
Bungala One Operations Trust	Sydney	AU	-	AUD		Equity	Bungala One Operations Holding (Pty) Ltd	100.00%	51.00%
Bungala One Property (Pty) Ltd	Sydney	AU	1,000.00	AUD		Equity	Bungala One Property Holding (Pty) Ltd	100.00%	51.00%
Bungala One Property Holding (Pty) Ltd	Sydney	AU	100.00	AUD		Equity	Enel Green Power Bungala (Pty) Ltd	51.00%	51.00%
Bungala One Property Holding Trust	Sydney	AU	100.00	AUD		Equity	Enel Green Power Bungala (Pty) Ltd	50.00%	50.00%
Bungala One Property Trust	Sydney	AU	-	AUD		Equity	Bungala One Property Holding (Pty) Ltd	100.00%	51.00%
Bungala Two Finco (Pty) Ltd	Sydney	AU	-	AUD		Equity	Bungala Two Property (Pty) Ltd	100.00%	51.00%
Bungala Two Operations Holding (Pty) Ltd	Sydney	AU	-	AUD		Equity	Enel Green Power Bungala (Pty) Ltd	51.00%	51.00%
Bungala Two Operations Holding Trust	Sydney	AU	-	AUD		Equity	Enel Green Power Bungala (Pty) Ltd	50.00%	50.00%
Bungala Two Operations (Pty) Ltd	Sydney	AU	-	AUD		Equity	Bungala Two Operations Holding (Pty) Ltd	100.00%	51.00%
Bungala Two Operations Trust	Sydney	AU	-	AUD		Equity	Bungala Two Operations Holding (Pty) Ltd	100.00%	51.00%
Bungala Two Property Holding (Pty) Ltd	Sydney	AU	-	AUD		Equity	Enel Green Power Bungala (Pty) Ltd	51.00%	51.00%
Bungala Two Property Holding Trust	Sydney	AU	-	AUD		Equity	Enel Green Power Bungala (Pty) Ltd	50.00%	50.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Bungala Two Property (Pty) Ltd	Sydney	AU	-	AUD		Equity	Bungala Two Property Holding (Pty) Ltd	100.00%	51.00%
Bungala Two Property Trust	Sydney	AU	1.00	AUD		Equity	Bungala Two Property Holding (Pty) Ltd	100.00%	51.00%
Business Venture Investments 1468 (Pty) Ltd	Johannesburg	ZA	100.00	ZAR		Line-by-line	Enel Green Power RSA (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	100,000.00	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
C&C Uno Energy Srl	Rome	IT	118,000.00	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
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%	20.00%
Carbopego - Abastecimento de Combustíveis SA	Lisbon	PT	50,000.00	EUR		Equity	Endesa Generación Portugal SA Endesa Generación SA	0.01% 49.99%	35.05%
Castiblanco Solar SL	Madrid	ES	3,000.00	EUR		Line-by-line	Enel Green Power España SL	100.00%	70.11%
Castle Rock Ridge Limited Partnership	Alberta	CA	-	CAD		Line-by-line	Enel Alberta Wind Inc. Enel Green Power Canada Inc.	0.10% 99.90%	100.00%
Catalana d'Iniciatives SCR SA	Barcelona	ES	30,862,800.00	EUR		-	Endesa Red SA (Sociedad Unipersonal)	0.94%	0.66%
Ccp.Ro Bucharest SA	Bucharest	RO	79,800,000.00	RON		-	Enel Romania SA	9.52%	9.52%
Cdec - Sic Ltda	Santiago de Chile	CL	709,783,206.00	CLP		-	Almeyda Solar SpA	6.00%	3.90%
Cedar Run Wind Project LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Celg Distribuição SA - Celg D	Goiás	BR	5,075,679,362.52	BRL		Line-by-line	Enel Brasil SA	99.96%	64.97%
Central Dock Sud SA	Buenos Aires	AR	1,231,270,567.54	ARS		Line-by-line	Enel Argentina SA Inversora Dock Sud SA	0.24% 71.78%	26.81%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Central Geradora Fotovoltaica Bom Nome Ltda	Salvador	BR	4,979,739.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Central Geradora Fotovoltaica São Francisco Ltda	Niterói	BR	74,549,250.00	BRL		Line-by-line	Enel Brasil SA Enel X Brasil SA	0.00% 100.00%	65.00%
Central Geradora Termelétrica Fortaleza SA	Fortaleza	BR	151,935,779.00	BRL		Line-by-line	Enel Brasil SA	100.00%	65.00%
Central Hidráulica Güejar-Sierra SL	Seville	ES	364,213.34	EUR		Equity	Enel Green Power España SL	33.30%	23.35%
Central Térmica de Anllares AIE	Madrid	ES	595,000.00	EUR		Equity	Endesa Generación SA	33.33%	23.37%
Central Vuelta de Obligado SA	Buenos Aires	AR	500,000.00	ARS		Equity	Central Dock Sud SA Enel Generación Costanera SA Enel Generación El Chocón SA	6.40% 1.30% 33.20%	16.54%
Centrales Nucleares Almaraz-Trillo AIE	Madrid	ES	-	EUR		Equity	Endesa Generación SA	24.18%	16.95%
Centrum Pre Vedu A Vyskum SRO	Kalná Nad Hronom	SK	6,639.00	EUR		Equity	Slovenské elektrárne AS	100.00%	33.00%
CESI - Centro Elettrotecnico Sperimentale Italiano Giacinto Motta SpA	Milan	IT	8,550,000.00	EUR		Equity	Enel SpA	42.70%	42.70%
Champagne Storage LLC	Wilmington	US	1.00	USD		Line-by-line	Enel Energy Storage Holdings LLC (formerly EGP Energy Storage Holdings LLC)	100.00%	100.00%
Cherrywood Solar II LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Cheyenne Ridge Wind Project LLC	Andover	US	1.00	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	100.00	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Chi Power Inc.	Naples	US	100.00	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Chi Power Marketing Inc.	Wilmington	US	100.00	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Chi West LLC	San Francisco	US	100.00	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Chinango SAC	San Miguel	PE	295,249,298.00	PEN		Line-by-line	Enel Generación Perú SAA	80.00%	43.47%
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%	20.00%
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	1.00	USD		Line-by-line	Enel Green Power Cimarron Bend Wind Holdings III 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	100.00	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%
Cimarron Bend Wind Holdings LLC	Wilmington	US	-	USD		Line-by-line	Enel Green Power North America Inc.	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%
Cipher Solar Project LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
CivDrone	Haifa	IL	1,093,350.00	ILS		-	Enel Global Infrastructure and Networks Srl	4.27%	4.27%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Clear Sky Wind Project LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Clinton Farms Wind Project LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Cloudwalker Wind Project LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Codensa SA ESP	Bogotá	CO	13,487,545,000.00	COP		Line-by-line	Enel Américas SA	48.30%	31.40%
Cogein Sannio Srl	Rome	IT	10,000.00	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
Cogeneración El Salto SL	Zaragoza	ES	36,060.73	EUR		Equity	Enel Green Power España SL	20.00%	14.02%
Cogenio Srl	Rome	IT	2,310,000.00	EUR		Equity	Enel.si Srl	20.00%	20.00%
Cohuna Solar Farm (Pty) Ltd	Sydney	AU	100.00	AUD		Line-by-line	Enel Green Power Cohuna Holdings (Pty) Ltd	100.00%	100.00%
Cohuna Solar Farm Trust	Sydney	AU	1.00	AUD		Line-by-line	Enel Green Power Cohuna Trust	100.00%	100.00%
Comanche Crest Ranch LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Comercializadora Eléctrica de Cádiz SA	Cádiz	ES	600,000.00	EUR		Equity	Endesa Red SA (Sociedad Unipersonal)	33.50%	23.49%
Compagnia Porto di Civitavecchia SpA in liquidation	Rome	IT	14,730,800.00	EUR		Equity	Enel Produzione SpA	25.00%	25.00%
Companhia Energética do Ceará - Coelce	Fortaleza	BR	892,246,885.77	BRL		Line-by-line	Enel Brasil SA	74.05%	48.13%
Compañía de Trasmisión del Mercosur SA - CTM	Buenos Aires	AR	2,025,191,313.00	ARS		Line-by-line	Enel Brasil SA Enel CIEN SA Enel SpA	74.15% 25.85% 0.00%	65.00%
Compañía Energética Veracruz SAC	San Miguel	PE	2,886,000.00	PEN		Line-by-line	Enel Perú SAC	100.00%	65.00%
Compañía Eólica Tierras Altas SA	Soria	ES	13,222,000.00	EUR		Equity	Compañía Eólica Tierras Altas SA Enel Green Power España SL	5.00% 35.63%	26.30%
Concert Srl	Rome	IT	10,000.00	EUR		Line-by-line	Enel Global Thermal Generation Srl	100.00%	100.00%
Concho Solar I LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
CONSEL - Consorzio ELIS per la formazione professionale superiore	Rome	IT	51,000.00	EUR		Equity	OpEn Fiber SpA	1.00%	0.50%
Consolidated Hydro New Hampshire LLC	Wilmington	US	-	USD		Line-by-line	Enel Green Power North America Inc.	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	550,000.00	USD		Line-by-line	Enel Green Power North America Inc.	81.83%	81.83%
Consorzio Civita in liquidation	Rome	IT	156,000.00	EUR		-	Enel SpA	33.30%	33.30%
Conza Green Energy Srl	Rome	IT	73,000.00	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	44,538,000.00	EUR		-	Endesa SA	1.01%	0.71%
Corporación Eólica de Zaragoza SL	La Puebla de Alfinden	ES	271,652.00	EUR		Equity	Enel Green Power España SL	25.00%	17.53%
Cow Creek Wind Project LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Crockett Solar I LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Danax Energy (Pty) Ltd	Sandton	ZA	100.00	ZAR		Line-by-line	Enel Green Power RSA (Pty) Ltd	100.00%	100.00%
De Rock Int'l Srl	Bucharest	RO	5,629,000.00	RON		Line-by-line	Enel Green Power Romania Srl Enel Green Power SpA	100.00% 0.00%	100.00%
Dehesa de los Guadalupes Solar SLU	Seville	ES	3,000.00	EUR		Line-by-line	Enel Green Power España SL	100.00%	70.11%
Dehesa PV Farm 03 SLU	Madrid	ES	3,000.00	EUR		Line-by-line	Enel Green Power España SL	100.00%	70.11%
Dehesa PV Farm 04 SLU	Madrid	ES	3,000.00	EUR		Line-by-line	Enel Green Power España SL	100.00%	70.11%
Depuración Destilación Reciclaje SL	Boiro	ES	600,000.00	EUR		Equity	Enel Green Power España SL	40.00%	28.04%
Derivex SA	Bogotá	CO	715,292,000.00	COP		-	Emgesa SA ESP	5.00%	1.58%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Desarrollo de Fuerzas Renovables S de RL de Cv	Mexico City	MX	33,101,350.00	MXN		Line-by-line	Enel Green Power México S de RL de Cv Energía Nueva Energía Limpia México S de RL de Cv	99.99% 0.01%	100.00%
Di.T.N.E. - Distretto Tecnologico Nazionale sull'Energia - Società Consortile a Responsabilità Limitata	Rome	IT	405,850.51	EUR		-	Enel Produzione SpA	1.89%	1.89%
Diamond Vista Holdings LLC	Wilmington	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Distribuidora de Energía Eléctrica del Bages SA	Barcelona	ES	108,240.00	EUR		Line-by-line	Endesa Red SA (Sociedad Unipersonal) Hidroeléctrica de Catalunya SL	55.00% 45.00%	70.11%
Distribuidora Eléctrica del Puerto de la Cruz SA	Santa Cruz de Tenerife	ES	12,621,210.00	EUR		Line-by-line	Endesa Red SA (Sociedad Unipersonal)	100.00%	70.11%
Distrilec Inversora SA	Buenos Aires	AR	497,612,021.00	ARS		Line-by-line	Enel Américas SA	51.50%	33.48%
Dmd Holding AS in liquidation	Trenčín-Zlatovce	SK	199,543,284.87	EUR		-	Slovenské elektrárne AS	2.94%	0.97%
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	200.00	MXN		Line-by-line	Enel Rinnovabile SA de Cv Hidroelectricidad del Pacífico S de RL de Cv	99.00% 1.00%	100.00%
Dominica Energía Limpia SA de Cv	Mexico City	MX	2,070,600,646.00	MXN		Equity	Tenedora de Energía Renovable Sol y Viento SAPI de Cv	60.80%	20.00%
Dorset Ridge Wind Project LLC	Andover	US	1.00	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%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Dwarka Vayu 1 Private Limited	Gurgaon	IN	100,000.00	INR		Line-by-line	Avikiran Vayu India Private Limited	100.00%	100.00%
E.S.CO. Comuni Srl	Bergamo	IT	1,000,000.00	EUR		Line-by-line	Yousave SpA	60.00%	60.00%
Eastwood Solar LLC	Wilmington	US	-	USD		Line-by-line	Aurora Distributed Solar LLC	100.00%	74.13%
Edistribución Redes Digitales SL (Sociedad Unipersonal)	Madrid	ES	1,204,540,060.00	EUR		Line-by-line	Endesa Red SA (Sociedad Unipersonal)	100.00%	70.11%
E-Distribuţie Banat SA	Timisoara	RO	382,158,580.00	RON		Line-by-line	Enel SpA	51.00%	51.00%
E-Distribuţie Dobrogea SA	Constanţa	RO	280,285,560.00	RON		Line-by-line	Enel SpA	51.00%	51.00%
E-Distribuţie Muntenia SA	Bucharest	RO	271,635,250.00	RON		Line-by-line	Enel SpA	78.00%	78.00%
e-distribuzione SpA	Rome	IT	2,600,000,000.00	EUR		Line-by-line	Enel Italia SpA	100.00%	100.00%
EF Divesture LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Efficientya Srl	Bergamo	IT	100,000.00	EUR		Equity	Yousave SpA	50.00%	50.00%
EGP Américas SpA	Santiago de Chile	CL	12,000.00	USD		Line-by-line	Enel SpA	100.00%	100.00%
EGP Australia (Pty) Ltd	Sydney	AU	10,000.00	AUD		Line-by-line	Enel Green Power Australia (Pty) Ltd	100.00%	100.00%
EGP Bioenergy Srl	Rome	IT	1,000,000.00	EUR		Line-by-line	Enel Green Power Puglia Srl	100.00%	100.00%
EGP fotovoltaica La Loma SAS in liquidation	Bogotá	CO	8,000,000.00	COP		Line-by-line	Enel Green Power Colombia SAS ESP	100.00%	100.00%
EGP Geronimo Holding Company Inc.	Wilmington	US	1,000.00	USD		Line-by-line	Enel Green Power North America Inc.	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%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
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%
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	691,771,740.00	MXN		Line-by-line	Enel Rinnovabile SA de Cv Hidroelectricidad del Pacífico S de RL de Cv	99.00% 1.00%	100.00%
EGP Nevada Power LLC	Wilmington	US	-	USD		Line-by-line	Enel Green Power North America Inc.	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 1 LLC	Andover	US	-	USD		Line-by-line	EGPNA REP Solar Holdings LLC	100.00%	100.00%
EGP Solar Services LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
EGP Stillwater Solar LLC	Wilmington	US	-	USD		Line-by-line	Enel Stillwater LLC	100.00%	100.00%
EGP Stillwater Solar PV II LLC	Wilmington	US	1.00	USD		Line-by-line	Stillwater Woods Hill Holdings LLC	100.00%	100.00%
EGP Timber Hills Project LLC	Los Angeles	US	-	USD		Line-by-line	Padoma Wind Power LLC	100.00%	100.00%
EGPNA 2020 HoldCo 1 LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 10 LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 11 LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 12 LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 13 LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 14 LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 15 LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 16 LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 17 LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 18 LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 19 LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 2 LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 20 LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 21 LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 22 LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 23 LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 24 LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
EGPNA 2020 HoldCo 25 LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 26 LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 27 LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 28 LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 29 LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 3 LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 30 LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 4 LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 5 LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 6 LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 7 LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 8 LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA 2020 HoldCo 9 LLC	Andover	US	1.00	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	100.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
EGPNA Project HoldCo 2 LLC	Dover	US	100.00	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
EGPNA Project HoldCo 3 LLC	Dover	US	100.00	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
EGPNA Project HoldCo 4 LLC	Dover	US	100.00	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
EGPNA Project HoldCo 5 LLC	Dover	US	100.00	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
