

Seeding Energies
Sustainability Report
Enel Américas
2016



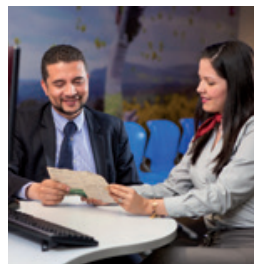
enel

Sustainability Report ENEL AMÉRICAS 2016

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Milestones in 2016



JANUARY

El Quimbo restarts operations

On January 8, Emgesa was notified by the Third Criminal Court of Neiva, that, on a transitional basis and effective immediately, the hydroelectric power plant El Quimbo could restart its operationsEmgesa carried out a work plan to comply with the resolution and started...

Enel Distribución Perú started supplying energy to the Jorge Chávez International Airport

On January 1st, 2016, Enel Distribución Perú began supplying energy to the Jorge Chávez International Airport, after being awarded the good pro of the private tender hosted by Lima Airport Partners (LAP), for a six-year period. The electricity company supplies energy with a capacity of 8 MW, and is projected to reach 11 MW by 2021. Currently, the annual consumption of the airport is 37 GWh.

FEBRUARY

Peru: 11 kilometers of new electricity grids in Pisquillo and Tiroler

The towns of Pisquillo (Huaral) and Tiroler (Huacho) now have electricity grids built by Enel Distribución Perú, thus contributing to promote progress and development to every neighbor in this area of Norte Chico. These grids will meet the demand of 4MW for agribusiness customers in the area, which will represent relevant production costs savings, while replacing important oil consumption, thus contributing with the environmental therefore.

Enel Generación Perú was awarded a hydroelectric project in the renewables energy tender offer

Enel Generación Perú was awarded an energy supply contract for a 20-year period with the HER project (Hydro Energy Recovery) Huampaní, part of the Fourth Energy Supply Tender Offer with Renewable Energy Resources. The project includes the installation of two turbines over the discharge chute of the power plant, with total capacity of 0.7 MW and a US\$3 million investment.

Enel Distribución Ceará in Brazil receives the Golden Helmet Award

The objective of this acknowledgement is to motivate professionals and companies to perform preventive safety actions in the workplace, including the use of industrial helmets.

In Colombia, Codensa and Terpel subscribed an agreement to develop electric charging points in gas stations

Codensa and Terpel, a leading fuel distribution and commercialization company in Colombia, subscribed an agreement of intention to jointly work for the future installation of electric charging points at Terpel's gas stations. The objective of this initiative is to increase the opportunity for mass distribution of electric mobility in segments such as taxis, private vehicles, corporate fleet and public transport enabling the recharge of electric vehicles in public places in the medium term in different cities of the country. The target is to begin in Bogota, and the project will expand afterwards to other regions.

MARCH

Emgesa and Codensa reduced energy consumption of their offices by nearly 50%

During the first week of the Savings Mode program implementation, Emgesa and Codensa reduced energy consumption at the workplaces by nearly 50%. This decrease was accomplished due to different initiatives carried out in the companies, specifically the one consisting in turning off the lights in every work place from 6 p.m., excepting those facilities that by nature of their activities can't interrupt operations.

APRIL

Shareholders of Enel Américas appointed the new Board of Directors of the Company

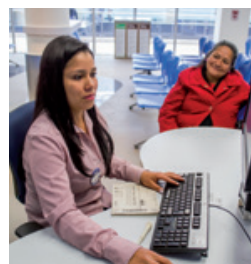
Shareholders of Enel Américas S.A. at the Ordinary Shareholders Meeting appointed the new Board of Directors, nominating Francisco de Borja Acha, José Antonio Vargas, Livio Gallo, Enrico Viale, Hernán Somerville, Patricio Gómez Sabaini and Domingo Cruzat. Mr. Borja Acha was elected as the Chairman of the Board. Also, the independent directors Patricio Gómez Sabaini, Domingo Cruzat and Hernán Somerville formed the Directors' Committee; the latter was appointed Chairman of the Directors' Committee.

Feller Rate assigns AA- to Enel Américas

Feller Rate assigned AA-, on-, on a local scale, (Chile), rating to Enel Américas with stable outlook, which was ratified on July, 2016.

Fitch Ratings assigns AA- to Enel Américas

Fitch Ratings initially assigned AA- national scale rating to Enel Américas on April 21, 2016. The outlook was stable.



MAY

The Board of Directors of Enel Américas agreed to start the merger process of Endesa Américas and Chilectra Américas in Enel Américas

On May 6, the Directors of the Company unanimously approved the merger through an absorption process, by which Enel Américas incorporated Endesa Américas and Chilectra Américas. In addition, the Board of Directors' meeting appointed Mr. Rafael Malla Osorio as independent expert of the Company, and Banco Itaú as independent evaluator.

JUNE

Enel Generación Perú will supply energy to the Furukawa Corporation

The signing of the contract comprises capacity of up to 3.65 MW for a 10-year period. Furukawa is a corporate group whose core business is to provide glass the construction industry, specifically for the industrial, commercial and service areas, and has four lines of business: distribution, building, industrial aluminum and decoration.

Enel Distribución Ceará in Brazil receives the Abradee Award 2016

For the year consecutive time, Enel Distribuição Ceará of Brazil was acknowledged as the best energy distribution company in Brazil by Abradee, the Brazilian Association of Electrical Energy Distribution. At the 18th version of the Abradee Award, the Company also won first place in the Corporate Social Responsibility category.

Codensa launches the first hackathon of Colombia's most important energy sector "CHALLENGE – E Codensa"

"CHALLENGE – E Codensa" was the first virtual Hackathon of the energy sector in the country, which convened talents that developed hardware or software solutions to contribute with the energy efficiency. Seventy-four proposals were received, fifteen teams were selected, and only one was the winner of the main prize of 20 million Colombian pesos for their proposal of smart lighting system.

JULY

Enel Generación Perú sold its transmission assets to Conelsur for over US\$60 million

Enel Generación Perú and its subsidiary Chinango, companies that belong to the Enel Group in Peru, sold transmission lines of 220 kV and 60 kV to Conelsur, company associated with the Chilean company owned by the Canadian Transelec Rentas Holding S.A., who enter the into Peruvian market through this operation.

The assets acquisition comprises 21 transmission lines of 220 kV and 60 kV, with a total of 650 kilometers long.

Standard & Poor's assigns BBB rating to Enel Américas

Standard & Poor's made the first international risk rating of Enel Américas on July 22. The assigned rating was BBB with negative outlook on February upgraded to neutral ... 2017 it was... outlook.

AUGUST

Enel Américas called an Extraordinary Shareholders Meeting

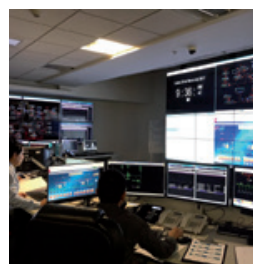
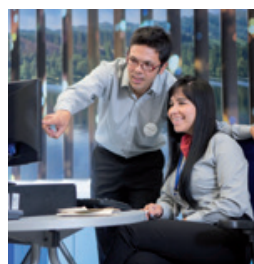
The Board of Directors of Enel Américas, during the session held on August 31, 2016, agreed to definitely modify the IPO price for Endesa Américas, which was announced at the Shareholders Meeting of last December 18, and set the new price at \$300 pesos per share. Likewise, the Board of Directors agreed that the date to launch the IPO would be September 13, 2016.

Enel Américas determined a new price for the IPO

The Board of Directors of Enel Américas at the session held on August 31, 2016 agreed to modify permanently the price of the IPO over Endesa Américas, which was announced at the Shareholders Meeting of last December 18, and the new price was fixed at \$300 pesos per share. Likewise, the Board of Directors agreed that the date to launch the IPO is September 13, 2016.

Codensa received the Andesco award for Corporate Social Responsibility in the category of Best Corporate Governance Practices within the public services and communications sectors for its initiative and management of the Customer Ombudsman Office

In the context of the XVIII Andesco Congress of Public Services, TIC and TV, Codensa was awarded for Best Corporate Governance Practices in the public services and communications sectors. This Andesco award has recognized the effort carried out by Colombian companies in the Corporate Social Responsibility field for eleven years, and was granted to the Company for its program Customer Ombudsman, first and unique program voluntarily performed by a public services company in Colombia.



SEPTEMBER

Emgesa enters the Derivex energy derivatives market

Emgesa entered the Derivex market for its purchase and sales orders at the Energy Exchange Market. The Derivex market is a system where buying and selling transactions are carried out on volumes and prices of energy derivatives, negotiating a price and a fixed amount, to be delivered in a specific period, in the short term.

The Extraordinary Shareholders' Meeting of Enersis Américas S.A. approved the merger and its name change to Enel Américas S.A.

On September 28, 2016 the shareholders of Enersis Américas S.A. approved at the Extraordinary Shareholders Meeting the merger by absorption of Endesa Américas and Chilectra Américas into Enersis Américas, pending to suspensive conditions, amongst which, withdrawal rights may not exceed 10%, issue that was solved on December 1.

At the same meeting, the name change of Enersis Américas S.A. to Enel Américas S.A. was approved.

Enel Distribución Perú, energy leader in service quality

Enel Distribución Perú leads the service quality ranking for the third consecutive year in accordance with the last "Yearly Statistics on Service Quality for 2015," report prepared by the Investment Supervisory of Energy and Mining Organization (Osinermin). This study assesses the performance of the fourteen Peruvian energy distribution companies on their service quality, based on their average number and duration of power outages.

Melhores da Dinheiro Award, IstoÉ Dinheiro Magazine

For the second consecutive year, Enel Brasil led the energy sector at the As Melhores da Dinheiro award, published by IstoÉ Dinheiro magazine. In addition to leading the electricity industry, Enel Brasil was recognized in the Corporate Social Responsibility, Financial Sustainability, Corporate Governance and Innovation and Quality categories, and ranked second in the Human Resources category. The Group ranked sixty-three at the general ranking that includes the companies of all the industries, and Enel Brasil ranked fourth among the twenty largest groups of participants.

Pilot plan for the Ecological Restoration of El Quimbo

More than 22,000 trees of different native species of tropical dry forest started to grow successfully in the area covered by the Pilot Plan for the Ecological Restoration of El Quimbo Hydroelectric Power Plant.

Codensa enters the smart metering era

Codensa launched the largest smart metering project in the country, being the first step for the digitization of its energy It's distribution system. For the first time a Colombian energy company develops a project of such size, which will benefit the city and municipalities at the forefront of using these technologies at the service of customers.

Codensa implemented an innovative monitoring service center to optimize customer service

Codensa presented an innovative Monitoring Service Center, which enables to monitor performance remotely and in real time the of all its customer service channels, facilitating the implementation of contingency processes and improve response times.

OCTOBER

The Enel Group changes the names of its companies Edegel, Eepsa and Edelnor in Peru

Last October 25, the distribution company Edelnor changed its name to Enel Distribución Perú. The Company supplies energy to nearly 1,4 million clients in Lima, equivalent to 20% market share. Also, Enel Generación Perú and Enel Generación Piura are the new names of Edegel and Eepsa respectively. Both generation companies of Enel represent a total installed capacity of 1,940 MW.



NOVEMBER

Enel Américas presented the best offer in the bid for the Brazilian distribution company CELG

Enel Américas, through its subsidiary Enel Brasil, presented the best financial offer for the acquisition of approximately 94.8% of Celg Distribuição's social capital, within a public tender organized by the Brazilian government and issued by the national development bank BNDES. Celg Distribuição is a company that operates in the Brazilian region of Goiás. The financial offer was 2,187 million Brazilian reais, equivalent to approximately USD\$ 640 million.

Ampla and Coelce are Enel from now on

On November 8, 2016 the distribution companies of the Enel Group in Brazil, Ampla and Coelce, which operate in Rio de Janeiro and Ceará respectively, changed their names to Enel Distribuição Rio and Enel Distribuição Ceará. In addition, the Brazilian company for energy solutions of Enel, Pratil, became Enel Soluções. These name changes represent the new identity, philosophy and global positioning of the Enel Group.

Enel Distribución Perú inaugurated the Malvinas substation

Enel Distribución Perú inaugurated the Electric Transmission Substation (SET) Malvinas, located in downtown Lima. Enel Distribución Perú invested around US\$ 75 million in the construction of this important infrastructure which will allow to meet an increasing demand for electricity and its supply to the future Line 2 of Lima's subway network.

Edesur inaugurated the works for the ... repowering of the Caballito substation

With an investment of \$110 million Argentine pesos, the distribution company Edesur changed two 40 MVA transformers for two 80 MVA transformers, thus doubling the installed capacity, installing 10 new feeders and 16 kms. of new medium voltage power lines. Additionally, the internal equipment was replaced with improved technology and a new board with two sections of 13.2 KV (medium voltage). Furthermore, a new link of 132 KV (high voltage) was installed to feed that station and providing more reliability to the grid, which will benefit nearly 124 thousand customers in the west area of Buenos Aires.

DECEMBER

The merger and name change of Enersis Américas S.A. to Enel Américas S.A. was completed

On December 1, 2016 the merger through absorption of Endesa Américas and Chilectra Américas in Enersis Américas was formalized. That same day, and as agreed at the Extraordinary Shareholders' Meeting held on September 28, 2016, Enersis Américas changed its name to Enel Américas S.A.

Enel Américas opened the trading session at the New York Stock Exchange

On December 2, 2016, the CEO of Enel, Francesco Starace and the General Manager of Enel Américas, Luca D'Agnese, inaugurated the opening ceremony of the largest stock exchange in the world, the New York Stock Exchange. With this milestone, the corporate reorganization process that lasted almost one year and a half came to an end, splitting off the operations in Chile from those performed in the rest of the region.

Enel Américas S.A. performed the exchange of shares

On December 29, Enel Américas communicated as material information that the exchange of shares became effective to the former shareholders of Chilectra Américas and Endesa Américas. As agreed, the exchange was 4 shares of Enel Américas for each share of Chilectra Américas. Meanwhile, the shareholders of Endesa Américas obtained, 2.8 shares of Enel Américas S.A. for each share.

In 2016 Emgesa invested more than 94 billion Colombian pesos in the modernization and maintenance of its thermal generation power plants

With an investment of more than 94 billion Colombian pesos, in the second semester of 2016, Emgesa carried out the maintenance and modernization of its thermal power plants in Cartagena and Termozipa, which have a joint generation capacity, at maximum production, equivalent to 5% of the total demand of the country on an average month. The modernizations performed in the thermal units will secure the operations' reliability for 20 additional years and the continuous energy supply for Colombia. In addition, any type of failure will be minimized, thus enabling to perform scheduled and environmentally friendlier maintenances, thanks to the implementation of control systems.

In Argentina, the new high and medium voltage control center was inaugurated

As part of the Investment Plan carried out by Edesur for 2016, which amounted to 2,700 million Argentine pesos, and with the objective of improving the service quality for customers, in December the New High and Medium Voltage Control Center at Edesur headquarters, at Montserrat neighborhood, Buenos Aires, started operations. The new facilities in the area will speed up the working times to solve failures that may take place in the electricity grid decreasing response times.

Edesur in Argentina performed improvements in the Quilmes Substation

In December, Edesur inaugurated the Quilmes substation. The installation of a new 40 MVA transformer that increases installed capacity from 120 to 160 MVA, 6 new feeding wires and the 35 kilometers of Medium Voltage grid. Additionally, all the internal equipment was renewed incorporating new technology. As such, and with an investment of 133 million Argentine pesos, the quality of service for nearly 130 thousand customers will be improved in the south area of Buenos Aires.





Knowing the Company

Letter to Stakeholders

[G4-1]

Dear Friends:

Today, being Enel Américas means to be a multinational power company and one of the main integrated operators in the energy sector in Latin America.

Changing our name and identity resulted in a new image and positioning in the Latin American market. In the countries where Enel Américas has its operations, with the exception of Colombia, the company launched internal and external campaigns of brand positioning. This way, Enel Argentina, Enel Brasil and Enel Perú were conceived.

In line with the former, our new mission is to boost our business in an integrated way, incorporating the Open Power strategy, which stands for opening access to energy for more people, new technologies, new uses and more partnerships, through innovation, respect for diversity, talent attraction and sustainability.

This year we have exceeded our goals defined for the period. Today Enel Américas is an efficient and profitable organization, due to the implementation of a sustainable business model based upon the creation of shared value,

which allows the company to establish long term relations with its stakeholders.

The shared value principle enabled us to build strong relations with clients, shareholders, employees, suppliers, contractors and public authorities, as a result of continuous dialogue and mutual trust.

We aim to maintain this leadership in the region, not only increasing our installed capacity, but also changing the way we develop our projects in Latin America. As an example, Enel Distribución, within the concept of smart cities, deployed smart meters, telecontrol equipment and electric mobility in Búzios and Bogotá. In Peru we developed the P-WAY System in Thermal Power Plants, enabling operators to register field information and make online questions to optimize inspection processes through mobile devices such as smartphones or tablets.

Simultaneously, for Enel Américas, client satisfaction is a priority, both in relation to the quality of the supply as well as to customer service, either as a distributor or as an electricity trading company. Accordingly, during this year the Group continued working under this premise, while ensuring the

supply of electricity daily in a safe and reliable manner to its millions of clients in Latin America. In order to meet the proposed challenges, we work collectively and individually to improve our responses to stakeholders' demands. We adopt responsibility, innovation, confidence and proactivity as central values of our daily tasks. We understand that employees are

our essential pillars, therefore developing actions to make our company the best place to work.

2016 has been a year marked by important changes, which are reflected in the information contained in this sustainability report.



A blue ink signature of Luca D'Agnesse, written in a cursive style.

Luca D'Agnesse
General Manager



A blue ink signature of Francisco de Borja Acha Besga, written in a cursive style with a large flourish at the end.

Francisco de Borja Acha Besga
Chairman

Introduction

Profile

General Introduction

[G4-3] [G4-4] [G4-5] [G4-6] [G4-DMA EC] Enel Américas is one of the leading private multinational power companies in Latin America. The company controls and operates a group of subsidiaries that operate in the power markets in Argentina, Brazil, Colombia and Peru. The main business of Enel Américas is the generation, development, operation, exploitation, distribution, transmission, transformation and/ or sale of energy in any of its forms or nature, directly or through other companies. In addition, the company invests and manages its portfolio in subsidiaries and associates. Total Assets of Enel Américas amounted to \$11,281,555,506 million on December 31, 2016. In 2016, net result attributable to the controlling company reached \$383,060 million and the operating result was \$1,217,155 million and an EBITDA of \$1,643,369 million.

By the end of 2016, the company provided direct employment to 10,301 people throughout its Latin American operations , and supplied energy to more than 14 million customers through its distribution subsidiaries.

Regarding generation, the installed capacity of the the Enel Américas Group reached 11,014 MW and the consolidated electricity generation reached 40,439 GWh, while energy sales amounted to 50,575 GWh.

Business Structure

[G4-4] [G4-6] [G4-17] The company generates, transmits and distributes energy in four countries in South America.

	Argentina	Brazil	Colombia	Perú
Generation	> Enel Generación Costanera. > Enel Generación El Chocón. > Central Dock Sud.	> Enel Brasil > Enel Green Power Cachoeira Dourada. > Enel Generación Fortaleza	> Emgesa	> Enel Generación Perú > Enel Generación Piura
Distribution	> Edesur	> Enel Distribución Ceará > Enel Distribución Río.	> Codensa	> Enel Distribución Perú
Transmission		> Enel Cien		

Electricity Generation

In the generation business, Enel Américas owns operating facilities in Argentina, Brazil, Colombia and Peru.

Of the total energy generation, 54% is generated by hydro sources and the remaining 46% is produced by thermal generation technologies.

[EU1] [EU2] [EU3] [G4-8] [G4-9]

Generation

	Argentina	Brazil	Colombia	Peru	Total
Number of employees	632	185	551	310	1,678
Number of generation units	29	13	36	27	105
Installed capacity (MW)	4,537	992	3,509	1,977	10,970
Electricity generated (GWh)	13,124	3,665	14,952	8,698	40,439
Energy sales (GWh)	13,312	9,448	18,015	9,800	50,575

Distribution

The distribution business is operated through Edesur in Argentina, Enel Distribución Ceará and Enel Distribución Río in Brazil, Codensa in Colombia and Enel Distribución Perú in Peru. During 2016, the main distribution subsidiaries sold 62,714 GWh.

Currently, these companies serve the main cities of Latin America, providing energy service to more than 14.1 million customers.

[EU1] [EU2] [EU3] [G4-8] [G4-9] [EU12]

Distribution

	Argentina	Brasil	Colombia	Perú	Total
Energy sales (GWh)	18,493	22,809	13,632	7,780	62,714
Number of clients (*)	2,504,558	6,943,600	3,248,447	1,367,044	14,063,649
Energy Losses (**)	12.04%	16.10%	7.10%	7.80%	10.76%
Number of employees	4,290	2,244	1337	620	8,491

* Final customers as of December 31, 2016.

** Average energy losses.

Transmission

For Enel Américas, the transmission business is mainly operated through the interconnection line between Argentina and Brazil, Enel Cien, a subsidiary of Enel Brasil, with a transport capacity of 2,100 MW.

Scope of the Report

[G4-28] [G4-29] [G4-30] Enel Américas presents the seventh edition of its Sustainability Report, being this the first one as Enel Américas, since previous reports were issued by Enersis.

Through this document, the company publicly informs about its operational management, transparenting its performance in the social, economic and environmental domains. The information contained in this report covers the period between January 1 and December 31, 2016, and renders account of the performance of the company in line with its corporate guidelines.

As mentioned above, Enel Américas participates in the generation, transmission and distribution of electrical power.

Its headquarters are located on Santa Rosa Avenue 76, Santiago, Metropolitan Region, Santiago, Chile.

The scope of this report includes all the operations of the company, its subsidiaries and associates in Argentina, Brazil, Colombia and Peru.

[G4-22] [G4-32] [G4-33] This document has been prepared following the Guide G4 of the Global Reporting Initiative (GRI) with the Sectorial Supplement of the Electricity Industry (EUSS), in accordance with the "Essential" option, and was externally verified by the firm EY.

Open Power

[G4-13] [G4-56] By the end of 2015, Enel launched its new vision called Open Power, which is a response to the shift of paradigm in the energy world, and whose objective is to define a long-term strategy designed to drive the business for the future, providing a guide for all commercial and industrial projects.

Open Power seeks the opening of access to energy to a larger number of people, the opening of the world of energy to new technologies, the opening of energy management to the people, the opening to new energy uses and the opening towards a major number of alliances.

This strategic concept is based on four values: responsibility, innovation, trust and proactivity, seeking to bolster the individual responsibility of each employee of Enel, while contributing to the success of the Group through the development of a more sustainable and inclusive business.

Open Power vision means continue innovation, demands to leave the comfort zone while striving to go beyond conventional thinking, with the purpose of making energy available for new uses, technologies and people.

The concept was strongly promoted during 2016, with the objective of clearly differentiating the company in the energy sector, while highlighting its outreach towards the outside, from an inclusive perspective.

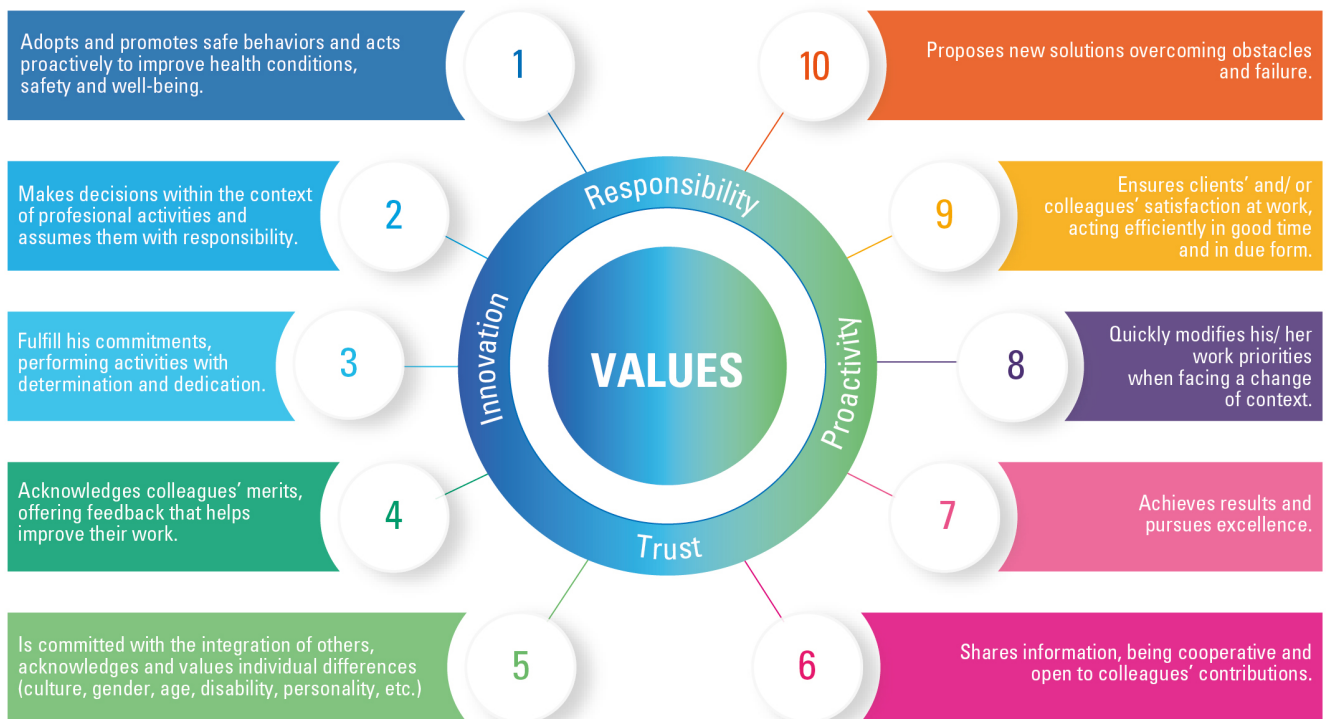
During 2016, the promotion of Open Power vision to Enel Américas' employees was accomplished through several workshops where insights and tools of this global project were delivered.

