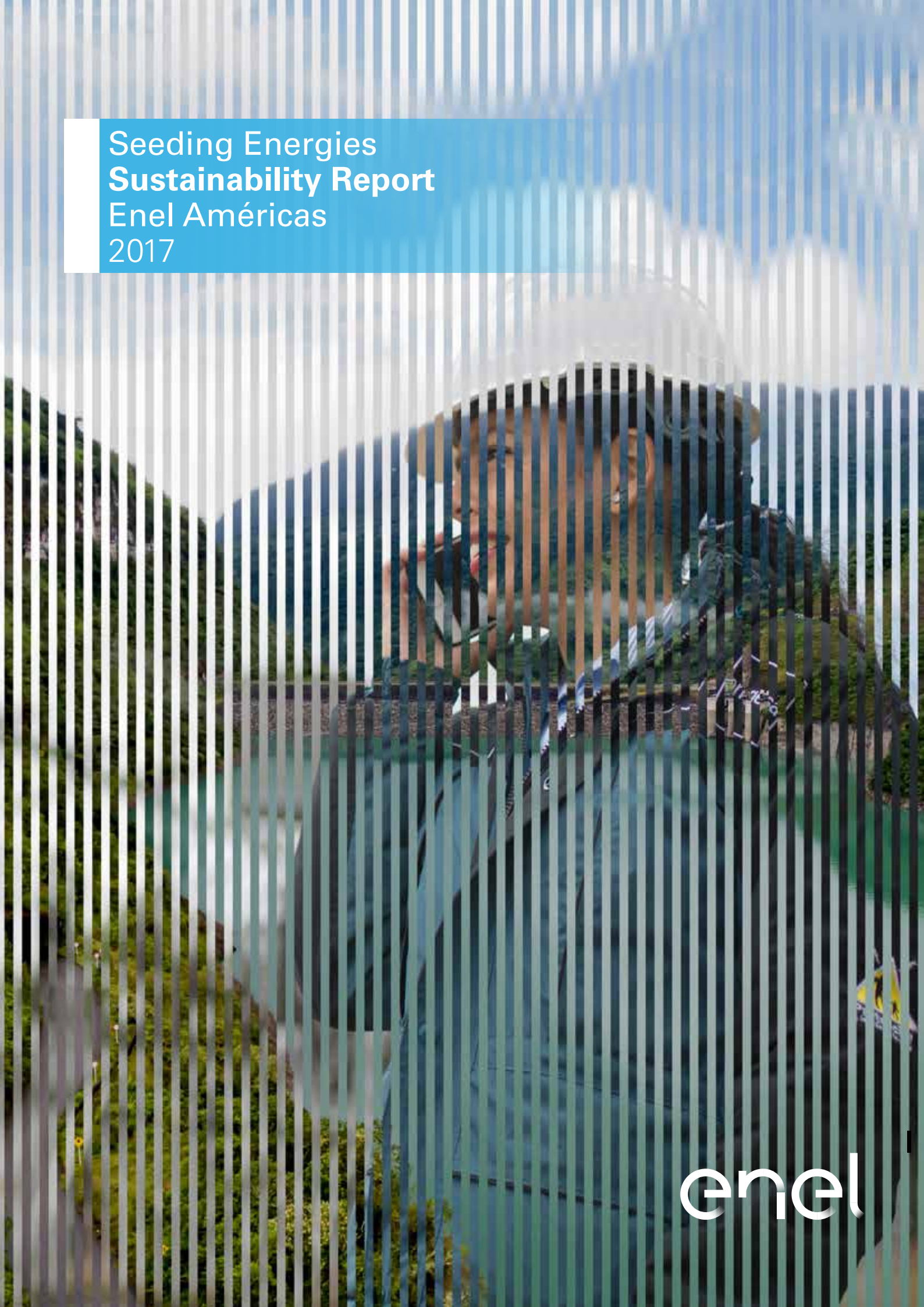
Seeding Energies
Sustainability Report
Enel Américas
2017



ECONOMIC DATA

EBITDA
1,127 millions of US$

Socially responsible investors
14%

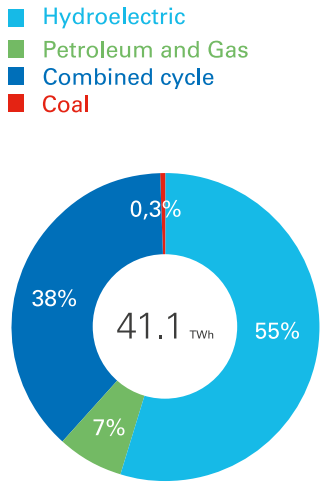
Installed capacity
11.2 GW

Energy generation
41,1 TWh

Length of distribution lines
529,767 Km

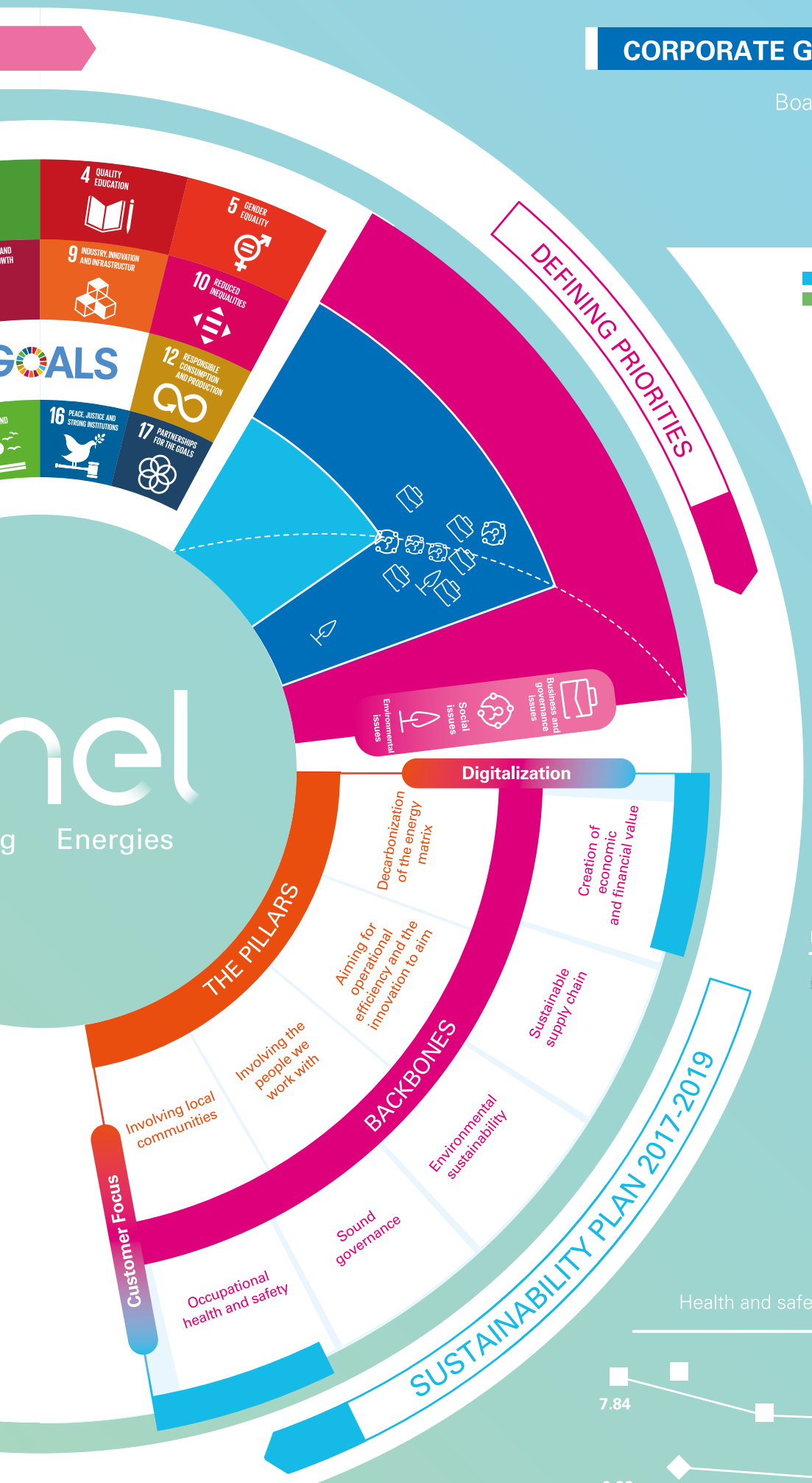
Number of customers
17,241,201

ENVIRONMENTAL DATA



CO_2free production
55%

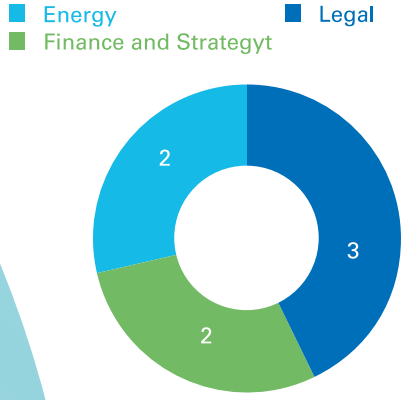
Emissions
671.5 g/kWheq



CORPORATE GOVERNANCE DATA

Board of Directors of Enel Américas

Board of Directors' Experience

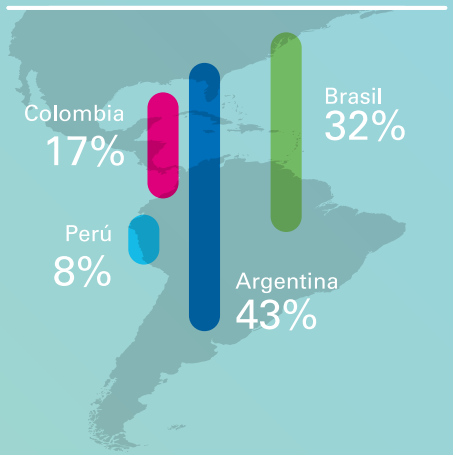


SOCIAL DATA

People of Enel Américas

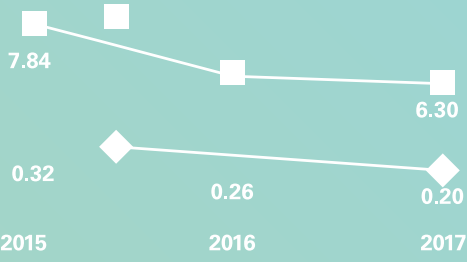
Total	Men	Women
11,393	80%	20%

People of Enel Américas by geographical area



Health and safety of Enel employees and contractors

Accident index 2015 - 2017



-20%
Severity index

-38%
Frequency rate

2017 Milestones

JANUARY

Enel Distribución Perú installed street lighting with LED systems

Through an agreement with Enel Distribución Perú, the La Punta district Municipality became a pioneer in the use of LED technology streetlights. The LED system increases energy efficiency for street lighting, lasting twice as long as any traditional sodium lantern.