EGPNA Project HoldCo 6 LLC	Dover	US	100.00	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
EGPNA Project HoldCo 7 LLC	Dover	US	100.00	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	20.00%	20.00%
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%	20.00%
EGPNA Wind Holdings 1 LLC	Wilmington	US	-	USD		Equity	EGPNA REP Wind Holdings LLC	100.00%	20.00%
Elcogas SA in liquidation	Puertollano	ES	809,690.40	EUR		Equity	Endesa Generación SA Enel SpA	40.99% 4.32%	33.06%
Elcomex Solar Energy Srl	Bucharest	RO	4,590,000.00	RON		Line-by-line	Enel Green Power Romania Srl Enel Green Power SpA	100.00% 0.00%	100.00%
Elecgas SA	Pego	PT	50,000.00	EUR		Equity	Endesa Generación Portugal SA	50.00%	35.05%
Electra Capital (RF) (Pty) Ltd	Johannesburg	ZA	10,000,000.00	ZAR		Line-by-line	Enel Green Power RSA (Pty) Ltd	60.00%	60.00%
Eléctrica de Jafre SA	Barcelona	ES	165,876.00	EUR		Line-by-line	Endesa Red SA (Sociedad Unipersonal) Hidroeléctrica de Catalunya SL	52.54% 47.46%	70.11%
Eléctrica de Lijar SL	Cádiz	ES	1,081,821.79	EUR		Equity	Endesa Red SA (Sociedad Unipersonal)	50.00%	35.05%
Eléctrica del Ebro SA (Sociedad Unipersonal)	Barcelona	ES	500,000.00	EUR		Line-by-line	Endesa Red SA (Sociedad Unipersonal)	100.00%	70.11%
Electricidad de Puerto Real SA	Cádiz	ES	4,960,246.40	EUR		Equity	Endesa Red SA (Sociedad Unipersonal)	50.00%	35.05%
Electrometalúrgica del Ebro SL	Barcelona	ES	2,906,862.00	EUR		-	Enel Green Power España SL	0.18%	0.12%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Eletropaulo Metropolitana Eletricidade de São Paulo SA	Barueri	BR	3,079,524,934.33	BRL		Line-by-line	Enel Brasil SA	100.00%	65.00%
Elini	Antwerp	BE	76,273,810.00	EUR		-	Slovenské elektrárne AS	4.00%	1.32%
Emerging Networks El Salvador SA de Cv	San Salvador	SV	2,000.00	USD		Equity	Livister Guatemala SA Livister Latam SLU	1.00% 99.00%	20.60%
Emerging Networks Latam Inc.	Wilmington	US	100.00	USD		Equity	Ifx Networks Ltd	100.00%	20.60%
Emerging Networks Panama SA	Panama City	PA	300.00	USD		Equity	Ifx/eni - Spc Panama Inc.	100.00%	20.60%
Emgesa SA ESP	Bogotá	CO	655,222,312,800.00	COP		Line-by-line	Enel Américas SA	48.48%	31.51%
Emintegral Cycle SLU	Madrid	ES	3,000.00	EUR		Line-by-line	Enel Green Power España SL	100.00%	70.11%
Empresa Carbonífera del Sur SA	Madrid	ES	18,030,000.00	EUR		Line-by-line	Endesa Generación SA	100.00%	70.11%
Empresa de Alumbrado Eléctrico de Ceuta Distribución SA (Sociedad Unipersonal)	Ceuta	ES	9,335,000.00	EUR		Line-by-line	Empresa de Alumbrado Eléctrico de Ceuta SA	100.00%	67.56%
Empresa de Alumbrado Eléctrico de Ceuta SA	Ceuta	ES	16,562,250.00	EUR		Line-by-line	Endesa Red SA (Sociedad Unipersonal)	96.37%	67.56%
Empresa de Generación Eléctrica Los Pinos SA	San Miguel	PE	7,928,044.00	PEN		Line-by-line	Enel Green Power Perú SAC Energética Monzón SAC	100.00% 0.00%	100.00%
Empresa de Generación Eléctrica Marcona SAC	San Miguel	PE	3,368,424.00	PEN		Line-by-line	Enel Green Power Perú SAC Energética Monzón SAC	100.00% 0.00%	100.00%
Empresa de Transmisión Chena SA	Santiago de Chile	CL	250,428,941.00	CLP		Line-by-line	Enel Colina SA Enel Distribución Chile SA	0.10% 99.90%	64.34%
Empresa Distribuidora Sur SA - Edesur	Buenos Aires	AR	898,585,028.00	ARS		Line-by-line	Distrilec Inversora SA Enel Argentina SA	56.36% 43.10%	46.88%
Empresa Eléctrica Pehuenche SA	Santiago de Chile	CL	175,774,920,733.00	CLP		Line-by-line	Enel Generación Chile SA	92.65%	56.27%
Empresa Nacional de Geotermia SA in liquidation	Santiago de Chile	CL	12,647,789,439.24	CLP		Line-by-line	Enel Green Power Chile SA	51.00%	33.11%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Empresa Propietaria de la Red SA	Panama City	PA	58,500,000.00	USD		-	Enel SpA	11.11%	11.11%
Endesa Capital SA	Madrid	ES	60,200.00	EUR		Line-by-line	Endesa SA	100.00%	70.11%
Endesa Comercialização de Energia SA	Porto	PT	250,000.00	EUR		Line-by-line	Endesa Energía SA	100.00%	70.11%
Endesa Energía Renovable SL (Sociedad Unipersonal)	Madrid	ES	100,000.00	EUR		Line-by-line	Endesa Energía SA	100.00%	70.11%
Endesa Energía SA	Madrid	ES	14,445,575.90	EUR		Line-by-line	Endesa SA	100.00%	70.11%
Endesa Financiación Filiales SA	Madrid	ES	4,621,003,006.00	EUR		Line-by-line	Endesa SA	100.00%	70.11%
Endesa Generación II SA	Seville	ES	63,107.00	EUR		Line-by-line	Endesa SA	100.00%	70.11%
Endesa Generación Nuclear SA	Seville	ES	60,000.00	EUR		Line-by-line	Endesa Generación SA	100.00%	70.11%
Endesa Generación Portugal SA	Lisbon	PT	50,000.00	EUR		Line-by-line	Endesa Energía SA Endesa Generación SA Enel Green Power España SL	0.20% 99.20% 0.60%	70.11%
Endesa Generación SA	Seville	ES	1,940,379,735.35	EUR		Line-by-line	Endesa SA	100.00%	70.11%
Endesa Ingeniería SLU	Seville	ES	965,305.00	EUR		Line-by-line	Endesa Red SA (Sociedad Unipersonal)	100.00%	70.11%
Endesa Medios y Sistemas SL (Sociedad Unipersonal)	Madrid	ES	89,999,790.00	EUR		Line-by-line	Endesa SA	100.00%	70.11%
Endesa Operaciones y Servicios Comerciales SL	Madrid	ES	10,138,580.00	EUR		Line-by-line	Endesa Energía SA	100.00%	70.11%
Endesa Power Trading Ltd	London	GB	2.00	GBP		Line-by-line	Endesa SA	100.00%	70.11%
Endesa Red SA (Sociedad Unipersonal)	Madrid	ES	719,901,723.26	EUR		Line-by-line	Endesa SA	100.00%	70.11%
Endesa SA	Madrid	ES	1,270,502,540.40	EUR		Line-by-line	Endesa SA Enel Iberia Srl	0.01% 70.10%	70.11%
Endesa Soluciones SL	Madrid	ES	2,874,621.80	EUR		Equity	Endesa X Servicios SLU	20.00%	14.02%
Endesa X Servicios SLU	Madrid	ES	60,000.00	EUR		Line-by-line	Endesa SA	100.00%	70.11%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Alberta Wind Inc.	Alberta	CA	16,251,021.00	CAD		Line-by-line	Enel Green Power Canada Inc.	100.00%	100.00%
Enel Américas SA	Santiago de Chile	CL	9,783,875,314.43	USD		Line-by-line	Enel SpA	65.00%	65.00%
Enel and Shikun & Binui Innovation Infralab Ltd	Airport City	IL	38,000.00	ILS		Equity	Enel Global Infrastructure and Networks Srl	50.00%	50.00%
Enel Argentina SA	Buenos Aires	AR	2,297,711,908.00	ARS		Line-by-line	Enel Américas SA Enel Generación Chile SA	99.92% 0.08%	65.00%
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 Central SA	Niterói	BR	10,000.00	BRL		Line-by-line	Enel Brasil SA	100.00%	65.00%
Enel Brasil SA	Niterói	BR	18,978,311,482.06	BRL		Line-by-line	Enel Américas SA Enel Brasil SA	99.25% 0.75%	65.00%
Enel Chile SA	Santiago de Chile	CL	3,882,103,470,184.00	CLP		Line-by-line	Enel SpA	64.93%	64.93%
Enel CIEN SA	Niterói	BR	285,044,682.00	BRL		Line-by-line	Enel Brasil SA	100.00%	65.00%
Enel Colina SA	Santiago de Chile	CL	82,222,000.00	CLP		Line-by-line	Enel Chile SA Enel Distribución Chile SA	0.00% 100.00%	64.34%
Enel Cove Fort II LLC	Wilmington	US	-	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Enel Cove Fort LLC	Beaver	US	-	USD		Line-by-line	Enel Geothermal LLC	100.00%	100.00%
Enel Distribución Chile SA	Santiago de Chile	CL	230,137,979,938.00	CLP		Line-by-line	Enel Chile SA	99.09%	64.34%
Enel Distribución Perú SAA	San Miguel	PE	638,563,900.00	PEN		Line-by-line	Enel Perú SAC	83.15%	54.05%
Enel Energia SpA	Rome	IT	302,039.00	EUR		Line-by-line	Enel Italia SpA	100.00%	100.00%
Enel Energía SA de Cv	Mexico City	MX	25,000,100.00	MXN		Line-by-line	Enel Green Power México S de RL de Cv Energía Nueva de Iguu S de RL de Cv	100.00% 0.00%	100.00%
Enel Energie Muntenia SA	Bucharest	RO	37,004,350.00	RON		Line-by-line	Enel SpA	78.00%	78.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Energie SA	Bucharest	RO	140,000,000.00	RON		Line-by-line	Enel SpA	51.00%	51.00%
Enel Energy Australia (Pty) Ltd	Sydney	AU	100.00	AUD		Line-by-line	Enel Green Power Australia (Pty) Ltd	100.00%	100.00%
Enel Energy South Africa	Wilmington	ZA	100.00	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	100.00	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Enel Finance America LLC	Wilmington	US	200,000,000.00	USD		Line-by-line	Enel North America Inc.	100.00%	100.00%
Enel Finance International NV	Amsterdam	NL	1,478,810,371.00	EUR		Line-by-line	Enel Holding Finance Srl Enel SpA	75.00% 25.00%	100.00%
Enel Fortuna SA	Panama City	PA	100,000,000.00	USD		Line-by-line	Enel Green Power Panamá Srl	50.06%	50.06%
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%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Future Project 2020 #20 LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
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	552,777,320,871.00	CLP		Line-by-line	Enel Chile SA	93.55%	60.74%
Enel Generación Costanera SA	Buenos Aires	AR	701,988,378.00	ARS		Line-by-line	Enel Argentina SA	75.68%	49.19%
Enel Generación El Chocón SA	Buenos Aires	AR	298,584,050.00	ARS		Line-by-line	Enel Argentina SA Hidroinvest SA	8.67% 59.00%	42.72%
Enel Generación Perú SAA	San Miguel	PE	2,498,101,267.20	PEN		Line-by-line	Enel Perú SAC	83.60%	54.34%
Enel Generación Piura SA	San Miguel	PE	73,982,594.00	PEN		Line-by-line	Enel Perú SAC	96.50%	62.72%
Enel Generación SA de Cv	Mexico City	MX	7,100,100.00	MXN		Line-by-line	Enel Green Power México S de RL de Cv Energía Nueva de Iguu S de RL de Cv	100.00% 0.00%	100.00%
Enel Geothermal LLC	Wilmington	US	-	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Enel Global Infrastructure and Networks Srl	Rome	IT	10,100,000.00	EUR		Line-by-line	Enel SpA	100.00%	100.00%
Enel Global Services Srl	Rome	IT	10,000.00	EUR		Line-by-line	Enel SpA	100.00%	100.00%
Enel Global Thermal Generation Srl	Rome	IT	11,000,000.00	EUR		Line-by-line	Enel SpA	100.00%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Global Trading SpA	Rome	IT	90,885,000.00	EUR		Line-by-line	Enel SpA	100.00%	100.00%
Enel Green Power Argentina SA	Buenos Aires	AR	82,534,295.00	ARS		Line-by-line	Enel Green Power SpA Enel Rinnovabili Srl Energía y Servicios South America SpA	0.00% 99.24% 0.76%	100.00%
Enel Green Power Aroeira 01 SA	Niterói	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Aroeira 02 SA	Niterói	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Aroeira 03 SA	Niterói	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Aroeira 04 SA	Niterói	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Aroeira 05 SA	Niterói	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Aroeira 06 SA	Niterói	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Aroeira 07 SA	Niterói	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Green Power Aroeira 08 SA	Niterói	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Aroeira 09 SA (formerly Enel Green Power São Gonçalo Participações SA)	Niterói	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Australia (Pty) Ltd	Sydney	AU	100.00	AUD		Line-by-line	Enel Green Power SpA	100.00%	100.00%
Enel Green Power Australia Trust	Sydney	AU	100.00	AUD		Line-by-line	Enel Green Power SpA	100.00%	100.00%
Enel Green Power Boa Vista 01 Ltda	Salvador	BR	1,946,507.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Enel Green Power Boa Vista Eólica SA	Niterói	BR	104,890,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Enel Green Power Bouldercombe Holding (Pty) Ltd	Sydney	AU	100.00	AUD		Line-by-line	Enel Green Power Australia (Pty) Ltd	100.00%	100.00%
Enel Green Power Brasil Participações Ltda	Niterói	BR	8,411,724,678.00	BRL		Line-by-line	Enel Rinnovabili Srl Energía y Servicios South America SpA	100.00% 0.00%	100.00%
Enel Green Power Brejolândia Solar SA	Rio de Janeiro	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Bulgaria EAD	Sofia	BG	35,231,000.00	BGN		AFS	Enel Green Power SpA	100.00%	100.00%
Enel Green Power Bungala (Pty) Ltd	Sydney	AU	100.00	AUD		Line-by-line	Enel Green Power Australia (Pty) Ltd	100.00%	100.00%
Enel Green Power Bungala Trust	Sydney	AU	-	AUD		Line-by-line	Enel Green Power Australia (Pty) Ltd	100.00%	100.00%
Enel Green Power Cabeça de Boi SA	Niterói	BR	270,114,539.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Enel Green Power Cachoeira Dourada SA	Cachoeira Dourada	BR	64,339,835.85	BRL		Line-by-line	Enel Brasil SA Enel Green Power Cachoeira Dourada SA	99.61% 0.15%	64.84%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Green Power Calabria Srl	Rome	IT	10,000.00	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
Enel Green Power Canada Inc.	Montreal	CA	85,681,857.00	CAD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Enel Green Power Cerrado Solar SA	Rio de Janeiro	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Chile SA	Santiago de Chile	CL	1,197,691,313.37	USD		Line-by-line	Enel Chile SA Enel Green Power Chile SA Enel SpA	72.46% 27.54% 0.01%	64.93%
Enel Green Power Cimarron Bend Wind Holdings III LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Enel Green Power Cohuna Holdings (Pty) Ltd	Sydney	AU	3,419,700.00	AUD		Line-by-line	Enel Green Power Australia (Pty) Ltd	100.00%	100.00%
Enel Green Power Cohuna Trust	Sydney	AU	-	AUD		Line-by-line	Enel Green Power Australia Trust	100.00%	100.00%
Enel Green Power Colombia SAS ESP	Bogotá	CO	6,263,213,000.00	COP		Line-by-line	Enel Rinnovabili Srl	100.00%	100.00%
Enel Green Power Costa Rica SA	San José	CR	27,500,000.00	USD		Line-by-line	Energía y Servicios South America SpA	100.00%	100.00%
Enel Green Power Cove Fort Solar LLC	Wilmington	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Enel Green Power Cremzow GmbH & Co. Kg	Schenkenberg	DE	1,000.00	EUR		Line-by-line	Enel Green Power Germany GmbH	90.00%	90.00%
Enel Green Power Cremzow Verwaltungs GmbH	Schenkenberg	DE	25,000.00	EUR		Line-by-line	Enel Green Power Germany GmbH	90.00%	90.00%
Enel Green Power Cristal Eólica SA	Niterói	BR	144,784,899.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Cristal Eólica SA Enel Green Power Desenvolvimento Ltda	99.17% 0.00% 0.83%	100.00%
Enel Green Power Cumaru 01 SA	Niterói	BR	100,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Green Power Cumaru 02 SA	Niterói	BR	100,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Enel Green Power Cumaru 03 SA	Niterói	BR	100,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Enel Green Power Cumaru 04 SA	Niterói	BR	100,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Enel Green Power Cumaru 05 SA	Niterói	BR	100,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Enel Green Power Cumaru Participações SA	Niterói	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Cumaru Solar 01 SA	Niterói	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Cumaru Solar 02 SA	Niterói	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Damascena Eólica SA	Niterói	BR	83,709,003.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.16% 0.84%	100.00%
Enel Green Power Delfina A Eólica SA	Niterói	BR	549,062,483.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Enel Green Power Delfina B Eólica SA	Niterói	BR	93,068,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Enel Green Power Delfina C Eólica SA	Niterói	BR	31,105,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Green Power Delfina D Eólica SA	Niterói	BR	105,864,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Enel Green Power Delfina E Eólica SA	Niterói	BR	105,936,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Enel Green Power Desenvolvimento Ltda	Niterói	BR	43,342,090.38	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Energía y Servicios South America SpA	100.00% 0.00%	100.00%
Enel Green Power Development Srl	Rome	IT	20,000.00	EUR		Line-by-line	Enel Green Power SpA	100.00%	100.00%