What is Open Power?

- > A response to a change of paradigm in the world of energy.
- > The definition of long-term strategy to drive the business to the future.
- > A guide to lead commercial and industrial projects.
- > A mentality.

Values

Responsibility, innovation, confidence and proactivity are the four values of Enel, which define its identity and set the foundations of Open Power.



Corporate reorganization and brand change

[G4-13] The main objective of the corporate reorganization process of Enel's assets in Latin America is to simplify the corporate structure of the Group, making it more flexible and efficient. Until early 2016, Enel operated through Enersis in five countries in the region: Argentina, Brazil, Chile, Colombia and Peru. In March this year, operations were divided in two (Enersis Chile and Enersis Américas), with their respective energy generation and distribution companies.

Later, at the Extraordinary Shareholders' Meeting held on September 28, 2016, the second phase of the reorganization process was approved: shareholders of the former Enersis Américas S.A approved the merger by absorption of Endesa Américas and Chilectra Américas in Enersis Américas. The same Extraordinary Shareholders' Meeting approved the name change from Enersis Américas to Enel Américas, initiating a new chapter, opening the company to new businesses, technologies, and people.

Brand change

The name change meant a brand and identity changing process while integrating the different companies under the Enel brand. The new image of the Group implies a new positioning in a market that needs more dynamism.

The new brand wants to harmonize the corporate image with the changes that are taking place within the company, as well as the changes related to the progressive evolution of the energy market.

The name changes were adopted by to every company that the Group operates in the four countries in Latin America. Peru was the first one, with a strong internal and external campaign.

By the end of this year, the new companies were progressively established: Enel Argentina, Enel Brasil, Enel Chile, Enel Colombia and Enel Perú. Each of these countries are executing events and communicational activities for clients and stakeholders with the purpose of reaffirming the value and the opportunity to get a unique identity and share its values under the same brand: Enel.

To adopt the name Enel means joining a big global player, meanwhile maintaining the companies' leadership in each market where they operate.

Enel Américas opened the session at the New York Stock Exchange

The great milestone for completing the corporate reorganization process in Latin America, was the opening of the trading session at the New York Stock Exchange by the CEO of Enel, Mr. Francesco Starace and the General Manager of Enel Américas, Mr. Luca D'Agnese.

As such, the end of the reorganization process that lasted almost one and a half years was accomplished, finalizing the split off of the operations developed in Chile from those carried out in Argentina, Brazil, Colombia and Peru, and simplifying the corporate structure of the Group

"This opening ceremony at the New York Stock Exchange meant the celebration of the closing of a successful process, which enables us to introduce the new Enel Américas as a company with profitable growth which creates value for its shareholders," said Mr. Luca D'Agnese, General Manager of Enel Américas.

Ownership Structure

[G4-7] According to the provisions of Title XV of Law No 18,045, Enel Américas S.A. is controlled by Enel S.p.A., an Italian company, through the Spanish company Enel Iberoamérica, S.R.L., with 51.03 % of the shares issued by Enel Américas S.A..

Enel Sp.A controls 100% of Enel Iberoamérica, S.R.L.

The capital of the company is divided in 58,324,975,387 shares, with no nominal value, all in a single and unique series of shares.

As of December 31, 2016, total shares were subscribed and paid and its ownership was distributed as follows:

Shareholders	Number of shares	Participation
Enel Latinoamérica S.A. (1)	19,794,583,473	33.94%
Enel Iberoamérica S.R.L. (1)	9,967,630,058	17.09%
Pension Funds	8,364,037,354	14.34%
ADR'S (Citibank N.A. according to circular letter N°1,375 of the SVS)	5,631,047,778	9.65%
Foreign Investment Funds	194,337,382	0.33%
Banco de Chile on behalf of third parties	8,630,884,059	14.80%
Stockbrokers, Insurance Companies and Mutual Funds	3,179,779,653	5.45%
Other Shareholders	2,562,675,630	4.39%
Total Shareholders	58,324,975,387	100.00%

(1) By public deed of December 20, 2016, granted at the Notary Andrés Domínguez Nafía, Notary at Madrid and its College of Notaries, formalized an agreement on December 19, 2016 between Enel Latinoamérica, S.A. and Enel Iberoamérica, S.R.L., that consists of the merger by absorption of the first y the second entity, thus extinguishing Enel Latinoamérica, S.A. and becoming Enel Iberoamérica, S.R.L. the legal successor in all of its rights, obligations and every relation to third parties, for every legal affect. The merger was dully registered at the Commercial Register of Madrid on January 13, 2016 and also at the Register of Shareholders of the Company, nonetheless the effects of the register at the Commercial Register of Madrid regress to the date of the presentation, which took place on December 21, 2016."

On April 28, 2017, the Extraordinary Shareholders Meeting approved the cancellation of shares of own issuance, which on December 31 amounted to 832,333,871 shares for a total value of CLP 94,046,713,075, thus slightly modifying the shareholder structure of the company to date.

Shareholders of Enel S.p.A as of December 31, 2016	
Ministero dell'Economia e delle Finanze de Italia	23.6%
Institutional Investors	54.0%
Retail Investors	22.4%
Total	100.0%

New Energy Culture

Energy Context

[G4-2] [G4-DMA EC] In Latin America, 2016 was marked by important political events, both regional and global, mainly in the countries relevant for the company, as well as by different levels of economic development in each of the countries where Enel Américas operates.

In Argentina, several reforms were implemented throughout the year, aiming towards greater commercial opening and an increase in transparency, which meant, among other measures, the liberalization of the exchange rate (measure that was established in 2011 in Argentina, which restricted the acquisition of dollars). In addition, the efforts carried out by the government to renegotiate the external debt, prompted the return of Argentina to the international markets, after many years without access to foreign financing.

During 2016, Brazil showed an ongoing recession, with a slower contraction towards the end of the year, indicating a gradual adjustment of the economy, meanwhile the internal

product behaved slightly better than 2015. Brazil was also affected by political instability, since the President of the Republic was removed towards the middle of the year.

In Colombia, the Peace Agreement between the FARC and the Government of the President Juan Manuel Santos was signed in Cartagena in September 2016. Consecutively, a referendum was held in October 2016 resulting in the rejection of the agreement by the Colombian population. After some modifications, on December 2016 the Congress approved the final Agreement.

Finally, Peru showed the highest annual economic expansion rate, mostly bolstered by the mining industry. The country went through a government change in 2016, which has expressed to be market-friendly and willing to promote the economic development of the country.

Latin American economies have been impacted by the economic and political evolution of the developed markets, mainly from the United States. This country has strengthened its economy, primarily boosted by consumption, due to the



robust labor market. Nevertheless, the Presidential elections triggered important volatility in the financial markets around October, thus impacting the emerging currency markets. Towards the end of the year, the Federal Reserve decided to raise the monetary policy rate in 25 basis points, setting it within the range of 0.5% and 0.75%, which prompted depreciation of some emerging markets' currencies.

The financial markets remained open in the countries where Enel Américas has presence, which enabled its subsidiaries to obtain the required resources for financing its projects and investments, and to continue with long-term debt refinancing, thus complying with financial risk control policies. Likewise, Enel Américas was able to perform a bond issuance in the United States market, a highly demanded Yankee Bond that amounted to US\$600 million, which demonstrated the interest of the international investors community in the company.

Control and Risk Management Policy

[G4-EC2] With the objective of controlling and managing the risks related to the operation of the company, Enel Américas has designed a Control and Risk Management Policy, whose combined actions and measures are based on the guidelines of the Control and Risk Management Policy of the Enel Group.

The Control and Risk Management Policy establishes adequate measures for the proper management, monitoring and control of risks and its purpose is the following:

Establish the model of Enel Américas to control and manage risks.

Regulate the control and risk management model of Enel Américas and identify the main functions to develop on each of them.

The definition of risk considers the uncertainty associated to future events, which may be the possibility of unexpected variations in cash flows, in EBITDA, in results, in assets/ liabilities accounts including provisions or unexpected transactions; or otherwise may consist in events, facts or actions that might produce serious damages to the Company. This considers the consequences related to Sustainability Risks, which are defined as those that threaten the sustained long-term operation of the Company, such as the economic, social and environmental risks.

Taking into account that our business mainly consists in hydroelectric generation, flooding, droughts, and other weather conditions trigger emerging risks.

The development of generation power plants may be affected by the communities opposition, which can delay its construction, increase costs or damage the company's reputation and potentially affect its good relations with stakeholders.

Projects and investments

[G4-DMA EC] [EU6] Enel Américas has defined a medium and long term plan looking forward to project itself as a sustainable company over time.

One of the goals is concentrating on those investments that provide long term benefits, such as, projects related to energy losses. Additionally, focusing on the Enel Group and looking to provide services to all group companies, one of the objectives is reducing investments at individual subsidiary level by managing globally aspects such as

recruitment systems and information and telecommunications systems.

The investment plan is flexible enough to adapt to changing circumstances by prioritizing each project regarding profitability.

For the period between 2017 and 2019, Enel Americas expects to invest 4.3 US\$bn in maintenance and growth, of which 2.3 US\$bn are assigned to growth with a balance in Capex for the 4 countries, based on the different priorities.

Generation

- > Generation capital expenditures amounted to \$197 billion in 2016, while in 2015 these expenses reached \$447 billion.
- > In Colombia and Peru, we continued investing in studies and the development of the pipeline of hydro and combined cycle projects.
- > In Colombia, the main expansion investment was focused on the commissioning of every El Quimbo units (400 MW capacity) hydroelectric power plant, which is already operating.
- > In Peru, during 2016 investments were allocated to the substitution of the Malaca's thermal power plant's turbines for more efficient ones that operated with gas.

Distribution

- > During 2016 investments reached \$624 billion, mainly those needed to meet consumption needs resulting from the growth of population and new customers, through investments not only related to them, but also capacity increases and strengthening of the Company's AT, MT and BT facilities.
- > In 2016 Edesur made investments to meet the growth of demand and improve service quality. These investments allowed the Company to accomplish several goals: complete the expansion of Caballito substation, restoration, the renovation of 54 kilometers of medium and low voltage electricity network, 150 new transformation centers, 21 new transformation MT/BT centers.
- > In Brazil, Enel Rio performed investments to improve the quality of the distribution grid and reduce energy losses. Furthermore, the company invested in control systems through the use of technology and social activities. In the case of Enel Ceará, the purpose of investments were to meet the grid needs and connection of clients. Additionally, the company performed the investments needed to sustain the demand growth of the State of Ceará in the last years, including also projects for the electric charge growth.
- > In Colombia, investments were focused in projects that improves the quality of service through the normalization, modernization and telecontrol of networks, and also the works required to meet the growth of demand. Worth is to highlight the progress of Nueva Esperanza Substation, project that implied a total investment of \$22 million; as well as the continuity of the Public Lighting Modernization Project that included the installation of LED lighting and halides in Bogota.
- > In Perú, Edelnor performed investments mainly focused in satisfying the growth of demand, seeking to reinforce the security of the Medium and Low Voltage feeders.

Human Rights

[G4-DMA HR] Enel Américas' Human Rights Policy reflects its commitment and responsibility towards human rights as a key issue for the business' sustainability.

The policy was developed in order to establish the commitment within the company's business management to address issues in the domain of labor practices such as the rejection of forced or compulsory labor and child labor, respect for diversity and non-discrimination, freedom of association, safety and work health, and fair work conditions. In the scope of communities and society, the topics considered are related to the rights of communities, integrity, privacy, and communications.

The new Due Dilligence Process

In 2016 Enel reconsidered its Human Rights assessment process in order to align it with best international practices, and commenced a preliminary assessment of the risks perceived related to Human Rights in various areas in which the Group operates. This process consists of five steps:

1. Country risk assessment with regards to labor rights.
2. Country risk assessment in relation to the rights of communities and the environment.
3. Impacts assessment.
4. Development of an action plan.
5. Monitoring of the plan and amendments.

During 2016 Enel has established the aforementioned process with the participation of the Group's representatives from the different countries, defining an assessment questionnaire of the country risk on labor rights, which started in two parallel pilot projects in Latin America in order to prove its effectiveness.



The Human Rights Policy is based on the following treaties of international and European Law:

1. International Bill of Human Rights of the United Nations (UN).
2. Fundamental conventions of the International Labor Organization (ILO) No. 29, 87, 98, 100, 105, 111, 138 y 182, as well as the ILO Declaration on Fundamental Principles and Rights at Work.
3. The United Nations Convention on the Rights of the Child.
4. International Labor Organization Convention No. 169 concerning Indigenous and Tribal Peoples.

Also includes the most recent versions of the following corporate regulations and voluntary initiatives:

1. The principles of the Global Pact of the United Nations.
2. Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises.
3. International Labor Organization Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy.
4. Guiding principles of the United Nations on corporations and human rights: execution of the United Nations' framework to "protect, respect and cure"

Corporate Governance

[G4-DMA SO] Ethics, honesty, integrity, and transparency are the essential values that guide the behavior of Enel Américas, promoting relationships based on dialogue and mutual trust between customers, shareholders, employees, suppliers, contractors, Public Administration, and other stakeholders.

Truthful and timely information is essential to protect the interests of the company and its shareholders, ensure the creation of value and the efficient use of resources.

Corporate Governance of Enel Américas is built on the base of good practices and ethical conduct that guides the performance of the company. This is carried out through complying with the current local regulatory frameworks and international law, as well as with respect for its adherence to the Ten Principles of the United Nations Global Compact.

The senior management of the Company and the Board of Directors have deep commitment to strengthen Corporate Governance, consequently have approved a series of related documents that should guarantee the achievement of these challenges.

Corporate Governance Structure

[G4-34] [G4-38] Enel Américas' senior management and its Board of Directors have a strong commitment to fortify Corporate Governance, for which they approved a series of related documents that should ensure the achievement of the company's challenges in this domain.

[G4-40] [G4-43] There is a training process when a Director joins the company through the "directors' induction" procedure, which was approved in 2015. Through this process, the new Director receives all the information and training needed to understand the subjects and activities of the company. The induction program establishes that, notwithstanding the topics that are considered appropriate, the following matters should be addressed: mission, vision, principles and corporate values of the Company.



- > Mission, vision, principles and corporate values of the company and strategic objectives.
- > Markets where the Company operates.
- > Economic and financial condition of the Company.
- > Risks, including those related to sustainability, which are considered the most relevant risks controls.
- > The most relevant existing legal framework for the Board of Directors and the senior management.
- > Corporate Governance of the Companies and Directors' duties.
- > Relevant stakeholders.
- > Inclusion policies, diversity and sustainability.
- > Resolution of conflicts of interest.

Shareholders' Meetings

[G4-37] In every ordinary or extraordinary shareholders' meetings, each equity holder recorded at the registry of shareholders is enabled to participate and exercise the right of opinion and vote, which requires to be registered before midnight of the previous fifth working day before the meeting is held.

The ruling and decision making mechanism is defined through voting, being a decisive factor the number of shares for the number of votes, meanwhile each shareholder has the right to one vote for each share he owns or represents.

It's noteworthy that, the instances of communication with shareholders, those related to the different subjects of the shareholders' meetings, are regulated by the existing law and the Companies' by-laws in Chile, containing the following:

- > Frequency of the meetings.
- > Means of convening
- > Matters of discussion
- > Mechanisms of deliberation

[G4-44] At the Ordinary Shareholders' Meeting, the Board of Directors of Enel Américas presents and assesses the results related to the management of the company in the economic, social and environmental issues. Moreover, at this meeting the Annual Report and the Sustainability Report remain at the disposal of shareholders, which were previously revised by the Board of Directors, documents that contain the information related to the performance of the company during the previous year.

Board of Directors

[G4-38]



1. CHAIRMAN

Francisco de Borja Acha Besga

Law Degree from Universidad Complutense de Madrid

Rut: 05-263174-S

From 04.28.2016

2. VICE CHAIRMAN (*)

José Vargas Lleras

Law Degree from Universidad Colegio Mayor del Rosario, Colombia

Passport: PO 055525

From 04.28.2016

3. DIRECTOR

Enrico Viale

Engineer Degree

Universidad Politécnica de Torino

MBA Escuela de Negocios

Universidad de Santa Clara

Passport: YA 5599835

From 04.28.2016

4. DIRECTOR

Livio Gallo

Electronic Engineer

Universidad Politécnica de Milano

Passport: F601583

From 04.28.2016

5. DIRECTOR

Hernán Somerville Senn

Lawyer

Universidad de Chile

Master of Comparative Jurisprudence

New York University

Rut: 4.132.185-7

From 04.28.2016

6. DIRECTOR

Domingo Cruzat Amunategui

Industrial civil engineer

Universidad de Chile

MBA The Wharton School of Pennsylvania University

Rut: 6.989.304-K

From 04.28.2016

7. DIRECTOR

Patricio Gómez Sabaini

Business Administration Degree

George Mason University, Virginia

Master in Business Administration

George Washington University, Washington DC

Passport: 16941675N

From 04.28.2016

*At the Extraordinary Shareholders' Meeting held on April 27, 2017, the by-laws of the company were modified and the position of Vice Chairman was removed.

[G4-LA12] Indicators of diversity of Enel Américas' Board of Directors

Number of people by nationality		Number of people by age range		Number of people by seniority	
Chilean	2	Between 41 and 50 years old	0	Less than 3 years	6
Spanish	1	Between 51 and 60 years old	4	Between 3 and 6 years	1
Argentine	1	Between 61 and 70 years old	2	Between 9 and 12 years	0
Colombian	1	Over 70 years old	1		
Italian	2				

Directors' Committee

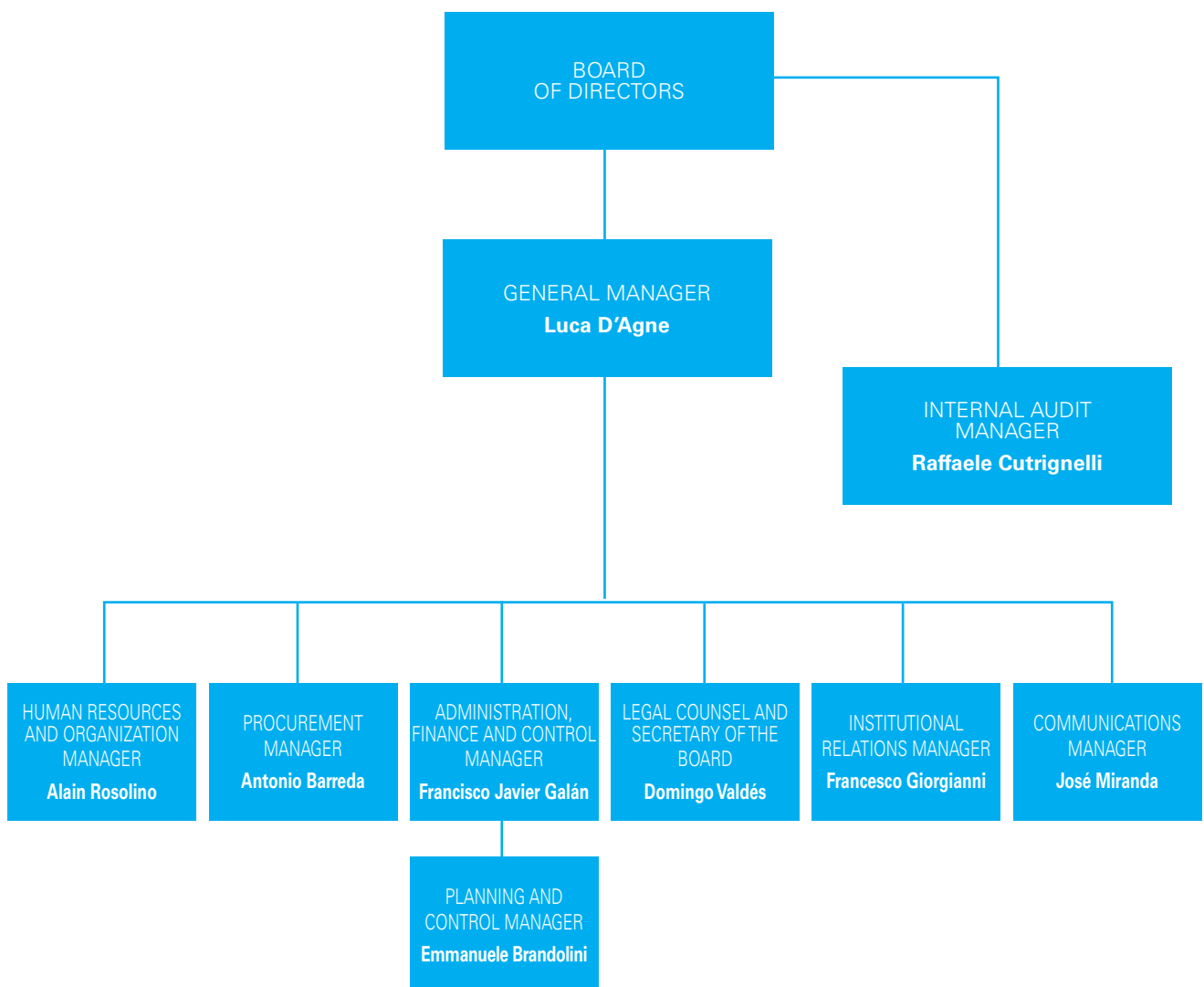
Pursuant to Article 50 bis of Law No. 18,046, The Corporations Law, Enel Américas' Directors Committee is composed by three members, whose faculties and duties correspond to the ones contemplated in the same article and those delegated by the Board as established in the Regulation of the Director's Committee.

As of January 1, 2016 the Directors Committee of Enersis S.A., currently Enel Américas S.A., was composed by Messrs. Hernán Somerville Senn (independent member), Herman Chadwick Piñera (independent member) and D. Rafael Fernández Morandé (independent member). Its Chairman and Financial Expert was Mr. Hernán Somerville Senn whilst the Secretary of the Directors' Committee was Mr. Domingo Valdés Prieto.

At the ordinary session of the Board of Directors held on April 29, 2016, the members of the Directors' Committee appointed were Messrs. Hernán Somerville Senn, Patricio Gómez Sabaini and Domingo Cruzat Amunátegui. Mr. Hernán Somerville Senn was appointed Financial Expert of the Directors' Committee.

For its part, at the ordinary session of the Directors' Committee held on April 29, 2016, Mr. Hernán Somerville Senn was appointed Chairman of the Directors' Committee and Mr. Domingo Valdés Prieto, Legal Counsel of the Company, was appointed secretary of the committee.

Corporate Structure



Ethical and transparent conduct

Enel Américas' employees are expected to behave ethically in their relationships with stakeholders. As such, they need to maintain a responsible and transparent attitude with shareholders, employees, suppliers and customers, amongst others. By these means, the company has created fluent instances of communication and complaint channels for all of them to safeguard the ethical behavior.

In this regard, the company has a Code of Ethics to guarantee transparency and the proper behavior of its employees. In order to supplement this document and ensure even more the implementation of these values, the company still applies the Preventive Criminal Risk Model, on which the business units of every area of Enel Américas were analyzed in 2016.

Outstanding Initiatives of 2016 in Enel Américas

Induction for new employees	In Argentina, Brazil and Colombia the Induction Plan continued, which comprised the presentation of ethical topics, anticorruption, ethical channel and compliance programs of the Enel Group in the country.
Guidelines Session 231	In Argentina, Colombia and Peru the online session related to Guidelines 231. This course is included in the "Enel University" platform, to which every employee of the companies had access for their proper development.
Workshop in Brazil - Responsible Supplier Program	In October 2016 a workshop focused on the training of contracting companies regarding sustainable management took place, where the main topics discussed were: safety, environmental management, quality of life, child labor, value chain and social projects. Likewise, this opportunity was seized to reinforce with suppliers the importance of ethical regulation and of the existence of the ethical channel for whistleblowing.
#YOLOHAGOBLEN AVOIDING CORRUPTION RISKS AT WORK Campaign in Colombia	This campaign started in September 2016 and its planned to continue in 2017. The campaign includes several interventions of spaces, releases, personal deliverables, training and disclosures, with the objective of reminding and embracing the Compliance and Ethics programs of the company. Among the activities carried out, worth is to highlight the communications related to payments of facilitation and political contributions and the reasons why they are not allowed in the Enel Group. The following topics that are expected to communicate in 2017 are: Ethical Channel, donations and sponsorships, typologies of corruption and prevention, among others.

Enel Global Compliance Program

During 2016, the *Enel Global Compliance Program* (EGCP) for Enel Américas was approved. The program is a Corporate Governance tool addressed to every company of the Enel Group, which has been designed to reinforce the commitment of the Group with the highest ethical, legal and professional standards to improve and preserve the reputation of the Group.

As such, the program allows the prevention of crimes that might prompt criminal responsibilities to those who participate, and therefore damage the reputation of the company. This way, the company seeks to align professionals under high ethical standards.

The type of conducts that are meaningful under EGCP are the ones that might be considered illicit, such as bribery, crimes against public entities, accounting fraude, money laundering, health and safety crimes, environmental violations, among others.

Code of Ethics

[G4-56] **[G4-57]** Enel Américas has a Code of Ethics which introduces the commitments and ethical responsibilities for business management and corporate activities. The objective of this document is to establish the main actions of every member of Enel Américas, containing the conducts expected and compatible with the values of the Company on behalf of every collaborator of the organization. Compliance with the Code of Ethics is verified by means of

employees', leaders, and managers knowledge and awareness of its' content. The Audit Management verifies its compliance and assesses the complaints entered through the available grievance channels. It includes sixteen principles that define the criteria for conduct, such as impartiality, honesty and confidentiality. Non-complying with the Code of Ethics is considered a serious violation with the consequences contained within it.

Enel Brasil was one of the 25 companies acknowledged by the Ministry for Transparency, Audit and General Comptrollership of the Union (CGU) as a reference company in the "Pro-Ethical Company" questionnaire, being the first time that the company participates. At the 2016 version, 195 companies of different sizes and coming from different business sectors have expressed their interest in participating in the assessment, but only 25 received the seal, such as Natura, 3M, EDP, Microsoft and Serasa. The evaluation council includes Instituto Ethos, BMF&Bovespa, Instituto ETCO, amongst other important institutions. The ethical conduct is the foundation of sustainable management and this is the public recognition of our commitment to prevent and fight corruption, which was assigned by Enel at the Global Compact and the Corporate National Pact for Integrity and Fight Corruption coordinated by Ethos in Brazil.