FEBRUARY

Approval of the Integral Tariff Review in Argentina

On February 1, the National Regulator of Electricity (by its acronym in Spanish ENRE) approved the Integral Tariff Review - known as RTI - establishing a structural change in the distribution of electricity in Argentina.

Enel completed the acquisition of CELG (now Enel Distribución Goiás)

On February 14, Enel Américas, through the subsidiary Enel Brasil, completed the buyout of Celg Distribuição S.A, acquiring approximately 94.8% of the equity interest. Celg Distribuição is a distribution company that operates in the Brazilian state of Goiás. The total price was BRL $2,187 million.

Codensa announced a rate reduction

After approval was granted for integrating the markets of Empresa de Energía de Cundinamarca (EEC, its Spanish acronym) and Codensa (Colombia) through a merger, in February 2017 the final milestone was achieved: a single rate was applied per kilowatt/hour for every customer of the merged company. Prior to this point, EEC customers paid a rate per kilowatt/hour that was higher than the rate paid by the customers of Codensa.

MARCH

Successful issuance of Codensa local bonds

Codensa issued COP $430,000 million bonds in the Colombian capital market, with terms to maturity of two and five years, respectively. The bonds were placed under Codensa's Ordinary Bonds Issuance and Placement program, after being approved by the Colombian Financial Superintendence.

Codensa and Emgesa encouraged the electric mobility of their collaborators

As part of their commitment with electric mobility, Codensa and Emgesa created the ECO CAR program. This internal initiative facilitated purchasing electric vehicles by employees. In the first stage of the program, 20 beneficiaries bought electric vehicles. All employees participating in the initiative received support and advice from the companies regarding the installation of private charging stations in their homes. Additionally, the companies installed five charging stations in their corporate headquarters for employees to use during the workday.

Enel Distribución Perú participated in a project to eradicate contaminated substances

The company was recognized by the Peruvian Ministry of Health and the United Nations Industrial Development Organization (UNIDO) for being an active and voluntary participant in the Environmentally-Friendly Management and Disposal of Polychlorinated Biphenyls Project (PCB, its Spanish acronym), which took place from 2010 to 2017.

MAY

Bogota's energy service was recognized as being among the most competitive in Colombia

Two reports issued by the Superintendence of Residencial Public Services acknowledged that the energy service provided by Codensa in Bogotá is one of the most competitive in the entire country. During the first months of the year, the company maintained its status as the company with the second-lowest fare of kilowatts per hour, and second on the list of top-quality energy suppliers in Colombia.

Emgesa is the leader in long-term contract energy sales

Emgesa is the generation company with the highest number of transactions settled over five-year contracts. This allows customers to plan their energy management with more certainty and to cope better with contingencies, such as weather events like El Niño, with greater stability overall.

Enel Generación Costanera celebrated its 24th anniversary

The Costanera power plant, located on the south coast of the city of Buenos Aires, has been operating for 24 years and is currently one of the most important thermal generation companies of the Enel Group.

JUNE

Enel Distribución Ceará won at the Abradee Awards

For the eighth time, the company was awarded with maximum honors in the corporate social responsibility category by Abradee, the Brazilian Association of Electrical Energy Distributor.

Codensa executed an important plan to modernize energy substations

With an investment of COP$160,000 million, Codensa moved ahead with the ambitious plan to modernize 27 power substations in Bogotá and Cundinamarca, which improved the quality of service for 3,268,564 customers. All work was completed without any suspension of service, and without affecting customers.

Codensa and Emgesa committed to new standards in their sustainability reports

Both companies participated in launching the new worldwide GRI Standards, updated by the Global Reporting Initiative with the objective to adapt to the Paris Climate Agreement and the Sustainable Development Goals of the United Nations. Enel Group has committed to specifically support four objectives: quality education, access to energy, economic development and fighting against climate change.

Codensa successfully issued local bonds in the amount of COP$200,000 million

Codensa issued bonds in the Colombian capital market with a seven-year term to maturity. The bonds were placed under Codensa's Ordinary Bonds Issuance and Placement program, after being approved by the Colombian Financial Superintendence.

Enel Distribución Perú called for energy bids

The company called on generation companies to participate in a bidding process for supplying energy to its free clients for a total of 100 MW. The bids are for the period from July of 2017 to December of 2021. Through this public bidding process, Enel Distribución Perú selected the generation companies that offered the best economic conditions for the energy supply of both the company's contracted and free clients.

JULY

Codensa and Emgesa were recognized for their anti-corruption practices in Colombia

The companies were recognized by the Secretariat of Transparency of the Presidency as two of the six major companies in the country listed on the Actively Anticorruption Companies register (EAA, its Spanish acronym). The EAA lists companies with the highest international standards for anti-corruption programs. The companies exceeded the requirements to be placed on the list of the EAA's initiative, establishing them as good referents in anti-corruption practices and activities, in relation to their business ethics and compliance in Colombia.

2017 Milestones

AUGUST

Enel won the National Innovation Award in Brazil

Enel Brasil won the National Innovation Award, organized by both the Confederación Nacional de la Industria (CNI, its Spanish acronym) and Serviço Brasileiro de Apoio às Micro e Pequenas Empresas (Sebrae, its Portuguese acronym). On June 26, the awards ceremony was held during the opening session of the Brazilian Innovation Congress in São Paulo. Only 34 companies made it to the final stage of the competition, and Enel was one of three finalists in the Marketing Innovation category.

Enel Generación Chocón Anniversary

The Enel Argentina's Hydroelectric Generation Plant, located in the province of Neuquén, is a symbol of strength. The village of El Chocón grew and developed around the company, which contributes 1200 MW to the International Interconnected System. 2017 marks the 24th anniversary since the concession was granted, on August 11, 1993.

New electric substation in Peru benefits more than 25 thousand customers

Enel Distribución Perú launched the new Philadelphia Electrical Transmission Substation (SET, its acronym in Spanish), located in the district of San Martín de Porres. This service operates at 60 kV and serves more than 25,000 residential, commercial, and industrial customers in San Martín de Porres, Los Olivos, and Callao. As a result, the electricity supply reliability has improved in these districts and the new plant will meet the demand for energy created by the construction of the future Line 2 of the Lima Metro. The total investment exceeded US$20 million and was executed over a period of fifteen months.

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Dow Jones
Sustainability Indices
In Collaboration with RobecoSAM

SEPTEMBER

Enel Américas entered the Dow Jones Sustainability Chile Index

For the first time, the company entered the Dow Jones Sustainability Index (DJSI), in the DJSI Chile subcategory. This index measures the performance of 2,500 large companies annually, which are listed in the most important stock markets around the world.

FTSE4Good

Enel Américas entered the FTSE4Good Emerging Index for the first time

This index, FTSE4Good, incorporates companies listed on stock exchanges around the world that meet high standards in the areas of the environment, social relations, and government, based on the principles of responsible investment. The FTSE4Good criteria are applied to the FTSE Emerging Index, launched in 2016, which brings together 20 emerging countries.

Enel Américas adjudicated a 30 year concession to operate the Volta Grande power plant in Brazil

The Brazilian federal government held a public auction, "Leilão de Concessões não prorrogadas", organized by the Brazilian Electricity Regulation Agency – ANEEL (its Portuguese acronym). Enel Américas paid around BRL$1,420 million (US$445 million) for the hydroelectric plant, which aligns with the current strategic plan of the Group.

Edesur celebrated its 25th anniversary

On September 1, Enel's distribution company in Argentina celebrated its silver anniversary with the company's employees. With a total of 18 TWh/year, Edesur serves about 2.5 million customers in the city of Buenos Aires, and 12 municipalities in the southern area of the Province of Buenos Aires. In 2017 alone, the company invested around ARS$4,000 million in the electricity network.

OCTOBER

Enel Américas increased its participation in Enel Distribución Perú

On October 4, Enel Américas, through its subsidiary Enel Perú SAC, increased our shares in Enel Distribución Perú by another 7.5%. This transaction was executed on the Lima Stock Exchange for the equivalent of US$80.5 million. The participation of the Enel Group reached 83.2%.

Codensa and Emgesa celebrated 20 years of operation

The companies Codensa and Emgesa celebrated 20 years of operation in the Enel Group. The companies have made a decisive contribution to the progress of the energy sector and the development of the communities where the companies operate, through the generation, distribution, and commercialization of electricity. During these two decades, the companies have distinguished themselves as being financially and socially responsible, due to their environmental commitment, innovation, and closeness to their customers.

Padre Novak Substation

In Florencio Varela, the Padre Novak Substation was built, one of the most important investments of Edesur, which improved the capacity of transformation and electrical distribution of the area. In October, the new 40 MVA transformer was installed and medium-voltage cable was laid. This will improve customer service and alleviate demand on the Varela substation.

Opening of machines in Costanera

The company started one of the combined cycles of Enel Generación Costanera, performing maintenance on the machinery to ensure the best operation.

NOVEMBER

Emgesa won the excellence ARL SURA award

The company obtained this recognition due to an innovative plan based on lighting improvements and facilities to install, operate, and maintain street lighting in the Sociedad Portuaria Central Cartagena. This project uses a retractable post system that eliminates the risk of high-altitude operations for operators who handle streetlights.

Smart meters

Edesur began to digitize the network by installing 5,000 smart meters. During November, the Caballito neighborhood, one of the most densely populated areas, received smart meter installations. This new generation of smart meters allows for detecting interruptions in real time, and accurately measures both the consumption and injection of energy into the network.

Pompeya Substation

Edesur began upgrading the Pompeya Substation, which will benefit 36 thousand customers. The company, a subsidiary of the Enel Américas Group, invested ARS$208 million. The event was attended by the Head of global infrastructure and networks at Enel, Livio Gallo; the CEO of Edesur, Giuseppe Fanizzi; the chairman of Edesur, Juan Carlos Blanco; and the country manager of Enel Argentina, Maurizio Bezzeccheri.

Enel Distribución Perú installed more than 8,700 smart meters in Lima and Callao

The smart meters were installed in seven districts of Lima and Callao as part of a pilot program to create a more efficient and digitized power grid to improve service quality. The company will invest a total of US$1.1 million in this project, which includes the installation of 10,000 meters by the end of the first quarter of 2018. The objective is to show the benefits of this technology and the intelligent management of energy to customers and all the electrical system.

DECEMBER

First charging station for electric vehicles in Argentina

Enel installed the first operational charging station for electric vehicles in the country in the main building of Edesur. With this installation, the company reaffirmed its leadership in energy innovation, electric mobility, and care for the environment.