Enel Green Power Diamond Vista Wind Project LLC	Wilmington	US	1.00	USD		Line-by-line	Diamond Vista Holdings LLC	100.00%	100.00%
Enel Green Power Dois Riachos Eólica SA	Niterói	BR	130,354,009.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Enel Green Power Egypt SAE	Cairo	EG	250,000.00	EGP		Line-by-line	Enel Green Power SpA	100.00%	100.00%
Enel Green Power El Salvador SA de Cv	El Salvador	SV	22,860.00	USD		Line-by-line	Enel Green Power SpA Energía y Servicios South America SpA	99.96% 0.04%	100.00%
Enel Green Power Elkwater Wind Limited Partnership	Alberta	CA	1,000.00	CAD		Line-by-line	Enel Alberta Wind Inc. Enel Green Power Canada Inc.	1.00% 99.00%	100.00%
Enel Green Power Elmsthorpe Wind LP	Calgary	CA	1,000.00	CAD		Line-by-line	Enel Alberta Wind Inc. Enel Green Power Canada Inc.	0.10% 99.90%	100.00%
Enel Green Power Emiliana Eólica SA	Niterói	BR	135,191,530.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda Enel Green Power Emiliana Eólica SA	98.81% 1.19% 0.00%	100.00%
Enel Green Power España SL	Seville	ES	11,152.74	EUR		Line-by-line	Endesa Generación SA	100.00%	70.11%
Enel Green Power Esperança Eólica SA	Niterói	BR	129,418,174.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.14% 0.86%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Green Power Esperança Solar SA	Rio de Janeiro	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Fazenda SA	Niterói	BR	264,141,174.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Enel Green Power Fontes dos Ventos 2 SA	Niterói	BR	121,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Enel Green Power Fontes dos Ventos 3 SA	Niterói	BR	121,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Enel Green Power Fontes II Participações SA	Niterói	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Fontes Solar SA	Rio de Janeiro	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power France SAS	Paris	FR	100,000.00	EUR		Line-by-line	Enel Green Power SpA	100.00%	100.00%
Enel Green Power Germany GmbH	Berlin	DE	25,000.00	EUR		Line-by-line	Enel Green Power SpA	100.00%	100.00%
Enel Green Power Girgarre Holdings (Pty) Ltd	Sydney	AU	100.00	AUD		Line-by-line	Enel Green Power Australia (Pty) Ltd	100.00%	100.00%
Enel Green Power Global Investment BV	Amsterdam	NL	10,000.00	EUR		Line-by-line	Enel Green Power SpA	100.00%	100.00%
Enel Green Power Guatemala SA	Guatemala City	GT	67,208,000.00	GTQ		Line-by-line	Enel Rinnovabili Srl Energía y Servicios South America SpA	100.00% 0.00%	100.00%
Enel Green Power Hadros Wind Limited Partnership	-	CA	1,000.00	CAD		Line-by-line	Enel Alberta Wind Inc. Enel Green Power Canada Inc.	1.00% 99.00%	100.00%
Enel Green Power Hellas SA	Maroussi	GR	8,180,350.00	EUR		Line-by-line	Enel Green Power SpA	100.00%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Green Power Hellas Supply Single Member SA	Maroussi	GR	600,000.00	EUR		Line-by-line	Enel Green Power Hellas SA	100.00%	100.00%
Enel Green Power Hellas Wind Parks South Evia Single Member SA	Maroussi	GR	106,609,641.00	EUR		Line-by-line	Enel Green Power Hellas SA	100.00%	100.00%
Enel Green Power Hilltopper Wind LLC (formerly Hilltopper Wind Power LLC)	Dover	US	1.00	USD		Line-by-line	Hilltopper Wind Holdings LLC	100.00%	100.00%
Enel Green Power Horizonte Mp Solar SA	Niterói	BR	451,566,053.00	BRL		Line-by-line	Alba Energia Ltda Enel Green Power Brasil Participações Ltda	0.01% 99.99%	100.00%
Enel Green Power India Private Limited (formerly BLP Energy Private Limited)	New Delhi	IN	100,000,000.00	INR		Line-by-line	Enel Green Power Development Srl	100.00%	100.00%
Enel Green Power Italia Srl	Rome	IT	272,000,000.00	EUR		Line-by-line	Enel Italia SpA	100.00%	100.00%
Enel Green Power Ituverava Norte Solar SA	Niterói	BR	204,706,645.67	BRL		Line-by-line	Bondia Energia Ltda Enel Green Power Brasil Participações Ltda	0.09% 99.91%	100.00%
Enel Green Power Ituverava Solar SA	Niterói	BR	219,235,933.00	BRL		Line-by-line	Bondia Energia Ltda Enel Green Power Brasil Participações Ltda	0.00% 100.00%	100.00%
Enel Green Power Ituverava Sul Solar SA	Niterói	BR	407,279,143.00	BRL		Line-by-line	Bondia Energia Ltda Enel Green Power Brasil Participações Ltda	0.00% 100.00%	100.00%
Enel Green Power Joana Eólica SA	Niterói	BR	135,459,530.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	98.89% 1.11%	100.00%
Enel Green Power Kenya Limited	Nairobi	KE	100,000.00	KES		Line-by-line	Enel Green Power RSA (Pty) Ltd Enel Green Power SpA	1.00% 99.00%	100.00%
Enel Green Power Korea LLC	Seoul	KR	1,040,000,000.00	KRW		Line-by-line	Enel Green Power SpA	100.00%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Green Power Lagoa do Sol 01 SA	Teresina	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Lagoa do Sol 02 SA	Teresina	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Lagoa do Sol 03 SA	Teresina	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Lagoa do Sol 04 SA	Teresina	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Lagoa do Sol 05 SA	Teresina	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Lagoa do Sol 06 SA	Teresina	BR	1,000,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Lagoa do Sol 07 SA	Teresina	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Lagoa do Sol 08 SA	Teresina	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Lagoa do Sol 09 SA	Teresina	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	%holding	Group % holding
Enel Green Power Lagoa II Participações SA	Niterói	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Lagoa III Participações SA	Niterói	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Lagoa Participações SA (formerly Enel Green Power Projetos 45 SA)	Niterói	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Lily Solar Holdings LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Enel Green Power Maniçoba Eólica SA	Niterói	BR	90,722,530.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.20% 0.80%	100.00%
Enel Green Power Metehara Solar Private Limited Company	-	ET	5,600,000.00	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	662,949,966.00	MXN		Line-by-line	Enel Green Power SpA Enel Rinnovabile SA de Cv	100.00% 0.00%	100.00%
Enel Green Power Modelo I Eólica SA	Niterói	BR	132,642,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Enel Green Power Modelo II Eólica SA	Niterói	BR	117,142,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Enel Green Power Morocco SARLAU	Casablanca	MA	340,000,000.00	MAD		Line-by-line	Enel Green Power SpA	100.00%	100.00%
Enel Green Power Morro do Chapéu I Eólica SA	Niterói	BR	248,138,287.11	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Enel Green Power Morro do Chapéu II Eólica SA	Niterói	BR	206,050,114.05	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Enel Green Power Morro do Chapéu Solar 01 SA (formerly Enel Green Power São Gonçalo III Participações SA)	Niterói	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Green Power Mourão SA	Niterói	BR	25,600,100.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Enel Green Power Namibia (Pty) Ltd	Windhoek	NA	10,000.00	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 O&M Solar LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Enel Green Power Panamá Srl	Panama City	PA	3,001.00	USD		Line-by-line	Enel Rinnovabili Srl Energía y Servicios South America SpA	99.97% 0.03%	100.00%
Enel Green Power Paranapanema SA	Niterói	BR	123,350,100.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Enel Green Power Partecipazioni Speciali Srl	Rome	IT	10,000.00	EUR		Line-by-line	Enel Green Power SpA	100.00%	100.00%
Enel Green Power Pau Ferro Eólica SA	Niterói	BR	127,424,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda Enel Green Power Pau Ferro Eólica SA	98.79% 1.21% 0.00%	100.00%
Enel Green Power Pedra do Gerônimo Eólica SA	Niterói	BR	189,519,527.57	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	98.90% 1.10%	100.00%
Enel Green Power Perú SAC	San Miguel	PE	973,213,507.00	PEN		Line-by-line	Enel Rinnovabili Srl Energía y Servicios South America SpA	100.00% 0.00%	100.00%
Enel Green Power Primavera Eólica SA	Niterói	BR	143,674,900.01	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.00% 1.00%	100.00%
Enel Green Power Puglia Srl	Rome	IT	1,000,000.00	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
Enel Green Power RA SAE in liquidation	Cairo	EG	15,000,000.00	EGP		Line-by-line	Enel Green Power Egypt SAE	100.00%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Green Power Rattlesnake Creek Wind Project LLC (formerly Rattlesnake Creek Wind Project LLC)	Delaware	US	1.00	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	100.00	USD		Line-by-line	Enel Roadrunner Solar Project Holdings II LLC	100.00%	100.00%
Enel Green Power Romania Srl	Bucharest	RO	2,430,631,000.00	RON		Line-by-line	Enel Green Power SpA	100.00%	100.00%
Enel Green Power RSA (Pty) Ltd	Johannesburg	ZA	1,000.00	ZAR		Line-by-line	Enel Green Power Development Srl	100.00%	100.00%
Enel Green Power RSA 2 (RF) (Pty) Ltd	Johannesburg	ZA	120.00	ZAR		AFS	Enel Green Power RSA (Pty) Ltd	100.00%	100.00%
Enel Green Power Rus Limited Liability Company	Moscow	RU	60,500,000.00	RUB		Line-by-line	Enel Green Power Partecipazioni Speciali Srl Enel Green Power SpA	1.00% 99.00%	100.00%
Enel Green Power SpA	Rome	IT	272,000,000.00	EUR		Line-by-line	Enel SpA	100.00%	100.00%
Enel Green Power Salto Apiacás SA (formerly Enel Green Power Damascena Eólica SA)	Niterói	BR	274,420,832.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Enel Green Power Sannio	Rome	IT	750,000.00	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
Enel Green Power São Abraão Eólica SA	Niterói	BR	91,300,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Enel Green Power São Gonçalo 07 SA (formerly Enel Green Power Projetos 42 SA)	Teresina	BR	121,600,480.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Enel Green Power São Gonçalo 08 SA (formerly Enel Green Power Projetos 43 SA)	Teresina	BR	113,710,396.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Green Power São Gonçalo 1 SA (formerly Enel Green Power Projetos 10)	Teresina	BR	101,671,353.82	BRL		Line-by-line	Alba Energia Ltda Enel Green Power Brasil Participações Ltda	0.00% 100.00%	100.00%
Enel Green Power São Gonçalo 10 SA (formerly Enel Green Power Projetos 15)	Teresina	BR	122,883,216.25	BRL		Line-by-line	Alba Energia Ltda Enel Green Power Brasil Participações Ltda	0.00% 100.00%	100.00%
Enel Green Power São Gonçalo 11 SA (formerly Enel Green Power Projetos 44 SA)	Teresina	BR	129,375,630.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Enel Green Power São Gonçalo 12 SA (formerly Enel Green Power Projetos 22 SA)	Teresina	BR	100,619,590.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Enel Green Power São Gonçalo 14	Teresina	BR	110,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Enel Green Power São Gonçalo 15	Teresina	BR	110,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Enel Green Power São Gonçalo 17 SA	Teresina	BR	110,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Enel Green Power São Gonçalo 18 SA (formerly Enel Green Power Ventos de Santa Ângela 13 SA)	Teresina	BR	110,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Enel Green Power São Gonçalo 19 SA	Teresina	BR	110,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Enel Green Power São Gonçalo 2 SA (formerly Enel Green Power Projetos 11)	Teresina	BR	129,213,750.53	BRL		Line-by-line	Alba Energia Ltda Enel Green Power Brasil Participações Ltda	0.00% 100.00%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	%holding	Group % holding
Enel Green Power São Gonçalo 21 SA (formerly Enel Green Power Projetos 16)	Teresina	BR	139,939,932.22	BRL		Line-by-line	Alba Energia Ltda Enel Green Power Brasil Participações Ltda	0.00% 100.00%	100.00%
Enel Green Power São Gonçalo 22 SA (formerly Enel Green Power Projetos 30)	Teresina	BR	138,733,692.21	BRL		Line-by-line	Alba Energia Ltda Enel Green Power Brasil Participações Ltda	0.00% 100.00%	100.00%
Enel Green Power São Gonçalo 3 SA (formerly Enel Green Power Projetos 12)	Teresina	BR	216,299,843.02	BRL		Line-by-line	Alba Energia Ltda Enel Green Power Brasil Participações Ltda	0.00% 100.00%	100.00%
Enel Green Power São Gonçalo 4 SA (formerly Enel Green Power Projetos 13)	Teresina	BR	123,720,789.57	BRL		Line-by-line	Alba Energia Ltda Enel Green Power Brasil Participações Ltda	0.00% 100.00%	100.00%
Enel Green Power São Gonçalo 5 SA (formerly Enel Green Power Projetos 14)	Teresina	BR	197,176,257.11	BRL		Line-by-line	Alba Energia Ltda Enel Green Power Brasil Participações Ltda	0.00% 100.00%	100.00%
Enel Green Power São Gonçalo 6 SA (formerly Enel Green Power Projetos 19 SA)	Teresina	BR	199,271,048.28	BRL		Line-by-line	Alba Energia Ltda Enel Green Power Brasil Participações Ltda	0.00% 100.00%	100.00%
Enel Green Power São Judas Eólica SA	Niterói	BR	143,674,900.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.00% 1.00%	100.00%
Enel Green Power São Micael 01 SA (formerly Enel Green Power São Gonçalo 9 SA)	Teresina	BR	1,000.00	BRL		Line-by-line	Alba Energia Ltda Enel Green Power Brasil Participações Ltda	0.10% 99.90%	100.00%
Enel Green Power São Micael 02 SA (formerly Enel Green Power São Gonçalo 13 SA)	Teresina	BR	1,000.00	BRL		Line-by-line	Alba Energia Ltda Enel Green Power Brasil Participações Ltda	0.10% 99.90%	100.00%
Enel Green Power São Micael 03 SA (formerly Enel Green Power São Gonçalo 16 SA)	Teresina	BR	1,000.00	BRL		Line-by-line	Alba Energia Ltda Enel Green Power Brasil Participações Ltda	0.10% 99.90%	100.00%
Enel Green Power São Micael 04 SA (formerly Enel Green Power São Gonçalo 20 SA)	Teresina	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Green Power São Micael 05 SA	Teresina	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Services LLC	Wilmington	US	100.00	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Enel Green Power Shu SAE in liquidation	Cairo	EG	15,000,000.00	EGP		Line-by-line	Enel Green Power Egypt SAE	100.00%	100.00%
Enel Green Power Singapore Pte Ltd	Singapore	SG	1,975,000.00	SGD		Line-by-line	Enel Green Power SpA	100.00%	100.00%
Enel Green Power Solar Energy Srl	Rome	IT	10,000.00	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
Enel Green Power Solar Metehara SpA	Rome	IT	50,000.00	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	50,000.00	EUR		AFS	Enel Green Power SpA	100.00%	100.00%
Enel Green Power Swift Wind LP	Calgary	CA	1,000.00	CAD		Line-by-line	Enel Alberta Wind Inc. Enel Green Power Canada Inc.	0.10% 99.90%	100.00%
Enel Green Power Tacaicó Eólica SA	Niterói	BR	86,034,360.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	98.76% 1.24%	100.00%
Enel Green Power Tefnut SAE in liquidation	Cairo	EG	15,000,000.00	EGP		Line-by-line	Enel Green Power Egypt SAE	100.00%	100.00%
Enel Green Power Turkey Enerjí Yatirimlari Anoním Şírketí	Istanbul	TR	65,654,658.00	TRY		Line-by-line	Enel Green Power SpA	100.00%	100.00%
Enel Green Power Ventos de Santa Ângela 1 SA	Teresina	BR	132,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Ventos de Santa Ângela Energias Renováveis SA	100.00% 0.00%	100.00%