The companies of Enel Américas in Colombia have Labor Coexistence Committees, comprised by employees and employer representatives, to whom the employees may reach out to address ethical subjects that would affect social harmony.

Moreover, the Human Resources Management has an ethical training program named "Disciplinary Prevention Program HACER" which provides training in subjects related to prevention of unethical conducts, development and strengthening of ethical values and its application to the labor environment. This program comes with internal communication in the matters related to ethical values in the form of educational and awareness tool.

Finally, of Labor Relations Division is in charge of answering the concerns of employees regarding ethical issues when needed, such as the declaration of conflicts of interest.

Ethical Channel

[G4-57] **[G4-58]** The Ethical Channel is a mean created by the company, and it can be accessed through its web page and intranet, so every member of the company and its subsidiaries may inform the irregular or inappropriate conducts related to accounting, control, internal audit amongst other corporate matters.

The Ethical Channel works anonymously and classifies complaints related to thirteen corporate management fields, ranked in accordance with different aspects, thus allowing the adequate monitoring of the compliance with the principles of behavior in internal audits.

The model that rules the global policy of the group N°107 is called “Whistleblowing” (reporting of misconducts), and provides the guarantee of anonymity without reprisals and the protection against complaints in bad faith.

In 2016, the company received nineteen complaints through the Ethical Channel, one in Argentina, nine in Brazil, one in Peru and eight in Colombia.



Conflicts of Interest Policy

[G4-41] In July 2016 the Policy N°82 regarding Conflict of Interest in the countries where Enel Américas operates was issued and enacted. This document establishes the procedures to avoid conflicts of interest situations that may infringe the existing national and international regulations, while emphasizing the guidelines that Enel expects in this type of situations.

In that regard, training sessions about this policy were developed. As such, in Brazil the policy was introduced to the Country Manager's direct reports, thus informing the rules and enhancing the importance of compliance. In addition to these activities, as well as in the resto of the countries in Latin America, a series of internal releases communicating the issuance of this new policy were sent.

Zero Corruption Tolerance Plan

[G4-DMA SO] **[G4-41]** **[G4-SO4]** Enel Américas openly rejects all forms of corruption, either direct or indirect, and carries out a program to fight against this bad practice called “Zero Corruption Tolerance Plan” (ZCTP), which identifies the activities most exposed to this type of risk.

The Company has a commitment to comply with ethical values and transparency in the development of these activities. As such, the ZCTP establishes a framework to address situations related to bribery; donations to political parties; charities and sponsorships; favors and gifts; lodging and expenses. The mechanism is applied according to the criteria recommended by the International Transparency organization.

Criminal Risk Prevention Model

[G4-SO4] Enel Américas has a Criminal Risk Prevention Model, which defines a control system to prevent a series of crimes such as money laundering, terrorism financing and bribery of public officials in any of the countries where the company operates.

The Model has to be permanently supervised in order to guarantee its appropriate design and operation. The responsibility of the operation's supervision, compliance and update of the Model relies on the Compliance Officer of the Company, who acts through the Audit Management Division.

In Colombia, during 2016 the document "Criminal Risks Prevention Model of Codensa and Emgesa" was published, which covers the prevention and mitigation of risks of occurrence of unethical situations, non transparent, faults against legislation or corruption from employees, suppliers, shareholders and actors of its value chain. Additionally, training sessions were designed and carried out and an internal communications campaign #Yolohagobien was performed, which was addressed to every employee, with the objective of raising awareness on the importance of identify and minimize criminal risks, reputational risks and the possible ethical faults that the Companies are exposed to.

Participation in public policies

[G4-DMA SO] Enel Américas considers that it's crucial to participate in governmental activities related to the energy industry in the countries where it operates, in order to contribute with its experience regarding sustainable development.

Among the outstanding activities of the year in Colombia, Codensa participated and leaded the working tables with the Ministries and the Planning Unit of Energy and Mining in the electric mobility area. The removal of the taxes on electricity for electric vehicles charging, the., the suppression of VAT for charging services, vehicles, chargers and the elimination of import tariffs for electric vehicles until 2025.

As a result of these interventions, in December 2016 the UPME issued the Rational and Efficient Use of Energy Program 'PROURE', in which all the aforementioned initiatives were included for the promotion of electric mobility. Likewise, the tax reform of 2016 reduced VAT for electric vehicles, motorcycles and bicycles to 5%.

Moreover, Codensa and Emgesa received a special recognition for the promotion of sustainable mobility strategies, such as the implementation of the Car Shared Week in their companies. This award was granted by the Bogotá Mayor's Office, in the context of the Corporate Mobility Program "I get around Bogotá".

United Nations Global Compact

[G4-15] The companies part of Enel in Latin America voluntarily adhere to the United Nations Global Compact, and they openly declare their commitment to sustainable management and the promotion of its Ten Principles. In this context, during 2016 the following activities stand out:

Colombia

Codensa and Emgesa actively participated and were part of the group of sponsors for the Sixth Global Compact Congress in Colombia: “The role of companies in the global agenda for development: fifteen years to change the world, seventeen objectives to achieve this goal.” This activity was a great opportunity to share experiences and to focus efforts on the accomplishment of the seventeen objectives defined worldwide and particularly in the country.

Brazil

Enel Brasil is member of the Global Compact Brazilian Committee and in 2016, Marcia Massotti, the Sustainability Director, was appointed to participate in the Committee's Management Board for a three-year term, together with companies such as Itaú Unibanco, Basf, BM&F Bovespa and CPFL. In addition to the election of 2016, three relevant initiatives have been organized by Enel Brasil in association with the Global Compact:



1. A Corporate Diversity workshop that involved several companies and gathered 101 people in discussions of cases of gender equality, the rights of LGBT people and disability (Inclusion Program of Enel Brasil for people with disabilities was presented by the Human Resources Director).
2. With the Working Group of the ODS, a new training methodology for the implementation of the SDG Compass in Brazil was developed. These workshops were developed together with Enel Brasil, Global Compact, GRI, WBCSD, Itaú and Vale. The events took place in Rio de Janeiro, Belo Horizonte, Fortaleza and Sao Paulo, where 260 people from companies and non-governmental organizations were trained.
3. With the Working Group on Human Rights, Enel coached a workshop on the implementation of the due diligence process for Human Rights, in which 100 participants were trained.

Argentina

Enel Argentina is member of the Global Compact since 2004, an organization that promotes and shares good practices searching for solutions to different issues related with sustainable development and corporate social responsibility. In general terms, the groups are organized around work tables of Companies and Climate Action, and also tables are developed related with the fight against corruption.

Associations and memberships

[G4-15] **[G4-16]** Enel Américas and its companies are members of the following trade associations and international, national and regional organizations:

Enel Generación Perú:

- > Sociedad Nacional de Minería, Petróleo y Energía (National Society of Mining, Oil and Energy).
- > Cámara Oficial de Comercio de España en el Perú (Official Chamber of Commerce of Spain in Peru).
- > Cámara de Comercio Italiana del Perú (Italian Chamber of Commerce in Peru).

Enel Distribución Perú:

- > Sociedad Nacional de Minería, Petróleo y Energía (National Society of Mining, Oil and Energy).
- > Cámara Oficial de Comercio de España en el Perú (Official Chamber of Commerce of Spain in Peru).
- > Cámara de Comercio Italiana del Perú (Italian Chamber of Commerce in Peru).
- > Asociación para el Progreso de la Dirección (Association for the Management Progress).

Argentina

- > Consejo Empresario Argentino para el Desarrollo Sostenible (C.E.A.D.S) (Argentine Business Council for Sustainable Development).

Brasil

- > Instituto ETHOS (ETHOS Institute).

Colombia

- > The National Association of Public Utilities and Communications.





Defining Priorities

Our Stakeholders

[G4-25] **[G4-26]** Enel Américas places its stakeholders in the center of its Sustainability policy. Understanding their expectations and maintaining a continue and open dialogue process with them lies in the heart of the company's strategy.

In order to analyze these priorities, the company reviews, identifies and prioritizes its stakeholders in each country and determines their relevance according to three variables: Influence, Dependence and Tension.

This approach mainly seeks to identify those factors that make viable sustainable, competitive and safe energy models, and to develop innovative, bold and pioneering perspectives in order to anticipate events, manage risks and look for differentiation.

Maintaining a permanent dialogue with stakeholders has been highlighted in 2016 with the new Open Power philosophy, in function of which the Company will open itself to even more stakeholders participation and collaboration with the purpose of facing successfully future challenges.

Enel Américas and each one of its companies review, identify and prioritize its stakeholders, and determine their relevance in relation to three variables: Influence, Dependence and Tension.

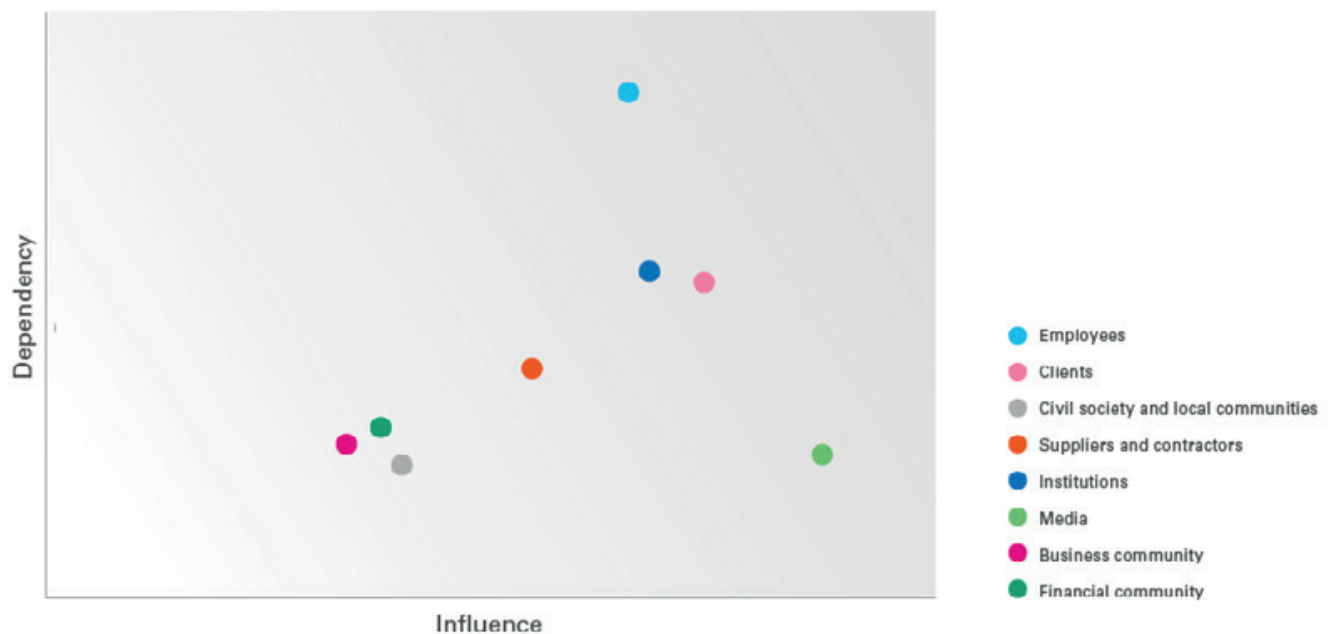
Influence	Degree in which a stakeholder may impact the strategic or operational decision making process of the organization.
Dependence	Degree in which directly or indirectly a stakeholder depends on the activities, products or services of the company and its performance.
Tension	Degree of immediate attention from the organization with regard to economic, social or broader environmental problems.

In 2016, in Latin America and within the context of the materiality analysis, different stakeholders' representatives related to the generation, distribution and other businesses were consulted, allowing to determine their level of Influence, Dependence and Tension towards each of the companies.

Stakeholders belonging to the different categories identified (Financial Community, Institutions, Civil Society and Local Communities, Suppliers and Contractors, Employees, Clients and Media) were evaluated according to these three variables, on a scale that considers five levels of importance, with which the company defines its level of relevance in relation to its stakeholders and viceversa. As a result, the Stakeholders' Matrix was obtained.

Stakeholders' Matrix of Enel Américas

[G4-24]



Materiality Analysis

[G4-18] Enel globally performs a systematic and continuous identification and assessment process of the most relevant topics for the stakeholders and the company.

This work has been gradually developed over time, thus enabling the performance of a thorough analysis of every company of the group worldwide.

At the local level for the 2016 analysis, an Information Technology support system was used for this particular process, which was developed by Enel, enabling to store and analyze data by company, stakeholder, country and also globally by stakeholder. Worth is to mention that this analysis is a tool used to channel those inputs that are fundamental for the working plans under the scope of the Sustainability Plan of the company.

As such, the materiality analysis for the Sustainability Report of Enel Américas was prepared considering the local analysis of the companies in each country where Enel operates in A

The materiality analysis is based on the Global Reporting Initiative (GRI) guidelines, in its version G4, the Global Compact of the United Nations (UN Global Compact) principles, the International Integrated Reporting Council (IIRC) integrated reports framework and the SDG Compass guide for corporate action with regards to sustainable development objectives, which is jointly developed by GRI, UN Global Compact and the World Business Council for Sustainable Development (WBCSD).

materiality assessment was developed for each company, which was comprised by stakeholder consultancies, revision of initiatives and media, and the analysis of documents and studies.

The main stages of the materiality analysis are the following:

	Identification of the Subject	Identification of Stakeholders	Prioritization of Stakeholders	Assessment of the priority of the subject to stakeholders	Assessment of the priority of the subject for the company's strategy
Objective	<ul style="list-style-type: none"> Identify the topics that are potentially important for the company and its stakeholders. 	<ul style="list-style-type: none"> Identify the categories of stakeholders relevant for the company. 	<ul style="list-style-type: none"> Prioritize stakeholders in terms of their relevance for the company, assessing its level of Influence, Dependency and Tension. 	<ul style="list-style-type: none"> Systematize the results of the participation initiatives with stakeholders, with the purpose of assessing the priority they demonstrate on material subjects. 	<ul style="list-style-type: none"> Assess the strategic positioning of the company with regards to material subjects.
Activities Performed	<ul style="list-style-type: none"> Organize the topics in a hierarchical structure from the specific to the general, by levels, in the form of a tree of material topics. Review of the topics in accordance with the reality of the country and the company. The tree of material topics was considered in relation to the topics applicable to the companies of Enel Américas. 	<ul style="list-style-type: none"> Organize stakeholders in a hierarchical structure by levels, from the general to the specific. Review of stakeholders to be consulted in accordance with the reality of the country and the company. The group tree of stakeholders was considered with the stakeholders related to the companies of Enel Américas. 	<ul style="list-style-type: none"> The stakeholders' representatives of Enel Américas' companies were consulted, looking into the level of influence on the company they perceive, dependence on the operations and the Tension amongst them and between each company. 	<ul style="list-style-type: none"> In 2016 the assessments of each subject were updated in relation to the stakeholders consultation, the review of external media and reports of the company. 	<ul style="list-style-type: none"> The assessment was performed reviewing company's strategic documents and interviews to top tier managers.
Results	<ul style="list-style-type: none"> Issue Tree. 	<ul style="list-style-type: none"> Stakeholder Tree. 	<ul style="list-style-type: none"> Stakeholder Map. 	<ul style="list-style-type: none"> Positioning the material subject in the horizontal axis (X) of the Materiality Matrix. 	<ul style="list-style-type: none"> Positioning the material subject in the vertical axis (Y) of the Materiality Matrix.

[G4-27] The result of the materiality analysis is an important tool to plan the activities and to establish the strategic direction of the company, as well as the foundation on which the presentation of this Sustainability Report is structured.

The results of this process enables the company to determine whether its strategic priorities are aligned to those of its

stakeholders. This way, adjustments can be made regarding these subjects, and action plans can be outlined within the context of the Sustainability Plan of the company. Simultaneously, they enable to assess the relevance of each area in the development of a proper stakeholder management plan.

Materiality Matrix of Enel Américas



- Traditional technologies
- Innovation & operational efficiency
- Solid Governance.
- Support and development of local communities.
- Responsible use of water resources.
- Energy efficiency and services.
- Biodiversity and protection of natural capital.
- Financial performance.
- Renewable energies.
- Health and occupational safety.
- Employees' management, development and motivation.
- Mitigation of environmental impact.
- Responsible relations with the neighboring communities to its operators.
- Quality in the relations with clients.
- Sustainable value chain.
- Climate strategy.
- Fair corporate conduct.

[G4-19] [G4-20] [G4-21] [G4-23] [G4-27] Following table shows the material issues included in the present report, addressed in scope and coverage in function of their relevance for both the company as its stakeholders:

High Priority:

Subject	Scope		GRI Material Aspect
Traditional Technologies	Internal	Enel Américas	Research and development
Innovation and operational efficiency	External	Enel Américas Suppliers Contractors	Research and development
	Internal	Enel Américas	Efficiency of the system
Solid government	Internal	Enel Américas	Government
Availability of use of water resources	Community	Enel Américas	Water
Support and development of local communities	External	Enel Américas Community	Local Communities
	External	Enel Américas Community Clients	Access
Energy efficiency and services	Internal External	Enel Américas Clients	Availability and reliability
Biodiversity and protection of Natural capital	Internal External	Enel Américas Community	Biodiversity
	Internal External	Enel Américas Community	Effluents and waste
Financial Performance	Internal	Enel Américas Controller	Economic performance
Renewable energies	Internal External	Enel Américas Clients	Research and development
Salud y Seguridad Ocupacional	Internal External	Enel Américas Contratistas	Health and safety at work

Medium Priority:

Subject	Scope		GRI Material Aspect
Employees' management, development and motivation	Internal	Enel Américas Contrators	Employement
	Internal	Enel Américas	Training and education
	Internal	Enel Américas	Diversity and equality of opportunities
Mitigation of environmental impacts	Internal	Enel Américas	Materials
	Internal	Enel Américas	Energy
	External	Enel Américas	Emissions
	External	Enel Américas Suppliers Contrators Clients	Effluents and waste
Responsible relationships with neighboring communities	External	Enel Américas Community	Local Communities
	External	Enel Américas Community	Disasters, emergency and response plans
		Enel Américas Community Clients	Clients' health and safety
Quality of the relations with clients	External	Enel Américas Clients	Labelling of products and services
	External	Enel Américas Community Clients	Provision of information
Sustainable value chain	External	Enel Américas Suppliers Contractors	Evaluation of suppliers' labor practices
Fair corporate conduct	Internal	Enel Américas	Ethics and integrity
	Internal	Enel Américas	Fight against corruption
	External	Enel Américas Autoridades	Regulatory compliance
	External	Enel Américas Autoridades	Public policy
Climate strategy	Internal External	Enel Generación Chile Authority Clients Community	Emmisions
	Internal	Enel Generación Chile	Energy





Sustainability Plan

Integrating sustainability in the Strategic Plan

In Enel Américas and its subsidiaries, sustainability has been integrated into the business culture, boosting values, integrating processes, defining projects and long-term plans responding to the clients' priorities, the most emerging social affairs and the work streams of the company.

The company focuses its Sustainability Plan on the values that are mainly framed in the Open Power vision, namely in the goals achievement of sustainable development of United Nations, on the objective of generating shared value, and in the respect of Human Rights Policy.

Work according to Open Power Values

Enel Américas pursues the vision of placing the "Openness" concept in the center of its business and as a corner stone of its strategic and operational approach: open energy to more people, open energy to new technologies, provide new ways of energy management to people, expand energy to new uses and extend it to more alliances.



Shared Value as a long-term strategy

Creating Shared Value (*Creating Shared Value, CSV*) refers to the projects that embraces local economy endeavors (Pymes, *Start up*) with the requirements of the company through the value chain.

It's based on the search of new business opportunities for the company, and at the same time seeks to solve problems of the communities that impact the development of a business.

In a long-term vision, Enel Américas seeks to turn relevant social issues into business opportunities that will therefore bring benefits to the society and the company.

Methodologies and tools

Enel Américas has integrated in its processes an integrated model related to the design of the social-economic-environmental plan. This model assumes the use of tools for the application of the social-economic-environmental diagnosis of the territory and its continuous monitoring. The model also includes a mapping of stakeholders which is constantly updated, and their priorities with the purpose of defining a vision of the territory demand, and looks for consensual solutions to meet this demand, thus building a long-term relationship between the company and the client, as well as between the company and its stakeholders.



United Nations Sustainable Development Goals

As of 2015 the United Nations adopted the new Sustainable Development Goals (ODS), and called companies to promote the use of creativity and innovation to address the challenges of sustainable growth. In 2016, the Enel Group announced its commitment to contribute to achieve four out of the seventeen objectives.

■ Metas de Desarrollo Sostenible

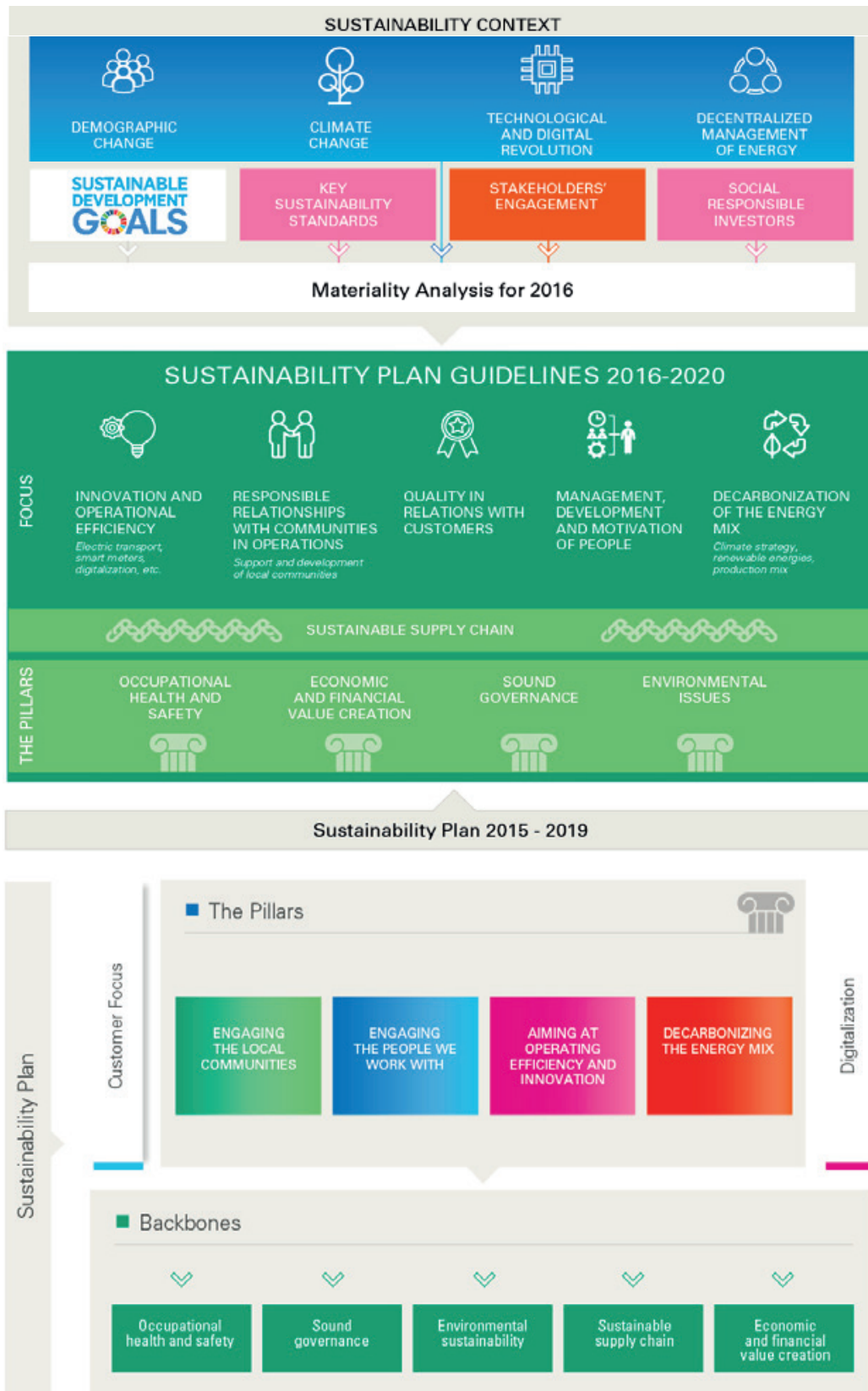


Sustainability Plan for 2016-2020

[G4-56] Enel Américas has developed a Sustainability Plan for 2016-2020 considering the following pillars of sustainable growth: Occupational Health and Safety, Creation of Economic and Financial value, Solid Corporate Governance, Environment.

This plan comprises five areas of implementation: Innovation and Operational Efficiency, Responsible Relations with the Local Communities, Management of Clients' Relations, Motivation and Development of People, Decarbonization of Energy Mix.

Sustainability Plan



The contribution of Enel Américas, in terms of beneficiaries, to the Sustainable Development Goals prioritized by the Enel Group on December 31, 2016 are the following:







Our
Performance

Responsible Relations with Communities

[G4-DMA SO] The social value and the business benefit should go together to ensure the real progress in the territories. The base of such innovative model is Creating Shared Value (*Creating Shared Value*, CSV).

Under the premise of this management model, the most notable result is the real interaction with local communities neighboring to the projects of Enel Américas, which integrates environmental, social and ethical objectives.

Ultimately, CSV guarantees the sustainability and strength of the value chain of the company, delivering power and ensure the participation of these groups living in the territories. With this, Enel Américas revalues the territory where it operates, and contributes honestly and in a transparent way to the creation of value not only for its business but also to the territory and the people with which it interacts.

Strategy of relationships with the communities

[G4-SO1] Enel Américas' line of action is to create long-term relationships with the communities based on the Creating Shared Value (CSV) concept. This strategy integrates business and sustainability, while safeguarding the interests of stakeholders and the needs of local communities, as well as the environment.