Electrical infrastructure works were performed in the Olympic Village of Argentina

The 2018 Youth Olympic Games will be held at Villa Soldati neighborhood in Buenos Aires. The company installed medium voltage lines and new transformer chambers for one of the most important sport events of the year.

Installation of Smart Meters in Argentina

50 smart meters were installed in Los Piletones neighborhood, as part of a pilot program, where the Fundación Margarita Barrientos dining room operates. As such, the company promotes technological progress in a low income neighborhood and cooperates with its development.

Message from the Chairman and Chief Executive Officer 102-14

We are pleased to present our second sustainability report as Enel Américas, which discusses our performance and management in the environmental, social, and corporate governance areas during 2017.

In 2017, we began an important process of cultural change for the company, in which sustainability is a strategic and integral part of the management of our business, growth, and development. Our goal is to create long-term value for the company and for all of our stakeholders.

One of the pillars of this strategy is the Open Power vision, which leads us to offer energy to more people, for new uses and technology, for new alliances, and to find new ways of managing energy for people, along with new ways of forming relationships and integrating our employees and communities.

In order to be a relevant player in the growth of the countries in which we operate, we efficiently ensure the generation and distribution of electrical energy while contributing to the development of society.

In line with our commitment to the Sustainable Development Goals of the United Nations, we have developed various projects aimed at the progress of the communities where the company conducts business, supporting, among others, sustainable economic development, quality education and access to energy. In 2017, more than 740 thousand people have benefited in these three areas.

Innovation plays in important role in both the sustainability of cities and in generating value for our customers. For these reasons, we have begun the installation of smart meters and the development of initiatives that promote electric mobility, among which we can point out car sharing, electric bicycles, the eco car, and new installations of electric vehicle charging stations.

In the area of labor issues, we have strengthened Enel Américas' leadership role in the energy industry. We focused on cultural change and developing skills that permit work teams to focus on constantly improving and creating efficient processes, protecting the integrity of all our employees.

We support diversity by turning it into a competitive advantage, improving our processes, products, and services, stimulating creativity, learning, flexibility, and respect.

In terms of Human Rights, during 2017 a Due Diligence process was carried out in the four countries in which we operate, in order to identify risk situation and to define the respective mitigation plans that will be carried out as of 2018.

We are working towards an even more sustainable energy matrix. In Brazil, we were awarded a new hydroelectric plant that allowed us to increase the capacity of renewable energy generation by 42%. Additionally, in order to expand our service coverage, we acquired the distribution company Enel Distribución Goiás (formerly Celg), the purchase of which was completed after one year of work. It will also provide better service to our customers.

In environmental aspects, work continued on preventing environmental risks in the countries where we operate, along with monitoring water use, emissions, and waste management.

In matters of ethics and corporate governance, we consolidated our goals of the Zero Tolerance Plan for Corruption and we implemented the Criminal Risk Prevention Model, the compliance with which is constantly monitored to mitigate different risks that may arise.

We invite you to read the following pages, where you will find relevant information about our management, challenges, and progress.

Warm regards.

Chairman

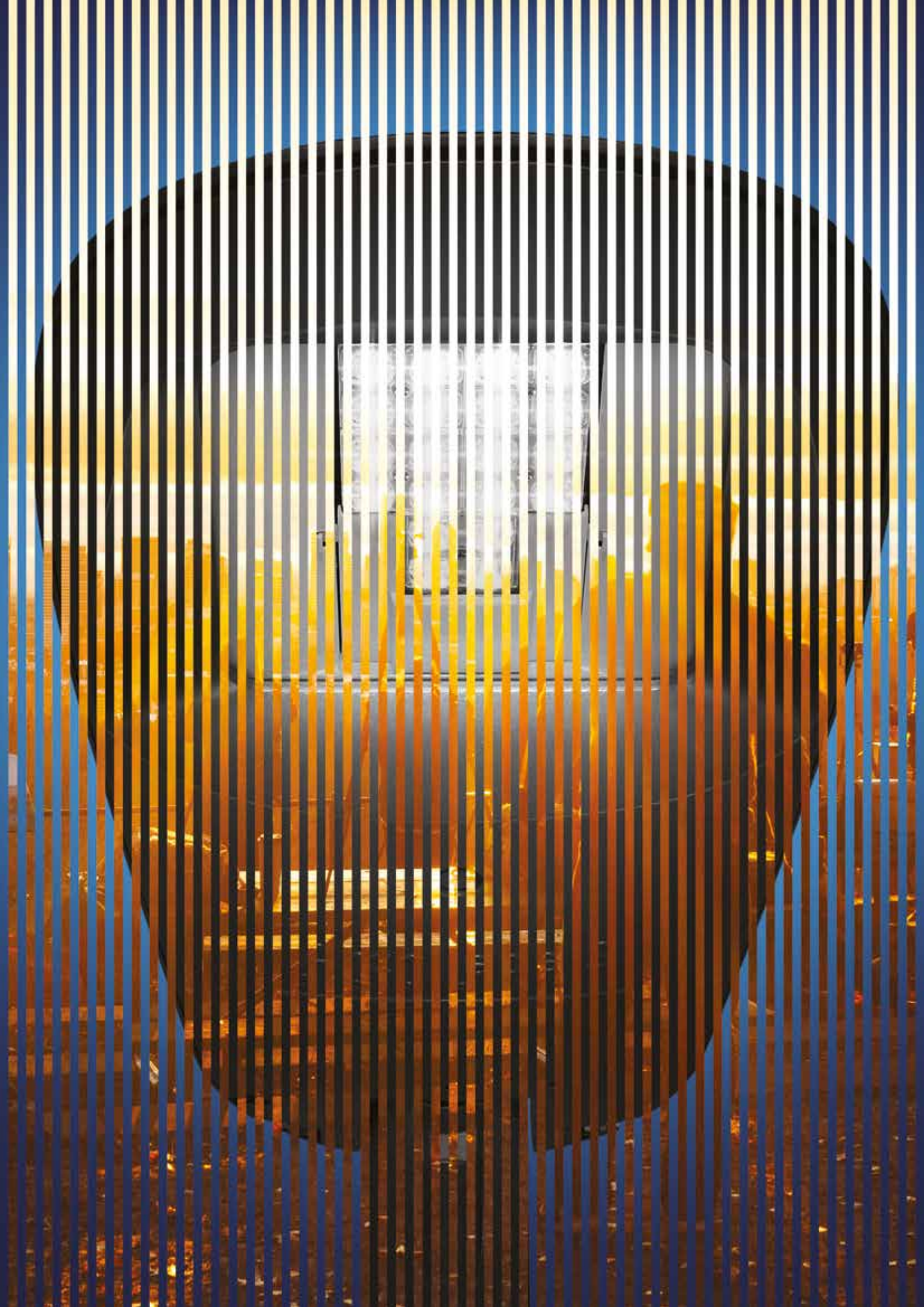
Francisco de Borja Acha Besga

Chief Executive Officer

Luca D'Agnese

01

Knowing the Company



Enel Américas

11,393
NUMBER OF EMPLOYEES

48,017
NUMBER OF CONTRACTORS' EMPLOYEES

US$ 2,947
EBITDA (BILLIONS)

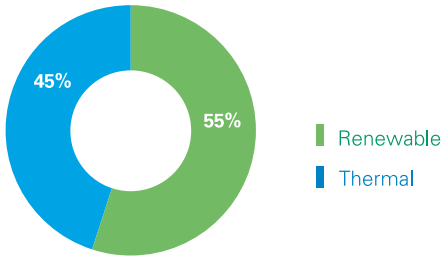
14%
SOCIALLY RESPONSIBLE EQUITY INVESTORS

US$ 10,540
EARNINGS (BILLIONS)

Generation

Enel Americas generates 41,1 TWh of energy through its subsidiaries in Argentina, Brazil, Colombia and Peru.

Generation Mix



Distribution Network

Enel Americas, through its distribution subsidiaries, concessionaries in the capitals of the countries in which it operates, has approximately 530 thousand km. of distribution network.

74.4 TWh
DISTRIBUTED ENERGY

17 million
NUMBER OF CUSTOMERS


DESPACIO

Scope

102-50 102-51 102-52

This is the second sustainability report as Enel Américas, which has operations in the electricity generation, transmission, and distribution markets through its subsidiaries and related entities in Argentina, Brazil, Colombia, and Peru. This report provides details about the economic, environmental, and social management of the company during the period from January 1 to December 31, 2017.

The report was prepared in accordance with the new standards of the Global Reporting Initiative (GRI), heeding the "essential" conformity standards, and has been supplemented with indicators from the Sectorial Supplement of the Electric Industry (EUSS, for its acronym in Spanish). The sustainability report was verified by the auditing company EY with the goal of meeting the new GRI standard requirements. The verification process involves the identification of documentary evidence and verifying the processes related to generating the information and the data captured in the report. The sustainability report incorporates the suggestions given by the audit company in charge of verification. The assurance statement report can be found at the end of the present report, on page 157.

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Enel Américas was established in 2016, consolidating the operations of Argentina, Brazil, Colombia, and Peru. The historical data for the years 2014 - 2015 has been reconstituted for comparative purposes as much as possible. However, in some cases it was not possible to reconstruct the data, thus at times comparative information is presented only for the years 2016 and 2017.

Description and businesses of the company

102-1 102-2 102-3 102-4 102-6 102-7 102-45

Enel Américas S.A. (Enel Américas) is part of Enel Group, an Italian multinational. The Enel Group is one of the leading integrated operators in the world's energy and natural gas sectors, present in more than 30 countries and on four continents.

Enel Américas is one of the largest private electrical holding companies in South America in terms of consolidated assets and operating income.