Enel Green Power Ventos de Santa Ângela 10 SA (formerly Enel Green Power Projetos 21)	Teresina	BR	171,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Ventos de Santa Ângela Energias Renováveis SA	100.00% 0.00%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Green Power Ventos de Santa Ângela 11 SA (formerly Enel Green Power Projetos 23)	Teresina	BR	185,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Ventos de Santa Ângela Energias Renováveis SA	100.00% 0.00%	100.00%
Enel Green Power Ventos de Santa Ângela 14 SA (formerly Enel Green Power Projetos 24)	Teresina	BR	231,402,551.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Ventos de Santa Ângela Energias Renováveis SA	100.00% 0.00%	100.00%
Enel Green Power Ventos de Santa Ângela 15 SA (formerly Enel Green Power Projetos 25)	Teresina	BR	182,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Ventos de Santa Ângela Energias Renováveis SA	100.00% 0.00%	100.00%
Enel Green Power Ventos de Santa Ângela 17 SA (formerly Enel Green Power Projetos 26)	Teresina	BR	198,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Ventos de Santa Ângela Energias Renováveis SA	100.00% 0.00%	100.00%
Enel Green Power Ventos de Santa Ângela 19 SA (formerly Enel Green Power Projetos 27)	Teresina	BR	126,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Ventos de Santa Ângela Energias Renováveis SA	100.00% 0.00%	100.00%
Enel Green Power Ventos de Santa Ângela 2 SA	Teresina	BR	249,650,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Ventos de Santa Ângela Energias Renováveis SA	100.00% 0.00%	100.00%
Enel Green Power Ventos de Santa Ângela 20 SA (formerly Enel Green Power Projetos 28)	Teresina	BR	126,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Ventos de Santa Ângela Energias Renováveis SA	100.00% 0.00%	100.00%
Enel Green Power Ventos de Santa Ângela 21 SA (formerly Enel Green Power Projetos 29)	Teresina	BR	113,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Ventos de Santa Ângela Energias Renováveis SA	100.00% 0.00%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Green Power Ventos de Santa Ângela 3 SA (formerly Enel Green Power Projetos 4)	Teresina	BR	132,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Ventos de Santa Ângela Energias Renováveis SA	100.00% 0.00%	100.00%
Enel Green Power Ventos de Santa Ângela 4 SA (formerly Enel Green Power Projetos 6)	Teresina	BR	132,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Ventos de Santa Ângela Energias Renováveis SA	100.00% 0.00%	100.00%
Enel Green Power Ventos de Santa Ângela 5 SA (formerly Enel Green Power Projetos 7)	Teresina	BR	132,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Ventos de Santa Ângela Energias Renováveis SA	100.00% 0.00%	100.00%
Enel Green Power Ventos de Santa Ângela 6 SA (formerly Enel Green Power Projetos 8)	Teresina	BR	132,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Ventos de Santa Ângela Energias Renováveis SA	100.00% 0.00%	100.00%
Enel Green Power Ventos de Santa Ângela 7 SA (formerly Enel Green Power Projetos 9)	Teresina	BR	106,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Ventos de Santa Esperança Energias Renováveis SA	100.00% 0.00%	100.00%
Enel Green Power Ventos de Santa Ângela 8 SA (formerly Enel Green Power Projetos 18)	Teresina	BR	132,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Ventos de Santa Ângela Energias Renováveis SA	100.00% 0.00%	100.00%
Enel Green Power Ventos de Santa Ângela 9 SA (formerly Enel Green Power Projetos 20)	Teresina	BR	185,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Ventos de Santa Ângela Energias Renováveis SA	100.00% 0.00%	100.00%
Enel Green Power Ventos de Santa Ângela ACL 12 (formerly Enel Green Power Projetos 36 SA)	Teresina	BR	105,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	%holding	Group % holding
Enel Green Power Ventos de Santa Ângela ACL 13 SA (formerly Enel Green Power Projetos 17 SA)	Teresina	BR	105,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Enel Green Power Ventos de Santa Ângela ACL 16 SA (formerly Enel Green Power Projetos 38 SA)	Teresina	BR	105,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Enel Green Power Ventos de Santa Ângela ACL 18 SA (formerly Enel Green Power Projetos 47 SA)	Teresina	BR	105,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Enel Green Power Ventos de Santa Ângela Energias Renováveis SA	Niterói	BR	7,315,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Enel Green Power Ventos de Santa Esperança 08 SA (formerly Enel Green Power Projetos 34 SA)	Niterói	BR	110,200,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Enel Green Power Ventos de Santa Esperança 1 SA (formerly Enel Green Power Fonte dos Ventos 1 SA)	Niterói	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Ventos de Santa Esperança 13 (formerly Enel Green Power Projetos 33 SA)	Niterói	BR	147,000,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Enel Green Power Ventos de Santa Esperança 15 SA	Niterói	BR	202,100,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Enel Green Power Ventos de Santa Esperança 16 SA (formerly Enel Green Power Projetos 35 SA)	Niterói	BR	183,700,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Green Power Ventos de Santa Esperança 17 SA (formerly Enel Green Power Projetos 31 SA)	Niterói	BR	183,700,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Enel Green Power Ventos de Santa Esperança 21 SA (formerly Enel Green Power Projetos 37 SA)	Niterói	BR	202,100,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Enel Green Power Ventos de Santa Esperança 22 SA (formerly Enel Green Power Projetos 39 SA)	Niterói	BR	202,100,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Enel Green Power Ventos de Santa Esperança 25 SA (formerly Enel Green Power Projetos 40 SA)	Salvador	BR	110,200,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Enel Green Power Ventos de Santa Esperança 26 SA (formerly Enel Green Power Projetos 41 SA)	Niterói	BR	202,100,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda Enel Green Power Ventos de Santa Esperança 26 SA (formerly Enel Green Power Projetos 41 SA)	100.00% 0.00% 0.00%	100.00%
Enel Green Power Ventos de Santa Esperança 3 SA	Niterói	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Ventos de Santa Esperança 7 SA (formerly Enel Green Power Lagedo Alto SA)	Niterói	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Ventos de Santa Esperança Energias Renováveis SA	Niterói	BR	4,727,414.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	%holding	Group % holding
Enel Green Power Ventos de Santa Esperança Participações SA (formerly Enel Green Power Cumaru 06 SA)	Niterói	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Ventos de Santo Orestes 1 SA	Niterói	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Ventos de Santo Orestes 2 SA	Niterói	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Ventos de São Roque 01 SA	Teresina	BR	138,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Enel Green Power Ventos de São Roque 02 SA	Teresina	BR	138,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Enel Green Power Ventos de São Roque 03 SA	Teresina	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Ventos de São Roque 04 SA	Teresina	BR	138,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Enel Green Power Ventos de São Roque 05 SA	Teresina	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Ventos de São Roque 06 SA	Teresina	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Green Power Ventos de São Roque 07 SA	Teresina	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Ventos de São Roque 08 SA	Teresina	BR	138,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Enel Green Power Ventos de São Roque 11 SA	Teresina	BR	138,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Enel Green Power Ventos de São Roque 13 SA	Teresina	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Ventos de São Roque 16 SA	Teresina	BR	138,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Enel Green Power Ventos de São Roque 17 SA	Teresina	BR	138,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Enel Green Power Ventos de São Roque 18 SA	Teresina	BR	138,001,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Enel Green Power Ventos de São Roque 19 SA	Teresina	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Ventos de São Roque 22 SA	Teresina	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	%holding	Group % holding
Enel Green Power Ventos de São Roque 26 SA	Teresina	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Ventos de São Roque 29 SA	Teresina	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Green Power Villoresi Srl	Rome	IT	1,200,000.00	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	565,756,528.00	BRL		Line-by-line	Enel Brasil SA	100.00%	65.00%
Enel Green Power Zambia Limited	Lusaka	ZM	15,000.00	ZMW		Line-by-line	Enel Green Power Development Srl Enel Green Power RSA (Pty) Ltd	1.00% 99.00%	100.00%
Enel Green Power Zeus II - Delfina 8 SA	Niterói	BR	129,639,980.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Enel Green Power Zeus Sul 1 Ltda	Salvador	BR	6,986,993.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Enel Green Power Zeus Sul 2 SA	Niterói	BR	1,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	99.90% 0.10%	100.00%
Enel Holding Finance Srl	Rome	IT	10,000.00	EUR		Line-by-line	Enel SpA	100.00%	100.00%
Enel Iberia Srl	Madrid	ES	336,142,500.00	EUR		Line-by-line	Enel SpA	100.00%	100.00%
Enel Innovation Hubs Srl	Rome	IT	1,100,000.00	EUR		Line-by-line	Enel SpA	100.00%	100.00%
Enel Insurance NV	Amsterdam	NL	60,000.00	EUR		Line-by-line	Enel SpA	100.00%	100.00%
Enel Investment Holding BV	Amsterdam	NL	1,000,000.00	EUR		Line-by-line	Enel SpA	100.00%	100.00%
Enel Italia SpA	Rome	IT	100,000,000.00	EUR		Line-by-line	Enel SpA	100.00%	100.00%

Company name	Headquarters	Country	Share/Quota 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 Logistics Srl	Rome	IT	1,000,000.00	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 Nevkan Inc.	Wilmington	US	-	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Enel North America Inc.	Andover	US	50.00	USD		Line-by-line	Enel SpA	100.00%	100.00%
Enel Operations Canada Ltd	Alberta	CA	1,000.00	CAD		Line-by-line	Enel Green Power Canada Inc.	100.00%	100.00%
Enel Perú SAC	San Miguel	PE	5,361,789,105.00	PEN		Line-by-line	Enel Américas SA	100.00%	65.00%
Enel Produzione SpA	Rome	IT	1,800,000,000.00	EUR		Line-by-line	Enel Italia SpA	100.00%	100.00%
Enel Rinnovabile SA de Cv	Mexico City	MX	100.00	MXN		Line-by-line	Enel Green Power Global Investment BV Hidroelectricidad del Pacífico S de RL de Cv	99.00% 1.00%	100.00%
Enel Rinnovabili Srl	Rome	IT	10,000.00	EUR		Line-by-line	Enel SpA	100.00%	100.00%
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	100.00	USD		Line-by-line	Enel Green Power Roadrunner Solar Project Holdings LLC	100.00%	100.00%
Enel Romania SA	Buftea	RO	200,000.00	RON		Line-by-line	Enel SpA	100.00%	100.00%
Enel Rus Wind Azov LLC	Moscow	RU	200,000,000.00	RUB		Line-by-line	Enel Russia PJSC	100.00%	56.43%
Enel Rus Wind Kola LLC	Murmansk City	RU	10,000.00	RUB		Line-by-line	Enel Russia PJSC	100.00%	56.43%
Enel Rus Wind Stavropolye LLC	Region of Stavropol	RU	350,000.00	RUB		Line-by-line	Enel Russia PJSC	100.00%	56.43%
Enel Russia PJSC	Yekaterinburg	RU	35,371,898,370.00	RUB		Line-by-line	Enel SpA	56.43%	56.43%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Salt Wells LLC	Fallon	US	-	USD		Line-by-line	Enel Geothermal LLC	100.00%	100.00%
Enel Saudi Arabia Limited	Al Khobar	SA	1,000,000.00	SAR		Line-by-line	e-distribuzione SpA	60.00%	60.00%
Enel Servicii Comune SA	Bucharest	RO	33,000,000.00	RON		Line-by-line	E-Distribuţie Banat SA E-Distribuţie Dobrogea SA	50.00% 50.00%	51.00%
Enel Solar Srl	Panama City	PA	10,100.00	USD		Line-by-line	Enel Green Power Panamá Srl Energía y Servicios South America SpA	99.01% 0.99%	100.00%
Enel Sole Srl	Rome	IT	4,600,000.00	EUR		Line-by-line	Enel Italia SpA	100.00%	100.00%
Enel Soluções Energéticas Ltda	Niterói	BR	42,863,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda Enel Soluções Energéticas Ltda	100.00% 0.00% 0.00%	100.00%
Enel Stillwater LLC	Wilmington	US	-	USD		Line-by-line	Enel Geothermal LLC	100.00%	100.00%
Enel Surprise Valley LLC	Wilmington	US	-	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Enel Tecnologia de Redes SA	Niterói	BR	10,000.00	BRL		Line-by-line	Enel Brasil SA	100.00%	65.00%
Enel Texkan Inc.	Wilmington	US	100.00	USD		Line-by-line	Chi Power Inc.	100.00%	100.00%
Enel Trade Energy Srl	Bucharest	RO	2,437,050.00	RON		Line-by-line	Enel Romania SA	100.00%	100.00%
Enel Trade Serbia doo	Belgrade	RS	300,000.00	EUR		Line-by-line	Enel Global Trading SpA	100.00%	100.00%
Enel Trading Argentina Srl	Buenos Aires	AR	14,011,100.00	ARS		Line-by-line	Enel Américas SA Enel Argentina SA	55.00% 45.00%	65.00%
Enel Trading Brasil SA	Niterói	BR	1,000,000.00	BRL		Line-by-line	Enel Brasil SA	100.00%	65.00%
Enel Trading North America LLC	Wilmington	US	10,000,000.00	USD		Line-by-line	Enel North America Inc.	100.00%	100.00%
Enel Uruguay SA	Montevideo	UY	20,000.00	UYU		Line-by-line	Enel Brasil SA	100.00%	65.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel Vayu (Project 2) Private Limited	Gurugram	IN	45,000,000.00	INR		Line-by-line	Enel Green Power India Private Limited (formerly BLP Energy Private Limited)	100.00%	100.00%
Enel Wind Project (Amberi) Private Limited	New Delhi	IN	5,000,000.00	INR		Line-by-line	Enel Green Power India Private Limited (formerly BLP Energy Private Limited)	100.00%	100.00%
Enel X AMPCI Ebus Chile SpA	Santiago de Chile	CL	18,000,000.00	USD		Equity	Enel X Chile SpA	20.00%	12.99%
Enel X AMPCI L1 Holdings SpA	Santiago de Chile	CL	18,000,000.00	USD		Equity	Enel X AMPCI Ebus Chile SpA	100.00%	12.99%
Enel X AMPCI L1 SpA	Santiago de Chile	CL	18,000,000.00	USD		Equity	Enel X AMPCI L1 Holdings SpA	100.00%	12.99%
Enel X Argentina SAU	Buenos Aires	AR	127,800,000.00	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	21,224,578.00	AUD		Line-by-line	Enel X International Srl	100.00%	100.00%
Enel X Australia (Pty) Ltd	Melbourne	AU	9,880.00	AUD		Line-by-line	Energy Response Holdings (Pty) Ltd	100.00%	100.00%
Enel X Battery Storage Limited Partnership	Oakville	CA	10,000.00	CAD		Line-by-line	Enel X Canada Holding Inc. Enel X Canada Ltd	0.01% 99.99%	100.00%
Enel X Brasil Gerenciamento de Energia Ltda	Sorocaba	BR	5,538,403.00	BRL		Line-by-line	Enel X Ireland Limited EnerNOC UK II Limited	0.00% 100.00%	100.00%
Enel X Brasil SA	Niterói	BR	187,725,892.00	BRL		Line-by-line	Central Geradora Termelétrica Fortaleza SA Enel Brasil SA	0.00% 100.00%	65.00%
Enel X Canada Holding Inc.	Oakville	CA	1,000.00	CAD		Line-by-line	Enel X Canada Ltd	100.00%	100.00%
Enel X Canada Ltd	Mississauga	CA	1,000.00	CAD		Line-by-line	Enel North America Inc.	100.00%	100.00%
Enel X Chile SpA	Santiago de Chile	CL	3,800,000,000.00	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	Bogotá	CO	5,000,000,000.00	COP		Line-by-line	Codensa SA ESP	100.00%	31.40%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel X Energy (Shanghai) Co. Ltd	Shanghai	CN	3,500,000.00	USD		Line-by-line	Enel X International Srl	100.00%	100.00%
Enel X Federal LLC	Boston	US	5,000.00	USD		Line-by-line	Enel X North America Inc.	100.00%	100.00%
Enel X Finance Partner LLC	Boston	US	100.00	USD		Line-by-line	Enel X North America Inc.	100.00%	100.00%
Enel X Financial Services Srl	Rome	IT	1,000,000.00	EUR		Line-by-line	Enel X Srl	100.00%	100.00%