Brazil

Through the Creating Shared Value methodology, the company identified the opportunities of action in the territories where the company operates, which benefited 2.34 million people in more than 90 projects in 4 states in 2016. The main objective of these initiatives was to promote the generation of revenues, professional training, safe and responsible energy consumption, education and culture.

The companies of Enel Américas in Brazil carry out impact assessments on local communities. As such, 83.3% of the companies that the Group owns in Brazil included environmental impact assessments and continuous monitoring, in addition to the evaluations of environmental and social impact results are being released in their sustainability reports.

Also, social programs were carried out with the participation of local communities and the systematic dialogue with local leaders to obtain information and evaluate projects, with the purpose of developing every social action needed, while adopting a fluid communication, in order to build a long term cooperative relationship.

In this respect, and based on the of Creating Shared Value concept, during 2016 the education projects were prioritized to promote knowledge and the diffusion of the concepts and practices of social and environmental responsibility in the energy sector.

Colombia

[G4-SO1] In 2016, the commitment to the development of the communities in the areas of influence of Codensa and Emgesa was reflected in the social programs carried out through the Enel Colombia Foundation. This foundation was established with the purpose of integrating and promoting social management programs, which reaffirmed the commitment of the company with the communities of the country.

The projects carried out in 2016 focused on the support to local communities, their socio-economic development and access to electricity, thus identifying the opportunities for Creating Shared Value.

El Quimbo Hydroelectric Power Plant

[EU20] During 2016, the implementation of the Social Management Plan (SMP) and the management measures were continued,, responding each of the social impacts generated with the construction of El Quimbo Hydroelectric Power Plant (CHEQ).

The strategy for the implementation of SMP consisted on the development of methodologies of intervention for the strengthening of social, economic, cultural and environmental processes of de families that were resettled, based on the principles of fairness, participation, self-management, community and regional development.

The measures carried out to mitigate the identified impacts are detailed below:

Impact	PMA – PGS Project	Objective – PMA
Impact of nuclear and scattered settlements	Restitution of the social fabric	Conjugate and build ties and the feeling of belonging to be internalized as a collective symbol that reflects a community of interests in the new territory.
Impact of productive activities	Economic development	Restore farming activities and recover productivity, production and revenue levels of the resettled families.
Impact of artisan fishing in Magdalena River, between La Jagua and the tail of Betania dam	Artisan Fishing Program	Carry out actions with the beneficiary population in the estimated compensation amount as part of the restoration of the productive activity process.
Potential impact of social services of the surrounding area	Social services delivery	Perform monitoring to the education and health social services delivery in the sidewalks that surrounds the dam to guarantee the efficient management of health, family welfare, education and religious services, taking into account the new community infrastructure that the PHEG delivered to the resettled community.

Resettlement and compensation:

> Individual Resettlements

At the end of 2016 the accrued amount of individual resettlements totalled 40 families.

For the same period the accrued of 25 families restored the level of income to more than 2 SMMLV, and these families obtained financial support from the Company and continued with the productive project in a sustainable way.

> Collective Resettlements

The accrued amount of resettled families at the end of 2016 amounted to 146 and management measures were 151.

Out of the 152 management measures, 34 started the restitution of the productive activity.

> Cash Compensations

In 2016, 244 convened compensations were realized.

Peru

[G4-S01] The companies of the Enel group in Peru develop their social responsibility activities in the framework of the company's sustainability, thus respecting its stakeholders' interests and making them part of the local needs identification until the implementation of initiatives through the citizen participation processes.

Within this framework, during 2016, there have been interventions in the Jicamarca community as a result of the commitments adopted in the environmental impact study of the "Mirador" substation. Moreover, with regards to energy generation, the company continues to carry out social activities to strengthen the relations with the community, and productive projects are being developed that impact the economic growth of the communities, as well as projects for the improvement of local infrastructure.



Support of Local Communities

Looking forward to contribute to the Creating Shared Value program, while increasing the competitiveness of the business and at the same time improving the social, environmental and economic conditions of the communities with which Enel Américas operates, during 2016 the companies in Latin America continued performing different social action initiatives.

Argentina

In 2016 Edesur made a donation to the *Vivienda Digna* Foundation of furnitures made with recycled material, as part of the Creating Shared Value program with the environment with which the company operates.

This activity was the closing of a project focused on the inclusion and integration of the most vulnerable sectors of the society. At a first step, the company donated spare materials to the *Vivienda Digna Foundation*, which manufactures furniture and sells it at very low prices to low-income people.

This program allowed the following:

- > Reduced service costs of integral waste management and materials with value.
- > Contribution to the community enabling access to low cost furniture.
- > Donation of furniture to the "La Esperanza" School N° 85 in Ezpeleta, Quilmes

Colombia

As part of the activities performed in 2016 to contribute to decrease the social gap, following activities are being highlighted:

- > Support for the construction of community infrastructure and at strengthening cultural traditions through the construction of bus stops in locations near Guaca and Paraíso Hydroelectric Power Plants, with which more than 300 students and people of the Municipality of El Colegio at the department of Cundinamarca community

were directly benefitted.

- > Cooperation for the educational basic infrastructure development, secondary school and technical education where the Seedbed of Technology and Farming programs stand out, as well as the Scholarship Bank for teenage mothers.
- > Donation of recycable material for *Fundación Sanar*, which annually benefits 550 boys, girls and teenagers, as well as the *Adopta un Angelito* activity, through which 645 presents were collected and delivered to 512 boys,

girls and 133 senior people in 13 foundations in Bogota, Tocancipá, Cogua, Soacha, Neiva, Ubaté, San Antonio del Tequendama and Yaguará during 2016. Nearly 65 employees participated in the sessions of presents delivery. On the other hand, at the *Voluntariado de Buena Energía para tu Escuela*, in 2016 more than 37 people participated, amongst employees, contractors and community. There were sessions of cleaning, painting and minor work at the Educational Institutions that were benefitted: Pablo de Tarso – Bogotá, Boca de Monte – Ubalá, Las Margaritas – Ubalá.

Performance of Fundación ENEL

Through the Fundación ENEL, El Quimbo Hydroelectric Power Plant continued supporting the Municipalities of AID; for that purpose during 2016 agreements were signed for the development of productive projects and the care of vulnerable senior population.

In 2016 progress have been made in the signing of the following agreements with the Municipal Administrations of Altamira, Garzón and Gigante:

	Municipality of Altamira	Municipality of Gigante	Municipality of Garzón
Project	Seeding life in the Municipality of Altamira	Repopulate 60 hectares of cocoa farming, through the recovery and seeding of improved species for the Municipality of Gigante Huila.	Support to sustainability and the productive conversion of the Municipality of Garzón, Department of Huila.
Cooperating entity	Fundación Enel Colombia, Mayor's Office, Municipality of Altamira, Fundación Dignificando la Vida.	Mayor's Office of Municipality of Gigante, Fundación Enel Colombia.	Fundación Enel Colombia, Mayor's Office of Garzón and Ingeniería Seguridad Desarrollo Ambiente y Tecnología S.A.S.

Peru

Health contribution

In coordination with local health institutions, itinerant campaigns were developed for the low-income population living in the neighboring area of power plants, in areas such as Lima and Junín.

Likewise, in the framework of the Agreement with the Health Ministry (from now on, Minsa) free attention is offered to the children from Santa Elena School as well as the residents of Piedritas village, enabling their access to quality medical care. The latter is part of the commitments acquired by the company through the EIA for the cold reserve operations of Malacas Thermal Power Plant.

Infrastructure Improvements

Within the framework of the Creating Shared Value policy of Enel Generación Perú, the company worked on the basic infrastructure of low-income communities located in the neighboring areas of the operations, thus bolstering their sustainability. As such, in Junín the works for the new water add sewers networks were performed to improve the quality of life of neighboring communities to Chimay Hydro Power Plant, the maintenance of rural roads in Lima and Junín, improvement of school infrastructure, renovation of Puente Verde in Lima, and the fence and lighting of the sport center Márquez – Callao, in the neighboring area of Ventanilla Thermal Power Plant.

Socio-economic Development of Communities

During 2016, Enel Américas continued developing initiatives that support the economic development of the communities located in the neighboring areas of its operations. This is carried out through the projects framed in the objectives of the company with the Sustainable Development Objectives.

Colombia

[EU20] With regards to the activities related to the resettled population as a consequence of the construction of generating projects, regularly during 2016 there have been programs and projects developed to improve the quality of life and economic stability of the resettled families, thus prompting an adequate insertion to the labor market within the established productive zones, enabling them to obtain similar or better conditions than they had before the resettlement process.

Following activities were carried out within the scope of the economic development project: technical assistance to the families that are implementing Farming Production Plans; permanent training; technology adjustment and transfer, accompaniment and advisory for the commercialization of

products elaborated in every productive unit being implemented and deployment of management plans in every irrigation district. In this sense, spaces were promoted for supporting the insertion of the families in the associational, productive, and commercial dynamics of the zone, in order to carry out their production activities.

The project regarding the restoration of the social tissue seeks to generate those conditions required to support the resettlement process while ensuring the improvement of life quality of the communities, through the performance of various actions. Amongst them stands out the psychosocial support for families and the community, which seeks to attend every level thus enabling the joint construction of alternatives that allow communities to become sustainable.

The activities related to the Accompaniment of the Vulnerable Population project were carried out in the four resettlements of the AID municipalities. Economic, social and health issues were hereby addressed. These were carried out on an individual and group basis, and to cause a positive impact on the community.

In the field of health, activities were related to accompany the basic health and sanitation committee, working with the local authorities to design strategies to control and reduce the health-related incident indicators.

Moreover, during the current year the company has worked in the follow-up and monitoring program of the Annual Operational Plan POA for the Social Management of El Quimbo Hydroelectric Power Plant, which led to the regular, comparative and systematic identification of the changes in the AID population of the power plant. This enabled to know the state of progress of the executed processes in each project and the level of compliance of the commitments established in the Environmental Licence and the Environmental Management Plan.



Peru

Curibamba Pampa de Oro Coffee productive Program

Enel Generación Perú created this program in the valley of the Tulumayo River as part of its commitment of creating shared value with the surrounding communities.

The Curibamba Coffee production Program was conceived in 2012 with the help of 60 families, its objective being to improve the crop quality, after implementing a communal coffee nursery and promoting internships to coffee centers in Chanchamayo and Oxapampa between 2010 and 2011.

In 2016 and after a systematic work, this product has become an alternative of economic and social development for more than 130 families of farmers, enabling the improvement of their life quality and the future of their children while receiving better income, developing crops, standardizing the crops quality and protecting the environment. Thanks to the training and the tools provided by the company, the coffee farmers produce a world-class product that is conquering new and better markets, due to the obtention of a fair price for the quality of each batch of the product.

This year, The Curibamba coffee, produced thanks to the Curibamba Pampa de Oro Coffee Productive Program of the Enel Sustainability Management in Peru, was recognized as one the best in the world, and received the “Gourmet” medal in the category Puissant amer (PA) at

the contest organized by the Agency for the Valuation of Agricultural Products (AVPA) in Paris.

Guinea Pigs Breeding Productive Program

This initiative of Enel Generación Perú seeks to increase protein consumption and boost economic development. This initiative is being led by Women that received technical training for the breeding and cooking of guinea pig dishes. The product is being commercialized in patron saint festivities in the area. In addition to provide for internal consumption, family income is being improved, teamwork is promoted and women leadership is strengthened. Participants come from the small village center (SVC) San Juan de Uchubamba and its annex Ocorollo - Masma, and the Los Angeles – Monobamba village.

My first job

The youth work integration program in tourism focuses on training young people in those activities demanded by the labor market in Piura, which is framed in promoting the sustainable economic growth in the tourism sector with great possibilities of hotel growth in the Talara coast: housekeeping and customer service in hotels and restaurants. This project was born from the agreement between Enel Generación Piura, Senati, and the Punta Sal and Mancora Beach Hotels, the latter are interested in providing jobs to young students in order to guarantee their employability.



Access to Electricity

[G4-DMA PR] [G4-DMA EC] [G4-EC8] Access to electricity is one of the main pillars of Enel Américas' actions in its social projects. The projects related to energy that minimize the economic barriers of vulnerable groups are framed in this regard, offering training and education in the fields of energy, ensuring the access to technology or infrastructure, and promoting energy efficiency.

Argentina

Playenergy is an institutional education program that approaches students, teachers, and schools directly to the heart of energy. It was declared a Program of Educational Interest by the Ministry of Education of Buenos Aires. This initiative has a global scope for the Enel Group, and proposes students to learn the three main stages of energy in a dynamic and fun way:

- > It's properties and different forms.
- > The different ways of producing them.
- > The use of energy and its numerous applications (including efficiency, smart consumption and sustainability).

In Argentina, this program was executed in more than 120 elementary schools, high schools, and special education schools in the City of Buenos Aires and the municipalities in the concession area of Edesur during 2016.

Brazil

In the case of energy distribution companies in Brazil, Enel strongly acts to guarantee access to energy for low-income clients and risk areas, thus promoting the combat against energy theft through development projects and educational solutions for the promotion of conscious consumption.

With the development of varied projects and the support of 490 community leaders in the Leadership Networks, Enel Brasil has provided employment to 299 young people,

generating more than \$ 485 million in revenues to communities where the company operates, and also promoted and implemented the change of nearly 185,000 incandescent light bulbs for low consumption bulbs.

Colombia

Codensa, Enel's distribution company in Colombia, throughout 2016 carried out technical projects to improve service quality and continuity in the different areas of operation.

This company maintains a permanent presence in the communities, with the purpose of responding to requests in a timely manner, and to communicate the relevant information for the company. Codensa has an Impact and Risk Management Plan, which is followed in every project developed by the company that may have any impact on the community. Negative impacts are identified and action plans developed with their respective responsible people and indicators.

The action plan is structured as follows:

- > Information
- > Communication
- > Social follow-up throughout the development of the projects
- > Verification of the value promise
- > Social compliance

Inclusive Treatment Guide

Codensa, continuing its efforts to ensure an inclusive attention model for all its customers, launched the **Inclusive Treatment Guide** in 2016, as one of the pillars of the attention project. This guide is a practical tool that explains the different conceptual approaches related to the treatment of people with disabilities as well as the elderly. This initiative makes Codensa a pioneer in inclusive care, making a document available to every interested person, that may be downloaded from the website and replicated in any organization.

Peru

Showing the commitment of the company with education and its continuous efforts to improve the education of future generations, Edelnor donated 80 computers to the Institución Educativa Andrés Bello, after an internal evaluation revealed the possibility of reusing the equipment to be replaced.

The company insists on the importance of having schools with a better infrastructure in ICT (information and communication technologies), because that is the only way to introduce the digital education that currently rules the globalized world.

In addition to this activity, in Peru, the company delivered school supplies and visited schools providing information and advice on safety. Likewise, the company offers calculation lessons for adults in classrooms located in different places of the influence area.

Among the actions developed in favor of people rights, their diversity and social inclusion, Enel Distribución Perú prints invoices printing in Braille language and provides support to governmental entities with messages included in the consumption receipts regarding health, women and children rights, and disabled people, among others. In addition, the company has increased the quality control measures for the real and timely delivery of the electric electricity consumption receipts to clients.

Moreover, this year Enel Distribución Perú continued with the More Light for Sports initiative. The objective of this program is to create shared value through the energy supply in public spaces for multiple uses: artistic, cultural, sports, and recreational, among others. Since its beginnings, the program has benefitted more than 120,000 people from human settlements in districts located in the concession area through the lighting of 107 sports facilities.

In 11 years, the project has articulated sustainable management through the empowerment of the organizations based in the neighborhood, who are managers and responsible with local authorities and the company over

these facilities. The main accomplishments of 2016 were the following:

- > 5 new illuminated sports facilities in Puente Piedra, Comas, San Martín de Porres, Ventanilla and Los Olivos districts.
- > First facility lit by LED lights, enabling the efficient use of energy and reducing the impact of its consumption on the environment.

In addition, since 2013, Enel Distribución Perú has executed an educational program with the purpose of offering development opportunities to young people with limited resources in the northern area of Lima and Callao, students that seek professional and technical growth through the career of Industrial Electrical Technician at the Instituto Superior Tecnológico Pachacútec, located in the Ventanilla district. These students receive a 3-year education and graduate Industrial Electrical Technician professionals, a degree recognized by the Ministry of Education, thus enabling them to get a solid job with growth opportunities in the electricity industry as collaborators to the contractors of Enel Distribución Perú.

The main achievements of the program in 2016 were the following:

- > Job Placement of 94% of Industrial Electrical technician graduates.
- > 242 beneficiaries distributed throughout the six semesters of the career.



Management, Development and Motivation of People

[G4-DMA LA] Employees of Enel Américas are the leading players of the new Open Power philosophy. For this reason, they play a key role in its implementation, integrating the concept in all of their activities, with a new strategic scope for the power business in Latin America.

In order to support employees in these processes, the company's priority is to provide a good work environment and healthy working atmosphere, enabling them to reconcile and develop their family life, allowing them to keep a balance between their professional and personal lives. For that purpose the company counts with a range of benefits to employees and their families, such as health benefits, scholarships for children, sports, cultural events, recreational experiences, among others.

Our employees

[G4-10] As of December 2016, Enel Américas' employees totalled 10,301 people, 16% of which worked in the generation business and 82% in the distribution business.

Likewise, 80% of the company's employees are men and 20% are women. Regarding employee level of education, 37% are professional. In relation to the age range, approximately 60% of employees are between 30 and 50 years old, while 11% is younger than 30 years old.

[G4-LA12] The distribution of Enel Américas' employees as of December 31, 2016, including information related to the companies in Latin America and joint control companies is as follows:

Company	Managers and Senior Management	Professionals and Technicians	Employees and Others	Total
Enel Américas	9	48	5	62
Enel Brasil ⁽¹⁾	25	1,991	484	2,500
Edesur ⁽²⁾	31	3,199	1,163	4,393
Enel Generación Costanera	1	424	41	466
Mercosur	0	0	3	3
Enel Generación El Chocón	0	50	8	58
Transportadora de Energía	1	0	1	2
Enel Generación Perú ⁽³⁾	16	240	0	256
Enel Distribución Perú	27	647	0	674
Emgesa	6	532	13	551
Codensa	22	1,287	28	1,337
General Total	138	8,418	623	10,301

(1) Includes Ampla, Coelce, CIEN, CTM, TESA, Cachoeira Dourada, Fortaleza, and En-Brasil Comercio y Servicios.

(2) Includes: Cemsa and Dock Sud.

(3) Includes: Enel Generación Piura and Generalima.

Human Resources Management

The well-being of its employees is fundamental for Enel Américas. Thus, the company's efforts are driven to make the company the best place to work and to their professional development.

In 2016 the focus was on the organizational change based on the Open Power philosophy, which enforced changes to the mission, vision, and values of the company, along with their alignment in all areas of the company. In this process, the Human Resources area was key in the diffusion of the communication plan and the development of strategies that enable maintenance and improvement of the employees' quality of life in every country where the company operates.

Work Environment

Work environment management and commitment are fundamental pillars of the Enel Américas' strategy. Having a good work environment is a priority, because it's an intimate relationship with the people that constitute the human resources of the company. In this sense, during September and October an Environment and Security Survey was carried out. Its results enabled the development of an action plan to cover the revealed gaps.

Furthermore, during 2016 a series of initiatives were developed that sought to maintain and increase motivation, satisfaction and commitment of employees, leadership, communication, meritocracy and development, conciliation measures, and good labor practices.

Regarding leadership, Enel Américas has a program for managers called "Leaving Footprints", whose purpose is to promote and strengthen the important role of managers in the generation of an organizational environment that promotes the satisfaction and development of its employees.

With the purpose of establishing permanent contact with employees, Enel Américas has implemented a set of initiatives for communication, under the RHO Contigo brand. Throughout this year, a weekly radio show was put in place, a website, good practice manuals, and monthly newsletters to managers and employees, among other actions.

Additionally, the company has carried out initiatives of interaction with Human Resources, known as Interactúa. These are meetings that set the permanent presence of higher management, with the objective of attaining a higher knowledge of policies and the company's best practices for employees, along with sharing their needs for their job development on a day to day basis.

The company has also continued the Reconocernos Program, which seeks to maximize a recognition culture within the company, and to generate formal instances of recognition through ceremonies by management, as well as massive ceremonies by the company to acknowledge outstanding employees.

Conciliation measures and work flexibility

Regarding conciliation measures and good work practices, Enel Américas participated in the Best Companies for Working Parents ranking, made by "Ya" magazine of El Mercurio newspaper together with the Chile Unido Foundation. This important initiative recognizes the companies with the best policies in the conciliation of work and family life, and, at the same time, promotes the adoption of these practices among their employees. Its objective is to become aware of the policies and benefits that are being implemented for the Family-Work conciliation matter, but most importantly is the use and valuation that these programs received from employees. The employees that participate are mothers and fathers with children under 15 years old as well as pregnant women.

Another measure adopted by Enel Américas is the Teleworking Program, which has been consolidated as one of the most valued measures within the company.

Additionally, the following initiatives intended to strengthen the quality of life of employees were carried out during 2016:

- > Sport and Culture Program, based on sports activities in the company's facilities and external alliances, with workshops and the practice of different sports, such as soccer, baby soccer, basketball, and volleyball, among others; sports schools for the children of employees to practice tennis, soccer, and skating, among other sports.
- > Art workshops, exhibitions, walks, family tours, and other initiatives for the employees and their families.

- > Summer and winter camps, and Training Workshops, addressed to the employees' families during the summer, a special Christmas celebration for employees with children born until 2004; "Come to my birthday" initiative, celebration performed on a monthly basis for children up to 12 years old; Senses Workshop, also carried out on a monthly basis, which gathers parents with children up to 6 years old and based on storytelling techniques, promotes the interaction of parents and children, and also through handcrafting workshops. The Family Day is another experience for employees' children that allows them to get to know their parents' workplace.
- > End of the year parties, is a corporate event for all of the company's employees, which includes dinner, dance, contests and a show.
- > The olympics, a biannual sports and playful competitions program in which the group's employees participate. It ends with a family day on Saturday.
- > Labor Trajectory Award, a yearly corporate celebration, where employees that have worked for over twenty years at the company are recognized.

Performance Assessment

At Enel Américas performance management is very important as a development tool and employee promotion. To this effect, a new behavioral assessment model, PA (Performance Appraisal), and goal fulfillment was implemented. These assessments are a key tool for people's development, and also represent an input for development training activities, prompting the employees growth through training courses, workshops, and talks, among other activities.

[G4-LA11]

Performance assessment percentage of Enel Américas

Enel Américas	88%
Argentina	87%
Brazil	92%
Colombia	85%
Peru	96%



Professional Development

[G4-DMA LA] The professional development and improvement of employees represents a deep concern for Enel Américas. Hence, the company performs actions to update and encourage training permanently, as well as to contribute through these new skills to the strategic management plan and the growth of the company and their subsidiaries.

[G4-LA9] In 2016, training programs for employees amounted to a total of 278,827 chronological hours.

	Argentina	Brazil	Colombia	Peru
Training hours	60,290	81,218	105,135	32,184

[G4-LA10] Enel Américas built and executed its training programs on the basis of two main management principles: obtain the fair balance between training activities, while focusing on the skills development and key technical knowledge for getting the best performance of employees in their job positions, as well as the conduct skills training that eases to raise their chances of professional development within the Group.

The second principle was to finance the training program on a need based detection method that allows the identification, in

a joint effort between the collaborator and his/ her manager, of technical and behavioral gaps to address, both in regards to the individual productivity in the workplace and also to gain access to possible growth opportunities in the future. The need detection system is denominated IDP (Itinerary of Professional Development), and its implementation period is two years.

With regards to technical training, which is the main focal point in relation to training, knowledge management activities have been highlighted during the year, allowing their transfer as well as experiences of employees with greater expertise in specific topics towards those that are going through a development process. This reinforces our commitment with the development and promotion of knowledge within the company.

Regarding the development of new behavioral and management skills, several programs were implemented during 2016. In this context, the activities related to the development of leadership skills stands out, with the managers program being particularly relevant. The program seeks to identify the leadership gaps in every manager and to carry out a specific training plan for their individual needs.

With regards to the programs that relate to meritocracy and development, there is a professional development management in place, through which actions of merit promotion and through job opportunities both local and abroad, where the Group is present. In 2016 we highlight the IID (Itinerary of Individual Development), a development needs detection

Internships and young talent attraction program

The main objective for Enel Americas is to recruit the best people for the available positions, being the main principle to privilege, at first instance, internal candidates.

Along this line, a remarkable project in terms of generation of new sources for recruitment, is the incorporation, as practitioners and thesis students, of those future young professionals belonging to the best universities in the countries where Enel Américas operates, to whom the opportunity to consolidate the gradual learning of the complexity and style of Enel are offered. With this, two important objectives are achieved: availability of recruitment sources and relatively fast access to them, due to the possibility of having references and direct evaluations of outstanding students, who may fit with the technical skills but also with the values of the company. Additionally, establishing a permanent presence in the main universities in Latin America. This internship program is carried out permanently during the year, being summer the highest season for interns.

system through which the employees of the company define, together with their managers, their current and future development and growth needs, which are known by the training unit for the definition of the annual training program.

Another interesting initiative is the One-on-one interview, which consists on personalized interviews that allows an increase in motivation and shows the different styles of people's work, strengthening their degree of commitment and level of productivity. In addition, in these interviews the different values and specific needs of each person in order to satisfy different professional development models existing in the company are identified.

Argentina

[G4-LA10]

During 2016, technical training along with prevention and safety at work were priorities, where the following training activities are highlighted:

- > In the technical area, the Training Program of New Technical Income was carried out, where assessments for category changes were made, and in relation to prevention, the focus was the risk awareness and prevention, and validation of safety skills.
- > Training young professionals, who received a dynamic Induction Program of more than 4,000 training hours in soft-skills and specific technical knowledge of the electricity market.
- > Among soft-skills, we highlight the Manager Development Program from Universidad Austral's IAE Business School. The program included the development of Leadership Skills, Interpersonal Relationships, Change Management, Decision Making, and Negotiation, amounting to more than 1,800 training hours
- > Launch of the Recognition and Training Program for the Experts Team, with the purpose of consolidating a group that manages the company's key knowledge, homogenizing a common educational model that privileges learning through experience.
- > Joint work with the Sustainability Management team in the design and development of the Electricity Training in Performing Arts Workshop for the Culture Center of Villa

21/24, with the purpose of strengthening the commitment with the community and positively impacting the society through work training.