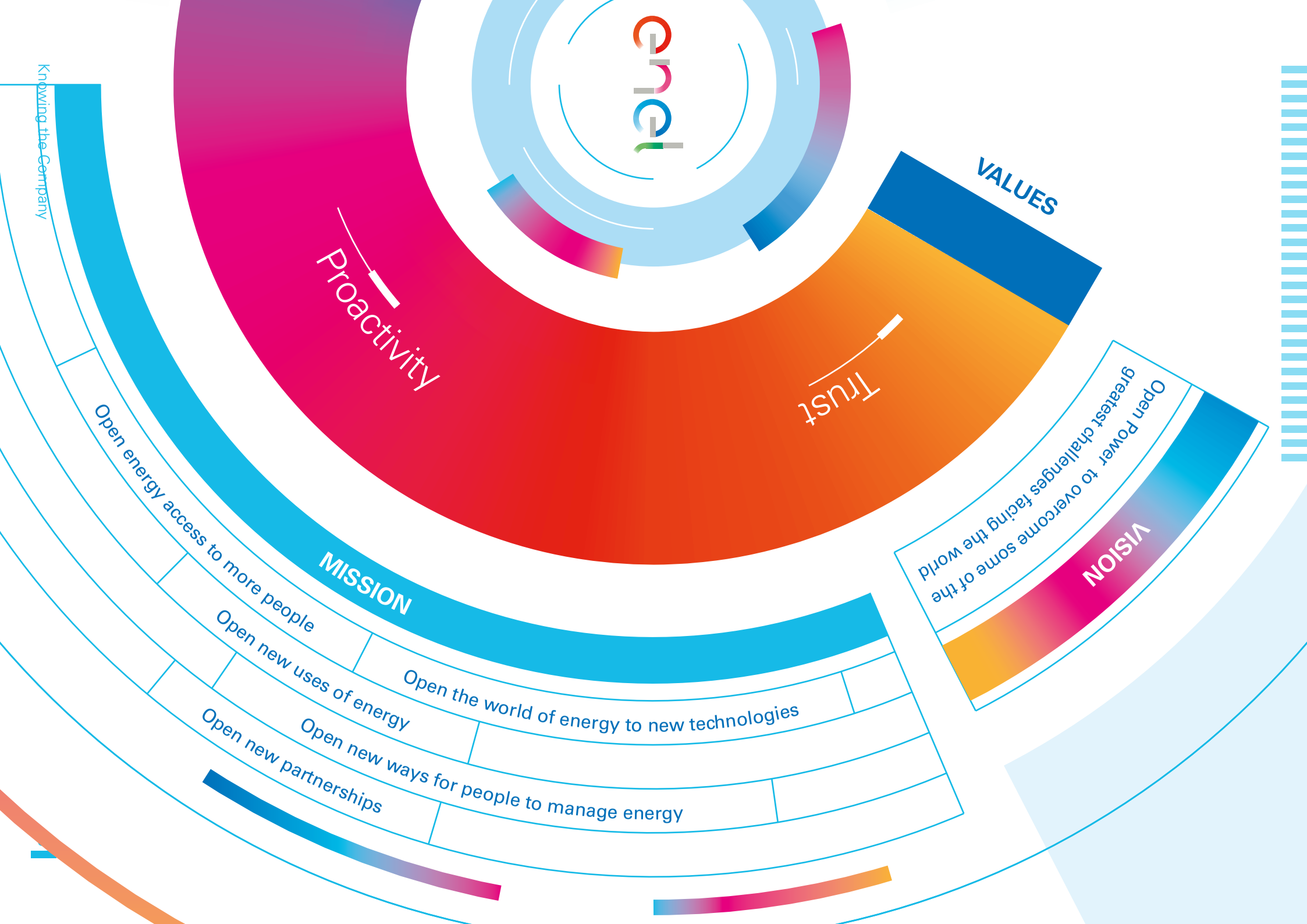
Its main business is the generation, transmission, and distribution of electricity, which it carries out through the subsidiaries and related companies in Argentina, Brazil, Colombia and Peru. The business structure is as follows:

GENERATION AND TRANSMISSION	• Enel Generación Costanera • Enel Generación El Chocón • Docksud Plant	• Fortaleza • EGP Cachoeira Dourada • Volta Grande[1] • Enel Cien[2]	• Emgesa	• Enel Generación Perú • Enel Generación Piura
DISTRIBUTION	• Edesur	• Enel Distribución Río • Enel Distribución Goiás[3] • Enel Distribución Ceará	• Codensa	• Enel Distribución Perú

1. Incorporated in December 2017.
2. Transmission.
3. Incorporated in February 2017, previously known as Celg.

Enel Américas is Open Power

Openness to the outside world, to technology and, internally, among colleagues. This is the strategic concept of Open Power. However, to fully convey to customers, its interlocutors, the essence of a new and innovative Enel Group, it is important to share this attitude of openness within the company. To create a common culture among all the different companies that make up the Group, Enel Américas have identified a 'galaxy' composed of a Vision, created for the first time in Enel. The Vision represents the grand long-term objective, a 2025 Mission expressed in five points, values that represent the DNA of Enel, and ten behaviors that should inspire all of the people who work for the company. Let's discover the Open Power galaxy together.


VALUES
Proactivity
Trust
MISSION
Open energy access to more people
Open new uses of energy
Open new partnerships
Open the world of energy to new technologies
Open new ways for people to manage energy
VISION
Open Power to overcome some of the greatest challenges facing the world

Prizes and awards

ARGENTINA

CEADS Recognition: The Business Council for Sustainable Development of Argentina (CEADS, its Spanish acronym) recognized the companies of Enel Argentina for contributing to the Sustainable Development Goals of the United Nations and for their valuable contribution with the SDG platform.

Sustainable Mobility Award awarded by the Government of the City of Buenos Aires: An annual recognition of the best practices that promote sustainable mobility and road safety in the city of Buenos Aires and its surrounding areas of influence. Enel was given a Special Mention in the category of "Sustainable Mobility."

Brazil

Abradee Awards: In the 19th edition of the Abradee Awards, Coelce received first place in the category "Social Responsibility," and third place in the category of "Best Distributor," out of all the distributors in Brazil.

FIEC Award for Environmental Performance: For the second consecutive year Enel Distribución Ceará received the FIEC Award for Environmental Performance, which strives to recognize the initiatives and actions of companies in the area of environmental preservation. The highlights of the 13th annual awards were the "Luz Solidaria" and "Enel Efficiency Sharing" projects, in the category "Environmental Performance and Social Inclusion."

2017 Eloy Chaves Medal: Enel Cien was recognized with an award from the Brazilian Association of Electric Power Companies (ABCE, its Portuguese acronym). The company won the gold medal in category V, which ranks energy transmission companies for their performance in the years 2015 and 2016.

2017 National Innovation Award, in the main category "Management in Innovation": Enel in Brazil was presented with the 2017 National Innovation Award in the primary category, "Management in Innovation." The recognition is administered by the National Confederation of Industry (CNI) and the Brazilian Support Service for Micro and Small Enterprises (SEBRAE for its acronym in Portuguese).

National Quality of Life Award: The "Bien Vivir" Program of Enel Brasil was recognized once again in the Gold category of the Brazilian Association of Quality of Life (ABQV, its Portuguese acronym).

COLOMBIA

Companies that are Active in Anti-corruption: Codensa and Emgesa were recognized by the Secretary for the Transparency of the Presidency of the Republic of Colombia as Companies that are Active in Anti-corruption.

Ranking of the most innovative companies: Codensa was ranked 16th most innovative overall by the National Association of Businessmen of Colombia (ANDI, its Spanish acronym) and "Dinero" magazine. Codensa also achieved second place with the presentation of the project "Wireless system for preventing electrical energy theft - RFID-SAW seals," and a recognition for the largest number of projects presented and accepted.

Corporate Reputation Monitor - Merco: The companies in Colombia rose from position 66 to 56 on this index, which is one of the benchmark monitors worldwide for assessing businesses' reputations.

PERU

Alas 20: Enel Generación Perú was awarded first place for sustainability, eighth place for a leading company in corporate governance, and seventh for a leading company in investor relations.

Meanwhile, Enel Distribución Perú ranked second in the category of sustainability leader, fourth in the category of leading company in corporate governance, and sixth in the category of leading company in investor relations.

Seal of "Safe company free of violence and discrimination against women": In 2017, Enel in Peru won the seal "Safe company free of violence and discrimination against women" from the Ministry of Women and Vulnerable Populations, and was recognized in the "gold" category.

Company SOS: The Ministry of Labor and Employment Promotion, through its Responsable Peru program, recognized Enel Generación Perú as an "SOS Company," for the support it provided to the populations affected by El Niño Costero. This recognition honored the companies that actively collaborated to mitigate damages caused by this disaster.

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FTSE4Good

Dow Jones Sustainability Chile Index

For the first time, the company entered the Dow Jones Sustainability Index (DJSI), in the DJSI Chile subcategory. This index measures the annual performance of 2,500 large companies, listed on the most important stock markets around the world.

The DJSI Chile index uses the "best-in-class" selection method in order to represent the top 40% of the General Stock Price Index of the Santiago Stock Exchange, based on environmental, social, and good corporate governance factors over the long term.

FTSE4 GOOD

In 2017, Enel Américas was included in the leading index FTSE4Good, which classifies the best companies according to their performance in areas such as fighting climate change, governance, respecting Human Rights, and fighting corruption. The ranking is based on a series of environmental, social, and governance criteria (ESG).

FTSE4Good is the index of sustainable companies on the London Stock Exchange. Its purpose is to provide information on the non-financial performance of the most important companies listed on the stock exchange to aid investors in their decision-making. Enel's commitment to meet the highest standards of sustainability has attracted greater attention from socially responsible investment funds.


enel

Ownership structure

102-5

Enel Américas is controlled by the Italian company Enel S.p.A. (hereinafter Enel), which holds 51.8% of the shares issued by the company. The remaining shares are held by minority shareholders such as banks, stockbrokers, and Pension Fund Managers. The capital of the company is divided into 57,452,641,516 shares, totaling US$6,763,204,424 at December 31, 2017. Shares are traded on the Santiago de Chile Stock Exchange, the Chilean Electronic Stock Exchange, the Valparaíso Stock Exchange, and the New York Stock Exchange.

Corporate governance

As a global leader in the energy sector, Enel has rules and codes of conduct that regulate the behavior of all members in their relationships with shareholders, collaborators, suppliers, customers, creditors, and authorities. This provides transparency for the company's actions and helps avoid conflicts of interest, irregularities, or inappropriate behavior associated with accounting, internal auditing, or other aspects.

Governance structure

Corporate governance is made up of the Board of Directors, the Committees, and the top management of the company. Their decisions are the ones that guide the company's direction, aligning it with the interests of the Enel Group and adapting it to the risks and opportunities of the local market, efficiently, transparently, and with an active relationship with various stakeholders.

Board of Directors

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102-30 102-31 102-33

The Board of Directors is responsible for the administration of the company, making strategic economic, environmental, and social decisions for the company. It is distinguished by the various nationalities and the outstanding professional qualifications of its seven members, three of whom are independent and one of whom is elected without the vote of the controller, all of whom were elected at the Ordinary Shareholders' Meeting on April 28, 2016.

The responsibility of nominating new directors falls to the shareholders, with the candidates' professional experience playing a major role in their appointment. The directors hold their positions for three years and may be re-elected. The company has a Directors' Committee, made up of three members (one of whom is elected without the vote of the controller). This committee is in charge of reviewing strategic issues prior to the Board's review.

The Board of Directors, based on management information and the training of its members, can identify, evaluate, and make decisions regarding impacts or risks related to the company. These matters are discussed in their sessions and reported to the authorities in accordance with the Chilean Corporations Act, Law N° 18,046.