Enel X France SAS	Paris	FR	2,901,000.00	EUR		Line-by-line	Enel X International Srl	100.00%	100.00%
Enel X Hayden Rowe St. Project LLC	Boston	US	100.00	USD		Line-by-line	Enel X MA Holdings LLC	100.00%	100.00%
Enel X International Srl	Rome	IT	100,000.00	EUR		Line-by-line	Enel X Srl	100.00%	100.00%
Enel X Ireland Limited	Dublin	IE	10,841.00	EUR		Line-by-line	Enel X International Srl	100.00%	100.00%
Enel X Italia Srl	Rome	IT	200,000.00	EUR		Line-by-line	Enel Italia SpA	100.00%	100.00%
Enel X Japan K.K.	Tokyo	JP	255,000,000.00	JPY		Line-by-line	Enel X International Srl	100.00%	100.00%
Enel X KOMIPO Limited	Seoul	KR	10,000,000.00	KRW		Line-by-line	Enel X Korea Limited	100.00%	100.00%
Enel X Korea Limited	Seoul	KR	1,200,000,000.00	KRW		Line-by-line	Enel X International Srl	100.00%	100.00%
Enel X MA Holdings LLC	Boston	US	100.00	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 Finance Partner LLC	100.00%	100.00%
Enel X Mobility Romania Srl	Bucharest	RO	6,937,800.00	RON		Line-by-line	Enel X International Srl Enel X Srl	99.86% 0.14%	100.00%
Enel X Mobility Srl	Rome	IT	100,000.00	EUR		Line-by-line	Enel Italia SpA	100.00%	100.00%
Enel X Morrissey Blvd. Project LLC	Boston	US	100.00	USD		Line-by-line	Enel X MA Holdings LLC	100.00%	100.00%
Enel X New Zealand Limited	Wellington	NZ	313,606.00	AUD		Line-by-line	Energy Response Holdings (Pty) Ltd	100.00%	100.00%
Enel X North America Inc.	Boston	US	1,000.00	USD		Line-by-line	Enel North America Inc.	100.00%	100.00%
Enel X Norway AS	Porsgrunn	NO	1,000,000.00	NOK		Line-by-line	Enel X International Srl	100.00%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Enel X Perú SAC	San Miguel	PE	12,005,000.00	PEN		Line-by-line	Enel Perú SAC	100.00%	65.00%
Enel X Polska Sp. Zo.o.	Warsaw	PL	10,000,000.00	PLN		Line-by-line	Enel X Ireland Limited	100.00%	100.00%
Enel X Romania Srl	Bucharest	RO	234,450.00	RON		Line-by-line	Enel X International Srl Enel X Srl	99.00% 1.00%	100.00%
Enel X Rus LLC	Moscow	RU	8,000,000.00	RUB		Line-by-line	Enel X International Srl	99.00%	99.00%
Enel X Srl	Rome	IT	1,050,000.00	EUR		Line-by-line	Enel SpA	100.00%	100.00%
Enel X Services India Private Limited	Mumbai City	IN	45,000.00	INR		Line-by-line	Enel X International Srl Enel X North America Inc.	100.00% 0.00%	100.00%
Enel X Singapore Pte Ltd	Singapore	SG	1,212,000.00	SGD		Line-by-line	Enel X International Srl	100.00%	100.00%
Enel X Sweden AB	Stockholm	SE	50,000.00	SEK		Line-by-line	Enel X International Srl	100.00%	100.00%
Enel X Taiwan Co. Ltd	Taipei City	TW	65,000,000.00	TWD		Line-by-line	Enel X Ireland Limited	100.00%	100.00%
Enel X UK Limited	London	GB	32,626.00	GBP		Line-by-line	Enel X International Srl	100.00%	100.00%
Enel.si Srl	Rome	IT	5,000,000.00	EUR		Line-by-line	Enel Italia SpA	100.00%	100.00%
Enelco SA	Maroussi	GR	60,108.80	EUR		Line-by-line	Enel Investment Holding BV	75.00%	75.00%
Enelpower Contractor and Development Saudi Arabia Ltd	Riyadh	SA	5,000,000.00	SAR		Line-by-line	Enelpower SpA	51.00%	51.00%
Enelpower do Brasil Ltda	Niterói	BR	5,068,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Energía y Servicios South America SpA	100.00% 0.00%	100.00%
Enelpower SpA	Milan	IT	2,000,000.00	EUR		Line-by-line	Enel SpA	100.00%	100.00%
Energética Monzón SAC	San Miguel	PE	6,463,000.00	PEN		Line-by-line	Enel Green Power Perú SAC Energía y Servicios South America SpA	100.00% 0.00%	100.00%
Energía Ceuta XXI Comercializadora de Referencia SA	Ceuta	ES	65,000.00	EUR		Line-by-line	Empresa de Alumbrado Eléctrico de Ceuta SA	100.00%	67.56%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Energía Eólica Alto del Llano SLU	Madrid	ES	3,300.00	EUR		Line-by-line	Enel Green Power España SL	100.00%	70.11%
Energia Eolica Srl - EN.EO. Srl	Rome	IT	4,840,000.00	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
Energía Global de México (Enermex) SA de Cv	Mexico City	MX	50,000.00	MXN		Line-by-line	Enel Green Power SpA	99.00%	99.00%
Energía Global Operaciones Srl	San José	CR	10,000.00	CRC		Line-by-line	Enel Green Power Costa Rica SA	100.00%	100.00%
Energía Limpia de Amistad SA de Cv	Mexico City	MX	33,452,769.00	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	673,583,489.00	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	2,953,980.00	MXN		Line-by-line	Enel Green Power México S de RL de Cv Enel Rinnovabile SA de Cv	0.01% 99.99%	100.00%
Energía Marina SpA	Santiago de Chile	CL	2,404,240,000.00	CLP		Equity	Enel Green Power Chile SA	25.00%	16.23%
Energía Neta Sa Caseta Llucmajor SL (Sociedad Unipersonal)	Palma de Mallorca	ES	9,000.00	EUR		Line-by-line	Enel Green Power España SL	100.00%	70.11%
Energía Nueva de Iguu S de RL de Cv	Mexico City	MX	51,879,307.00	MXN		Line-by-line	Enel Green Power México S de RL de Cv Energía Nueva Energía Limpia México S de RL de Cv	99.90% 0.01%	99.91%
Energía Nueva Energía Limpia México S de RL de Cv	Mexico City	MX	5,339,650.00	MXN		Line-by-line	Enel Green Power Guatemala SA Enel Green Power SpA	0.04% 99.96%	100.00%
Energía XXI Comercializadora de Referencia SL	Madrid	ES	2,000,000.00	EUR		Line-by-line	Endesa Energía SA	100.00%	70.11%
Energía y Servicios South America SpA	Santiago de Chile	CL	144,290,951.73	USD		Line-by-line	Enel Rinnovabili Srl	100.00%	100.00%
Energías Alternativas del Sur SL	Las Palmas de Gran Canaria	ES	546,919.10	EUR		Line-by-line	Enel Green Power España SL	54.95%	38.52%
Energías de Aragón I SL	Zaragoza	ES	3,200,000.00	EUR		Line-by-line	Endesa Red SA (Sociedad Unipersonal)	100.00%	70.11%
Energías de Graus SL	Barcelona	ES	1,298,160.00	EUR		Line-by-line	Enel Green Power España SL	66.67%	46.74%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Energías Especiales de Careón SA	Santiago de Compostela	ES	270,450.00	EUR		Line-by-line	Enel Green Power España SL	77.00%	53.98%
Energías Especiales de Peña Armada SA	Madrid	ES	963,300.00	EUR		Line-by-line	Enel Green Power España SL	80.00%	56.09%
Energías Especiales del Alto Ulla SA	Madrid	ES	19,594,860.00	EUR		Line-by-line	Enel Green Power España SL	100.00%	70.11%
Energías Especiales del Bierzo SA	Torre del Bierzo	ES	1,635,000.00	EUR		Equity	Enel Green Power España SL	50.00%	35.05%
Energías Renovables La Mata SA de Cv	Mexico City	MX	656,615,400.00	MXN		Line-by-line	Enel Green Power México S de RL de Cv Energía Nueva de Iguu S de RL de Cv	99.00% 1.00%	100.00%
Energie Electrique de Tahaddart SA	Marrakech	MA	637,840,000.00	MAD		Equity	Endesa Generación SA	32.00%	22.43%
Energotel AS	Bratislava	SK	2,191,200.00	EUR		Equity	Slovenské elektrárne AS	20.00%	6.60%
Energy Hydro Piave Srl in liquidation	Belluno	IT	800,000.00	EUR		Line-by-line	Enel Produzione SpA	51.00%	51.00%
Energy Response Holdings (Pty) Ltd	Melbourne	AU	630,451.00	AUD		Line-by-line	Enel X Australia Holding (Pty) Ltd	100.00%	100.00%
Enerlive Srl	Rome	IT	6,520,000.00	EUR		Line-by-line	Maicor Wind Srl	100.00%	100.00%
EnerNOC GmbH	Munich	DE	25,000.00	EUR		Line-by-line	Enel X North America Inc.	100.00%	100.00%
EnerNOC Ireland Limited	Dublin	IE	10,535.00	EUR		Line-by-line	Enel X Ireland Limited	100.00%	100.00%
EnerNOC UK II Limited	London	GB	21,000.00	GBP		Line-by-line	Enel X UK Limited	100.00%	100.00%
Entech (China) Information Technology Co. Ltd	Shenzhen	CN	140,000.00	USD		Equity	EnerNOC UK II Limited	50.00%	50.00%
Entech Utility Service Bureau Inc.	Lutherville	US	1,500.00	USD		Line-by-line	Enel X North America Inc.	100.00%	100.00%
Envatios Promoción I SLU	Madrid	ES	3,000.00	EUR		Line-by-line	Enel Green Power España SL	100.00%	70.11%
Envatios Promoción II SLU	Madrid	ES	3,000.00	EUR		Line-by-line	Enel Green Power España SL	100.00%	70.11%
Envatios Promoción III SLU	Madrid	ES	3,000.00	EUR		Line-by-line	Enel Green Power España SL	100.00%	70.11%
Envatios Promoción XX SLU	Seville	ES	3,000.00	EUR		Line-by-line	Enel Green Power España SL	100.00%	70.11%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Eólica del Cierzo SLU	Zaragoza	ES	225,000.00	EUR		Line-by-line	Enel Green Power España SL	100.00%	70.11%
Eólica del Principado SAU	Gijón - Asturias	ES	60,000.00	EUR		Line-by-line	Enel Green Power España SL	100.00%	70.11%
Eólica Valle del Ebro SA	Zaragoza	ES	3,561,342.50	EUR		Line-by-line	Enel Green Power España SL	50.50%	35.40%
Eólica Zopiloapan SA de Cv	Mexico City	MX	1,877,201.54	MXN		Line-by-line	Enel Green Power México S de RL de Cv Enel Green Power Partecipazioni Speciali Srl	56.98% 39.50%	96.48%
Eólicas de Agaete SL	Las Palmas de Gran Canaria	ES	240,400.00	EUR		Line-by-line	Enel Green Power España SL	80.00%	56.09%
Eólicas de Fuencaliente SA	Las Palmas de Gran Canaria	ES	216,360.00	EUR		Line-by-line	Enel Green Power España SL	55.00%	38.56%
Eólicas de Fuerteventura AIE	Puerto del Rosario	ES	-	EUR		Equity	Enel Green Power España SL	40.00%	28.04%
Eólicas de la Patagonia SA	Buenos Aires	AR	480,930.00	ARS		Equity	Enel Green Power España SL	50.00%	35.05%
Eólicas de Lanzarote SL	Las Palmas de Gran Canaria	ES	1,758,000.00	EUR		Equity	Enel Green Power España SL	40.00%	28.04%
Eólicas de Tenerife AIE	Santa Cruz de Tenerife	ES	420,708.40	EUR		Equity	Enel Green Power España SL	50.00%	35.05%
Eólicas de Tirajana SL	Las Palmas de Gran Canaria	ES	3,000.00	EUR		Line-by-line	Enel Green Power España SL	60.00%	42.06%
Epresa Energía SA	Cádiz	ES	2,500,000.00	EUR		Equity	Endesa Red SA (Sociedad Unipersonal)	50.00%	35.05%
European Energy Exchange AG	Leipzig	DE	40,050,000.00	EUR		-	Enel Global Trading SpA	2.38%	2.38%
Expedition Solar Project LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Explorer Wind Project LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Explotaciones Eólicas de Escucha SA	Zaragoza	ES	3,505,000.00	EUR		Line-by-line	Enel Green Power España SL	70.00%	49.07%
Explotaciones Eólicas El Puerto SA	Teruel	ES	3,230,000.00	EUR		Line-by-line	Enel Green Power España SL	73.60%	51.60%
Explotaciones Eólicas Santo Domingo de Luna SA	Zaragoza	ES	100,000.00	EUR		Line-by-line	Enel Green Power España SL	51.00%	35.75%
Explotaciones Eólicas Saso Plano SA	Zaragoza	ES	5,488,500.00	EUR		Line-by-line	Enel Green Power España SL	65.00%	45.57%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Explotaciones Eólicas Sierra Costera SA	Zaragoza	ES	8,046,800.00	EUR		Line-by-line	Enel Green Power España SL	90.00%	63.10%
Explotaciones Eólicas Sierra La Virgen SA	Zaragoza	ES	4,200,000.00	EUR		Line-by-line	Enel Green Power España SL	90.00%	63.10%
Fence Post Solar Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Fenner Wind Holdings LLC	Dover	US	100.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Finsec Lab Ltd	Tel Aviv	IL	100.00	ILS		Equity	Enel X Srl	30.00%	30.00%
Flagpay Srl	Milan	IT	10,000.00	EUR		Line-by-line	Paytipper SpA	100.00%	55.00%
Flat Rock Wind Project LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
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	51.00%	51.00%
Fótons de Santo Anchieta Energias Renováveis SA	Niterói	BR	577,000.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Fotovoltaica Yunclillos SLU	Madrid	ES	3,000.00	EUR		Line-by-line	Enel Green Power España SL	100.00%	70.11%
Fourmile Wind Project LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	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	9,000.00	EUR		Equity	Endesa Generación SA	61.37%	43.02%
Furatena Solar 1 SLU	Seville	ES	3,000.00	EUR		Line-by-line	Enel Green Power España SL	100.00%	70.11%
Galaxy Wind Project LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Garob Wind Farm (RF) (Pty) Ltd	Johannesburg	ZA	100.00	ZAR		AFS	Enel Green Power RSA 2 (RF) (Pty) Ltd	60.00%	60.00%
Gas y Electricidad Generación SAU	Palma de Mallorca	ES	213,775,700.00	EUR		Line-by-line	Endesa Generación SA	100.00%	70.11%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Gauley Hydro LLC	Wilmington	US	-	USD		Equity	GRPP Holdings LLC	100.00%	50.00%
Gauley River Management LLC	Willison	US	1.00	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Genability Inc.	San Francisco	US	6,010,074.72	USD		Equity	Enel X North America Inc.	50.00%	50.00%
Generadora de Occidente Ltda	Guatemala City	GT	16,261,697.33	GTQ		Line-by-line	Enel Green Power Guatemala SA Enel Rinnovabili Srl	1.00% 99.00%	100.00%
Generadora Eólica Alto Pacora Srl	Panama City	PA	10,100.00	USD		Line-by-line	Enel Green Power Panamá Srl Energía y Servicios South America SpA	99.01% 0.99%	100.00%
Generadora Montecristo SA	Guatemala City	GT	3,820,000.00	GTQ		Line-by-line	Enel Green Power Guatemala SA Enel Rinnovabili Srl	0.00% 100.00%	100.00%
Generadora Solar Austral SA	Chiriquí	PA	10,000.00	USD		Line-by-line	Enel Green Power Panamá Srl	100.00%	100.00%
Generadora Solar Tolé Srl	Panama City	PA	10,100.00	USD		Line-by-line	Enel Green Power Panamá Srl Energía y Servicios South America SpA	99.01% 0.99%	100.00%
Geotérmica del Norte SA	Santiago de Chile	CL	326,577,419,702.00	CLP		Line-by-line	Enel Green Power Chile SA	84.59%	54.92%
Gibson Bay Wind Farm (RF) (Pty) Ltd	Johannesburg	ZA	1,000.00	ZAR		Line-by-line	Enel Green Power RSA (Pty) Ltd	60.00%	60.00%
Girgarre Solar Farm (Pty) Ltd	Sydney	AU	-	AUD		Line-by-line	Enel Green Power Girgarre Holdings (Pty) Ltd	100.00%	100.00%
Global Commodities Holdings Limited	London	GB	4,042,375.00	GBP		-	Enel Global Trading SpA	4.68%	4.68%
Globyte SA	San José	CR	891,000.00	CRC		-	Enel Green Power Costa Rica SA	9.09%	9.09%
Gnl Chile SA	Santiago de Chile	CL	3,026,160.00	USD		Equity	Enel Generación Chile SA	33.33%	20.25%
Goodwell Wind Project LLC	Wilmington	US	-	USD		Equity	Origin Goodwell Holdings LLC	100.00%	20.00%
Gorona del Viento El Hierro SA	Santa Cruz de Tenerife	ES	30,936,736.00	EUR		Equity	Unión Eléctrica de Canarias Generación SAU	23.21%	16.27%
Grand Prairie Solar Project LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
GRPP Holdings LLC	Andover	US	2.00	USD		Equity	EGPNA REP Holdings LLC	50.00%	50.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Guadarranque Solar 4 SLU	Seville	ES	3,006.00	EUR		Line-by-line	Endesa Generación II SA	100.00%	70.11%
Gusty Hill Wind Project LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
GV Energie Rigenerabili ITAL-RO Srl	Bucharest	RO	1,145,400.00	RON		Line-by-line	Enel Green Power Romania Srl Enel Green Power SpA	100.00% 0.00%	100.00%
Hadley Ridge LLC	Minneapolis	US	-	USD		Line-by-line	Chi Minnesota Wind LLC	51.00%	51.00%
Hamilton County Solar Project LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Hansborough Valley Solar Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Harvest Ridge Solar Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Harvest Ridge Wind Project LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Hastings Solar LLC	Wilmington	US	-	USD		Line-by-line	Aurora Distributed Solar LLC	100.00%	74.13%
Hatch Data Inc.	San Francisco	US	10,000.00	USD		-	Enel X North America Inc.	5.00%	5.00%
Heartland Farms Wind Project LLC	Wilmington	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Hidroeléctrica de Catalunya SL	Barcelona	ES	126,210.00	EUR		Line-by-line	Endesa Red SA (Sociedad Unipersonal)	100.00%	70.11%
Hidroeléctrica de Ourol SL	Lugo	ES	1,608,200.00	EUR		Equity	Enel Green Power España SL	30.00%	21.03%
Hidroelectricidad del Pacífico S de RL de Cv	Colima	MX	30,890,736.00	MXN		Line-by-line	Enel Green Power México S de RL de Cv	99.99%	99.99%
Hidroflamicell SL	Barcelona	ES	78,120.00	EUR		Line-by-line	Hidroeléctrica de Catalunya SL	75.00%	52.58%