- > The highlights in technical and work safety training are: BT/MT maintenance and operation; installation of power generators; work at height in ladders and rescue at the MT/BT network; first aid and cardiopulmonary resuscitation (RCP); electric risk and personal protection; cell operations; junctions, faults detection, certa system. In addition, other training programs performed were safe operation of Hydrocrane, tower crane, Autoelevators and Cranemobile Crane to update the qualifications of the existing machine operators and include new workers to that function, Motogenerators and Thermal Operators.
- > In relation to language training, during 2016 english lessons continued and italian lessons were included.

"Ser-Sustainability in Network" Program in Brazil ("Ser-Sustentabilidad en Red")

Launched in 2015 with the objective of creating and promoting the sustainability culture across the value chain, the program promotes actions addressed to the transformation of spaces, processes and people in the company. In 2016, topics such as human rights, conscious voting, financial control and care for the environment, 38 activities were addresses during four months, with the participation of 1,775 people.

Colombia

The training and development plan for 2016 contained activities oriented to strengthen technical skills, soft-skills, occupational health prevention and work safety, languages, special projects, management systems, organizational culture and innovation as a competitiveness factor, knowledge of the business, among others. The investment in training amounted to 505 million pesos. During 2016, 10 employees were at the profesionalization program, through which they obtained a professional degree in Industrial Engineering thus benefiting the employee and the company.

Launching of Getabstract

With the identification of the company leaders' need of being updated in business topics, leadership and team management, and being aware of their time limitations, in October 2016 the GetAbstract tool was launched, through which the leaders may find summaries of up to five pages of the best business, leadership and current topics. With this platform the Company seeks to provide virtual tools to promote learning. In Emgesa, 85 employees had access to this platform, 75 of which are leaders of the Company and 10 are employees that belong to the knowledge community.

Diversity and inclusion

[G4-DMA LA] Enel Américas believes that respect and the promotion of principles of non-discrimination, equality of opportunities and inclusion are fundamental values for the performance of its activities. The objective of the company is to improve the work environment, while achieving a better quality of life and better results related with this positive environment.

Having diverse working teams and to promote an inclusive work environment is essential for Enel Américas, which is translated in the constant search of new ways to enable sensibilization and ease the development of a diverse work force and for work environment where individual differences are respected and valued.

In this context, Enel Américas has developed a new Diversity Policy as part of its strategy, addressing practices related to gender, age, nationality and disability. This policy promotes the non-discrimination principles, equality of opportunities, inclusion and balance between personal and work lives, being fundamental values in the activities of the companies part of the Group.

The Diversity Policy has defined three general principles:

1. Reject all forms of arbitrary discrimination, ensuring and promoting diversity, inclusion and equality of opportunities.
2. Promote and maintain a climate of respect for the dignity, honor and identity of the individual.
3. Ensure the highest standards of confidentiality with regards to any information on the private life of employees the company may have access to.

Moreover, along this same line a Diagnosis of the Gender Cultural Dynamics was carried out, with the purpose of performing a participative diagnosis focused on the understanding of beliefs, meanings and values that support relationships and the organizational culture of the Group in those topics related to Diversity. The company enforced women inclusion in the organization, thus identifying the main facilitators and barriers towards gender diversity in our organizational culture.

Enel Américas also has an Entry Program, which looks for the incorporation of intern students from technical and professional careers, who are physically disabled, for whose purpose working alliances with different institutions were made.

Main initiatives

Gender	Age	Nationality	Disability
It seeks to achieve balance in the evaluated population in the initial phase of the recruitment and staff selection processes, and to generate relations with the Universities and Professional Institutes to promote the participation and inclusion of female students, especially in technical areas. Additionally a Parental Program was carried out to increase the value of maternity and to balance parents' needs and the need of personal growth.	A mentoring program was developed to support employees during certain important transition periods (for example: recruitment of new employees, employees close to retirement, Young Generation of Millennials and Zeta Generation).	Mentors are assigned to expatriates for assistance and support during the expatriation period in order to recognize, respect and manage the differences between people of different nationalities and promote their integration.	A <i>focal point</i> is identified to support the needs and aspirations of handicapped people. An Entry Plan is established considering a series of actions to sensitize transversally within the organization those topics related to work inclusion, looking forward is pursuit of generating a long-term cultural change in the company.

Likewise, aligned with the promotion of diversity at all levels and to contribute to the generation of development alternatives, the growing participation of women in internal job competitions stands out, thus promoting gradually the empowerment and leadership of women.

Gender Equality Good Practices in Colombia

During 2016, Enel Américas participated in the III Global Forum "Companies for Gender Equality: promotion of development objectives," organized by the Panama Government and the United Nations Development Programme (UNDP) in Panama. This was an opportunity to share the experiences and lessons learned in the process of implementing the equality labor policies.

The forum gathered leaders and specialists from the corporate sector, the Government, academy and unions, looking forward to promote the exchange of experiences with innovative practices for the reduction of gender gaps.

The Company was highlighted for its role in the gender equality area, while incorporating the concept of sustainability as a balance between social, economic and environmental issues, both for internal and external audiences. The companies of Enel Colombia have been working for four years in the implementation of strategies to promote good practices in relation to gender equality, which is seen as equality of opportunities both for men and women. Currently, 29% of the company's employees in the region are women, and 25% of management positions are held by women.

"Our companies are open to a new value proposition: we want to be experts in human resources management, with a deep knowledge of the business and with the ability to connect people with the challenges of the Organization in an innovative, reliable and timely manner," said Lucio Rubio Díaz, General Director of Enel Colombia.

Finally, and within the scope of continuous improvement, this year Enel Américas carried out the monitoring of the company's new employees through a personalized interview at six months working for the company.

Recognitions in Brazil and Colombia

In Brazil, project development began the end of 2014, integrating disabled people, with a different model from other activities in the market, representing an alternative to comply with the prevailing Quota Laws. The project's outreach consisted on recruiting the employee-students who will receive a 12 months qualification with four hours of paid training, and after 6 months of training, they begin to be inserted in the work place. The goal is to develop technical and personal abilities for the labor market with an innovative model already approved by the Ministry of Labor. In 2016, the program was awarded with the award "Global Recognition of best practices for disabled employees," which was acknowledged in the United Nations (UN) during the 10th anniversary of the approval of the Convention on the rights of disabled people in New York. Enel Brasil was one of the four companies awarded in the category Recruitment and Selection. The Program also won the "Human Being Award" granted by Human Resources Brazilian Association (ABRH-RJ).

Furthermore, in 2016 Codensa in Colombia once again ranked among the ten most gender equitable companies in Colombia, recognition granted by CESA University and Aequales. Aequales is an organization that promotes labor empowerment of women through a specialized consulting on processes, culture, and organizational policies with a gender focus, while working to reduce gender gaps and thus create benefits for the companies.

Labor and Union Relations

Enel Américas and its companies consider maintaining good relationships with unions a priority. For this purpose, the companies seek to maintain constant communication, which enables sustainable relationships based on trust.

In 2016 the company continued with the ongoing meetings programmed with organization Unions, enabling the consolidation of an open dialogue with the employees' representatives, for the sake of improving labor conditions and the employees' work environment.

Sintraelecol Collective Bargaining – EEC (Colombia)

On September 24, 2016 the collective bargaining of Sintrealecol was signed. This was carried out after the agreement reached by the parties and the approval made by the EEC employee meeting, affiliates to Sintraelecol.

The negotiation signed comprised 72 points of agreement, 22 of which are new benefits for EEC employees, which are extended to the Collective Labor Convention of Codensa.

Among the main benefits agreed are the following:

- > Application of the salary scale of Codensa to unionized employees.
- > Application of wage increases to Codensa, higher than CPI.
- > Variable wages associated to objectives.
- > Housing loans for every employee.
- > Car loans.
- > Loans for free investment.
- > Savings incentives.

Moreover, the final result of this process was to become an example of success in the construction of the best labor relations in the company.

Innovation and Operational Efficiency

Enel Américas's priority is to guarantee the access to electricity supply, as well as the continuity, safety, efficiency and quality of electricity, therefore the development of the

required infrastructure is highly important, specially in those areas where its more difficult to access.

Operational Efficiency

Efficiency of generation power plants

Argentina

In Argentina, the project to expand the Costanera Power Plant was launched, which comprises the installation of new combined cycle equipment using natural gas as the

main fuel, and will replace part of the existing equipment using steam generation, with the purpose of meeting the growing electric energy demand in the City of Buenos Aires and Greate Buenos Aires region.

Enel Generación Costanera

During this year thermal dispatch maintained high use of liquid fuels and was strategic to sustain the demand. Worth is to mention that during 2016 finished all the Renovation works in the units included in the TV Project.

Regarding Combined Cycles, it is worth noting that the Mitsubishi Combined Cycle had to absorb, due to the location of the cooling water intake over Río de la Plata stream, a high amount of "camalotes" (aquatic plant) that arrived to the port of Buenos Aires, generating higher unavailability than expected as well as an emergency maintenance.

In order to support the generation during winter time, Costanera postponed the major maintenance of the Combined Steam Cycle Unit generator, which finally interrupted operations in October. As a consequence of the delay of this maintenance, planned for 80 days, and the unavailability of this Generation Unit in critical days of December, in an unprecedented job, where all the modifications needed were made in order to operate the two Gas Turbines of the Open Cycle.

The market administrators have recognized the efforts undertaken and the contribution of these machines in days of high demand to the 132 KV systems.

With regards to the Siemens Combined Cycle (CCI), due to various delays caused by the needs of the system and deferrals in import authorizations afterwards, it wasn't possible to perform the tasks denominated LTE (Life Extension) during the year, and were scheduled for after the winter of 2017.

Enel Generación El Chocón

The hydrological year, starting on April 1, was an extra dry year, in accordance with the accumulated leaks in the Limay and Collón Cura Rivers. The accrued leaks as of December 31, 2016 were 8,225,7 Hm3. Regarding the operational aspect, the accrued availability in 2016 of the El Chocón-Arroyito complex was 93.56%, and the scheduled maintenance for both power plants was completed; the major maintenance after 20,000 hours of service, of units G2CH y G3CH; major maintenance of the main switch and the change of speed and charge controllers, and the change of oil to biodegradable oil in the emergency gates of units G1Ch, G2Ch, G3Ch and G6Ch. Also, a change of valves was made in the transformer Y108T (ARR3) of the Arroyito power plant.

Dock Sud Power Plant

With regard to the operational aspects and the maintenance of the combined cycle power plant, on November 23, 2016, CDS signed the contract with GE Global Parts & Products for the parts and service supply related to the major maintenance to be held on 2018.

Colombia

During 2016 the company carried out a strategic analysis for the expansion of the portfolio of existing projects, taking into account the objectives of the company related to the implementation of activities with low environmental impact and high acceptance by the communities of the areas of influence. Preliminary studies were performed for El Paso and Campo Hermoso hydroelectric projects.

El Quimbo Project

El Quimbo project is located south of Huila department, southeast of Bogotá, and its fed by the river flows of Magdalena and Suaza Rivers. The project considers the use of installed capacity of 400 MW, with an average estimated generation of 2,216 GWh/year.

Considering the emergency situation the country due to the El Niño phenomenon, on October 6, 2015 the Ministry of Mines and Energy enacted the Decree with force of law N°1,979 in 2015, with which Emgesa is authorized to start the energy generation since October 7, 2015. On October 11, 2015 was carried out the first synchronization of Unit 1 to the national transmission system in Colombia.

In 2016, the main advances of the project were the following:

- > In June 2016, warranty maintenances of the first 3,000 hours of service were carried out in Units 1 and 2.
- > Works were move forward to recover the oxygen levels in the turbined water, the warranty maintenances of 4,000 hours in the two units, among other works. Likewise, important civil works were performed in the dam.
- > Guaranteed maintenances of the turbine and generator for the two units and the auxiliary equipment anticipated.

Peru

An important milestone in 2016 is the implementation of the P-WAY System in Thermal Power Plants. Peru is the first country in Enel Latinoamérica to have fully operational the PWAY system in the power plants. This project is managed by

Enel for all of its power plants worldwide. P-Way is an operational system that, through a smartphone or tablet enables operators to record the field information and perform the questions online, while using technology to optimize the inspection processes.

Huampani Hydroelectric Power Plant Expansion Project

Huampani is a hydro power plant located in Luriganchos Chosica, Lima district, Peru.

The Huampani Hydro Energy Recovery Project ("HER") consists on the expansion of the installed capacity of the power plant (currently 31 MW) through the installation of two new turbines of 0.35 MW each, with its own generator and auxiliary equipment, located inside the existing discharge chute of Huampani HPP (hydroelectric power plant). It will be connected to the Huampani substation through a 10kV line of 140 meters in length.

The Environmental Authorization for the project was granted in August 2016 and the Pre-Operational Study ("EPO") was approved by COES (Economic Operation Committee of the National Interconnected System) in September 2016.

According to the Water to Wire Contract (consisting on a contract modality where in a comprehensive generation contract the contractor is responsible of the full scope of the project, from the water collection to the connection to the system), the notification to proceed was granted to a consortium comprised by Kössler GmbH & Co. KG and GCZ Ingenieros S.A.C., in September 2016. The relationship between our subsidiary, Enel Generación Perú, and the consortium was formalized in November 2016. Currently, the consortium is developing the details of the civil works and the design of the electromecanic equipment, it's expected to be completed in April 2017.

Construction is expected to begin in June 2017, and will therefore reach its full capacity by the end of 2017. This project is mainly financed with funds generated internally.

In addition to the latter, the following maintenance investments were carried out in 2016:

Enel Generación Perú	1. Repair of the civil hydraulic infrastructure During the year different repairs were carried out in the channels and tunnels for the interconnection of lagoons and dams of the hydraulic system, such as Antashupa, Marcapomacocha and Huampaní channels. In December works were carried out in the Huampaní Channel with the construction of new retaining walls and the roof of the channel.
	2. Activity of the units maintenance Change of Francis turbines In 2016 there were changes in Francis Turbines that allowed the increase of effective capacity of Chimay (+2.5MW), Huampaní (+0.7MW) and Yanango (+0.5MW), thus generating higher economic revenues.
	"LED" Lighting in Huinco In 2016, "LED" lighting was installed at Huinco Power Plant, thus providing an important benefit in terms of light intensity and lower electricity consumption estimated in 1 GWh per year.
	• Replacement of Electromechanic Systems The plan to replace electromechanic systems of velocity and tension of generators and turbines was put in action, utilizing new digital technology regulators (Reivax from Brazil) and new hydropneumatic systems
	• Implementation of P-WAY System in Thermal Plants • Actions for dealing with El Niño and La Niña phenomenoms A series of preventive actions to reduce and control risks from these phenomenoms in Enel's installations and surrounding areas.
Enel Generación Piura	New TG-6 Unit Malacas. In June 2016 the assembly maneuvers of the main components for the new TG-6 unit began over its platform at its final location. The "first-fire" was performed in December, with which it's expected to meet the dates agreed for commercial operation of the unit.
	Replacement of the fixed blades first stage of TG4 turbine of the Malacas thermal power plant From May 1 to 8, 5 fixed blades presenting premature deterioration in Unit TG4 were replaced..
	Duality TG5 Malacas Thermal Power Plant Project TG5 is a cold reserve unit that operates with biodiesel B5 and also allows for operation with natural gas in unit TG4. The project includes the provision of the gas compressor and its respective station, as well as the costs related to engineering. The project is expected to be finalized by the end of March 2017.

Efficiency in energy distribution and the continuity of energy supply

[G4-DMA EC]

Argentina

In 2016, Edesur made investments with the objective of meeting the growth of demand and of improving the quality of service. These investments allowed for several achievements: expansion of the substations, increase their installed capacity, expansion and renovations of medium and low tension networks.

also for Codensa and Emgesa, enabling a comprehensive development of the region while providing an integrated and unified energy distribution infrastructure. In the operational matter, this transaction will achieve important synergies and greater economies of scale, thus improving the current operation with higher reliability and better quality of service, as well as a more coordinated and organized expansion of the distribution networks in the region.

Colombia

During the period covered by this report, Codensa S.A. ESP absorbed the *Empresa de Energía de Cundinamarca* by merger through a city-region integration project, which provided important benefits for our customers and

With regards to Energy Losses Control in Colombia, 2016 was focused on preventing the increase of energy losses from 2015, which were consequence of the deteriorated economic situation that triggered higher thefts of energy.

This plan resulted in a 3,3% decrease of energy losses, equivalent to a reduction of 36 GWh in the year, so the energy losses index in December 2016 reached 7,06%.

Peru

The main investments performed by Enel Distribución Perú in 2016 were:

- > Capacity expansion for the transformation substations (SET) and transmission lines, including works for the new Malvinas, Filadelfia and Comas substations.



- > Expansion and reinforcement of medium and low voltage networks.
- > Capacity expansion of medium and low voltage feeders.
- > Service/ electrification of new projects for the expansion of networks in human settlements.
- > Improve the safety of the company's facilities.
- > Infrastructure improvement for public lighting.
- > Investments destined for loss reduction.

During the second semester of 2016, the Malvinas 220/60 kV substation started operations, isolated in gas SF6 or GIS (Gas Isolated Substation), being the first of its kind installed by Enel Distribución Perú. This technology enabled to compact the solution of the substation up to 20% in area compared to the conventional solution (80% of space reduction).

Among the main technologies implemented during 2016 for energy theft detection, we highlight the following:

- > Telemetry for large client segment. This project is focused on the installation of smart meters with telemetry systems in distribution substations.
- > Smart totalizers in distribution substations (SED).
- > Public lighting: Quality of illumination.
- > Under an agreement with the Municipality of La Punta, the change of sodium steam conventional lighting for LED lights was carried out.

Innovation

G4-DMA EC]

Innovation in generation power plants

Gxcellence Award Program

The aspiration for excellence has always been at the core of Enel Global's development strategy. Along this line, and with an Open Power spirit, the "Gxcellence" program was created to invite all the Generation colleagues to contribute to innovate and improve their work.

This initiative seeks to integrate all programs that value creativity and operational experience of Enel colleagues worldwide: 'BYEM' in Iberia, 'LEAN' in Rusia, 'INSPIRE' in Brazil, 'IDEO and Lean Six Sigma' in Colombia and the ideas crowdsourcing portal 'Eidos – Do you have an idea?', active globally.

Precisely with this vision of integration, Gxcellence is structured in two levels: local and global. Thus, it will be possible to globally share the best practices adapted by colleagues in each country, making processes more efficient and innovative.

According to the program guidelines, the contributions in areas such as 'Exploitation and Maintenance', 'Safety and Environment', 'New Business Models' and 'New Technologies', will be collected and rewarded in each country. Winners of Thermal Generation in each country will also participate in the selection for the assignment, at a Global level, of the awards for best ideas and proposals in each category of the contest.

Innovation in distribution

Brazil

The Research and Development Program developed by Enel in Brazil had to face important challenges this year thanks to the main projects in portfolio, Smart City Buzios and Smart Microgrid. Both of them counted with the participation of national and international associations.

The Group's proposal is to position itself as an open company in order to speed up the arrival of the future. Focusing on the entrepreneur community's approach, the intention is to create an interaction in order to develop new ways of generating and distributing energy. Programs such as Inspire, that consist of a platform of innovative proposals and solutions, strengthen the company's innovation culture, and offers employees possibilities of career development. In 2016, 256 people participated, 66 of which were acknowledged and 16 were award-winning projects. Among the awarded projects, we highlight the project for network control of automation equipment, external seal of transformers; GPS for orders through google maps, among others.

Moreover, 2016 was characterized as a year of great work with the closing of the R&D projects together with ANEEL (regulator). Since its beginnings in 2012, 76 projects were completed (REN 316).

Colombia

2016 was a year marked by many changes in the company. As such, the Innovation and Development Section within the Market Management Division was created, which integrates the two areas, with the purpose of complementing them and promote the creation of products and services for quicker implementations and to optimize the Go to Market timings of those products.

Under this context, the launch of innovation activities was carried out, with a space created to promote and foster the culture of innovation and creativity in daily job activities of every employee in the division. The objective was to promote this value to employees on a daily basis, through the development of innovative tasks to encourage employees to be innovative and to apply the Open Power value in every process they make.

Also, innovative projects were disclosed by some employees of the management division, such as the so called "Betania Tributaries," which consisted on the development of a short-term hydrologic forecast system in real time for the Betania dam. Another idea was submitted for the creation of a financial coverage product developed by one of the company's employee, whose objective is to seize the opportunities that the energy derivatives market offers, in the platform for derivatives "Derivex".

Over the years, the innovation campaign has continued to consolidate. With the Open Power philosophy, a new innovation campaign was created, known as Innovate by Nature, which gathers the main characteristics of Open Power, and whose main concept is intrapreneurship.

The Hackathon Reto E Codensa challenge was also performed, consisting on the development of a hardware or software to add energy efficiency for small and medium size companies (PyMES). More than 70 teams participated, 15 of which continued to compete and finally only 4 became the proposals presented to the innovation committee. The winner of this first virtual Hackathon of the Colombian electricity sector was chosen by the committee, it was the Colombian Innovation team with its AMY proposal of smart lighting. It was the first virtual hackathon of the electric sector in Colombia.

Codensa participated again the Ámbar Convening for Research and Development, performed by ASOCODIS with the support of COLCIENCIAS. In this convening, the Company demonstrated its capacity of innovation and development, obtaining the second place at the Ámbar awards, carried out at the XIII Session of Electrical Energy Distribution. This award was achieved with the Plug and Play project, a new macro-meter installation method.

Efficient grids and distributed generation

Today's society evolves towards a smart and digital distribution grid known as Smart Grids, capable of answering the demands for low-carbon and efficient electricity system, which contains smart meters, grid automation and is able to support the infrastructure needed for the electric vehicle and the distributed generation.

Brazil

In the case of Brazil, in 2016 the Quality Plan for Enel Distribución Río was implemented, which aims to raise the levels of performance and quality. Also important investments were carried out in order to deploy technology in the grid, inserting telecontrol equipment, which enables quicker responses, thus serving a larger number of distribution customers in Brazil.

Telecontrol

The telecontrol model was successfully implemented in the distribution business of Enel Group in Italy and Romania, and has arrived in Brazil within the framework of the project of telecontrol and automation of the medium voltage network using remote control equipment and a monitoring management system for the grid. This allows the distribution company to identify and isolate more quickly and remotely the faults in the network. In the case of the energy service interruption, it's possible to minimize the impacts, while reducing the number of clients affected through larger network selectivity. In its concession area, Enel Distribución Río put more than 1,000 facilities into operation in 2016, which added to the nearly 1,700 already existing installations integrated to the local network since the beginning of the project (second semester of 2014).

Micro grids

The Microgrids project performed in Ceará, finished its main negotiations in 2016, being among them those related to the purchase of materials, imports, contracting of services and development solutions in addition to the commercial agreements with the clients of the project. At the same time, all the projects have been prepared and presented in several workshops with the internal areas of Enel Distribución Ceará and partners, in order to make further improvements and consolidate the project. Currently, the project is in the process of installation and integration of equipment and field solutions.

Colombia

In 2016 Codensa accomplished the installation of more than 40,000 meters in the framework of phase 1 of the Smart Measure project of Codensa in Colombia. The project carried out the planning and installation of the smart measure

system and in 2017 will continue with the operation and technical and economic evaluation of this phase as a strategy for the presentation of benefits and characteristics of the system to the regulator, the company and the clients.

Peru

Enel Distribución Perú is in the process of implementing projects and pilots related to smart grids, such as the telecontrol of medium voltage network, public lighting with LED lamps with tele command, and smart metering. These advances represent the basis for the implementation of a future smart city for the efficient use of electric energy, lower energy losses of the network and improved quality of service.

Telecontrol

By the end of 2016 the renovation works of the control center were completed, in order to have the most modern technology in a much larger space and with a new giant screen Videowall, which displays all of the information regarding measuring systems, video surveillance of transmission substations, switches of Medium and Low Voltage (BT), and soon the deployment of the emergency response line in BT, using the Google Earth tool.

The implementation of the medium voltage network telecontrol system continued. In 2016, 171 equipments were installed, consisting of cells, air isolators, and reclosers.

Concentrated Measurement

The concentrated measurement is a solution that replaces the traditional measurement banks, and contributes to constructors with important space savings because it occupies an area of one third less of the normally required area. Concentrated measurement combines multiple components and technologies: structural design, smart electronic measurement, components communication through the same electric wire (PLC protocol), transfer of information through mobile networks to the control center and the use of tele command platform.

Since the concentrated measurement was born, more than nine years ago, Enel Distribución Perú has delivered more than 42 thousand electric energy supply through this system, while reducing up to 80% of the space that

meters occupy in buildings using smart technology. Enabling the remote monitoring of equipment, made Enel Distribución Perú earn the Entrepreneurial Creativity 2016 award in the Real Estate, Construction and Equipment category. The Entrepreneurial Creativity award was organized by Universidad Peruana de Ciencias Aplicadas – UPC, and has recognized the most remarkable innovations of private companies and public institutions of the country for 21 years.

Smart City

Smart City Búzios

In 2016 the Smart City Buzios Program was completed, with the implementation, investigation, and technical reports of every technology applied. This project lasted five years, and presents an important legacy of technology development, where the improvement of the society's quality of life was its main goal. Smart metering, automation of the network, introduction of electric vehicles in the city, distributed generation in municipal schools, and LED public lighting, are among the technologies that have contributed to the development of Smart City Buzios.

With this project, the city of Buzios obtained 3 electric vehicles with 2 charging stations, 1 electric bank, 400 internet connection points for remote reading, 84 km. of optical fiber, 1 station of Ecoenel, and 9 solar plants, among other actions and technologies that may be used and enjoyed by the inhabitants of the city.