Following the company's statutes and the Chilean Corporations Act, Law N° 18,046, the Board's sessions must be attended by, at the least, an absolute majority of the directors (equivalent to 57%). The absolute majority must also be present in order to

adopt agreements. The average attendance of all Directors in 2017 was 85%.

Enel Américas is a financial holding with a structure of control and financial management, and a corporate governance structure in the countries within which it operates.

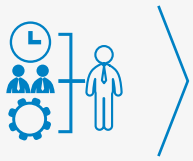
In Chile, General Management oversees its main managers (who are nominated and report to the Board). Some of the functions of the Board of Directors are delegated to General Management, however, its obligations are not transferable, according to the Chilean Corporations Act, Law N° 18.046. The company also has a scheme of powers (approved by the Board) which details the different levels of approval necessary, according to the different matters under consideration.

On sustainability matters, the Sustainability Management department informs both the Chief Executive Officer and the Board of Directors about related matters and their management. Together with the General Management of each company, the Investor Relations department, the Communications department, and possibly other areas, the Board receives information about relationships with the various stakeholders of the company.

Procedures

The following procedures are used to inform both directors and shareholders:

INDUCTION PROCEDURE FOR NEW DIRECTORS



Protocol for communicating the mission, vision, and strategic objectives of Enel Américas, through meetings with the Chairman of the Board and with the various divisions of the company. As part of the induction, the Human Rights Policy, Sustainability Reports, the Code of Ethics, the Zero Tolerance Plan against Corruption and the Diversity Policy are delivered.

PERMANENT TRAINING PROCEDURE

It consists of continual training given to the members of the Board of Directors on regulatory or organizational changes, or on any topics that are relevant for the company, giving them the tools to fulfill their objectives and to strengthen abilities relevant for their performance.

PROCEDURE FOR THE PROVISION OF INFORMATION TO SHAREHOLDERS

Protocol for informing shareholders, with due notice, about candidates for director positions in the company, reporting on their experience and professional profile, as well as their relationships with the company and the industry itself.

Board of Directors, December 31, 2017.

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1. PRESIDENT
Francisco de Borja Acha Besga
Law degree
Universidad Complutense de Madrid
Spaniard
Since 04.28.2016

2. DIRECTOR
José Antonio Vargas Lleras
Law degree
Universidad Colegio Mayor del Rosario,
Colombian
Since 04.28.2016

3. DIRECTOR
Enrico Viale
Bachelor's degree in Engineering
Universidad Politécnica de Turín
MBA School of Business
Universidad de Santa Clara
Italian
Since 04.28.2016

4. DIRECTOR
Livio Gallo
Electronic Engineer
Universidad Politécnica de Milán
Italian
Since 04.28.2016

5. DIRECTOR
Hernán Somerville Senn
Lawyer
Universidad de Chile
Master of Comparative Jurisprudence
University of New York
Chilean
Since 04.28.2016

6. DIRECTOR
Domingo Cruzat Amunátegui
Civil industrial engineer
Universidad de Chile
MBA from Wharton School of the University of Pennsylvania
Chilean
Since 04.28.2016

7. DIRECTOR
Patricio Gómez Sabaini
Business Administration degree
George Mason University, Virginia
Master's degree in Business Administration
George Washington University, Washington, DC
Argentinian
Since 04.28.2016

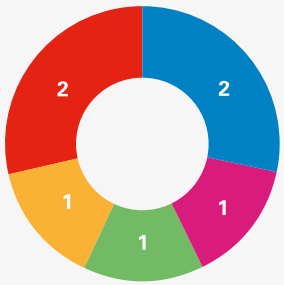
Organizational structure
Main executives

(1) Left the position on 01.31.2018.
(2) Paolo Pallotti took position on 02.01.2018 replacing Francisco Javier Galan Allue.

Diversity in the Board of Directors 405-1

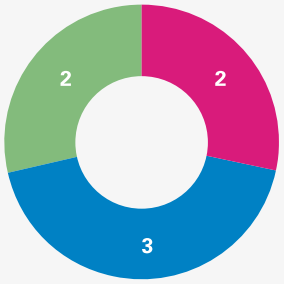
Gender diversity

- Women
- Men



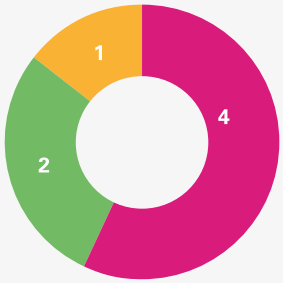
Number of people by nationality

- Chilean
- Spanish
- Argentinian
- Colombian
- Italian



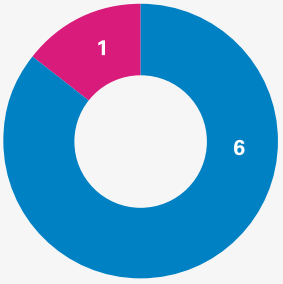
*Background

- Energy
- Legal
- Strategy and Finance



Age diversity

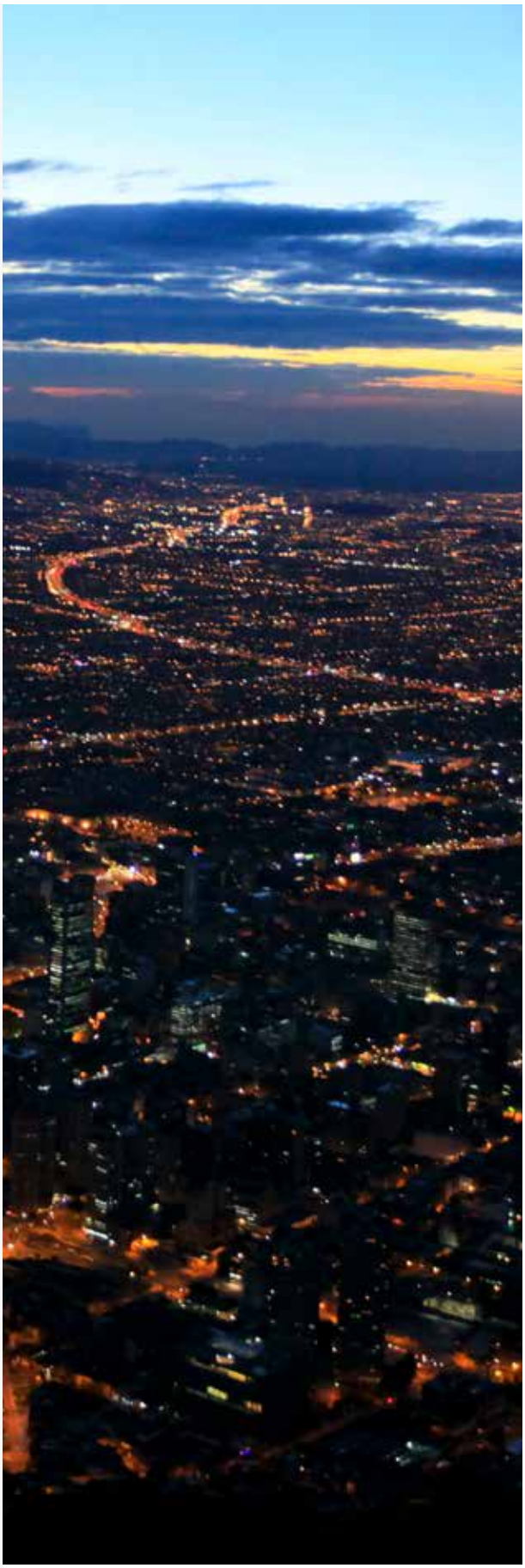
- 41 to 50
- 51 to 60
- 61 to 70
- Over 70



Office seniority diversity

- Less than 3 years
- More than 12 years

* Experience background available in 20-F "https://www.enelamericas.com"



Internal and risk control system

102-15

Enel Américas' success in business management is due in part to the correct implementation and effective operation of an Internal and Risk Control System aligned with the company's business model. The Internal Audit Management Department is responsible for ensuring the efficiency and effectiveness of the internal control and risk management system in an objective and independent manner. This department adds value through reviewing and monitoring activities that assist in the continuous improvement of processes and relative controls, always keeping in mind the constant evolution of risks in a business context. Due to its sensitive nature, the Internal Audit Management department is situated outside the line of business and reports directly to the Board of Directors.

The auditing processes performed by this department use a risk-based perspective, allowing them to periodically evaluate the functioning of the diverse operations of the company, identifying areas that need improvement and facilitating – together with the process owner – action plans that allow them to strengthen the Internal Control System.

The department regularly reports the results of each audit and supervision of the action plans' implementation to the Board of Directors, which directly oversees the proper execution of the improvement plans.

Each audit includes control activities associated with the Criminal Risk Prevention Model (MPRP for its acronym in Spanish), a framework that contains the requirements of the Crime Prevention Model of Law N° 20,393, that governs Enel Américas as a company based in Chile, and which encourages the adoption of international best practices to prevent and detect potential risks of illegal activity, fraud, and any action that may be in conflict with the ethical principles of the Enel Group.

Standards and ethical behavior

102-16 102-17 102-25

Enel Américas is fully committed to complying with the company's standards and ethical conduct, and the legislation in force in each of the businesses where it operates, both in its internal relations and in its external relations with other stakeholders. Transparency and acting ethically in its activities are an integral part of the values that build trust and responsibility with all of our stakeholders.

The Board of Directors is the body in charge of compliance with ethical standards and the prevention of criminal risks in the company, a task that is delegated to the Internal Audit Management Department, with its monitoring and management.

In order to avoid conflicts of interest, the company strictly adheres to the Chilean Corporations Act, Law N° 18.046, which establishes independence and no conflicts of interest within its criteria for compliance. In turn, the Board has adopted the voluntary practice of General Standard N° 385 of Chile's Superintendence of Securities and Insurance (SVS, its acronym in Spanish) and the current Commission for the Financial Market, (CMF, its Spanish acronym). The General Standard N° 385 recommends seeking an external expert's advice for detecting and implementing eventual improvements, or for strengthening areas in its operation. Thus, an independent expert evaluates these matters annually and then issues a report, which is presented to the Board of Directors. In March of each year, the Board informs the market, through the SVS and the current CMF, of the voluntary good corporate governance practices suggested by the external expert that it has adopted and implemented in the preceding year.

Compliance System

102-30 103-2 103-3 205-1

Enel Américas has a Criminal Risk Prevention Model, which is built on the basis of the Code of Ethics and the policy of Zero Tolerance for Corruption. Enel Américas is opposed to any form of corruption, direct or indirect, in all of its processes on the value chain, in its places of operation, and with any of its stakeholders. The Criminal Risk Prevention Model covers all the requirements of the Crime Prevention Model defined in the Chilean Law N° 20.393.