Hidroinvest SA	Buenos Aires	AR	55,312,093.00	ARS		Line-by-line	Enel Américas SA Enel Argentina SA	41.94% 54.76%	62.85%
High Chaparral Solar Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
High Lonesome Storage LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
High Lonesome Wind Holdings LLC	Wilmington	US	100.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
High Lonesome Wind Power LLC	Boston	US	100.00	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	2.00	AUD		Line-by-line	Energy Response Holdings (Pty) Ltd	100.00%	100.00%
Hilltopper Wind Holdings LLC	Wilmington	US	1,000.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Hispano Generación de Energía Solar SL	Jerez de los Caballeros	ES	3,500.00	EUR		Line-by-line	Enel Green Power España SL	51.00%	35.75%
Hope Creek LLC	Crestview	US	-	USD		Line-by-line	Chi Minnesota Wind LLC	51.00%	51.00%
Hope Ridge Wind Project LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Hubject GmbH	Berlin	DE	65,943.00	EUR		-	Enel X International Srl	12.50%	12.50%
Hydro Energies Corporation	Willison	US	5,000.00	USD		AFS	Enel Green Power North America Inc.	100.00%	100.00%
Idalia Park Solar Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Idrosicilia SpA	Milan	IT	22,520,000.00	EUR		Equity	Enel SpA	1.00%	1.00%
i-EM SAT Ltd	Didcot, Oxfordshire	GB	100.00	GBP		Equity	i-EM Srl	100.00%	30.00%
i-EM Srl	Turin	IT	28,571.43	EUR		Equity	Enel Italia SpA	30.00%	30.00%
Ifx Networks Argentina Srl	Buenos Aires	AR	2,260,551.00	ARS		Equity	Ifx/eni - Spc V Inc. Minority Stock Holding Corp.	99.85% 0.15%	20.60%
Ifx Networks Chile SA	Santiago de Chile	CL	6,235,913,725.00	CLP		Equity	Ifx/eni - Spc IV Inc. Servicios de Internet Eni Chile Ltda	41.20% 58.80%	20.60%
Ifx Networks Colombia SAS	Bogotá	CO	15,734,959,000.00	COP		Equity	Ifx Networks Panama SA Ifx/eni - Spc III Inc.	58.33% 41.67%	20.60%
Ifx Networks LLC	Wilmington	US	80,848,653.00	USD		Equity	Ufinet Latam SLU	100.00%	20.60%
Ifx Networks Ltd	Tortola	VG	50,001.00	USD		Equity	Ifx Networks LLC	100.00%	20.60%
Ifx Networks Panama SA	Panama City	PA	21,000.00	USD		Equity	Ifx/eni - Spc Panama Inc.	100.00%	20.60%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Ifx/eni - Spc III Inc.	Tortola	VG	100.00	USD		Equity	Ifx Networks Ltd	100.00%	20.60%
Ifx/eni - Spc IV Inc.	Tortola	VG	100.00	USD		Equity	Ifx Networks Ltd	100.00%	20.60%
Ifx/eni - Spc Panama Inc.	Tortola	VG	100.00	USD		Equity	Ifx Networks Ltd	100.00%	20.60%
Ifx/eni - Spc V Inc.	Tortola	VG	100.00	USD		Equity	Ifx Networks Ltd	100.00%	20.60%
Inertia Solar Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Inertia Wind Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Inkolan Información y Coordinación de obras AIE	Bilbao	ES	84,141.68	EUR		Equity	Edistribución Redes Digitales SL (Sociedad Unipersonal)	14.29%	10.02%
International Multimedia University Srl in bankruptcy	-	IT	24,000.00	EUR		-	Enel Italia SpA	13.04%	13.04%
Inversora Codensa SAS	Bogotá	CO	5,000,000.00	COP		Line-by-line	Codensa SA ESP	100.00%	31.40%
Inversora Dock Sud SA	Buenos Aires	AR	828,941,660.00	ARS		Line-by-line	Enel Américas SA	57.14%	37.14%
Isamu Ikeda Energia SA	Niterói	BR	45,474,475.77	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Italgest Energy (Pty) Ltd	Johannesburg	ZA	1,000.00	ZAR		Line-by-line	Enel Green Power RSA (Pty) Ltd	100.00%	100.00%
Jack River LLC	Minneapolis	US	-	USD		Line-by-line	Chi Minnesota Wind LLC	51.00%	51.00%
Jade Energia Ltda	Conceição do Jacuípe	BR	4,107,097.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Jaguito Solar 10 MW SA	Panama City	PA	10,000.00	USD		Line-by-line	Enel Green Power Panamá Srl	100.00%	100.00%
Jessica Mills LLC	Minneapolis	US	-	USD		Line-by-line	Chi Minnesota Wind LLC	51.00%	51.00%
JuiceNet GmbH	Berlin	DE	25,000.00	EUR		Line-by-line	Enel X International Srl	100.00%	100.00%
JuiceNet Ltd	London	GB	1.00	GBP		Line-by-line	Enel X International Srl	100.00%	100.00%
Julia Hills LLC	Minneapolis	US	-	USD		Line-by-line	Chi Minnesota Wind LLC	51.00%	51.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Juna Renewable Energy Private Limited	Gurugram	IN	100,000.00	INR		Line-by-line	Enel Green Power India Private Limited (formerly BLP Energy Private Limited)	100.00%	100.00%
Kelley's Falls LLC	Wilmington	US	-	USD		AFS	Enel Green Power North America Inc.	100.00%	100.00%
Khaba Renewable Energy Private Limited	Gurugram	IN	100,000.00	INR		Line-by-line	Enel Green Power India Private Limited (formerly BLP Energy Private Limited)	100.00%	100.00%
Khidrat Renewable Energy Private Limited	Gurugram	IN	100,000.00	INR		Line-by-line	Enel Green Power India Private Limited (formerly BLP Energy Private Limited)	100.00%	100.00%
Kings River Hydro Company Inc.	Wilmington	US	100.00	USD		Line-by-line	Enel Green Power North America Inc.	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	100.00	MXN		Line-by-line	Enel Green Power México S de RL de Cv Hidroelectricidad del Pacífico S de RL de Cv	99.00% 1.00%	100.00%
Kino Facilities Manager SA de Cv	Mexico City	MX	100.00	MXN		Line-by-line	Enel Green Power México S de RL de Cv Hidroelectricidad del Pacífico S de RL de Cv	99.00% 1.00%	100.00%
Kongul Enerjí Sanayí Ve Tícaret Anoním Şírketí	Istanbul	TR	125,000,000.00	TRY		Line-by-line	Enel Green Power Turkey Enerjí Yatirimlari Anoním Şírketí	100.00%	100.00%
Koporie WPS LLC	Region of Leningrad	RU	21,000,000.00	RUB		Line-by-line	Enel Green Power Rus Limited Liability Company	100.00%	100.00%
Korea Line Corporation	Seoul	KR	122,132,520,000.00	KRW		-	Enel Global Trading SpA	0.25%	0.25%
Kromschroeder SA	Barcelona	ES	627,126.00	EUR		Equity	Endesa Medios y Sistemas SL (Sociedad Unipersonal)	29.26%	20.51%
La Cabaña SpA	Santiago de Chile	CL	1,481,845,000.00	CLP		Line-by-line	Enel Green Power Chile SA	100.00%	64.93%
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%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Land Run Wind Project LLC	Dover	US	100.00	USD		Line-by-line	Sundance Wind Project LLC	100.00%	100.00%
Lava Solar Project LLC	Andover	US	1.00	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%
Lemonade Solar Project LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	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	1,350,000.00	EUR		-	Enelpower SpA	0.33%	0.33%
Lily Solar Holdings LLC	Andover	US	1.00	USD		Line-by-line	Enel Green Power Lily Solar Holdings LLC	100.00%	100.00%
Lily Solar LLC	Andover	US	-	USD		Line-by-line	Enel Kansas Development Holdings LLC	100.00%	100.00%
Lindahl Wind Holdings LLC	Wilmington	US	-	USD		Line-by-line	EGPNA Preferred Wind Holdings LLC	100.00%	100.00%
Lindahl Wind Project LLC	Wilmington	US	-	USD		Line-by-line	Lindahl 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%
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%
Littleville Power Company Inc.	Boston	US	100.00	USD		AFS	Enel Green Power North America Inc.	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%
Livister Guatemala SA	Guatemala City	GT	742,000.00	GTQ		Equity	Ufinet Guatemala SA Ufinet Latam SLU	0.01% 99.99%	20.60%
Livister Honduras SA	Tegucigalpa	HN	25,000.00	HNL		Equity	Livister Guatemala SA Livister Latam SLU	0.40% 99.60%	20.60%
Livister Latam SLU	Madrid	ES	3,000.00	EUR		Equity	Ufinet Latam SLU	100.00%	20.60%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Llano Sánchez Solar Power One Srl	Panama City	PA	10,020.00	USD		Line-by-line	Enel Green Power Panamá Srl Energía y Servicios South America SpA	99.80% 0.20%	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%
Lower Valley LLC	Wilmington	US	-	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Luminary Highlands Solar Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Luz de Angra Energia SA	Niterói	BR	4,062,085.00	BRL		Line-by-line	Enel X Brasil SA	51.00%	33.15%
Maicor Wind Srl	Rome	IT	20,850,000.00	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
Malaspina Energy Scarl in liquidation	Bergamo	IT	100,000.00	EUR		Line-by-line	Yousave SpA	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%
Marengo Solar LLC	Wilmington	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Marte Srl	Rome	IT	6,100,000.00	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
Marudhar Wind Energy Private Limited	Gurugram	IN	100,000.00	INR		Line-by-line	Enel Green Power India Private Limited (formerly BLP Energy Private Limited)	100.00%	100.00%
Más Energía S de RL de Cv	Mexico City	MX	61,872,926.00	MXN		Line-by-line	Enel Green Power México S de RL de Cv Hidroelectricidad del Pacífico S de RL de Cv	99.99% 0.01%	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	1,000.00	ZAR		Line-by-line	Enel Green Power RSA (Pty) Ltd	100.00%	100.00%
MC Solar I LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
McBride Wind Project LLC	Wilmington	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Medidas Ambientales SL	Burgos	ES	60,100.00	EUR		Equity	Nuclenor SA	50.00%	17.53%
Merit Wind Project LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Metro Wind LLC	Minneapolis	US	-	USD		Line-by-line	Chi Minnesota Wind LLC	51.00%	51.00%
Mexicana de Hidroelectricidad Mexhidro S de RL de Cv	Mexico City	MX	181,728,901.00	MXN		Line-by-line	Enel Green Power México S de RL de Cv	99.99%	99.99%
Mibgas SA	Madrid	ES	3,000,000.00	EUR		-	Endesa SA	1.35%	0.95%
Midelt Wind Farm SA	Casablanca	MA	145,000,000.00	MAD		Equity	Nareva Enel Green Power Morocco SA	70.00%	35.00%
Minicentrales Acequia Cinco Villas AIE	Ejea de los Caballeros	ES	3,346,993.04	EUR		-	Enel Green Power España SL	5.39%	3.78%
Minicentrales del Canal de las Bárdenas AIE	Zaragoza	ES	1,202,000.00	EUR		-	Enel Green Power España SL	15.00%	10.52%
Minicentrales del Canal Imperial-Gallur SL	Zaragoza	ES	1,820,000.00	EUR		Equity	Enel Green Power España SL	36.50%	25.59%
Minority Stock Holding Corp.	Tortola	VG	100.00	USD		Equity	Ifx Networks Ltd	100.00%	20.60%
Mira Energy (Pty) Ltd	Johannesburg	ZA	100.00	ZAR		Line-by-line	Enel Green Power RSA (Pty) Ltd	100.00%	100.00%
Miranda Plataforma Logística SA	Burgos	ES	1,800,000.00	EUR		-	Nuclenor SA	0.22%	0.08%
Montrose Solar LLC	Wilmington	US	-	USD		Line-by-line	Aurora Distributed Solar LLC	100.00%	74.13%
Moonbeam Solar Project LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Mountrail Wind Project LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Mucho Viento Wind Project LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Muskegon County Solar Project LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Muskegon Green Wind Project LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Mustang Run Wind Project LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Napolean Wind Project LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Nareva Enel Green Power Morocco SA	Casablanca	MA	98,750,000.00	MAD		Equity	Enel Green Power Morocco SARLAU	50.00%	50.00%
Navalvillar Solar SL	Madrid	ES	3,000.00	EUR		Line-by-line	Enel Green Power España SL	100.00%	70.11%
Netell Telecomunicações SA	Barueri	BR	29,800,000.00	BRL		-	Ufinet Brasil Telecomunicação Ltda	60.00%	12.36%
Nevkan Renewables LLC	Wilmington	US	-	USD		Line-by-line	Enel Nevkan Inc.	100.00%	100.00%
Newbury Hydro Company LLC	Andover	US	-	USD		AFS	Enel Green Power North America Inc.	100.00%	100.00%
Ngonye Power Company Limited	Lusaka	ZM	10.00	ZMW		AFS	Enel Green Power Solar Ngonye SpA (formerly Enel Green Power Africa Srl)	80.00%	80.00%
Nojoli Wind Farm (RF) (Pty) Ltd	Johannesburg	ZA	10,000,000.00	ZAR		Line-by-line	Enel Green Power RSA (Pty) Ltd	60.00%	60.00%
North Canal Waterworks	Boston	US	-	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
North English Wind Project LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
North Rock Wind LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Northland Wind Project LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Northstar Wind Project LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Northumberland Solar Project I LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	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	100.00	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Nuclenor SA	Burgos	ES	102,000,000.00	EUR		Equity	Endesa Generación SA	50.00%	35.05%
Nuove Energie Srl	Porto Empedocle	IT	5,204,028.73	EUR		Line-by-line	Enel Global Trading SpA	100.00%	100.00%
Nxuba Wind Farm (RF) (Pty) Ltd	Johannesburg	ZA	1,000.00	ZAR		AFS	Enel Green Power RSA 2 (RF) (Pty) Ltd	51.00%	51.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Nyc Storage (353 Chester) Spe LLC	Wilmington	US	1.00	USD		Line-by-line	Enel X North America Inc.	100.00%	100.00%
Ochrana A Bezpecnost Se SRO	Kalná Nad Hronom	SK	33,193.92	EUR		Equity	Slovenské elektrárne AS	100.00%	33.00%
Olivum PV Farm 01 SLU	Madrid	ES	3,000.00	EUR		Line-by-line	Enel Green Power España SL	100.00%	70.11%
Omip - Operador do Mercado Ibérico (Portugal) Sgps SA	Lisbon	PT	2,610,000.00	EUR		-	Endesa SA	5.00%	3.51%
OpEn Fiber SpA	Milan	IT	250,000,000.00	EUR		AFS	Enel SpA	50.00%	50.00%
Open Range Wind Project LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Operador del Mercado Ibérico de Energía - Polo Español SA	Madrid	ES	1,999,998.00	EUR		-	Endesa SA	5.00%	3.51%
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%	20.00%
Origin Wind Energy LLC	Wilmington	US	-	USD		Equity	Origin Goodwell Holdings LLC	100.00%	20.00%
Osage Wind Holdings LLC	Wilmington	US	100.00	USD		Line-by-line	Enel Kansas LLC	50.00%	50.00%
Osage Wind LLC	Wilmington	US	-	USD		Line-by-line	Osage Wind Holdings LLC	100.00%	50.00%
Ottauquechee Hydro Company Inc.	Wilmington	US	100.00	USD		AFS	Enel Green Power North America Inc.	100.00%	100.00%
Ovacik Eolíko Enerjí Elektrík Üretím Ve Tícaret Anoním Şírketí	Istanbul	TR	11,250,000.00	TRY		Line-by-line	Enel Green Power Turkey Enerjí Yatirimlari Anoním Şírketí	100.00%	100.00%
Oxagesa AIE	Alcañiz	ES	6,010.00	EUR		Equity	Enel Green Power España SL	33.33%	23.37%
Oyster Bay Wind Farm (RF) (Pty) Ltd	Johannesburg	ZA	1,000.00	ZAR		AFS	Enel Green Power RSA 2 (RF) (Pty) Ltd	60.00%	60.00%
Padoma Wind Power LLC	Elida	US	-	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
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	3,000.00	EUR		Line-by-line	Enel Green Power España SL	100.00%	70.11%
Paradise Creek Wind Project LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Paravento SL	Lugo	ES	3,006.00	EUR		Line-by-line	Enel Green Power España SL	90.00%	63.10%
Parc Eòlic La Tossa - La Mola d'en Pascual SL	Madrid	ES	1,183,100.00	EUR		Equity	Enel Green Power España SL	30.00%	21.03%
Parc Eòlic Los Aligars SL	Madrid	ES	1,313,100.00	EUR		Equity	Enel Green Power España SL	30.00%	21.03%
Parco Eolico Monti Sicani Srl	Rome	IT	10,000.00	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
Parque Amistad II SA de Cv	Mexico City	MX	1,413,533,480.00	MXN		Line-by-line	Enel Rinnovabile SA de Cv Hidroelectricidad del Pacífico S de RL de Cv	99.00% 1.00%	100.00%
Parque Amistad III SA de Cv	Mexico City	MX	931,692,540.00	MXN		Line-by-line	Enel Rinnovabile SA de Cv Hidroelectricidad del Pacífico S de RL de Cv	99.00% 1.00%	100.00%
Parque Amistad IV SA de Cv	Mexico City	MX	1,489,508,400.00	MXN		Line-by-line	Enel Rinnovabile SA de Cv Hidroelectricidad del Pacífico S de RL de Cv	99.00% 1.00%	100.00%
Parque Eólico A Capelada SL (Sociedad Unipersonal)	La Coruña	ES	5,857,704.33	EUR		Line-by-line	Enel Green Power España SL	100.00%	70.11%