Smart City Bogotá

During 2016, Codensa launched the Smart City project in the urban area of Bogotá. The implementation of this project is until 2019 and comprises the integration of technologies in this area, including the installation of 5,000 smart meters, 1,000 Smart Info kit, 100 LED lights remotely managed, and Smart Eye modules, 8 automated circuits, 10 electric charging stations, 20 electric vehicles, 2 buildings equipped with electricity management systems, and a control center that manages the consumption and network status, in order to provide more and better information to allowing customers to make better decisions regarding their energy consumption.

Electric Mobility

[G4-EN6]

Colombia

During the first semester of 2016, Enel Colombia obtained recognition for its Recharge Automation System for electric vehicles– EVA – in the third version of the Accenture Award for Innovation. The award was a recognition for the creation and development of the first application in Latin America that enables to manage reserves at charging points for electric vehicles, to have information of the stations, to become aware of the scheduled maintenances, the statistics on recharge use of the last invoiced period, to communicate with Codensa and project routes in the city map.

On the other hand, in 2016 the program of electric bicycles loans continued, which allowed emissions savings of 18,5 Tons of CO₂ in 91,000 km. driven.

The Electric Taxis Pilot reached 40 months in operation, accumulating more than 7.4 million km. driven, more than 2.2 GWh distributed, 5 fast recharge stations installed in public spaces, the consolidation of the automation system for EVA recharges with more than 37,000 reserves performed, 55,000 reserved hours and 28,000 hours of real recharges used.

Codensa also achieved the consolidation of operations of Electric Taxi Pilot in Bogotá, where the company participates as supplier of energy services, and achieved 2 years of successful operations. The operational results were relevant: 41 electric vehicles operating, reaching more than 4.5 million km. driven, with more than 1.5 MWh of energy distributed by Codensa, and environmental savings of more than 1,150 tons of CO₂.

Energy Efficiency

For Enel Américas there is important energy efficiency potential in the generation sector. Also, taking into account all the fossil fuels, there is a great technical potential for energy savings. From the distribution business perspective this is even more explicit, with the incorporation of technology that enables the aforementioned development.

In this sense, the energy efficiency projects developed by Enel Américas in 2016 actions for technology changes (refrigerators, freezers, lamps), electric wiring and education to accomplish a better use of energy, with significant impact in consumption and the improvement of energy efficiency in homes.

Brazil

In 2016, 13,997 individuals were benefitted by change of equipments initiatives. Also, 108,373 consumers were benefitted by the education projects for conscious consumption (41,075 in conferences and workshops, 30,997 for the Community Agents and 36,301 for the Coelce in the Neighborhoods program). The projects are supported by itinerant trucks (Ampla On Wheels, Efficient Roads and Coelce Ship), equipped with a explanatory model of the generation process, transmission and energy distribution, consumption simulators and interactive totems with fun activities for all ages. The displacement aspect of the project ensures the access to information for student residents and students coming from places far from metropolitan areas.

The energy efficiency program of Enel Brasil in 2016 centered its initiatives in the regions with greater incidence in commercial losses (electricity thefts), stimulating initiatives of responsible consumption of energy in the population, specially for low income consumers. During the year, there was a 5.3% reduction of the investments for the program, as a consequence of the complex scenario of the Brazilian energy sector. The resources invested by distribution companies are regulated and are equivalent to 0.5% of the net operational income of the companies.

Among the initiatives carried out in the context of the promotion of Energy Efficiency, there are: "Enel Shares

Efficiency,” “Enel Shares Conscious Consumption” and “Solidarity Light.” These initiatives promote the education for conscious consumption, addressed to consumers living in vulnerable sectors, and considers the change of equipment for cheaper ones, carry out conferences and workshops on conscious consumption, the environment, rights and duties of consumers, budget of homes and change of incandescent lamps for fluorescent lamps.

In this context, the energy efficiency projects also include the development of new technologies as well as the improvement of electric facilities in homes, in the consumption for-profit and non-profit units. In 2016, nearly 205,000 people have benefitted from Enel Distribución Rio and Ceará.

Colombia

During 2016 the activities related to the following topics were advanced:

- > ESCO (Energy Services Companies): This model offers the implementation of energy efficient solutions in every project, enabling the access to financing for its execution, because the project is financed with the savings generated.
- > STORAGE: Different suppliers were evaluated to supply batteries of energy storage in Colombia. Finally, an

alliance was signed with the distributor EATON-Nissan to supply certified batteries in Colombia. The first order for the purchase of batteries was carried out as a pilot test.

During 2016 Codensa launched the following products that contributed to improve the quality of life of our customers, LED lighting, The Specialist (repair and maintenance of household appliances), selling of smartphones, PasalaPagina (virtual magazine rack), Vital Energy, SmartWindow and selling of Xbox.

LED lights generate 80% to 90% of energy savings compared to the traditional ones, they have a longer life span, their duration is up to 25,000 hours and doesn't contain chemicals that harm the environment. Halogen bulbs contain mercury that mostly affect water sources.

Peru

In generation, the installation of LED lighting was carried out at Huinco power plant, with an important benefit in terms of light intensity (light intensity) and lower electricity consumption estimated in 1 GWh per year.

In Enel Distribución, the first public lighting was implemented with LED lights in La Punta district, thus starting a new public lighting project using LED lights.



Clients Relationship Management

[G4-DMA PR] For Enel Américas, client satisfaction in terms of the supply quality and customer support has always been a priority in every country where it operates, either as a distributor and/or electricity supplier.

The company continues to work under this guideline, daily guaranteeing the supply of electricity in a safe and trustable way for their millions of clients in Latin America, taking a range of actions that supports the achievement of the highest quality standards in its companies while at the same time maintaining an effective and transparent relationship.

As a milestone for Enel Américas, towards the end of 2016 the companies in Latin American countries in which the Enel Group operates began to transition to a new name, which implied a rebranding process in each company. An identity change of name, and in consequence logos and colors, whose objective is the integration of the Enel brand in order to have a unified response, as a big family, and the global challenges aligned with the Open Power philosophy.

Client Satisfaction

In order to monitor client satisfaction, there are annual satisfaction surveys, whose results allow the determination of lines of action to continually improve. As a result, some Enel Américas companies received recognition for their good client management during 2016.

Brazil

The main survey used to evaluate customer satisfaction is the Abradee residential customer satisfaction survey. The on-site survey work is conducted in February and March, and the study is coordinated by the Brazilian Association of Electricity Distribution Companies (Abradee, in its Portuguese acronym). The results of this research are used by the Abradee Award, in which Coelce was chosen the best distribution company of the Northeast region of Brazil for the sixth time in 2016. In the 18th edition of the Abradee Award, the company also received the first place for "Social Responsibility".

[G4-PR5] Satisfaction Index

Brazil

Massive Market: **8.9**

Big Clients: **7.7**

Energy Generation Distributed: **8.7**

Colombia

Residential: **76.4%**

Companies: **78.6%**

Argentina

This type of measurement was not conducted.

Peru

This type of measurement was not conducted.

Peru

As a result of the good customer satisfaction results, Enel Distribución Perú was distinguished in 2016 as the best company in terms of electric service quality for the third consecutive year, according to the Supervisory Agency on Investment in Energy and Mines of Peru (Osinergmin).

Excellence in street lighting management

Thanks to an excellent street lighting project, Enel Distribución Perú was able to maintain the lowest value in the control of extinguished lamps failures, corresponding to the first semester of 2016, and carried out by Osinergmin.

Colombia

In 2016, and within the framework of the XVIII Congress Andesco of Public Services, TIC and TV, Condesa received the Andesa award for Corporate Social Responsibility as the Best Corporate Government Environment for public service and communication companies for their initiative and management of the Customer Ombudsman's office.

Condesa was the first public service company in Colombia to have voluntarily created the Customer Defense figure, having used it for the last 15 years as a tool for helping the balance between the Company and its clients.

Accessibility to information and service channels

Enel Américas and its companies count with primary on and off site service channels to receive and manage their clients' requirements. During 2016, the companies in Latin America continued to implement improvements to achieve better service experiences.

Peru

In 2016, the First Contract Solution policy was implemented for all of the commercial offices and distribution business contact centers. This policy allows the effective attention of the disconformities presented by the users, as well as empowering the front and back offices, with the objective of achieving a definitive solution to clients disconformities.

Colombia

In Colombia the digital billing pilot plan was developed, which consisted in giving alternative methods to document delivery, mainly in the energy service invoices. The

objective is to benefit from the electronic methods present in the market, through the invoice delivery, with previous authorization from the client, to their email. This pilot was developed in order to optimize the billing process and other attachments, maximizing the relationship with the client through electronic methods. To begin the campaign, they took clients that were already registered in the Condesa Website, to whom they installed the smart meters and those in Cundinamarca area. In December 2016, 18,152 clients had accepted the product.

On the other hand, a Phone Agreement strategy was implemented, which seeks to generate different alternatives and payment methods for overdue residential clients that do not present suspended services, giving a better customer service and providing to the company earnings. Under this new strategy, 206 agreements were carried out, of which 20% of the agreements ended in successful payment of the liability consented.

Also in 2016, Codensa presented an innovative Monitoring Service Center, a space where they can remotely monitor

in real time in every customer service channel that the Company owns, thus facilitating the contingency processes to relieve and expedite response times. This way Condesa can visualize all of the channel's attention operations in one place, where a team of professionals monitors movement and manages their operations if necessary.

The channels monitored from this Center add up to more than 30 on-site and virtual locations: 20 service centers, 8 CADES, 5 SuperCADES, 8 mobile attention centers in Bogotá, Sabana and Cundinamarca, the petitions, complaints, and claims office, Facebook, Twitter, and the Call Center.

Smart Window Project

As a clear example of how Enel Américas advances in the Open Power era, opening themselves to the development and application of new technologies, on November 30 Codensa presented the first smart window, as the first of ten windows that are planned to be installed within the next two years.

This new technology consists in an innovative contact channel in which the clients, in a quick, simple, and timely manner, can autonomously access all of the Company services in three different modules: video chat, self-service, and website.

The main benefit that the Window offer is that clients can access, with no schedule restrictions, the services that the Company offers, including weekends and holidays under the shopping center schedule (from 7:00 am to 9:00 pm from Sunday to Sunday), offering clients more time to access the services provided, streamlining the interaction between the company and client in an innovative and easy-to-use method.

Through the Window, clients can count with a personalized service through a video call with a virtual adviser, who through a remote connection will give the support required. They can also consult invoices, print duplicates, access information regarding the products and services offered, Easy Credit and navigate through the Codensa Website, among other services.

Argentina

In 2016 Edesur carried out the adjudication and launch of the project for renovation of commercial systems, resulting in the allocation of Accenture to implement a solution based on the World-Class SALESFORCE and SAP IS-U products.

- > Access to new features and technology.
- > Minimizing the risk of obsolete systems
- > Reducing client service time.
- > Improving the user experience.

With this initiative, Edesur is the first company in the Enel group in Latin America to renovate their commercial systems.

Benefits:

- > Integral vision of the client.
- > Commercial management model for the next five years.

The project will last a year and a half and will be divided into work stages: analysis and design, construction and testing, pilot implementation, and generalized implementation. In each of these will be essential to count on the commitment and participation of all of the users involved.

Outstanding Projects

Generation

Peru

The Ares Mining Company, after seven years, is back into the Enel Generación Perú client portfolio, after subscribing to a 16 MW supply contract.

The supply started on October 12, 2016 and will finalize on December 31, 2021. Thanks to this service, the client will be able to develop its main activities, which are the exploration, exploitation, benefits, and commercialization of minerals. The Ares Mining Company is the owner of the mining units named Ares and Arcata, which are located in the Department of Arequipa.

Worth is to mention that given the location of the client and the delay announced on the delivery of transmission equipment towards the southern network, as well as the finalization of the current contract, the Energy Management team accompanied the client in the development of the process and gave them the optimal commercializing conditions and advice that allowed them to maintain a continuous and reliable supply.

Distribution

Peru

Enel Distribución Perú and the La Punta District Municipality arranged the signing of the Inter institutional Cooperation Master Agreement, which has permitted the improvement of public lighting with LED lighting.

On the other hand, efforts have been put into contributing to the improvement of public safety in the downtown and outskirts of the city of Barranca in the Solid North, putting into service 90 low voltage suppliers, guaranteeing the operation of the same amount of video surveillance cameras, as is the "Citizen Security Observatory," of 132 screens, crime rooms, justice of peace, and an area with motorized units.



Occupational Health and Safety

[G4-DMA LA] Risk prevention, health, and the general safety of people constitute a scope of special relevance and constant attention for Enel Américas, protecting these points through the strong diffusion of procedures and a culture of security at a transversal level.

In order to achieve this, a continuous process of improvements that incorporates the active participation of the Group's different companies in risk control that employees might be exposed to in their different activities.. This is achieved through preventive measures that are materialized with weekly security meetings, revision of on-site security conditions through inspections, as well as specific plans for the formation of risk prevention and security campaigns for all of their members. This inspired the Zero Accident policy that Enel Américas promotes both internally and with contracting companies.

International Health and Safety Week: "Let's Pay Attention"



The Health and Safety week is a global initiative that carried out their eighth version in 2016. It corresponds to an occasion of reflection for all Enel members in the world, and revolves around the company's thematic priority, promoting a series of activities and events for all job positions.

This year, the focus was set on the responsibility and personal commitment on setting the main attention on health and safety, personally and towards others.

During the Health and Safety week, the four Enel values, responsibility, trust, innovation, and proactivity, were the leading topic of the summit.. All of the above with the objective of reinforcing preventive methods to avoid the occurrence of occupational accidents.

Health in Enel Américas

The creation of a culture that promotes health and well-being within the company, for both employees and collaborators, is integrated in the Enel Strategic Plan worldwide. Enel Américas looks to improve the employees' knowledge of health, as well as its contractors', carrying out specific actions with the purpose of having people adopt these healthier habits.

In 2016 a health development program was carried out, with the objective of educating workers on how to improve their quality of life, through the promotion of a campaign called "Advice that gives life." This campaign considered on-site activities to promote the participation of the highest amount of possible people.

Also, the following programs were carried out:

Immunization Programs

The immunization of Enel Américas employees is a preventive measure oriented towards all of the company employees. Its main objective is to prevent the emergence of contagious and massive diseases, that, if infected, can cause high absences and harm to people's quality of life. The Seasonal Trivalent Influenza vaccine is given during the first trimester of the year in an annual manner, preventing the outbreak that occurs at the beginning of June every year.

Cardiovascular Risk Program

The program is framed in the care of employees with cardiovascular risk according to the preventive exams, with its main objective being the delivery of tools for healthcare through specific physical training and periodic nutritional evaluations.

Preventive Exams Program

The objective of this program is to carry out periodic medical evaluations to employees with the purpose of detecting, in a quick manner, alterations or pathologies with potential damage to people's health. This program is directed towards all company employees and is carried out through a defined protocol according to gender and age.

Highlights by Country

Argentina

During 2016, the seminars, workshops, and training sessions, general and specific, for the handling of asbestos, proper eating habits, work place addictions, hydrocarbons work hygiene, gynecological risks, among others, continued to be carried out. These educational processes were developed not only for Enel Américas employees, but also for contractors.

The alcohol and drug control program stands out; it allows annual periodic health checkups for dealing with the risks that employees are exposed to. In general, the sample includes x-rays, blood and urine analysis, audiometry, visual control, and spirometry.

For the distribution business, further medical exams were conducted to the company personnel. The main initiatives were:

- > Prevention of cardiovascular, metabolic, and immunological illnesses.
- > Complementary exams such as electrocardiograms with a cardiology report, blood analysis, panoramic thorax x-ray (biannual), among others.
- > Physical exam (includes a spine and members exam, of active and passive mobility).
- > Annual psychological evaluation for at risk personnel.
- > Five-year electroencephalogram for at risk personnel.

Colombia

During 2016, Condesa carried out educational lectures about breast cancer prevention, prostate cancer prevention, and prostate-specific antigens for male personnel over 40 years old. Cardiovascular, osteomuscular, and psychosocial risk prevention programs were also developed.

Emgesa developed an Absenteeism Program, where cases that needed extensive medical treatments were identified according to the pathologies, including procedure and return of labor support. Emgesa participated in prevention programs for breast and prostate cancer through educational lectures.

Environmental measuring was also carried out, to identify risk and control methods, as well as exposure risk to particulate and noise matter.



Occupational Safety Management

[EU16] Safety is one of the company values at a global level. Enel enforces a series of policies that regulate diverse topics of Health and Safety, for example: Policy N° 50, which regulates the work interference between different company sectors within the same area; and Policy N° 52 which is the report and investigation of accident/ incidents. It also has a security and labor health manual, which is attached to the bidding bases for contract procurement and services.

The training sessions, on and off site, are specified in the security and labor health standards. The training monitoring is conducted month to month, evaluating the level of advancement of the contractor's risk prevention programs.

Implementing new safety standards

In 2016 new signaling elements were defined and implemented, as well as safety and personal protection methods for height work in the different company activities with the objective of controlling the risk in said labor.

From an industrial hygiene point of view, work plans to evaluate and maintain lighting standards, noise and air quality of the corporate building, and their additional installations were developed. Evacuation trials were also carried out in the corporate building and its additional installations to adapt existing procedures to the plant changes carried out.

Safety Walk

This initiative consists in managerial walks (with managerial positions in the company) to verify the safety conditions in the work areas and establish opportunities for improvement. All of the observations and improvement opportunities are directed towards user areas for the process improvement. These observations are charged through smart phones when applying corporate One Safety.

Highlights by country

In the generation power plants in Argentina there are, and have been for more than 20 years, Mixed Hygiene and Safety Committees, which comply with the legislation established by the country and which meet monthly from March to December every year. These committees are comprised by employees’ representatives from each trade association, representatives of the company and SSL team components as permanent advisors. These committees receive and channel the concerns presented by the workers solving each case systematically. Non-permanent guests may also participate. The solutions presented by each committee are broadcasted to all levels of the organization.

In the case of energy distribution, during 2016 there were 50 Safety Committees with technical and commercial management in the different company units. They also carried out 6 Security meetings with the managing director and company’s directors. Monthly meetings were carried out with the Union Safety and Hygiene Commission representatives in order to discuss different issues related to the Safety of employees. Despite there isn’t a legislation that regulates these meetings, the functions and outreach of this commission is detailed in article 20 of the Collective Labor Agreement.

Brazil

Enel Brasil maintained its objective of reducing business accidents in 2016 and its Learn to Live Safety Program, which carried out the Operative Discipline Workshops in collaboration with the BOPE- Police Special Operation Battalion.

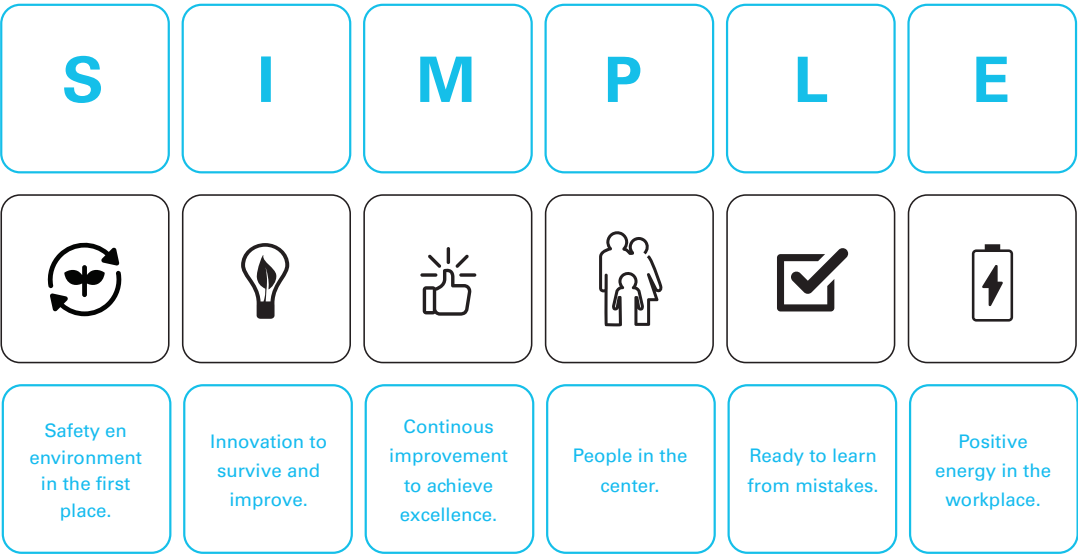
In 2016, Enel Ceará Distribución obtained two achievements in this area: the Golden Helmet Award, for investing in job safety practices offered by MSA- The Safety Company and 3rd place in the Eloy Chavez Award 2016- promoted by the Brazilian Association for Electric Energy Companies (ABCE).

Colombia

Emgesa continues to be committed in the promotion of health and safety within the work environment tin which workers and contractors are involved. In 2016, and within the integration framework of the organizational structure and health, safety, evironment and quality, HSEQ, focused its management on the power of SIMPLE

In 2016 Condesa advanced different initiatives in the Pipeline safety framework, among which the most relevant are:

2016 Vision: The power of SIMPLE.



strategic programs, emergency plans, One Safety and Safety Walk.

Different activities were developed in the following programs:

- > Ámbar Program, which looks to reduce the accident rate from electrical risk.
- > *Pie de Rey* Program (King's foot Program), which looks to reduce the accident rate for mechanical risk.
- > Traffic Safety Program, to diminish the accident rate for traffic risk.
- > Safety Culture Program to generate a behavioral change in the employees, focused on self-care and mutual care.

With respect to the One Safety program, in 2016 it showed an improvement compared to the previous year, with a reduction of 1% in risky conducts, from 2.68% to 1.68%. It is worth mentioning the participation of 367 active observers of which 241 were personnel and 126 contracted personnel, complying with the realization of 16,271 observations.

Regarding SafetyWalk, in 2016 there were 770 walks carried out with the participation of the management leaders of Infrastructure and Networks, Markets, Safety and Service, achieving a fulfillment of 113%.

Peru

In Enel Distribución Perú the APP5RO tool was implemented, the Applicable Informative Five Golden rules for electrical jobs.

This tool, driven by the HSE Global Unit, in the activities regarding maneuvers, network operations, projects, and maintenance, with the purpose of preventing electrical risks for jobs carried out in the electrical circuits that involve the disconnection in the electrical networks of HV, MV and LV, through the control of the fulfillment of the Five Golden Rules. The APP5RO uses the Android platform and has been uploaded into the group chief's, responsible for the work or discharge agents and supervisors of the Line and HSE. The integral monitoring program of the APP5RO also includes a web platform for monitoring of the Operations Center, HSE, and Work and Maintenance Area



Also, as part of the Health and Safety Plan in Generation, either thermal or hydraulic, there was safety workshops carried out in which directors, managers and Enel security supervisors and contractors participated.

These workshops allowed spaces for dialogue, exchange of ideas, motivation and sensibilization towards damage prevention, complying with the purpose of generating a bigger commitment on safety with concrete activities. To date, having successfully completed the "Safety Personalized Plan" workshops, the results obtained were that all of the participants count with a registry of their assumed commitments and proposals to improve safety, commitments that will be gradually implemented into their work areas.

Recognition

Health and Safety management at work

Enel Distribución Perú was distinguished with the Excellence for Quality award given by the insurance company La Positiva, for the implementation of the security systems and job health, risk prevention, training plans and execution of follow up and control plans, as well as the sound results obtained.

Health and Safety Improvements in the workplaces

In the context of the 8° International Health and Safety Week 2016, celebrated by Enel in Rome, Enel Distribution obtained the recognition for the best practice, "Training Videos of Critical Activities", for the contribution to the security and health improvements in the workplace.

Main figures of own employees

[G4-LA6]

Type	Argentina	Brazil	Colombia	Peru	Total
Fatal Accidents	0	0	0	0	0
Serious Accidents	2	0	0	0	2
Non-Serious Accidents	54	2	0	3	59
Frequency of Accidents	6.05	0.34	0	1.59	2.92
Injuries Rate	1.21	0.07	0	0.32	0.58
Rate of Days Missed by Accident	45.30	0.51	0	3.39	20.49

Sustainable Supply Chain

G4-DMA LA Enel carries out its supply chain in a global method, in order to improve the efficiency of its purchase processes, also in line with the company values. The purchase processes and qualification of suppliers focus their conduct on mutual loyalty, transparency and collaboration.

The performance of suppliers, in addition to guaranteeing the quality of the service, must be accompanied by their commitment of adopting the best practices in human rights and labor conditions, health and safety in the workplace, environmental responsibility and ethics.

Open Procurement Survey

Global Procurement is the name of the area in Enel, which is globally in charge of the company supply. Given that it's an important aspect in the Enel operations, understanding employees' needs is crucial, thus working together in achieving business objectives, the Global Procurement area carried out a survey in 2016 named "Open Procurement Survey" addressed to more than 4 thousand workers that perform in the role according to the purchases made around the world.

The purpose of this survey was to understand the opinions of employees in order to analyze to what extent the objectives and performance of the purchasing area is aligned with Enel's different business units. Also, improving the labor process of those who benefit from the service and analyze the perceptions of the same in terms of the business functions.

The result of the analysis enabled the company to elaborate a concrete action plan and focus on each of the areas, in which an improvement is detected, which will soon be implemented by Enel Américas.

Suppliers and Contractors

[G4-12] Throughout 2016, 7,592 suppliers had commercial relationships with the different subsidiaries of Enel Américas, with a purchase amount of \$ 1,308,945 million. Of the total purchases, 35% corresponded to contracts, 35% to the contracting of services and 30% to the purchase of materials.

[G4-10] **[EU17]** In the case of the contractor companies, 53,402 collaborators provided services to the Enel Américas companies. In Argentina, a total of 6,014 collaborators sums,

while in Brazil were 23,809, in Colombia 15,635 and in Peru 7,944, which worked a total of 11,749 days during 2016.

	Argentina	Brazil	Peru	Colombia
Number of suppliers	838	3,548	1,356	1,850
Total value of purchases from suppliers (in million pesos)	111,107	634,492	234,231	329,114

General Conditions of Contracting

[G4-DMA SO] The General Conditions of Contracting (GCC) is a document that applies to all companies at a global level and establishes explicit regulations on the contractual relationship with all suppliers, and applies for the acquisition of materials, equipment, works and services. These conditions apply to contracts for the purchase of supplies, services or works affected by the legislation in force in each country where Enel Américas operates.