This Model is the basis of the Compliance System of the Enel Group. It is composed of a series of specific programs, such as the Foreign Corrupt Practices Act (FCPA USA), the Bribery Act (United Kingdom), and the Enel Global Compliance Program (approved in 2016). The Enel Global Compliance Program responds to local legislation and to the highest international standards, such as ISO 37001. In the same way, the Group has incorporated the definitions of the Global Compact and the Sustainable Development Goals, both developed by the United Nations, into its policies and models.

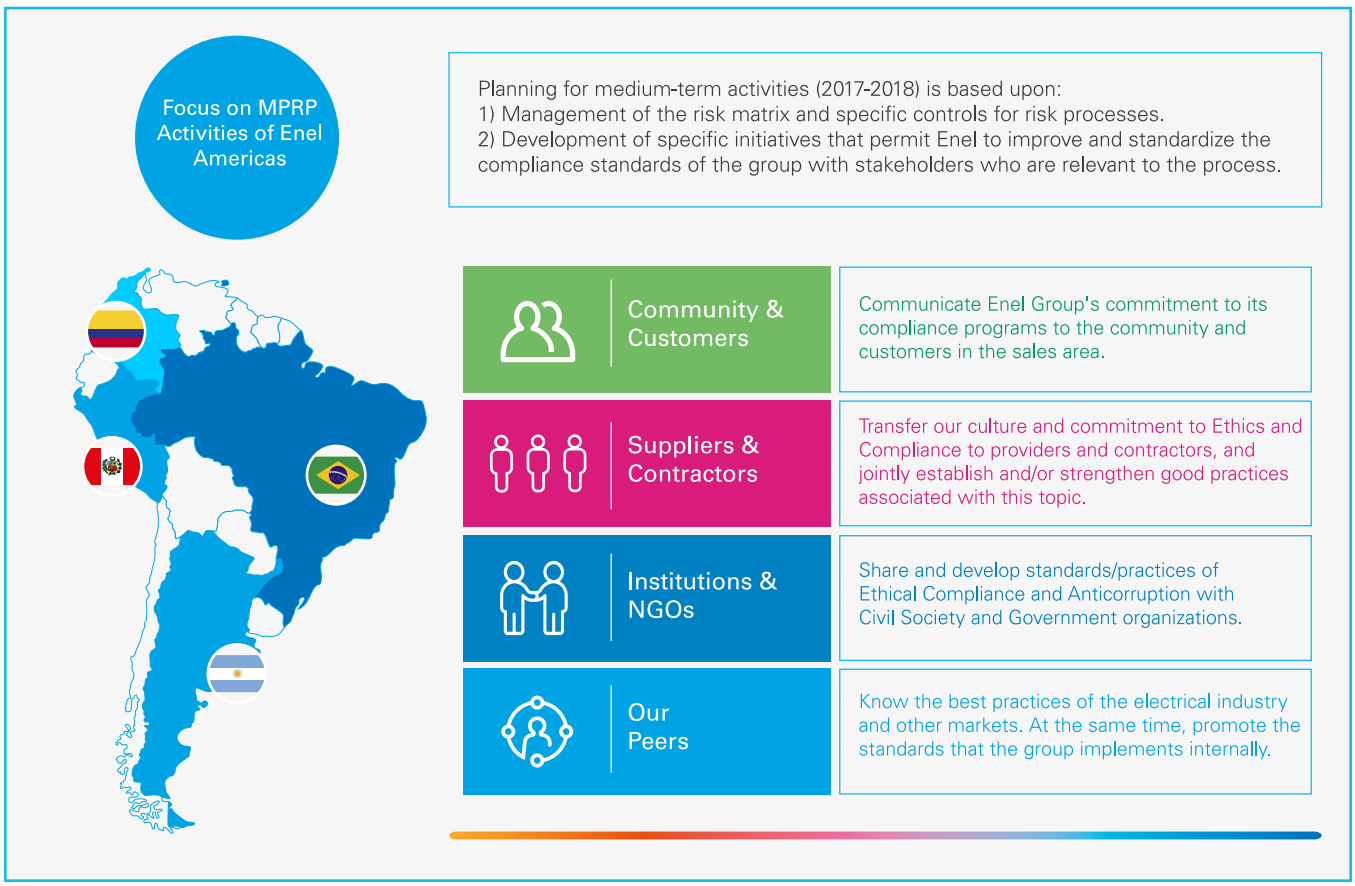
Main documents of the Criminal Risk Prevention Model:
Among the instruments that regulate ethical behavior is the Criminal Risk Prevention Model, which contains the following items:

- A Code of Ethics.
- Enel Global Compliance Program.
- A Plan of Zero Tolerance for Corruption (PTCC, its Spanish acronym).
- A protocol of action in dealing with public officials and public authorities.
- A protocol for the acceptance and offering of gifts, presents, and favors.
- The Internal Regulation of Hygiene and Safety Order.
- A Conflict of Interest Policy.

The purpose of the Compliance System is to encourage and simplify Enel's development of long-term, trusting relationships with its stakeholders, developing activities in a responsible manner and communicating with them transparently. Focusing on generating shared value allows the company to collaborate with local industry in defining a common compliance standard, in line with international best practices. This system is viewed as the central axis of the company's operations and is, therefore, a guide for the conduct of all the company's employees.

The Board of Directors approves the compliance system programs, relying on the Crime Prevention Officer for their implementation. The Crime Prevention Officer has the necessary organizational autonomy, empowerment, and resources in order to properly perform his or her duties. Periodically, the Board evaluates and monitors the implementation and improvement of programs at the process level. The activities of management, supervision, and improvement of compliance programs are continuous and permanent, implemented through specific work programs developed for a period of one year and more. This plan has been outlined in a "Compliance Road Map" document, which serves as a guide and the basis for executing compliance activities, both internally and externally.

Compliance Roadmap



All subsidiaries administered directly by Enel Américas have defined their standards for the compliance programs, developing programs based upon each country's specific requirements. The standards regarding the requirement of specific compliance programs were extended to Argentina and Peru in 2017.

Those entities that are not directly controlled by Enel Américas, such as joint ventures or associated companies, are encouraged to develop their own codes. These codes must be aligned with local legislation and the standards of the Enel Group so that they can continue a commercial relationship with Enel Américas.

Risk criminal prevention model

Enel Américas is a Chilean business, a holding of Enel Group in South America. In this context, the liability regulations for the legal persons are broad, covering the provisions of Chile, Italy, and the countries where Enel has operations in the Region.

This process is normed by Legislative Decree 231, established in Italy in 2001, which indicates the administrative and patrimonial responsibility in certain crimes of the non-Italian legal persons located abroad (NIS). Likewise, Chilean Law N° 20,393 (Dec/2009) establishes the criminal liability of legal persons, in the crimes of asset laundering, terrorism financing, receiving stolen goods, and bribery, the latter being an extraterritorial offence.

New Law on Criminal Liability for Legal Persons.

At the end of 2017, Law 27,401 passed, which establishes the criminal liability of legal persons for the offenses of corruption, extortion, balances, and false reports, among others.

The Anticorruption Law N° 12.846/2013 Goes Into Force

It establishes the **civil and administrative liability of legal persons** for the commission of acts against the public administration, national or foreign.

Law N° 1.778 (Feb/2016)

It lays down rules on the liability of legal persons for, acts of transnational corruption and others, complements the **"Anticorruption Statute"** (Law N° 1474/11).

Legislative Decree N° 1.352 (Jan/2017)

It assigns administrative liability (criminal) to the legal person, for the offenses of corruption, money laundering, and financing of terrorism.

For their part, suppliers and contractors agree to adhere to the provisions of these programs, through the General Contracting Conditions. These Conditions are a set of clauses that facilitate and reinforce the importance of the control of the correct implementation of the Compliance System, specific to Law 20.393 for Enel Américas and each of its subsidiaries, each of which has its own specific compliance system. Enel Américas is constantly improving the continuous monitoring of the status of its suppliers through annual counterpart reviews, which are currently being extended into a permanent monitoring system.

In case a potential or real action contrary to the principles of the Criminal Risk Prevention Model is observed, any stakeholder can make a complaint through the Whistleblower Channel, managed by the Internal Audit Department. The Whistleblower Channel has specific management procedures to ensure confidentiality and to guarantee there is no retaliation against whistleblowers.

Regarding the hiring of consultants and other professional services, Enel Group has specific procedures that provide for analysis of the contracted party and the realization of Due Diligence when necessary. All supplier contracts provide for revisions to the contract of the party involved in the early risk management approach, relying on different external tools (e.g., Thomson Reuters - WorldCheck) for an adequate risk assessment.

These actions are supported by internal policies that determine the frameworks for carrying out activities with a high risk of corruption. The Board of Directors of Enel Américas must approve, prior to their execution, all commercial transactions involving Politically Exposed Persons and Persons Related to the Former (PEPCO, its Spanish acronym). Once a year, all suppliers are reviewed in relation to international lists of PEP persons and the results of these reviews are delivered to the Boards.

When beginning their relationship with the company, each employee, supplier, executive, or contractor receives a copy of the Code of Ethics, the Zero Tolerance for Corruption Plan, and other preventive documents. They also receive specific training according to their function in or with the company.

Similarly, the company makes the policies, dissemination campaigns, and informative videos on the prevention of corruption, among other tools, available to collaborators through its portals (e.g., intranet, information screens).

There are also various training methods (face-to-face and e-learning) which include senior management and/or sensitive areas and functions, based on the results of the Criminal Risk Prevention Model analysis.

During December 2017, an Internal Seminar on Good Compliance Practices was held with the participation of other companies in the industry, members of the public and the private sector, with the aim of spreading and raising awareness about the importance of the compliance program.

Through the company website, customers, the community, and the general public can learn about the company's compliance programs. There are also options to report possible inappropriate or behaviors that conflict with any of the group's compliance programs. These channels are managed using a platform external to the company, which incorporates industry standards in the area of confidentiality, and is accessible by internet, telephone, or written communication.

Ethic code

Enel Américas has a code of ethics that sets out commitments and ethical responsibilities for managing business and business activities. This document aims to establish the principles of action for all members of Enel Américas. It describes the type of conduct that is compatible with the values of the company and is expected from all employees and the company's contracted parties. Compliance is verified with employees', department heads', and executives' knowledge and awareness of the Code of Ethics.

Enel Américas' code of ethics is made up of 16 principles that outline criteria for conduct that members of Enel Américas and its companies must follow, including directors, administrators, employees, and contractors, at all levels.

The code of ethics establishes: the general principles that should govern the relations of the members of Enel and its collaborators with their stakeholders, aligned explicitly with the values of the company; the criteria of conduct that provide the rules and norms by which the Enel collaborators have to abide to respect the general principles and to prevent the risk of unethical conduct; the mechanisms of implementation, which describe the control system for compliance with the code of ethics and for its continuous improvement.