Parque Eólico BR-1 SAPI de Cv	Mexico City	MX	-	MXN		Line-by-line	Enel Green Power México S de RL de Cv Enel Rinnovabile SA de Cv	0.50% 25.00%	25.50%
Parque Eólico Carretera de Arinaga SA	Las Palmas de Gran Canaria	ES	1,603,000.00	EUR		Line-by-line	Enel Green Power España SL	80.00%	56.09%
Parque Eólico de Barbanza SA	La Coruña	ES	3,606,072.60	EUR		Line-by-line	Enel Green Power España SL Parque Eólico de Barbanza SA	75.00% 0.00%	52.58%
Parque Eólico de Belmonte SA	Madrid	ES	120,400.00	EUR		Line-by-line	Enel Green Power España SL	50.17%	35.17%
Parque Eólico de San Andrés SA	La Coruña	ES	552,920.00	EUR		Line-by-line	Enel Green Power España SL	82.00%	57.49%
Parque Eólico de Santa Lucía SA	Las Palmas de Gran Canaria	ES	901,500.00	EUR		Line-by-line	Enel Green Power España SL Parque Eólico de Santa Lucía SA	65.67% 1.00%	46.50%
Parque Eólico Finca de Mogán SA	Santa Cruz de Tenerife	ES	3,810,340.00	EUR		Line-by-line	Enel Green Power España SL	90.00%	63.10%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Parque Eólico Montes de Las Navas SA	Madrid	ES	6,540,000.00	EUR		Line-by-line	Enel Green Power España SL	75.50%	52.93%
Parque Eólico Muniesa SL	Madrid	ES	3,006.00	EUR		Line-by-line	Enel Green Power España SL	100.00%	70.11%
Parque Eólico Palmas dos Ventos Ltda	Salvador	BR	4,096,626.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda Enel Green Power Desenvolvimento Ltda	100.00% 0.00%	100.00%
Parque Eólico Pampa SA	Buenos Aires	AR	10,637,000.00	ARS		Line-by-line	Enel Green Power SpA	100.00%	100.00%
Parque Eólico Punta de Teno SA	Santa Cruz de Tenerife	ES	528,880.00	EUR		Line-by-line	Enel Green Power España SL	52.00%	36.46%
Parque Eólico Sierra del Madero SA	Madrid	ES	7,193,970.00	EUR		Line-by-line	Enel Green Power España SL	58.00%	40.66%
Parque Eólico Tico SLU	Zaragoza	ES	234,900.00	EUR		Line-by-line	Enel Green Power España SL	100.00%	70.11%
Parque Salitrillos SA de Cv	Mexico City	MX	100.00	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	500,000.00	ARS		Line-by-line	Enel Green Power Argentina SA Energía y Servicios South America SpA	95.00% 5.00%	100.00%
Parque Solar Don José SA de Cv	Mexico City	MX	100.00	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	306,024,631.13	MXN		Equity	Tenedora de Energía Renovable Sol y Viento SAPI de Cv	60.80%	20.00%
Parque Talinay Oriente SA	Santiago de Chile	CL	66,092,165,170.93	CLP		Line-by-line	Enel Green Power Chile SA Enel Green Power SpA	60.91% 34.56%	74.12%
Pastis - Centro Nazionale per la ricerca e lo sviluppo dei materiali SCPA in liquidation	Brindisi	IT	2,065,000.00	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	40,000.00	EUR		Line-by-line	Paytipper SpA	100.00%	55.00%
Paytipper SpA	Milan	IT	3,000,000.00	EUR		Line-by-line	Enel X Srl	55.00%	55.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
PDP Technologies Ltd	Ashkelon	IL	1,129,252.00	ILS		-	Enel Global Infrastructure and Networks Srl	5.72%	5.72%
Pegop - Energia Eléctrica SA	Pego	PT	50,000.00	EUR		Equity	Endesa Generación Portugal SA Endesa Generación SA	0.02% 49.98%	35.05%
PH Chucás SA	San José	CR	100,000.00	CRC		Line-by-line	Enel Green Power Costa Rica SA Energía y Servicios South America SpA	40.31% 24.69%	65.00%
PH Don Pedro SA	San José	CR	100,001.00	CRC		Line-by-line	Enel Green Power Costa Rica SA	33.44%	33.44%
PH Guácimo SA	San José	CR	50,000.00	CRC		Line-by-line	Enel Green Power Costa Rica SA	65.00%	65.00%
PH Río Volcán SA	San José	CR	100,001.00	CRC		Line-by-line	Enel Green Power Costa Rica SA	34.32%	34.32%
Pincher Creek LP	Alberta	CA	-	CAD		Line-by-line	Enel Alberta Wind Inc. Enel Green Power Canada Inc.	99.00% 1.00%	100.00%
Pine Island Distributed Solar LLC	Wilmington	US	-	USD		Line-by-line	Aurora Distributed Solar LLC	100.00%	74.13%
Planta Eólica Europea SA	Seville	ES	1,198,532.32	EUR		Line-by-line	Enel Green Power España SL	56.12%	39.34%
Point Rider Solar Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Pomerado Energy Storage LLC	Wilmington	US	1.00	USD		Line-by-line	Enel Energy Storage Holdings LLC (formerly EGP Energy Storage Holdings LLC)	100.00%	100.00%
PowerCrop Macchiareddu Srl	Bologna	IT	100,000.00	EUR		Equity	PowerCrop SpA (formerly PowerCrop Srl)	100.00%	50.00%
PowerCrop Russi Srl	Bologna	IT	100,000.00	EUR		Equity	PowerCrop SpA (formerly PowerCrop Srl)	100.00%	50.00%
PowerCrop SpA (formerly PowerCrop Srl)	Bologna	IT	4,000,000.00	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%	20.00%
Prairie Rose Wind LLC	Albany	US	-	USD		Equity	EGPNA REP Wind Holdings LLC	100.00%	20.00%
Primavera Energia SA	Niterói	BR	36,965,444.64	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Productora de Energías SA	Barcelona	ES	60,101.22	EUR		Equity	Enel Green Power España SL	30.00%	21.03%
Productora Eléctrica Urgelense SA	Lérida	ES	8,400,000.00	EUR		-	Endesa SA	8.43%	5.91%
Progreso Solar 20 MW SA	Panama City	PA	10,000.00	USD		Line-by-line	Enel Green Power Panamá Srl	100.00%	100.00%
Promociones Energéticas del Bierzo SL	Madrid	ES	12,020.00	EUR		Line-by-line	Enel Green Power España SL	100.00%	70.11%
Proveedora de Electricidad de Occidente S de RL de Cv	Mexico City	MX	89,708,835.00	MXN		Line-by-line	Enel Green Power México S de RL de Cv	99.99%	99.99%
Proyecto Almería Mediterráneo SA	Madrid	ES	601,000.00	EUR		Equity	Endesa SA	45.00%	31.55%
Proyectos Universitarios de Energías Renovables SL	Alicante	ES	27,000.00	EUR		Equity	Enel Green Power España SL	33.33%	23.37%
Proyectos y Soluciones Renovables SAC	San Miguel	PE	1,000.00	PEN		Line-by-line	Enel Green Power Partecipazioni Speciali Srl Energía y Servicios South America SpA	99.90% 0.10%	100.00%
PSG Energy Private Limited	Hyderabad	IN	100,000.00	INR		Line-by-line	Enel Green Power India Private Limited (formerly BLP Energy Private Limited)	100.00%	100.00%
PT Enel Green Power Optima Way Ratai	Jakarta	ID	10,002,250.00	USD		Line-by-line	Enel Green Power SpA	90.00%	90.00%
Pulida Energy (RF) (Pty) Ltd	Johannesburg	ZA	10,000,000.00	ZAR		Line-by-line	Enel Green Power RSA (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	13,766,118.96	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
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%
Ranchland Solar Project LLC	Andover	US	1.00	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	1.00	USD		Line-by-line	Ranchland Wind Holdings LLC	100.00%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Ranchland Wind Project LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	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	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Rausch Creek Wind Project LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
RC Wind Srl	Milan	IT	10,000.00	EUR		-	Enel Green Power Italia Srl	0.50%	0.50%
Reaktortest SRO	Trnava	SK	66,389.00	EUR		Equity	Slovenské elektrárne AS	49.00%	16.17%
Red Centroamericana de Telecomunicaciones SA	Panama City	PA	2,700,000.00	USD		-	Enel SpA	11.11%	11.11%
Red Dirt Wind Holdings I LLC	Dover	US	100.00	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	1.00	USD		Line-by-line	Red Dirt Wind Holdings LLC	100.00%	100.00%
Red Fox Wind Project LLC	Wilmington	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Redes y Telecomunicaciones S de RL de Cv	San Pedro Sula	HN	82,370,000.00	HNL		-	Livister Honduras SA	80.00%	16.48%
Reftinskaya GRES LLC	Pgt Reftinskii	RU	10,000.00	RUB		Line-by-line	Enel Russia PJSC	100.00%	56.43%
Renovables de Guatemala SA	Guatemala City	GT	1,924,465,600.00	GTQ		Line-by-line	Enel Green Power Guatemala SA Enel Rinnovabili Srl	0.00% 100.00%	100.00%
Renovables La Pedrera SLU	Zaragoza	ES	3,000.00	EUR		Line-by-line	Enel Green Power España SL	100.00%	70.11%
Renovables Mediavilla SLU	Zaragoza	ES	3,000.00	EUR		Line-by-line	Enel Green Power España SL	100.00%	70.11%
Rihue SpA	Santiago de Chile	CL	986,821.00	USD		Line-by-line	Enel Green Power Chile SA	100.00%	64.93%
Riverbend Farms Wind Project LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Riverview LP	Alberta	CA	-	CAD		Line-by-line	Enel Alberta Wind Inc. Enel Green Power Canada Inc.	99.00% 1.00%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Roadrunner Solar Project LLC	Andover	US	100.00	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%
Rochelle Solar LLC	Coral Springs	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Rock Creek Wind Holdings I LLC	Dover	US	100.00	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Rock Creek Wind Holdings II LLC	Dover	US	100.00	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	1.00	USD		Line-by-line	Rock Creek Wind Holdings LLC	100.00%	100.00%
Rockhaven Wind Project LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Rocky Caney Holdings LLC	Oklahoma City	US	1.00	USD		Equity	Enel Kansas LLC	20.00%	20.00%
Rocky Caney Wind LLC	Albany	US	-	USD		Equity	Enel Kansas LLC	20.00%	20.00%
Rocky Ridge Wind Project LLC	Oklahoma City	US	-	USD		Equity	Rocky Caney Wind LLC	100.00%	20.00%
Rodnikovskaya WPS	Moscow	RU	6,010,000.00	RUB		Line-by-line	Enel Green Power Rus Limited Liability Company	100.00%	100.00%
Rolling Farms Wind Project LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Rusenergosbyt LLC	Moscow	RU	18,000,000.00	RUB		Equity	Enel SpA	49.50%	49.50%
Rusenergosbyt Siberia LLC	Krasnoyarsk City	RU	4,600,000.00	RUB		Equity	Rusenergosbyt LLC	50.00%	24.75%
Rustler Wind Project LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Ruthton Ridge LLC	Minneapolis	US	-	USD		Line-by-line	Chi Minnesota Wind LLC	51.00%	51.00%
Saburoy SA	Montevideo	UY	100,000.00	UYU		Equity	Ifx Networks LLC	100.00%	20.60%
Sacme SA	Buenos Aires	AR	12,000.00	ARS		Equity	Empresa Distribuidora Sur SA - Edesur	50.00%	23.44%
Saddle House Solar Project LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Salmon Falls Hydro LLC	Wilmington	US	-	USD		AFS	Enel Green Power North America 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	462,185.98	EUR		Equity	Enel Green Power España SL	50.00%	35.05%
Samantha Solar SpA	Santiago de Chile	CL	88,334,025.00	CLP		Line-by-line	Enel Green Power Chile SA	100.00%	64.93%
San Francisco de Borja SA	Zaragoza	ES	60,000.00	EUR		Line-by-line	Enel Green Power España SL	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	100,000.00	INR		Line-by-line	Enel Green Power India Private Limited (formerly BLP Energy Private Limited)	100.00%	100.00%
Santo Rostro Cogeneración SA	Seville	ES	207,340.00	EUR		Equity	Enel Green Power España SL	45.00%	31.55%
Saugus River Energy Storage LLC	Dover	US	100.00	USD		Line-by-line	Enel Energy Storage Holdings LLC (formerly EGP Energy Storage Holdings LLC)	100.00%	100.00%
Se Služby Inžinierskych Stavieb SRO	Kalná Nad Hronom	SK	200,000.00	EUR		Equity	Slovenské elektrárne AS	100.00%	33.00%
Seguidores Solares Planta 2 SL (Sociedad Unipersonal)	Madrid	ES	3,010.00	EUR		Line-by-line	Enel Green Power España SL	100.00%	70.11%
Servicio de Operación y Mantenimiento para Energías Renovables S de RL de Cv	Mexico City	MX	3,000.00	MXN		Line-by-line	Enel Green Power Guatemala SA Energía Nueva Energía Limpia México S de RL de Cv	0.01% 99.99%	100.00%
Servicios de Internet Eni Chile Ltda	Santiago de Chile	CL	2,768,688,228.00	CLP		Equity	Ifx Networks Ltd Ifx/eni - Spc IV Inc.	0.10% 99.90%	20.60%
Servizio Elettrico Nazionale SpA	Rome	IT	10,000,000.00	EUR		Line-by-line	Enel Italia SpA	100.00%	100.00%
Setyl Srl	Bergamo	IT	100,000.00	EUR		Equity	Yousave SpA	27.50%	27.50%
Seven Cowboy Wind Project LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Seven Cowboys Solar Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Shiawassee Wind Project LLC	Wilmington	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
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	100,000.00	INR		Line-by-line	Enel Green Power India Private Limited (formerly BLP Energy Private Limited)	100.00%	100.00%
SIET - Società Informazioni Esperienze Termoidrauliche SpA	Piacenza	IT	697,820.00	EUR		Equity	Enel Innovation Hubs Srl	41.55%	41.55%
Sistema Eléctrico de Conexión Valcaire SL	Madrid	ES	175,200.00	EUR		Equity	Enel Green Power España SL	28.13%	19.72%
Sistemas Energéticos Mañón Ortigueira SA	La Coruña	ES	2,007,750.00	EUR		Line-by-line	Enel Green Power España SL	96.00%	67.30%
Skyview Wind Project LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Slovak Power Holding BV	Amsterdam	NL	25,010,000.00	EUR		Equity	Enel Produzione SpA	50.00%	50.00%
Slovenské elektrárne - Energetické Služby SRO	Bratislava	SK	4,505,000.00	EUR		Equity	Slovenské elektrárne AS	100.00%	33.00%
Slovenské elektrárne AS	Bratislava	SK	1,269,295,724.66	EUR		Equity	Slovak Power Holding BV	66.00%	33.00%
Slovenské elektrárne Česká Republika SRO	Moravská Ostrava	CZ	295,819.00	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%
Snyder Wind Farm LLC	Hermleigh	US	-	USD		Line-by-line	Texkan Wind LLC	100.00%	100.00%
Socibe Energia SA	Niterói	BR	12,969,032.25	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Sociedad Agrícola de Cameros Ltda	Santiago de Chile	CL	5,738,046,495.00	CLP		Line-by-line	Enel Chile SA	57.50%	37.33%
Sociedad Eólica de Andalucía SA	Seville	ES	4,507,590.78	EUR		Line-by-line	Enel Green Power España SL	64.75%	45.39%
Sociedad Eólica El Puntal SL	Seville	ES	1,643,000.00	EUR		Equity	Enel Green Power España SL	50.00%	35.05%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Sociedad Eólica Los Lances SA	Seville	ES	2,404,048.42	EUR		Line-by-line	Enel Green Power España SL	60.00%	42.06%
Sociedad para el Desarrollo de Sierra Morena Cordobesa SA	Cordoba	ES	86,063.20	EUR		-	Endesa Generación SA	1.82%	1.27%
Sociedad Portuaria Central Cartagena SA	Bogotá	CO	89,714,600.00	COP		Line-by-line	Emgesa SA ESP Inversora Codensa SAS	94.94% 5.05%	31.50%
Società di sviluppo, realizzazione e gestione del gasdotto Algeria-Italia via Sardegna SpA in liquidation (Galsi SpA in liquidation)	Milan	IT	37,419,179.00	EUR		-	Enel Produzione SpA	17.65%	17.65%
Società Elettrica Trigno Srl	Trivento	IT	100,000.00	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
Soetwater Wind Farm (RF) (Pty) Ltd	Johannesburg	ZA	1,000.00	ZAR		AFS	Enel Green Power RSA 2 (RF) (Pty) Ltd	60.00%	60.00%
Soliloquoy Ridge LLC	Minneapolis	US	-	USD		Line-by-line	Chi Minnesota Wind LLC	51.00%	51.00%
Somersworth Hydro Company Inc.	Wilmington	US	100.00	USD		AFS	Enel Green Power North America Inc.	100.00%	100.00%
Sona Enerjí Üretím Anoním Şírketí	Istanbul	TR	50,000.00	TRY		Line-by-line	Enel Green Power Turkey Enerjí Yatirimlari Anoním Şírketí	100.00%	100.00%
Sonak Solar Project LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Sotavento Galicia SA	Santiago de Compostela	ES	601,000.00	EUR		Equity	Enel Green Power España SL	36.00%	25.24%
South Rock Wind Project LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Southwest Transmission LLC	Cedar Bluff	US	-	USD		Line-by-line	Chi Minnesota Wind LLC	100.00%	100.00%
Spartan Hills LLC	Minneapolis	US	-	USD		Line-by-line	Chi Minnesota Wind LLC	51.00%	51.00%
Stampede Solar Project LLC	Andover	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Stillman Valley Solar LLC	Wilmington	US	-	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Stillwater Woods Hill Holdings LLC	Wilmington	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Stipa Nayaá SA de Cv	Mexico City	MX	1,811,016,348.00	MXN		Line-by-line	Enel Green Power México S de RL de Cv Enel Green Power Partecipazioni Speciali Srl	55.21% 40.16%	95.37%