■ Cláusulas sociales y ambientales en las Condiciones Generales de Contratación:

Global Compact

The GRC's are designed to guarantee the commitment of contractors to fully comply with the Global Compact principles, ensuring that every activity carried out by their staff, or subcontractors, must fulfill with the principles framed in such document.

Health and Safety

Enel Américas is committed to providing and consolidating a culture of health and safety amongst its workers and external collaborators.

For this reason, the company follows the guidelines defined in the Stopping Work Corporate Policy, which states that in the event of any risky situation or unsafe behavior, all work must be suspended immediately and safety conditions must be restored.

Conflicts of Interest

During the term of the contract, the contractor declares that there are no conflicts of interest with the organization, and commits to behave properly to avoid any conflict of interest, having to consider the interests of Enel Américas exclusively. If this occurs anyway, the contractor is committed to inform Enel Américas and comply with the instructions provided.

Ethical Conduct

Enel Américas has to adjust itself to the contents of the "General Principles for Criminal Risk Prevention" in its business activities and relations with third parties. The Supplier, in its business activities and relations with third parties, in addition to those declared in its Code of Ethics, the Zero-tolerance Plan Towards Corruption and its Human Rights Policies, declares to comply with legal regulations regarding labor and Human Rights topics.

Environmental Protection

Contractors shall commit to adopt the adequate measures that guarantee their fulfillment of environmental obligations as required by the applicable legislation. Within other clauses, the suppliers of equipment and materials is committed to supply, whenever possible, products or materials with an ecological tag along with those with lower potential of generating wastes.

On the other hand, for suppliers of services it is required that they declare or accredit that the personnel who will be executing the job has the necessary training that guarantees their correct environmental behavior and reduces the risk of incidents with environmental repercussions.

Vendor Rating

[G4-LA14] As part of the General Conditions of Contracting, Enel Américas applies the system that Enel has established for the classification of its suppliers, which has been designed to monitor and evaluate performance in relation to the services it receives from its contractors, as well as the quality of the products it buys.

Enel Américas and its companies have consolidated this evaluation methodology, which systematically and objectively compiles the information regarding the contractor's behavior during the contracting phase and during the execution of the contractual services and, in particular, assesses the following items:

- > Quality of goods supplied or works carried out.
- > Punctuality.
- > Compliance with legal and labor aspects.
- > Safety.



Actions with contractors and suppliers

In order to reinforce Enel Américas commitment to its suppliers of goods and services, during 2016 they carried out a series of activities and programs for the optimization and improvement of the procurement processes and the management of suppliers and contractors, among which the following stand out:

Brazil: Responsible Supplier Program

This program of Enel Brasil has been implemented since 2008 and its main objectives are:

- > Share best practices in Sustainability, Safety and Environment.
- > Strengthen the relationship between Enel Brasil and associated companies.
- > To carry out training and the commitment of the associated companies to Enel's work philosophy.

During the program's 2016 version, in the face-to-face meetings, 352 representatives of 85 companies attended. The topics covered in the 2 workshops, seminars and releases sent on a monthly bases were: Human Rights, Objectives Pre Sustainable Development, Fight against Child Labor, Value Chain, Environment, Safety and Sustainability Projects.

Colombia: Program to strengthen the contractors' business management

In 2016, the program "Strengthening Allies" was implemented jointly with the Chamber of Commerce of Bogotá, which is oriented at strengthening the structure and management capacity of contractor companies through comprehensive advisory on administrative, financial, marketing and sales, innovation and other related to business management, through expert consultants and training focused on improving the productivity and competitiveness of these companies in the market.

This program involved 19 contractor companies from Codensa and Emgesa, who must meet the requirement of being registered in the Chamber of Commerce of Bogotá and need to be classified as small - medium size companies.

This initiative seeks to help contractor companies improve their internal management, and consequently the performance in their contracts with Emgesa and Codensa.

Peru: Meeting with strategic suppliers

With the mission of establishing transparent and lasting business relationships among the company's business lines, in October 2016 the first meeting of strategic suppliers of the Enel Group in Peru was held, aimed at current and potential strategic partners.

The main executives of the company participated in the event, who presented the strategy and challenges of Enel in Perú. In addition, the Director of *Fundación Nuevo Pachacútec* participated, who presenting the opportunities offered by the *Instituto Pachacútec* for all suppliers.

The leaders of the Enel Purchasing team talked about the requirements that suppliers must meet to be invited to Enel biddings, as well as the qualification and homologation in the bidding processes.

Training for contractors in Colombia

In order to develop technical and operative training activities for its own workers and contractors, Codensa has the Bosanova Training Center, equipped for this purpose and in agreement with the National Service of Learning (NSL, SENA in its Spanish acronym), the following training actions were carried out during the year:

- > "Technician in construction and maintenance of energy networks in voltage levels I and II" program, in which 89 students participated during 2016. This program was carried out in the framework of the *Plan Semilla* project.
- > Development of the three training groups called "Technology in supervision of energy distribution networks", with the participation of 76 contractor's employees.

Environmental Aspects

[G4-DMA EN] Enel Américas and its companies constantly seek to contribute to the sustainable development of the environment in which they operate, adapting to the reality of each country in which they are present. As a result, in 2016 it continued to implement various programs for the environmental management of its operations, in order to minimize and mitigate the impacts of energy generation, distribution and commercialization processes, as well as protecting natural resources and environmental quality.

The company is aware of the need that the use of natural resources must be done on the basis of ensuring the development of future generations. For this reason, a commitment has been made to go beyond the strict compliance with current regulations, intensifying the necessary efforts and establishing adequate procedures to ensure the rational use of resources, contributing, in all that is within their reach, to the sustainable development demanded by society.

Protecting and respecting the environment, improving and promoting the environmental characteristics of the products and services delivered by the Group, and creating corporate value are the basis and fundamental pillar of Enel's environmental policy to maintain leadership in the energy market in the places where it operates.

Environmental Management System

[G4-14] Environmental Management Systems (EMS) of Enel Américas companies consider the impacts in the operating environment and allow to establish measures to ensure correct prevention, mitigation and/or repairs, in a process of continuous improvement.

Brazil

Cachoeira Dourada began its construction in the 50's. The impacts produced were compensated or reduced by the Environmental Programs of Cachoeira Dourada. Currently, the operation of UHE Cachoeira Dourada has mitigated its

impact through internal procedures for management and operation, which operate under the Environmental Management System in accordance with ISO 14,001/ 2004 norm, which was implemented and certified in 2005.

Colombia

During 2016, twelve internal audits were carried out to the Environmental Management System of Emgesa, and an audit of recertification by the company RINA, in which there were zero breaches, thus maintaining the ISO 14,001 certification to that system.

On the other hand, Codensa maintained the certification ISO 14,001:2004, without non-conformities, according to the report of the external audit carried out by the firm Bureau Veritas.

IV Environmental meeting with collaborating companies

In December 2016, the Safety, Health and Environment Division (HED) of Infrastructure and Network Management held the IV Environmental Meeting with the environmental managers of the collaborating companies, with the objective of sharing experiences, disseminating the best practices or lessons learned and recognize the work in the process of environmental awareness made by all the staff of the collaborating companies, whose work strengthens the Environmental Management System and contributes to the protection of the environment in business activities.

This meeting, held every year, was attended by 44 environmental officials from 30 collaborating companies and, for the first time, a tour of the Renace Forest was carried out. During the activity, the Open Power strategic concept was also socialized, and how it can be applied in the management of environmental issues.

It should be noted that this space is of vital importance to keep the collaborating companies under the guidelines of the Environmental Management System, certified in ISO 14001 since 2013.

Mitigation of environmental impacts

Monitoring

Regarding electric and magnetic fields, in Argentina the preventive monitoring of emissions of electromagnetic and radio interference fields was continued in 45 installations, in order to reduce the risk of emissions outside the norm and to identify and evaluate potential disturbances to people and/ or equipment in areas surrounding the installation.

On the other hand, the sampling carried out in pluvial drains of substations and buildings of the Company are only for preventive monitoring. The sites where the measurements are made and their programming are selected according to the environmental priority criterion of each installation. Twenty-two measurements were performed during the year that did not show any deviations in the laboratory results.

Regarding noise, the monitoring is aimed at evaluating parameters that serve as reference to see the degree of

compliance with current legal requirements, in order to minimize possible disruption to substation neighbors. In 2016, they made 10 measurements of audible noise in substations in Argentina within the normal operating parameters.

In Peru, in the context of the construction of the new transmission substations and associated high voltage lines, it must undergo a previous presentation and approval by the authority of an environmental management instrument (Environmental Impact Study, Environmental Impact Statement, Technical Report, Environmental Management Plan or other), which includes the study in all stages of the project (construction, operation and abandonment). This document outlines the activities that the company has committed to carry out in order to minimize the environmental impacts that the project generates in the environment, including community programs with the population located within the scope of influence of the new facility. Within the practices of management and control of environmental impacts are the activities of air monitoring, noise, electromagnetic fields, water quality, monitoring of flora and fauna, control of dust generation and CO₂ emissions, control and monitoring of easement. It also includes community outreach programs, such as health campaigns and training.



Waste Management

[G4-EN23]

As a company committed to the environment, Codensa joins the Zero Paper initiative



The manipulation of paper, prints and physical files that are taking away space in the offices are practices that are left in the past. For this reason, Codensa joins the Zero Paper initiative to take full advantage of new technologies and electronic means to reduce paper consumption.

The purpose of the initiative is to establish guidelines to contribute to an effective and efficient management by reducing the use of paper in the Company, both in internal processes and in services rendered externally. The initiative is supported by three axes: the implementation of good practices, the implementation of systems to manage electronic documents and the optimization and automation of processes.

Colombia

[G4-DMA EN] During the year, Enel's operations and activities in Colombia generated a total of 338 tons of hazardous waste and 9,240 tons of non-hazardous waste, which are managed through an industrial waste exploitation center that has the permits required by the environmental authority for its operation and final disposal.

Codensa carried out a process of identification and withdrawal of 93 transformers contaminated with Polychlorinated Biphenyls (PCBs), as part of the actions to fulfill the objectives established by the Company, related to the replacement and final disposal of this type of contaminated equipment.

Emgesa managed the activities regarding the collection of hazardous and non-hazardous waste with the hiring of a specialized company and endorsed by the competent environmental authority.

Peru

Enel Distribución Perú responsible for providing the public lighting service in its concession area, established the project "Recycling of luminaires and auxiliary equipment," having the opportunity and the challenge of reusing luminaires and auxiliary equipment for the purpose of providing a continuous and operational service at a lower cost. The recycling process is based on a technical procedure and its respective quality

control, so that the recycled luminaire does not differ from anything new. This activity is carried out in external workshops and supervised by Enel Distribución Perú. In the year 2016, 2,507 luminaires were recycled.

The solid waste generated and not incorporated into the production cycle, they are sold through Waste Marketing Companies (EC-RS) for their reuse (recovery, recycling or reuse) and represent a high percentage of total waste generated, with a commercial value of return. Among the residues are copper cables, aluminum cables, transformer coils, various metal scrap, electronic devices, wood, among others.

Energy Colombia

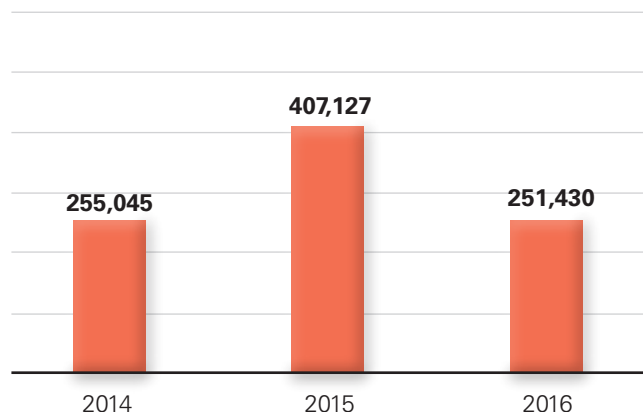
In 2016, Emgesa generated a total of 53,911,366 GJ of energy through the operation of its thermal and hydroelectric plants, including the El Quimbo Hydroelectric Plant. Likewise, the Company presented a consumption of 251,430 GJ from non-renewable sources (coal and fuel oil) for the operation of the Termozipa and Cartagena thermoelectric plants; and a total electric energy consumption of 915,971 GJ for domestic and industrial use related to its operations.

In relations to distribution, Codensa presented an energy consumption of 24,446 GJ associated with the domestic

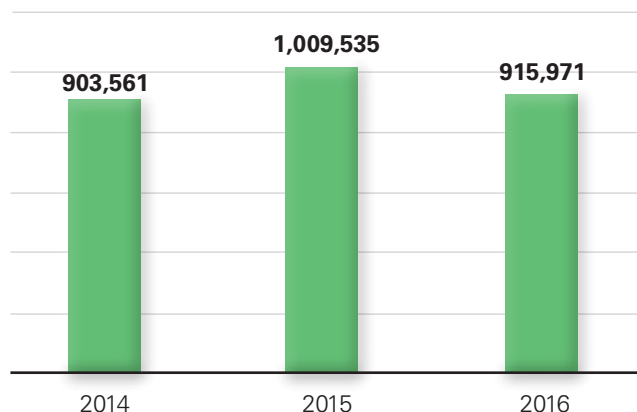
use of the resource necessary for the execution of administrative and industrial activities derived from the auxiliary services of the substations. On the other hand, fuel consumption for the operation of its vehicle fleet was 15,601 GJ.

The fuel consumption for the operation of the own and subcontracted vehicular fleet, was 85,719 liters of diesel, 146,469 liters of gasoline and 120,709 m³ of vehicular natural gas.

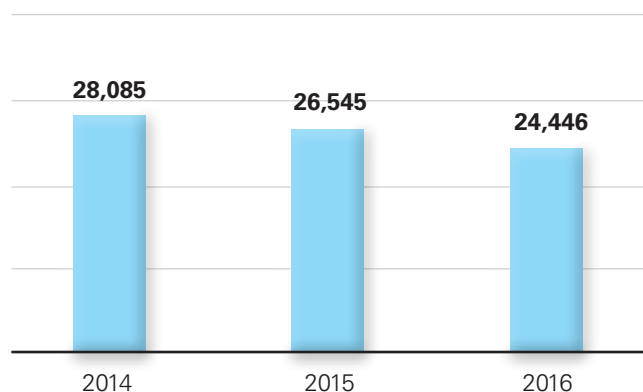
Energía consumida de fuentes no renovables (GJ)



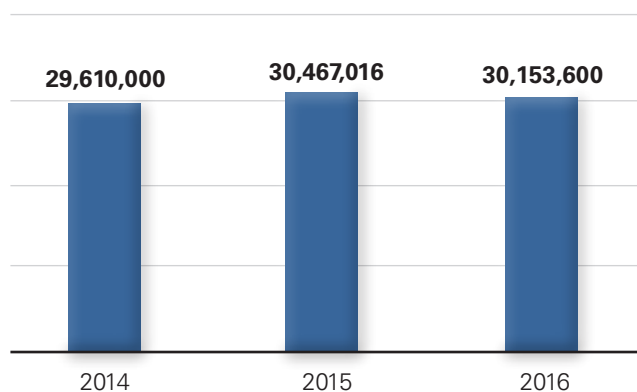
Energía eléctrica consumida (GJ)



Energía consumida (GJ)



Energía eléctrica vendida (GJ)



Environmental liabilities

Colombia

> Codensa replaced 93 transformers that were in use with a high probability of containing Polychlorinated Biphenyls decontamination of the (PCBs) and implemented the project of decontamination the transformers contaminated with this substance.

> The project of marking and sampling equipment was implemented, marking 15,468 equipment and an analysis of 1,724 samples, obtaining the identification of 21,913 equipment, reaching 33.5% of the target established in Resolution 1741 of 2016, which corresponds to 30% for the closing of 2016.

Responsibility in the use of water resources

Argentina

[G4-DMA EN] At Enel Generación Costanera, municipal water collection was 245 to 280 m³/h according to energy production. The capture of surface water for cooling is from 123,000 to 200,000 m³/h according to production. Meanwhile, in the Central Dock Sud the municipal water collection was 85.2 m³/h according to energy production. The collection of surface water for cooling is 36,500 m³/h.

In Enel Generación Costanera, the discharges of both cooling water for the thermoelectric units and the discharges of industrial origin that comply with the limits in all their parameters are made on Río de la Plata. The overturned flow rate is 33 m³/sec, which includes 0.03 m³/sec of industrial discharges. The discharge parameters are monitored discreetly and presented to the relevant authority.

A project is being carried out that contemplates the extension of the treatment system of industrial liquid effluents that allows an increase in the capacity of treatment for the discharges. This project improves the efficiency in the separation of the liquid effluents from the industrial wastewater and increases the safety in the control of compliance with the discharge parameters. It should be noted that the discharge temperature does not exceed the permissible limits of applicable discharges.

It's worth mentioning that Argentina does not have water stress in the areas where the power plants are located.

The treatment of the water discharged by the operation of Enel Generación Costanera is done by mechanical physical method in separating pools. For the demineralized water production plant, it has a PH neutralization pool before it is discharged to Río de la Plata. The pouring temperature does not exceed the permissible limits applicable by the regulations.

In Central Dock Sud the treatment of the discharged waters is done by mechanical physical method in separating pools. For the demineralized water production plant has a PH

neutralization pool before it is discharged to the Río de la Plata. The pouring temperature does not exceed the permissible limits applicable by the regulations.

Brazil

[G4-DMA EN] In transmission, no significant impacts are seen on the water tributaries. The use of water is for the maintenance conversion and internal consumption.

Enel Generación Fortaleza (CGTF) is the only company in which there is a significant impact on the access to the water source. The plant has contracts with COGERH, the government responsible for the management of water resources issues in the State of Ceará, and also has a concession issued by the State Water Resources Department for the use of raw water, in addition to integrating The River Basin Committee in the metropolitan region of Fortaleza. Taking into account these three points, the CGTF participates directly and indirectly in the management of the water resources of the State, being that it meets the demands of consumption and the levels of the reservoirs, especially in the region of Industrial Complex of the Port of Pecém, in which it is installed.

Short, medium and long term actions for this problem do not only depend on the power plant, but Enel Generación Fortaleza has participated in meetings with COGERH in order to guarantee water reserves in Ceará and its operations. The short-term goal is to ensure the safe pumping of water from the worker channel (Castanhão) to the plant. For the medium and long term, it monitors along side with COGERH the use of groundwater and is contributing resources for the studies of a project to capture seawater and desalinate through a Reverse Osmosis Plant. With this project, Enel Generación Fortaleza will be able to become self-sufficient in the production of fresh water and the water of the reservoirs can be destined for the population.

In terms of distribution, the total water consumption in Enel Distribución Río was 2,820,386 cubic meters, with 95.6% of surface water for the CGTF thermal power station operation, 0.2% of groundwater and 4.2% supply of water companies.

Enel Ceará's distribution, in 2016, carried out several actions in order to reduce the consumption of water in its facilities. Among them, we can mention the continuous awareness

campaigns during the year and having the world water day as a highlight, application of aerators in taps to reduce the flow of water, reuse of water for gardening uses, decrease in the volume of water from the toilet box and the consumption. In

addition, it can be considered that a fundamental piece for the control of water consumption is applied to the implementation of an online system when it is possible to monitor the water in real time.

Total water intake by source (m³)	Enel Brasil consolidated	Enel Distribución Río	Enel Distribución Ceará	Enel Cien	CDSA	Enel Generación Fortaleza
Superficial water	1,945,097	0	0	0	0	1,945,097
Groundwater	1,911	0	257	1,653	0	0
Rainwater	0	0	0	0	0	0
Municipal water supply or from other water companies	102,428	73,926	28,502	0	0	0
Air conditioning capture	8	8	0	0	0	0
Total consumption (in m³)	2,049,443	73,934	28,759	1,653	0	1,945,097

Colombia

[G4-DMA EN] The efficient management of the water resource is one of the most important aspects for Emgesa because it is the main source of power generation in hydroelectric plants, whose operation represents 89% of the total energy generated by the Company annually. Emgesa works hand in hand with different administrative entities in the country with the goal of protecting, preserving and making efficient use of the surface water sources that feed the hydropower plants in their charge, among which are:

For the management of the hydrographic basins, reservoirs or surface water sources that are raw material for the generation of energy in hydroelectric plants, different efforts have been made jointly with administrative entities to preserve this resource. The following are some strategies that have been developed:

1. Signing of agreements with environmental authorities aiming at aligning strategies for the protection of ecosystems, environmental management and watersheds,



in order to achieve a sustainable and efficient territorial ordering in the areas being influenced.

2. Signing of agreements with municipalities for the development of activities in line with the protection of the environment, silvopastoral and forestry projects.
3. Signing of agreements for training and environmental education of the communities in the area being influenced by the company.
4. Transfer payments from the electricity sector to municipalities and environmental authorities within the framework of the law, interested in the development of environmental protection and defense of the watershed of the area of influenced by the project.
5. Preservation of company-owned properties located in surrounding areas of reservoirs.
6. Operation of reservoirs in accordance with what is defined in the manuals of operation of the same in order to guarantee the energy needs of the country.

Emgesa reuses the consumption of industrial wastewater from the Termozipa thermal plant at 15,768.1 cubic meters. This reuse of water will be used to control irrigation in the plant's ash yard. The total water consumption for industrial use in 2016 was 84,993 m³.

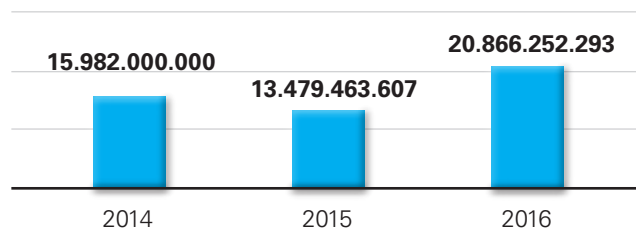
Regarding the consumption of water for industrial use in the Termozipa plant, 18,5% is recycled.

In Distribution the consumption for the year 2016 was 15,143 m³ coming from the District or Municipal Aqueduct service for domestic use.

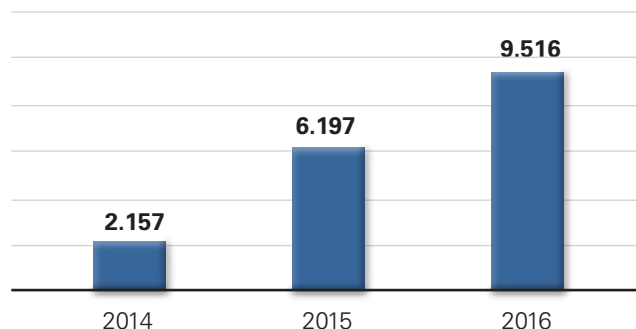
[G4-EN9] In 2016, water used for generation totalled 20,866,252,293 m³ of water which were collected from the surface, underground and municipal aqueduct networks. For the year 2016, the El Quimbo Hydroelectric Power Plant is included in the total.

Thanks to the operational optimization processes implemented during the year, it was possible to reduce water abstraction, maintaining the levels of energy generated by hydroelectric plants.

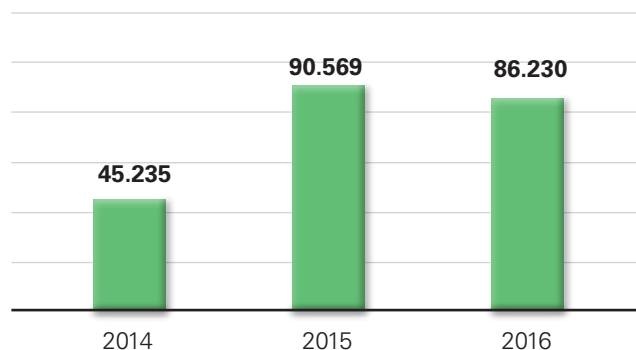
WATER COLLECTED



Agua captada de fuentes subterráneas (m³)



Agua captada en redes municipales (m³)



Additionally, in 2016 a consumption of 18,486 m³ of water was exhibited at Codensa's administrative and commercial headquarters, which is supplied through the Bogotá's public aqueduct.

In order to reduce the negative impacts of the dumps, in 2016 Emgesa reused 15,768 m³ of industrial waste water generated by the Termozipa Thermal Power Station for the irrigation control activities in the ash yard of the plant, corresponding to 18.5% of the total residual water generated by its operation; on the other hand, they initiated the implementation of the dry ash extraction system which will be completed in 2017.

Biodiversity and protection of natural capital

[G4-DMA EN] Committed to the preservation of the environment, the companies of Enel Latin Americas develop initiatives that lead to the conservation of fauna and flora present in the places where they operate, in order to minimize risks that could endanger the preservation of biodiversity.

Colombia

[G4-EN12] Emgesa has carried out a process of identification and characterization of the flora and fauna species present in the areas of operation, from which it defines actions aimed towards the protection of biodiversity. The identification that was performed recognizes the species of flora and fauna included in the red list of the International Union for Conservation of Nature (IUCN). Biodiversity identifications were carried out at the Betania Hydroelectric Plant, Muña Reservoir, El Quimbo Hydroelectric Plant, Renace Forest and Guavio Hydroelectric Power Plant. Also, biodiversity protection was carried out at the Betania and Guavio

Hydroelectric Plants, as well as at the Cartagena Thermal Power Plant.

The following initiatives are highlighted for 2016:

- > The Pilot Plan for Ecological Restoration of the Tropical Dry Forest (El Quimbo Hydroelectric Power Plant) was implemented.
- > The Habitat Rehabilitation Program for fauna (El Quimbo Hydroelectric Power Plant).
- > The characterization development of biodiversity in areas influenced by Bogotá River power plants.
- > Regarding the Nueva Esperanza project, there was the implementation of measures to management the Choloepus Hoffmanni species, the repelling and rescue of wildlife, the establishment of the epiphyte, the ecological restoration of 0.5 hectares on the site The Piraeus and reforestation of 5.38 hectares with native species in the Renace Forest, within the framework of the obligations established by the Environmental License (Resolution 1,679 of July 31, 2014).