Compliance activities

The compliance activities developed by the Enel Group have focused on the identification, detection, and mitigation of risks primarily associated with corruption. In this category, the most significant risks are related to potential conflicts of interest in the procurement cycle (bidding processes, awarding, and contract management), and in the operational management of contracts between contractors and customers.

In 2017, the following evaluations have been used to develop these processes:

1. Evaluation of the Fraud Risk Assessment matrix-FRA

The business units of the Enel Group were given risk assessments related to corruption, through the new evaluation tool, the Fraud Risk Assessment (FRA), which consists of mapping and evaluation of all kinds of fraud events that could occur in the company, and which is conducted along with the auditing risk assessment.

2. Evaluation of the matrix of Risk Assessment

Risks were evaluated, applying the international standard methodology C.O.S.O. (Committee of Sponsoring Organizations of the Treadway Commission), for 100% of the processes in Enel Américas and Subsidiaries.

3. Evaluation of the risk matrix for the Criminal Risk Prevention Model

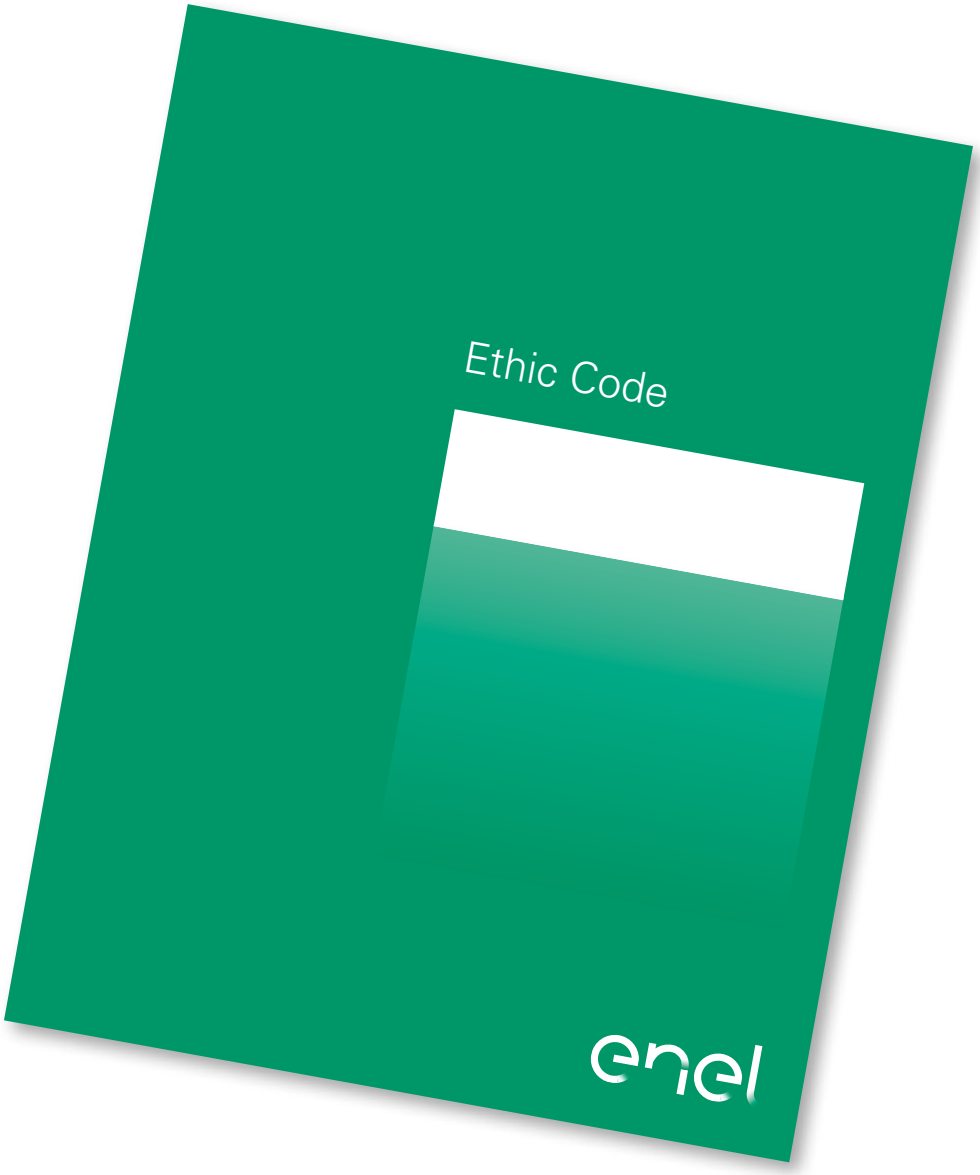
Specific risks outlined in Law N° 20,393 were verified for Enel Américas and its subsidiaries, each having its own specific compliance system.

In 2017, Enel Américas received 160 complaints through the ethical channel. These complaints revealed 17 non-significant infractions - all duly managed - of the Company's Code of Ethics, in matters of contract management and operational relations with customers.

Ethical Channel

In order to achieve the highest level of satisfaction from its stakeholders, Enel Américas has established an ethical channel that allows all stakeholders to report irregular or inappropriate behaviors related to accounting, control, internal auditing, and behaviors relating to Law N° 20.393, such as money laundering, terrorism financing, bribery offenses, and receiving stolen goods.

The channel facilitates receiving complaints, anonymously or personally, and is available through the corporate portal, the internet, by telephone, and through written communication. The channel is governed by the group's global policy N° 107, called "Whistleblowing," which emphasizes the guarantee of anonymity without reprisals, protection against malicious complaints, and protection of the complainant (Policy of Non-reprisal). This policy defines specific criteria for response times and for notifying the complainant about results.



Complaints can be made through the web page: https://secure.ethicspoint.eu/domain/media/es/gui/102504/index.html

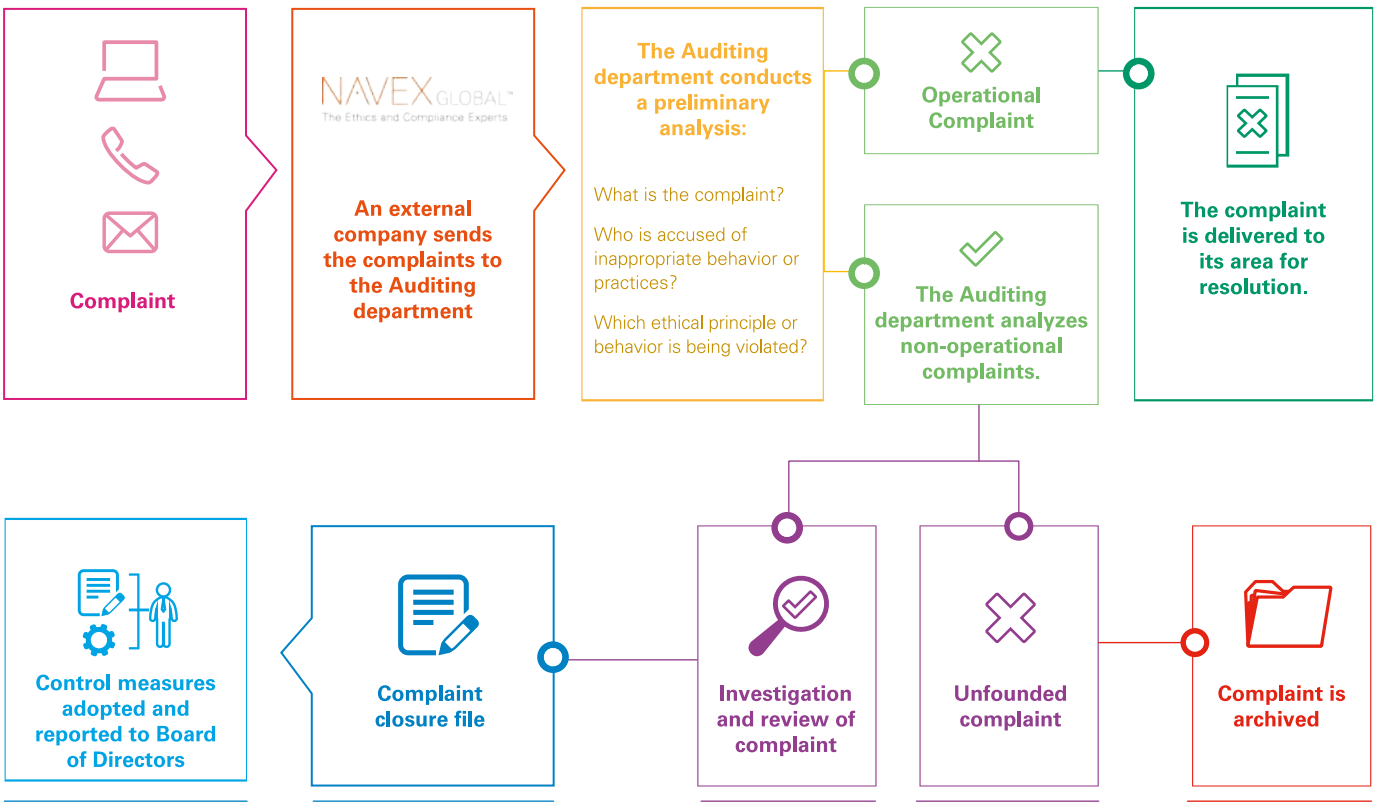
Ethical channel

Enel Group has a "Whistleblowing" Policy that was established in the spirit of regulating the process of receiving, analyzing and managing complaints relating to conduct and practices that may breach the Enel Compliance Programs.

Policy No. 107 "Whistleblowing"

The Channel Ensure

- Anonymity
- Confidentiality
- Safety
- Protection against retaliation (reprisals)



Zero Tolerance for Corruption Plan

Incorporated in 2012, the Zero Tolerance for Corruption Plan (PTCC, its acronym in Spanish) establishes a framework for addressing behaviors outside the code of ethics and which the company categorically rejects, including matters relating to bribery; charities and sponsorships; favors and gift deals; accommodations and expenses. The Plan follows the criteria recommended by Transparency International, complying with the tenth principle of the Global Compact on combating corruption in all its forms. There is also a conflict of interest policy to address such cases.

Protocols for the treatment of public officials and gifts

The company has specific protocols that establish criteria and norms for relationships with public officials and authorities, dealing with the offering and reception of gifts, situations that may present conflicts of interest, exclusive contracts, and commercial concurrence. The documents are part of the "Enel Global Compliance Program."

Enel Global Compliance Program

The "Enel Global Compliance Program" (EGCP) complements any local compliance program adopted by Enel subsidiaries, in accordance with any applicable law in corporate criminal liability. The EGCP was adopted in Chile by the group's companies under the name of "Global Regulatory Compliance Program for Corporate Criminal Responsibility," and is part of the Criminal Risk Prevention Model for local Law N° 20,393.