Stockyard Solar Project LLC	Andover	US	-	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	1,000.00	MXN		Line-by-line	Enel Green Power México S de RL de Cv Enel Rinnovabile SA de Cv	0.10% 99.90%	100.00%
Sublunary Trading (RF) (Pty)	Bryanston	ZA	13,750,000.00	ZAR		Line-by-line	Enel Green Power RSA (Pty) Ltd	57.00%	57.00%
Suggestion Power (Unipessoal) Lda	Paço de Arcos	PT	50,000.00	EUR		Line-by-line	Endesa Generación Portugal SA	100.00%	70.11%
Suministradora Eléctrica de Cádiz SA	Cádiz	ES	12,020,240.00	EUR		Equity	Endesa Red SA (Sociedad Unipersonal)	33.50%	23.49%
Suministro de Luz y Fuerza SL	Barcelona	ES	2,800,000.00	EUR		Line-by-line	Hidroeléctrica de Catalunya SL	60.00%	42.06%
Summit Energy Storage Inc.	Wilmington	US	1,000.00	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	51.00%	51.00%
Sundance Wind Project LLC	Dover	US	100.00	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	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Sweet Apple Solar Project LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Tae Technologies Inc.	Pauling	US	53,207,936.00	USD		-	Enel Produzione SpA	1.12%	1.12%
Tauste Energía Distribuida SL	Zaragoza	ES	60,508.00	EUR		Line-by-line	Enel Green Power España SL	51.00%	35.75%
Tecnatom SA	Madrid	ES	4,025,700.00	EUR		Equity	Endesa Generación SA	45.00%	31.55%
Tecnoguat SA	Guatemala City	GT	30,948,000.00	GTQ		Line-by-line	Enel Rinnovabili Srl	75.00%	75.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Tejo Energia - Produção e Distribuição de Energia Eléctrica SA	Lisbon	PT	5,025,000.00	EUR		Equity	Endesa Generación SA	43.75%	30.67%
Tenedora de Energía Renovable Sol y Viento SAPI de Cv	Mexico City	MX	2,892,643,576.00	MXN		Equity	Enel Green Power SpA	32.89%	32.90%
Teploprogress JSC	Sredneuralsk	RU	128,000,000.00	RUB		Line-by-line	Enel Russia PJSC	60.00%	33.86%
Termoeléctrica José de San Martín SA	Buenos Aires	AR	7,078,298.00	ARS		Equity	Central Dock Sud SA Enel Generación Costanera SA Enel Generación El Chocón SA	0.42% 1.68% 5.60%	3.33%
Termoeléctrica Manuel Belgrano SA	Buenos Aires	AR	7,078,307.00	ARS		Equity	Central Dock Sud SA Enel Generación Costanera SA Enel Generación El Chocón SA	0.47% 1.89% 6.23%	3.72%
Termotec Energía AIE in liquidation	La Pobla de Vallbona	ES	481,000.00	EUR		Equity	Enel Green Power España SL	45.00%	31.55%
Testing Stand of Ivanovskaya GRES JSC	Komsomolsk	RU	118,213,473.45	RUB		-	Enel Russia PJSC	1.65%	0.93%
Texkan Wind LLC	Andover	US	-	USD		Line-by-line	Enel Texkan Inc.	100.00%	100.00%
Thar Surya 1 Private Limited	Gurgaon	IN	100,000.00	INR		Line-by-line	Avikiran Surya India Private Limited	100.00%	100.00%
Thunder Ranch Wind Holdings I LLC	Dover	US	100.00	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	1.00	USD		Line-by-line	Thunder Ranch Wind Holdings LLC	100.00%	100.00%
Thunderegg Wind Project LLC	Andover	US	1.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Tico Solar 1 SLU	Zaragoza	ES	3,000.00	EUR		Line-by-line	Enel Green Power España SL	100.00%	70.11%
Tico Solar 2 SLU	Zaragoza	ES	3,000.00	EUR		Line-by-line	Enel Green Power España SL	100.00%	70.11%
Tobivox (RF) (Pty) Ltd	Johannesburg	ZA	10,000,000.00	ZAR		Line-by-line	Enel Green Power RSA (Pty) Ltd	60.00%	60.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Toledo PV AIE	Madrid	ES	26,887.96	EUR		Equity	Enel Green Power España SL	33.33%	23.37%
Torrepalma Energy 1 SLU	Madrid	ES	3,100.00	EUR		Line-by-line	Enel Green Power España SL	100.00%	70.11%
Tradewind Energy Inc.	Wilmington	US	1,000.00	USD		Line-by-line	Enel Kansas LLC	100.00%	100.00%
Transmisora de Energía Renovable SA	Guatemala City	GT	233,561,800.00	GTQ		Line-by-line	Enel Green Power Guatemala SA Enel Rinnovabili Srl Generadora Montecristo SA	0.00% 100.00% 0.00%	100.00%
Transmisora Eléctrica de Quillota Ltda	Santiago de Chile	CL	4,404,446,151.00	CLP		Equity	Enel Generación Chile SA	50.00%	30.37%
Transportadora de Energía SA - TESA	Buenos Aires	AR	2,584,473,416.00	ARS		Line-by-line	Enel Argentina SA Enel Brasil SA Enel CIEN SA	0.00% 60.15% 39.85%	65.00%
Transportes y Distribuciones Eléctricas SA in liquidation	Girona	ES	72,121.45	EUR		Line-by-line	Edistribución Redes Digitales SL (Sociedad Unipersonal)	73.33%	51.41%
Trévago Renovables SL	Madrid	ES	3,000.00	EUR		Equity	Furatena Solar 1 SLU Seguidores Solares Planta 2 SL (Sociedad Unipersonal)	17.73% 17.77%	24.89%
Tsar Nicholas LLC	Minneapolis	US	-	USD		Line-by-line	Chi Minnesota Wind LLC	51.00%	51.00%
Tula WPS LLC	Tula	RU	-	RUB		Line-by-line	Enel Green Power Rus Limited Liability Company	100.00%	100.00%
Tunga Renewable Energy Private Limited	Gurugram	IN	100,000.00	INR		Line-by-line	Enel Green Power India Private Limited (formerly BLP Energy 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	1.00	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	51.00%	51.00%
Twin Saranac Holdings LLC	Wilmington	US	-	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Tyme Srl	Bergamo	IT	100,000.00	EUR		Equity	Yousave SpA	50.00%	50.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Tynemouth Energy Storage Limited	London	GB	2.00	GBP		AFS	Enel Global Thermal Generation Srl	100.00%	100.00%
Ufinet Argentina SA	Buenos Aires	AR	9,745,583.00	ARS		Equity	Ufinet Latam SLU Ufinet Panamá SA	99.95% 0.05%	20.60%
Ufinet Brasil Participações Ltda	Santo André	BR	45,784,638.00	BRL		-	Ufinet Guatemala SA Ufinet Latam SLU	0.00% 100.00%	20.60%
Ufinet Brasil Telecomunicação Ltda	Santo André	BR	45,784,638.00	BRL		-	Ufinet Brasil Participações Ltda Ufinet Latam SLU	100.00% 0.00%	20.60%
Ufinet Chile SpA	Santiago de Chile	CL	233,750,000.00	CLP		Equity	Ufinet Latam SLU	100.00%	20.60%
Ufinet Colombia SA	Bogotá	CO	1,180,000,000.00	COP		Equity	Ufinet Guatemala SA Ufinet Honduras SA Ufinet Latam SLU Ufinet Panamá SA	0.00% 0.00% 90.00% 0.00%	18.54%
Ufinet Costa Rica SA	San José	CR	25,000.00	USD		Equity	Ufinet Latam SLU	100.00%	20.60%
Ufinet Ecuador Ufiec SA	Quito	EC	1,507,800.00	USD		Equity	Ufinet Guatemala SA Ufinet Latam SLU	0.00% 100.00%	20.60%
Ufinet El Salvador SA de Cv	San Salvador	SV	10,000.00	USD		Equity	Ufinet Guatemala SA Ufinet Latam SLU	0.01% 99.99%	20.60%
Ufinet Guatemala SA	Guatemala City	GT	3,000,000.00	GTQ		Equity	Ufinet Latam SLU Ufinet Panamá SA	99.99% 0.01%	20.60%
Ufinet Honduras SA	Tegucigalpa	HN	194,520.00	HNL		Equity	Ufinet Latam SLU Ufinet Panamá SA	99.99% 0.01%	20.60%
Ufinet Latam SLU	Madrid	ES	15,906,312.00	EUR		Equity	Zacapa Sàrl	100.00%	20.60%
Ufinet México S de RL de Cv	Mexico City	MX	7,635,430.00	MXN		Equity	Ufinet Guatemala SA Ufinet Latam SLU	1.31% 98.69%	20.60%
Ufinet Nicaragua SA	Managua	NI	2,800,000.00	NIO		Equity	Ufinet Guatemala SA Ufinet Latam SLU Ufinet Panamá SA	0.50% 99.00% 0.50%	20.60%
Ufinet Panamá SA	Panama City	PA	1,275,000.00	USD		Equity	Ufinet Latam SLU	100.00%	20.60%
Ufinet Paraguay SA	Asunción	PY	79,488,240,000.00	PYG		Equity	Ufinet Latam SLU	75.00%	15.45%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Ufinet Perú SAC	Lima	PE	2,836,474.00	PEN		Equity	Ufinet Latam SLU Ufinet Panamá SA	100.00% 0.00%	20.60%
Ufinet Us LLC	Wilmington	US	1,000.00	USD		Equity	Ufinet Latam SLU	100.00%	20.60%
Ukuqala Solar (Pty) Ltd	Johannesburg	ZA	1,000.00	ZAR		Line-by-line	Enel Green Power RSA (Pty) Ltd	100.00%	100.00%
Unión Eléctrica de Canarias Generación SAU	Las Palmas de Gran Canaria	ES	190,171,520.00	EUR		Line-by-line	Endesa Generación SA	100.00%	70.11%
Upington Solar (Pty) Ltd	Johannesburg	ZA	1,000.00	ZAR		Line-by-line	Enel Green Power RSA (Pty) Ltd	100.00%	100.00%
Ustav Jaderného Výzkumu Rez AS	Řež	CZ	524,139,000.00	CZK		Equity	Slovenské elektrárne AS	27.77%	9.17%
Valdecaballero Solar SL	Madrid	ES	3,000.00	EUR		Line-by-line	Enel Green Power España SL	100.00%	70.11%
Vayu (Project 1) Private Limited	Gurugram	IN	10,000,000.00	INR		Line-by-line	Enel Green Power India Private Limited (formerly BLP Energy Private Limited)	100.00%	100.00%
Vektör Enerjí Üretím Anoním Şírketí	Istanbul	TR	3,500,000.00	TRY		AFS	Enel SpA	100.00%	100.00%
Ventos de Santo Orestes Energias Renováveis SA	Maracanaú	BR	1,754,031.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Ventos de São Roque Energias Renováveis SA	Maracanaú	BR	9,988,722.00	BRL		Line-by-line	Enel Green Power Brasil Participações Ltda	100.00%	100.00%
Vientos del Altiplano S de RL de Cv	Mexico City	MX	1,455,854,094.00	MXN		Equity	Tenedora de Energía Renovable Sol y Viento SAPI de Cv	60.80%	20.00%
Villanueva Solar SA de Cv	Mexico City	MX	205,316,027.15	MXN		Equity	Tenedora de Energía Renovable Sol y Viento SAPI de Cv	60.80%	20.00%
Viruleiros SL	Santiago de Compostela	ES	160,000.00	EUR		Line-by-line	Enel Green Power España SL	67.00%	46.97%
Viva Labs AS	Oslo	NO	105,534.00	NOK		Line-by-line	Enel X International Srl	60.00%	60.00%
Wapella Bluffs Wind Project LLC	Andover	US	1.00	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%
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%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Wespire Inc.	Boston	US	1,625,000.00	USD		Equity	Enel X North America Inc.	11.21%	11.21%
West Faribault Solar LLC	Wilmington	US	-	USD		Line-by-line	Aurora Distributed Solar LLC	100.00%	74.13%
West Hopkinton Hydro LLC	Wilmington	US	-	USD		AFS	Enel Green Power North America Inc.	100.00%	100.00%
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	300.00	USD		Line-by-line	Enel Green Power North America Inc.	100.00%	100.00%
Wharton-El Campo Solar Project LLC	Andover	US	1.00	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	1.00	USD		Line-by-line	White Cloud Wind Holdings LLC	100.00%	100.00%
White Peaks Wind Project LLC	Andover	US	1.00	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	99.00	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%
Wild Run LP	Alberta	CA	10.00	CAD		Line-by-line	Enel Alberta Wind Inc. Enel Green Power Canada Inc.	0.10% 99.90%	100.00%
Wildcat Flats Wind Project LLC	Andover	US	1.00	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%
Wind Belt Transco LLC	Andover	US	1.00	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%
Wind Parks Anatolis - Prinias Single Member SA	Maroussi	GR	1,218,188.00	EUR		Line-by-line	Enel Green Power Hellas Wind Parks South Evia Single Member SA	100.00%	100.00%
Wind Parks Bolibas SA	Maroussi	GR	551,500.00	EUR		Equity	Enel Green Power Hellas SA	30.00%	30.00%
Wind Parks Distomos SA	Maroussi	GR	556,500.00	EUR		Equity	Enel Green Power Hellas SA	30.00%	30.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Wind Parks Folia SA	Maroussi	GR	424,000.00	EUR		Equity	Enel Green Power Hellas SA	30.00%	30.00%
Wind Parks Gagari SA	Maroussi	GR	389,000.00	EUR		Equity	Enel Green Power Hellas SA	30.00%	30.00%
Wind Parks Goraki SA	Maroussi	GR	551,500.00	EUR		Equity	Enel Green Power Hellas SA	30.00%	30.00%
Wind Parks Gourles SA	Maroussi	GR	555,000.00	EUR		Equity	Enel Green Power Hellas SA	30.00%	30.00%
Wind Parks Kafoutsi SA	Maroussi	GR	551,500.00	EUR		Equity	Enel Green Power Hellas SA	30.00%	30.00%
Wind Parks Katharas Single Member SA	Maroussi	GR	778,648.00	EUR		Line-by-line	Enel Green Power Hellas Wind Parks South Evia Single Member SA	100.00%	100.00%
Wind Parks Kerasias Single Member SA	Maroussi	GR	945,990.00	EUR		Line-by-line	Enel Green Power Hellas Wind Parks South Evia Single Member SA	100.00%	100.00%
Wind Parks Milias Single Member SA	Maroussi	GR	1,034,774.00	EUR		Line-by-line	Enel Green Power Hellas Wind Parks South Evia Single Member SA	100.00%	100.00%
Wind Parks Mitikas Single Member SA	Maroussi	GR	772,639.00	EUR		Line-by-line	Enel Green Power Hellas Wind Parks South Evia Single Member SA	100.00%	100.00%
Wind Parks Paliopirgos SA	Maroussi	GR	2,239,800.00	EUR		Line-by-line	Enel Green Power Hellas SA	100.00%	100.00%
Wind Parks Petalo SA	Maroussi	GR	575,000.00	EUR		Equity	Enel Green Power Hellas SA	30.00%	30.00%
Wind Parks Platanos Single Member SA	Maroussi	GR	635,467.00	EUR		Line-by-line	Enel Green Power Hellas Wind Parks South Evia Single Member SA	100.00%	100.00%
Wind Parks Skoubi SA	Maroussi	GR	472,000.00	EUR		Equity	Enel Green Power Hellas SA	30.00%	30.00%
Wind Parks Spilias Single Member SA	Maroussi	GR	857,490.00	EUR		Line-by-line	Enel Green Power Hellas Wind Parks South Evia Single Member SA	100.00%	100.00%
Wind Parks Strouboulas SA	Maroussi	GR	576,500.00	EUR		Equity	Enel Green Power Hellas SA	30.00%	30.00%
Wind Parks Vitalio SA	Maroussi	GR	361,000.00	EUR		Equity	Enel Green Power Hellas SA	30.00%	30.00%
Wind Parks Vourlas SA	Maroussi	GR	554,000.00	EUR		Equity	Enel Green Power Hellas SA	30.00%	30.00%
Winter's Spawn LLC	Minneapolis	US	-	USD		Line-by-line	Chi Minnesota Wind LLC	51.00%	51.00%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
WKN Basilicata Development PE1 Srl	Rome	IT	10,000.00	EUR		Line-by-line	Enel Green Power Italia Srl	100.00%	100.00%
Woods Hill Solar LLC	Wilmington	US	-	USD		Line-by-line	Stillwater Woods Hill Holdings LLC	100.00%	100.00%
WP Bulgaria 1 EOOD	Sofia	BG	5,000.00	BGN		Line-by-line	Enel Green Power Bulgaria EAD	100.00%	100.00%
WP Bulgaria 10 EOOD	Sofia	BG	5,000.00	BGN		Line-by-line	Enel Green Power Bulgaria EAD	100.00%	100.00%
WP Bulgaria 11 EOOD	Sofia	BG	5,000.00	BGN		Line-by-line	Enel Green Power Bulgaria EAD	100.00%	100.00%
WP Bulgaria 12 EOOD	Sofia	BG	5,000.00	BGN		Line-by-line	Enel Green Power Bulgaria EAD	100.00%	100.00%
WP Bulgaria 13 EOOD	Sofia	BG	5,000.00	BGN		Line-by-line	Enel Green Power Bulgaria EAD	100.00%	100.00%
WP Bulgaria 14 EOOD	Sofia	BG	5,000.00	BGN		Line-by-line	Enel Green Power Bulgaria EAD	100.00%	100.00%
WP Bulgaria 15 EOOD	Sofia	BG	5,000.00	BGN		Line-by-line	Enel Green Power Bulgaria EAD	100.00%	100.00%
WP Bulgaria 19 EOOD	Sofia	BG	5,000.00	BGN		Line-by-line	Enel Green Power Bulgaria EAD	100.00%	100.00%
WP Bulgaria 21 EOOD	Sofia	BG	5,000.00	BGN		Line-by-line	Enel Green Power Bulgaria EAD	100.00%	100.00%
WP Bulgaria 26 EOOD	Sofia	BG	5,000.00	BGN		Line-by-line	Enel Green Power Bulgaria EAD	100.00%	100.00%
WP Bulgaria 3 EOOD	Sofia	BG	5,000.00	BGN		Line-by-line	Enel Green Power Bulgaria EAD	100.00%	100.00%
WP Bulgaria 6 EOOD	Sofia	BG	5,000.00	BGN		Line-by-line	Enel Green Power Bulgaria EAD	100.00%	100.00%
WP Bulgaria 8 EOOD	Sofia	BG	5,000.00	BGN		Line-by-line	Enel Green Power Bulgaria EAD	100.00%	100.00%
WP Bulgaria 9 EOOD	Sofia	BG	5,000.00	BGN		Line-by-line	Enel Green Power Bulgaria EAD	100.00%	100.00%
Xaloc Solar SLU	Valencia	ES	3,000.00	EUR		Line-by-line	Enel Green Power España SL	100.00%	70.11%
X-bus Italia Srl	Milan	IT	15,000.00	EUR		Equity	Enel X Italia Srl	20.00%	20.00%
Yacylec SA	Buenos Aires	AR	20,000,000.00	ARS		Equity	Enel Américas SA	33.33%	21.67%
Yedesa-Cogeneración SA	Almería	ES	234,394.72	EUR		Equity	Enel Green Power España SL	40.00%	28.04%

Company name	Headquarters	Country	Share/Quota capital	Currency	Segment	Consolidation method	Held by	% holding	Group % holding
Yousave SpA	Bergamo	IT	500,000.00	EUR		Line-by-line	Enel X Italia Srl	100.00%	100.00%
Zacapa HoldCo Sàrl	Luxembourg	LU	76,180,812.49	EUR		Equity	Zacapa Topco Sàrl	100.00%	20.60%
Zacapa LLC	Wilmington	US	100.00	USD		Equity	Zacapa Sàrl	100.00%	20.60%
Zacapa Sàrl	Luxembourg	LU	82,866,475.04	USD		Equity	Zacapa HoldCo Sàrl	100.00%	20.60%
Zacapa Topco Sàrl	Luxembourg	LU	30,000,000.00	EUR		Equity	Enel X International Srl	20.60%	20.60%
Zoo Solar Project LLC	Andover	US	-	USD		Line-by-line	Tradewind Energy Inc.	100.00%	100.00%

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