Peru

[G4-EN12] The lands where the power plants are located are not situated in protected natural areas; however, the Chimay Hydroelectric Power Plant is located in a territorial area of high jungle, that shelters a great variety of vegetal wealth and fauna, that needs to be preserved. Monthly monitoring of the environmental parameters is carried out, among which the volume and population of macrobentos and necton are outstanding, all with the purpose of confirming the development of the habitat in the area being influenced by the Chimay Hydroelectric Power Plant.

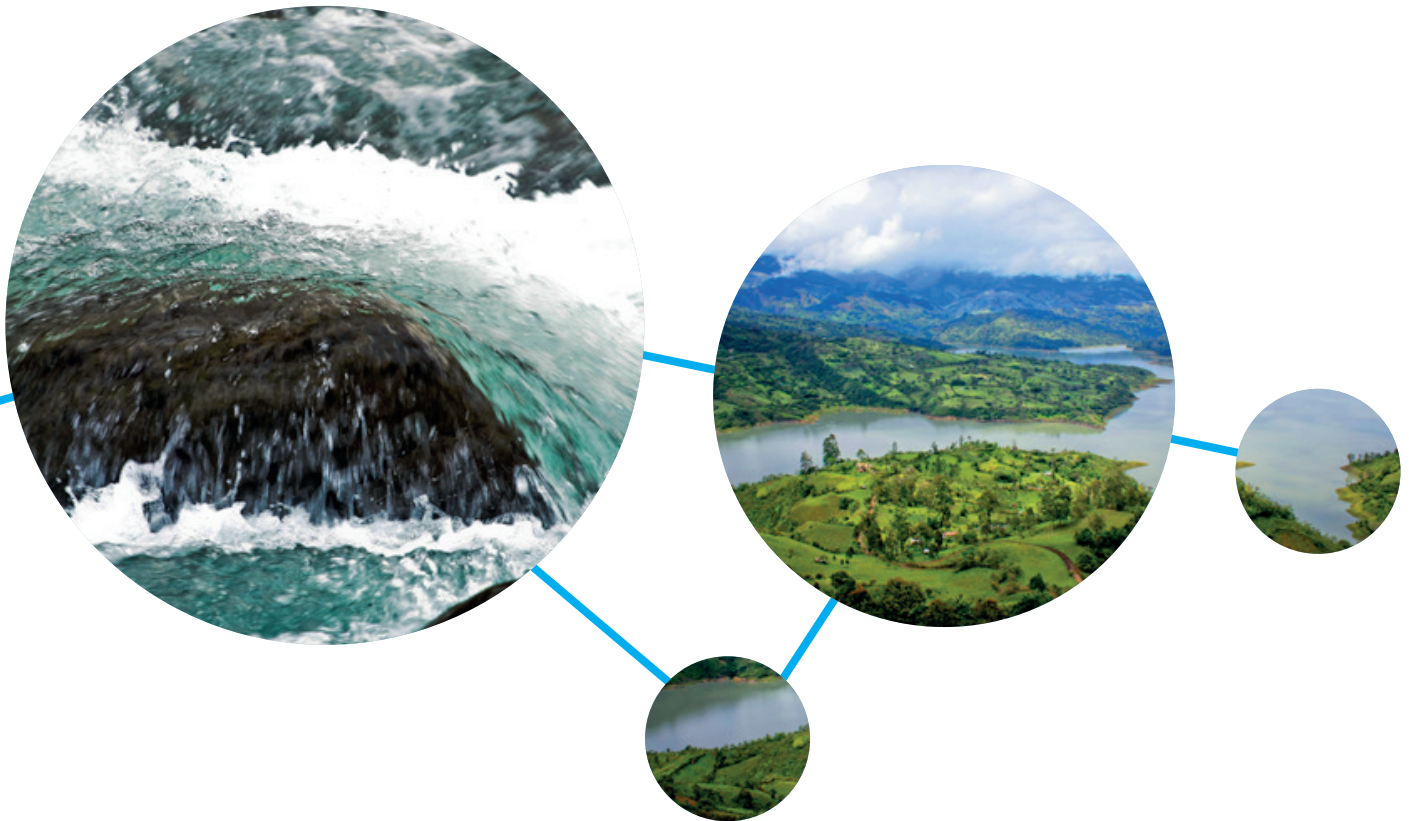
In compliance with the environmental commitments set forth in the EIA of Enel Generación Piura, in 2016 maintenance work continued on the 17 hectares planted with native trees and three hectares of fruit trees. The expected benefits are related to the mitigation of the impact generated by the emission of the combustion gases, to achieve the biological stability of slopes and to control soil erosion.

Peru occupies the second place in South America in the forest area, which constitutes approximately 57% of its territory. It is one of its main renewable natural resources

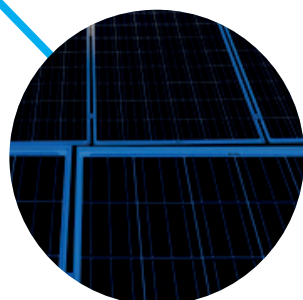
and produces environmental services such as the maintenance of water sources, the habitat of bio diversity and the regulation of climate by carbon capture. In Junín, the population awareness program was developed to prevent the burning of the agricultural frontier in forest areas, which destabilizes the local ecosystem.

In the upper area of the Callahuanca Hydroelectric Power Plant, the forest provides stability to the slope and protects the population from landslides. In 2016 the agreement was renewed with the rural community Chauca Callahuanca, owner of the land, to help preserve the afforestation of 16.4 hectares of forest. The community is in charge of the maintenance and the irrigation system for the 15,577 trees, grouped in 18 species.

More than 180 trees of 1.50 meters height were planted by Enel Generación in the archaeological zone Pampa de los Perros, located in the human settlement Porcino Park, in Ventanilla, becoming a lung and source of life to this place. The Tecoma species trees grow in this area, beautifying the ornament, absorbing the CO₂ and producing oxygen, which improves the quality of life of the neighbors, contributing in putting value in the place.







■ Annexes

[G4-LA12] Diversity of the General Management and other managers that report to this management or the Board of Directors

Number of people by gender:	
Female	1
Male	8
Total	9

Number of people by nationality:	
Chilean	3
Argentine	1
Spanish	1
Italian	4
Total	9

Number of people by age range:	
Less than 30 years old	-
Between 30 and 40 years old	-
Between 41 and 50 years old	1
Between 51 and 60	8
Between 61 and 70	-
Total	9

Number of employees by seniority	
Less than 3 years	6
Between 3 and 6 years	-
Between 6 and 9 years	-
Between 9 and 12 years	-
More than 12 years	3
Total	9

[G4-LA1]

Turnover rate of Enel Américas	Argentina	Brazil	Colombia	Peru
7%	4.2%	12%	8.6%	5.1%

[G4-LA6] Main figures of security management of Enel Américas' work contractors

Type	Argentina	Brazil	Colombia	Peru	Total
Fatal Accidents	0	1	1	1	3
Serious Accidents	0	2	1	0	3
Non Serious Accidentes	10	25	22	14	71
Accident Frequency	0.94	0.67	0.87	1.07	0.82
Rate of Lost Time	0.19	0.13	0.17	0.21	0.16

[G4-EN8] [G4-EN15] [G4-EN16] [G4-EN21] [G4-EN23]

Emissions	YEAR			
	Unit	2014	2015	2016
Indirect greenhouse gas emissions of consumed and purchased energy (reach 2)	tCO ₂ e	45,000	33,000	18,000
- Fossil fuels (coal, oil, natural gas, etc) consumed and purchased (for energetic purposes)	MWh	36,154,650.07	46,115,917.84	42,295,535.11
- Electricity (non-renewable) purchased	MWh	26,739.82	3,809.41	29,316.56
- Renewable energy (biomass, solar, wind, etc) Total purchased or generated	MWh	198.55	118	256
Total non-renewable energy (electricity and heating and refrigeration) sold	MWh	19,798,000	19,938,000	17,889,000
Total Consumption of Non-renewable energy	MWh	16.38	26.18	24.43
Total Costs of Energy Consumption	EUR	6,007.6	5,570.4	4,740.0
- Total municipal water supplies (or other water services)	MMm ³	2.86	2.67	2.82
- Fresh surface water (lakes, rivers, etc)	MMm ³	3.05	0.26	2.05
- Fresh ground water	MMm ³	3.36	0.17	3.10
Total Net Fresh Water Consumption	MMm³	9.27	3.10	7.97
Total Disposed Waste	Ton	331,970.51	142,645.35	185,065.20
Direct NOx emissions	Ton	16,904	16,811	12,555
Direct SOx emissions	Ton	13,189	15,752	11,052
Ashes waste and composted plaster, reused, recycled or recovered	Ton	53,634.35	66,706.51	34,981.79
Direct dust emissions	Ton	472	1,204	1,535
Generation of hazardous waste	Ton	11,204.48	3,648.59	6,719.82
Emissions of SF6	Ton	0.90	0.57	0.19

Table of GRI Contents

BASIC GENERAL CONTENTS

Indicator	Description	Global Compact Principles	Millennium Development Objectives	ISO 26,000	External Verification	Page
Strategy and Analysis						
G4-1	Letter from the Chairman and the General Manager.	-	-	6.2	✓	10
Corporate Profile						
G4-2	Description of main impacts, risks and opportunities.	-	-	-	✓	18
G4-3	Name of the organization.	-	-	-	✓	12
G4-4	Most important brands, products, and services of the organization.	-	-	-	✓	12
G4-5	Place where the office of the organization is located.	-	-	-	✓	12
G4-6	Number of countries where the organization operates and countries where the organization carries out its relevant operations or has a specific relevance for the sustainability issues object in the report.	-	-	-	✓	12
G4-7	Nature of the property regime and legal form.	-	-	-	✓	17
G4-8	Markets served.	-	-	-	✓	13
G4-9	Organizational level.	-	-	-	✓	13
G4-10	a. Number of employees with a work contract and gender. b. Number of regular employees by a work contract and gender. c. Size of the staff by employee, hired employees and gender. d. Size of the staff by region and gender. e. Indicate if a substantial part of the organization's work is carried out by own workers or subcontracted by contractors. f. Communicate all significant changes in the number of workers.	-	1 3	6.4 6.4.3	✓	56, 83
G4-11	Percentage of employees covered by collective agreements.	1 3	-	6.3.10 6.4 6.4.3 6.4.4 6.4.5	✓	In 2016, Enel Américas has a 57% of unionized workers. When analyzing by country, the following can be observed: Argentina has 85%, Brazil 33%, Colombia 27%, and Peru 33%.
G4-12	Describes the corporate supply chain.	-	-	-	✓	83
G4-13	Communicate every significant change that has happened during the objective period being analyzed in the size, structure, shareholder property or the corporate supply chain.	-	-	-	✓	During the year 2016, there were no changes for Enel Chile given the fact that the property did not exist until December 31, 2015.
G4-14	Indicates how it approaches the organization, if proceeds, the principle of precaution.	-	-	-	✓	87
G4-15	List of the letters, principles, or other external initiatives to an economic, environmental, and social character that the organization subscribes to or has adopted.	-	-	-	✓	30, 31
G4-16	List of the associations and organizations of national and international promotion that the organization belongs to.	-	-	-	✓	31
EU1	Installed capacity, analyzed by source of energy and by regulatory regime.	-	-	-	✓	13

EU2	Net energy production disaggregated by an energy source or by the country or regulating regime.	-	-	-	✓	13
EU3	Number of residential, industrial, institutional and commercial clients.	-	-	-	✓	13
Material Aspects and Coverage						
G4-17	Elaborate a list of entities that appear in the consolidated financial statements of the organization and other equivalent documents.	-	-	6.2	✓	12
G4-18	a. Describe the process that have had following up to determine the content of the report and the coverage of every Aspect. b. Explain how the organization has applied the Principles of the elaboration of the memory to determine the Content of the report. b. Explain how the organization has applied the Principles of the elaboration of the memory to determine the Content of the report.	-	-	-	✓	35
G4-19	List of the material Aspects that are identified during the process of defining the content in the report.	-	-	-	✓	38
G4-20	Indicate the coverage within the organization for each material Aspect.	-	-	-	✓	38
G4-21	Indicate the Coverage out of the organization for each material Aspect.	-	-	-	✓	38
G4-22	Consequences of the reformulations of the information facilitated in previous reports and their causes.	-	-	-	✓	14
G4-23	Important changes of the Outreach and Coverage of every Aspect in previous reports.	-	-	-	✓	38
Participation of Stakeholders						
G4-24	List of the stakeholder linked to the organization.	-	-	6.2	✓	35
G4-25	Indicates the reasoning behind the choosing of the stakeholders considered.	-	-	6.2	✓	34
G4-26	Organizations approach about the participation of stakeholders.	-	-	6.2	✓	34
G4-27	Key issues and problems that have come up from the participation of the stakeholders and the evaluation carried out by the organization, among other aspects through the report.	-	-	6.2	✓	38
Annual Report Profile						
G4-28	Objective report period.	-	-	-	✓	14
G4-29	Date of the last report.	-	-	-	✓	14
G4-30	Report presentation cycle.	-	-	-	✓	14
G4-31	Contact Point.	-	-	-	✓	Contratapa
G4-32	a. Indicate which «conformity» option with the organization has chosen with the Guide. b. Facilitate the GRI Index of the option chosen. c. Facilitate the reference of the external Verification report if the report has been put under verification.	-	-	-	✓	
G4-33	Describe the politics and current practices of the organization with respect to the external verification of the report.	-	-	7.5.3	✓	14
Government						
G4-34	Government structure of the organization, without leaving out the committees of the superior government organ.	-	-	6.2	✓	22

G4-37	Process through which the superior government body delegates its authority to the senior management and determined employees in terms of an economic, environmental, and social nature. If such consult is delegated, signal to whom and describe the process of exchanging information with the superior government organ.	-	-	-	✓	23
G4-38	Composition of the superior government body.	-	-	6.2	✓	22, 24
G4-39	Indicate if a person that presides in a superior government body occupies an executive position.	-	-	6.2	✓	No member of the board occupies an executive position in the organization.
G4-40	The naming processes and selection of the superior government body and its committees, as is with the criteria in which the naming is based and the selection of the members of the first.				✓	22
G4-41	Describes the processes through which the superior government bodies anticipate and manage possible conflicts of interest.	-	-	6.2	✓	28
G4-43	Measures that have been adopted in order to develop and improve the collective knowledge of the superior government body in terms of economic, environmental, and social issues.	-	-	-	✓	22
G4-44	a. Describe the performance evaluation processes of the senior governing body in relation to the governance of economic, environmental and social affairs. b. Describe the measures taken as a result of the performance evaluation of the senior governing body.	-	-	6.2	✓	23
G4-48	Indicate which committee or position of major importance is whom reviews and approves the organization's sustainability milestone and ensures that all material aspects are reflected.	-	-	-	✓	The Company's Board of Directors must approve the company's annual memorandum and Sustainability Report. The annual report is made known to the shareholders every year at the Ordinary Shareholders' Meeting. All areas of the company participate in the preparation of said memorandum and Report.
Ethics and Integrity						
G4-56	Describe the organization's values, principles, standards and norms, such as codes of conduct or ethical codes.	-	-	6.2	✓	14, 27, 45
G4-57	The internal and external counseling mechanisms for ethical and lawful conduct, and to consult matters relating to the integrity of the organization, such as telephone helplines or advice.	-	-	-	✓	27, 28
G4-58	Describe the internal and external mechanisms for reporting unethical or unlawful conduct and issues relating to the integrity of the organization, such as staggered notification to managers, irregular reporting mechanisms or telephone helplines.			6.2	✓	103

SPECIFIC BASIC CONTENTS

Indicator	Description	Global Compact principles	Millennium Development Goals	ISO 26,000	External verification	Page
CATEGORY: ECONOMY						
Aspect: ECONOMY						
G4-DMA	Management approach	-	-	-	✓	12, 18
G4-EC2	Economic consequence and other risks and opportunities for the organization's activities that derive from climate change.	-	-	-	✓	19
Aspect: Indirect Economic Consequences						
G4-DMA	Management approach				✓	54
G4-EC8	Important indirect economic impacts and their scope			-	✓	54
Aspect: Research and development						
G4-DMA	Management approach.	-	-	-	✓	68
Aspect:						
G4-DMA	Management approach.				✓	20
EU12	Losses in transmission and distribution as a percentage of total energy.				✓	13
Aspect: Availability and Reliability						
G4-DMA	Management approach	-	-	-	Ö	20, 66
CATEGORY: ENVIRONMENT						
Aspect: Energy						
G4-DMA	Management approach		7	6.5 6.5.4	✓	97
G4-EN3	Internal energy consumption		7	6.5 6.5.4	✓	The company presents an internal consumption of 180,777 MW/h of energy.
Aspect: Water						
G4-DMA	Management approach	-	-	-	✓	91, 92
G4-EN8	Total water intake according to source	-	-	-	✓	99
G4-EN9	Water sources that have been significantly affected by water abstraction.	-	-	-	✓	93
G4-EN10	Total percentage and volume of recycled and reused water	-	-	-	✓	Productive processes don't recycle nor reuses water
Aspect: Biodiversity						
G4-DMA	Management approach	-	-	-	✓	94
G4-EN12	Description of the most significant impacts on biodiversity of protected areas or areas of high value in terms of unprotected biological diversity derived from activities, products and services.	-	-	-	✓	94, 95
Aspect: Emissions						
G4-DMA	Management approach	-	-	-	✓	97
G4-EN15	Direct emission of Greenhouse Gases (Scope 1)	-	-	-	✓	99
G4-EN16	Indirect emission of Greenhouse Gases after generating energy (Scope 2).	-	-	-	✓	99
G4-EN17	Other indirect emissions of greenhouse gases (Scope 3).	-	-	-	✓	In 2016, the total scope of emissions was 64,570 (kt)
G4-21	NOX, SOX, and other significant atmospheric emissions	-	-	-	✓	99

Aspect: Effluents and Residues						
G4-DMA	Management approach	-	-	-	✓	89
G4-EN23	Total weight of the residues, according to their type and method of treatment	-	-	6.5 6.5.5	✓	89, 99
Aspect: Regulatory Compliance						
G4 - DMA	Management approach	-	-	-	✓	97
Aspect: Environmental evaluation of suppliers						
G4-DMA	Management approach	-	-	-	✓	
G4-EN32	Percentage of new suppliers that were examined according to environmental criteria.	-	-	-	✓	In 2016, 64% of the new suppliers of Enel Américas were evaluated considering environmental criteria.
CATEGORY: SOCIAL PERFORMANCE - HUMAN RIGHTS						
Aspect: Suppliers evaluation regarding Human Rights principle						
G4-DMA	Management approach	-	-	-	✓	21
G4-HR10	Percentage of new suppliers examined on the basis of criterion related to human rights	-	-	-	✓	In 2016, 100% of the new suppliers of Enel Américas were examined considering Human Rights criteria. For this purpose, the adherence to the 10 Principles of the United Nations Global Compact, the application of Enel's Code of Ethics and The Human Rights Policy.
Aspect: Employment						
G4-DMA	Management approach.	-	-	-	✓	56
G4-LA1	Number and rate of recruitment and average turnover of employees, broken down by age, sex and region.		1 2 4 5 6	6.4 6.4.3 6.4.4	✓	99
EU16	Programs and processes to ensure the availability of skilled labor.				✓	79
EU17	Employees' contractors and subcontractors involved in construction, operation and maintenance activities.	-	-	-	✓	83
Aspect: Health and Employment Safety						
G4-DMA	Management approach.		6	6.4 6.4.6	✓	77
G4-LA6	Type and rate of injuries, occupational diseases, days lost, absenteeism and number of work-related fatalities by region and by sex.		-	6.4 6.4.6	✓	82, 99
Aspect: Training and Education						
G4-DMA	Management approach.	-	3	6.4	✓	59
G4-LA9	Average annual training hours per employee, disaggregated by sex and by job category.	-	3	6.4 6.4.7	✓	59
G4-LA10	Skills management and continuing education programs that promote the employability of workers and help them manage the end of their professional careers.	-	1 3	6.4 6.4.7 6.8.5	✓	59, 60
G4-LA11	Percentage of employees receiving regular performance and professional development assessments, disaggregated by sex and by professional category	-	3	6.4 6.4.7	✓	58
Aspect: Diversity and Equal Opportunities						
G4-DMA	Management approach	-	3	-	✓	61
G4-LA12	Composition of the governing bodies and breakdown of the workforce.	-	3	6.3.7 6.3.10 6.4 6.4.3	✓	24, 56, 98

Aspect: Evaluation of Suppliers Labor Practices						
G4-DMA	Management approach.	-	-	-	✓	83
G4-LA14	Percentage of new suppliers that were examined based on criteria related to labor practices.	-	-	-	✓	100% of suppliers revise themselves regarding labor criteria
CATEGORY: SOCIAL PERFORMANCE - SOCIETY						
Aspect: Labor Communities						
G4-DMA	Management approach	-	-	6.2 6.6 6.8	✓	48
G4-SO1	Percentage of operations where development programs, impact assessments and local community participation have been implemented.		1 2 3 4 5 6 7 8	6.3.9 6.6.7 6.8 6.8.5 6.8.7	✓	48, 49, 50
Aspect: Fight Against Corruption						
G4-DMA	Management approach	-		6.6 6.6.3	✓	28
G4-SO4	Policies and procedures for communication and training on the fight against corruption.	-		6.6 6.6.3	✓	28, 29
G4-SO5	Confirmed cases of corruption and measures taken.	-		6.6 6.6.3		In 2016 there was one episode of corruption registered in Enel Brasil associated with a conflict of interest. In this respect, the company adopted disciplinary measures for the people involved, in accordance with the corresponding regulations.
Aspect: Public Policy						
G4-DMA	Management approach.	-		6.6 6.6.3		29
G4-SO6	Total value of financial and in-kind contributions to political parties or related institutions, by country.					Enel does not have direct relations with political parties nor does it give financial aid, as such it has been established in the Plan Zero Tolerance Against Corruption and the Ethics Code. Some exceptions can be found in some countries based on local law and subject to analysis by competent bodies.
Aspect: Practices of Disloyal Competition						
G4-DMA	Management approach.	-	-	6.6 6.6.7 6.8.7		22
G4-SO7	Total number of actions for causes related to monopolistic practices and against free competition, and their results.	-	-	6.6 6.6.7 6.8.7		In 2016 Enel Américas does not present causes related to monopoly practices.
Aspect: Evaluation of the Social Repercussion on Suppliers						
G4-DMA	Management approach	-	-	-		84
G4-SO9	Percentage of new suppliers that were examined on the basis of criteria related to social impact	-	-	-		100% of the new suppliers have been evaluated considering criteria of social impact.

CATEGORY: SOCIAL PERFORMANCE- RESPONSIBILITY ON PRODUCTS						
Aspect: Labeling of Products and Services						
G4-DMA	Management approach	-	-	6.2	73	
				6.6		
				6.7		
G4-PR5	Practices with respect to customer satisfaction, including the results of customer satisfaction studies.	-	-	6.7	73	
				6.7.3		
				6.7.4		
				6.7.5		
				6.7.6		
				6.7.9		
Aspect: Health and Clients’ Safety						
Aspect: Access						
G4-DMA	Management approach.				54	

Informe de verificación externa



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Limited Assurance

Statement of Enel America's Sustainability Report 2016 (free translation from the original in Independent spanish)

To the President and Directors of
Enel Americas

Scope

We have performed an independent limited assurance engagement on the information and data presented in Enel Americas 2016 Sustainability Report.

Preparation of the Sustainability Report is the responsibility of the Management of Enel Americas. The Management of Enel America's is also responsible for the data and affirmations included in the Sustainability Report, definition of the scope and management and control of the information systems that have provided the reported information.

Standards and Assurance Procedures

Our review has been performed in accordance with the International Standard on Assurance Engagements ISAE 3000, established by the International Auditing and Assurance Board of the International Federation of Accountants and the version G4 of the guidelines for the preparation of sustainability reports under the Global Reporting Initiative (GRI).

We conducted our assurance procedures in order to:

- ▶ Determine whether the information and data presented in the 2016 Sustainability Report are duly supported by evidence.
- ▶ Verify the traceability of the information disclosed by Enel Americas in its Sustainability Report 2016.
- ▶ Determine whether Enel Americas has prepared its 2016 Sustainability Report in accordance with the Content and Quality Principles of the GRI G4 guideline.
- ▶ Confirm Enel Americas self-declared "Core" option of the GRI G4 guidelines to its report.

Work Performed

Our assurance procedures included enquiries to the Management of Enel Americas involved in the development of the Sustainability Report process, in addition to other analytical procedures and sampling methods as described below:

- ▶ Interviews with key Enel Americas personnel, in order to assess the 2016 Sustainability Report preparation process, the definition of its content and its underlying information systems.
- ▶ Review of supporting documents provided by Enel Americas.
- ▶ Review of formulas and calculations by recalculation.
- ▶ Review of the 2016 Sustainability Report in order to ensure its phrasing and format does not mislead the reader regarding the information presented.

Our Responsibility

Our responsibility is limited to the procedures mentioned above, corresponding to a limited assurance which is the basis for our conclusions.

Conclusions

Subject to our limitations of scope noted above and on the basis of our procedures for this limited assurance of Enel Americas Sustainability Report, we conclude that nothing has come to our attention that would cause us to believe that:

- ▶ The information and data disclosed in Enel Americas 2016 Sustainability Report are not presented fairly.
- ▶ Enel Americas 2016 Sustainability Report has not been prepared in accordance with the G4 version guideline for the preparation of sustainability reports under the Global Reporting Initiative.
- ▶ Enel Americas self-declared "Core" option does not meet the GRI G4 version requirements for this option.

Improvement Recommendations

Without affecting our conclusions as set out above, we have detected some improvement opportunities for Enel Americas Sustainability Report 2016, which are detailed in a recommendations report presented to Enel Americas Administration.

Truly Yours,

EY Consulting SpA

Alejandra Medina
Jun 27th, 2017
I-00881/17

[G4-31]

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