Inspired by the best international practices in this area, the EGCP is designed to be a tool that reinforces Enel Américas' commitment to the highest ethical, legal, and professional standards to improve and preserve the reputation of the Enel Group.

The type of behavior that is considered significant under the EGCP – as well as the definition of behavioral standards and areas to be monitored in order to prevent the commission of crimes – is based on behavior that is normally considered illegal in most countries, such as criminal offenses, offenses against public entities, accounting fraud, money laundering, health and safety offenses, and environmental crimes, among others.

Commitment to Human Rights

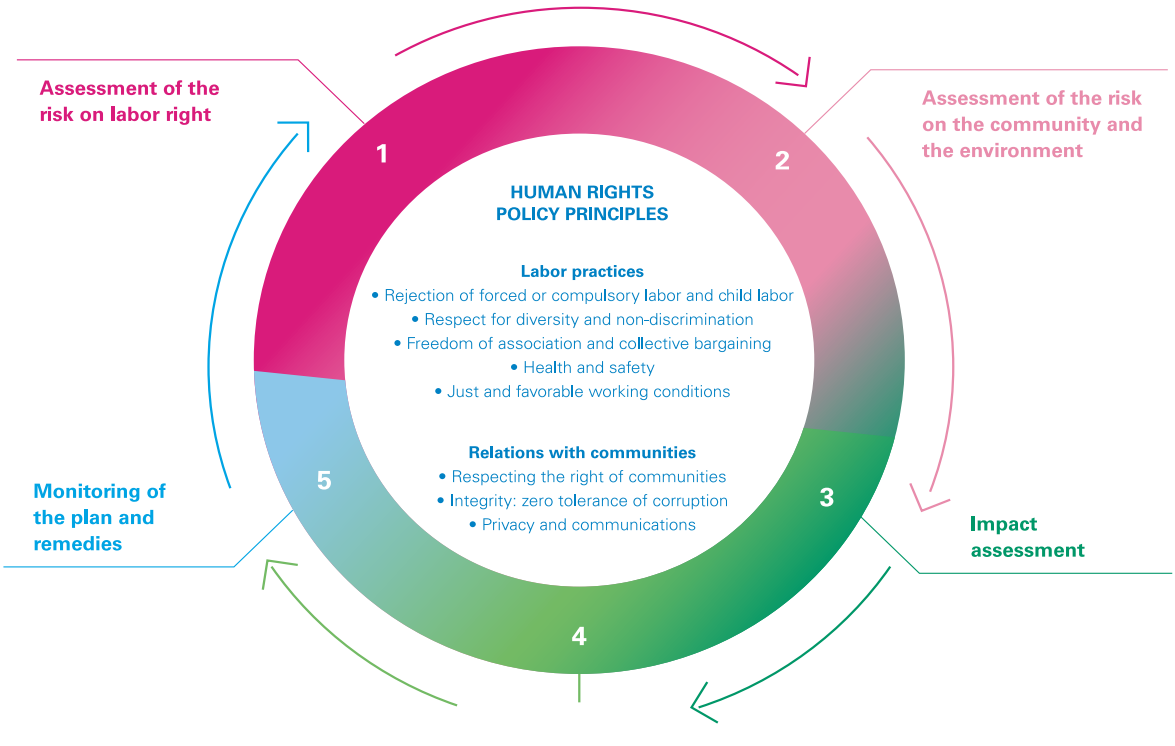
Enel Américas has a Human Rights Policy as an expression of its commitment and responsibility to this fundamental area of social and corporate sustainability.

The Policy is based upon many international treaties, such as the International Declaration of Human Rights, the Fundamental Conventions of the International Labor Organization (ILO), the United Nations Convention on the Rights of the Child and ILO Convention 169 on the Rights of Indigenous People, among others, as well as various internal company documents, such as the Code of Ethics, the Zero Tolerance Plan for Corruption, the Model for the Prevention of Criminal Risks, and the International Framework Agreement with World Trade Unions.

The document reflects the company's commitment and responsibility to Human Rights, especially to those that affect the business' activity and operations executed by all the company's employees in the countries in which it does business. The company encourages its contractors, suppliers, communities, and business partners to adhere to these principles, and pays attention to high-risk situations, such as labor practices and community relations.

In the case that a person, internal or external to the company, would like to denounce a situation contrary to these fundamental rights, it can be done through Internal Audit Management, following the same complaint management standards of the Whistleblower Channel.

Enel Américas carries out due diligence in Human Rights, by means of which potential risks and impacts are identified and plans for mitigating and implementing the necessary measures to eliminate these impacts are created.



Due diligence process

During 2016, the Enel Group redesigned the process of due diligence in Human Rights in accordance with the United Nations' "Guiding Principles on Business and Human Rights" and the Human Rights Policy. In order to assess and analyze the main risks in this area, Enel developed a methodology in partnership with the international organization Business for Social Responsibility (BSR).

The first stage consisted of a questionnaire to analyze the risks to labor rights in the countries in which Enel Américas operates, considering freedom of association, child labor, forced labor, diversity, and inclusion.

In 2017, due diligence was carried out to identify potential risks, impacts, and breaches in management systems. The evaluation assessed topics related to communities, health and labor safety, the environment, and corruption, through interactions with stakeholders. The results were tabulated in a risk and infringement matrix for the LATAM (Latin America) zone with a focus on each respective country, taking into account the probability of risks occurring, as well as the severity of impacts.

Results above 75% are considered robust, while between 50% and 75% are considered good, although they present an opportunity for improvement.

Each country developed its own analysis of breaches, and the action plan that will be developed in 2018 and 2019 will be prepared on the basis of these analyses. All plans to be developed consider and include all companies and are comprised of outreach campaigns and training on Enel policies through workshops on diversity, gender equality, human rights (including suppliers), and participation in human rights discussions, among others.

Results of the due diligence process by country:

In Argentina:

The best indices evaluated, considered as robust by the methodology in human rights, are: working conditions (100%), freedom of association (95%) and environment (95%). The issues with the biggest gaps, although the results are considered good, are forced labor (58%), diversity (61%), corruption (69%) and community (75%). A plan was developed to address the areas lacking robust results, with 12 activities to be addressed during 2018.

In Brazil

Brazil found several subject areas as robust: freedom of association (95%), health and safety (93%), and working conditions (93%). The areas with rankings that must be treated, but which still have evaluations at a good level, are: forced labor (71%), environment (73%), diversity (75%), and community (75%). The identified breaches will serve as the basis for creating an action plan with 38 operational and managerial activities to be performed by 2019, and which will serve as the basis for continuous monitoring of Human Rights aspects in the company.

In Colombia

The best areas found by the evaluation were: child labor (100%), corruption (100%), and the environment (95%). The areas identified as having the biggest gaps to be addressed were: diversity (89%), health and safety (90%), and forced labor (92%). It should be emphasized that, although all of its results were considered robust by the human rights methodology, opportunities for improvement were detected. A preliminary action plan was developed to address the gaps, and it includes 30 actions that will be analyzed and approved during 2018 in order to execute them during 2019.

In Peru

The areas with the best evaluation results were: child labor (100%), corruption (100%), and the environment (95%). The areas needing to be addressed are: community (84%), forced labor (92%), health and safety (93%), and working conditions (93%). All of the areas in need of attention were considered robust using the Human Rights methodology. Based on these results, an action plan was generated, with 12 action areas to be executed in 2019.

Context of the energy industry

102-15

The energy industry is extremely dynamic and is currently in transition. Traditional energy generation and distribution technologies are no longer sufficient.

The industry is influenced by profound changes such as demographics, increasing urbanization, and the decarbonization of the productive matrix to face the challenges of reducing greenhouse gasses, in addition to the rapid introduction of economically viable renewable alternatives. There is also a growing increase in the demand for electricity as a source of energy, along with new emerging uses and electrical solutions, such as in transport and energy efficient domestic and industrial uses. The technological revolution, regulatory changes, and more empowered communities and consumers push the industry to constantly innovate its processes along the value chain in order to meet the expectations and demands of different stakeholders.

As a result, there is a growing integration of renewable energies into the energy mix, requiring flexible management of energy, as well as smart and integrated energy solutions. However, stakeholders generally oppose large-scale energy projects, and an uncertain and changing regulatory framework increases the risks for long-term investments. Likewise, the changing dynamics of the electricity network require innovative technological solutions.

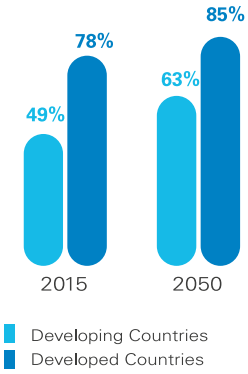
Maintaining a competitive position in the market requires that, energy companies develop innovative business models which can generate new sources of income that adapt to the changing social, political, economic, and technical challenges posed by these situations.

Considering these rapidly changing scenarios, Enel strives to create the future of the energy world: a world in which old power plants take on new life, where connections travel faster, smart homes and smart cities become reality, meters facilitate dialogue between homes and people, and electric transport increases its market penetration.

URBANIZATION

In 2050 there will be 6.3 billion people living in cities, corresponding to 66% of the total population. For this reason, cities must be "intelligent" and "resilient".

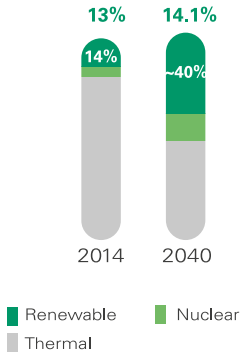
URBANIZATION RATE[1] (%)



DECARBONIZATION

In 2040, renewable energies will contribute about 40% of the total energy production. Fulfilling the objectives established in the Paris Climate Agreement involves a change in the sources of electricity production.

PRIMARY ENERGY MIX[2]

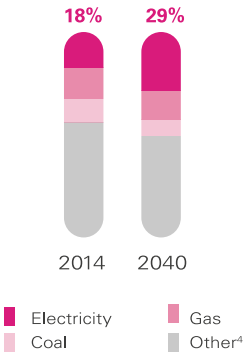


ENERGY ACCESS

Electrification of consumption

In 2040, the total consumption of electrical energy will increase from 18 to 29%.The drivers of this increase will be electrifying transport and heat production.

FINAL % FOR ENERGY DEMAND[3]



Increase in Demand

In 2040, the world demand for electricity will increase by approximately 60%.

ELECTRICITY DEMAND[5] ('000 TWH)

1. United Nations, World Population Prospects, Versions 2014 and 2015.
2. IEA-IRENA Perspective for the Energy Transition 2017.
3. IEA: WEO 2016 and IEA IRENA 2017-NPS (New Policies Scenario).
4. Other includes Petroleum, Heat, Biomass & Residuals and Hydrogen.
5. BNEF NEO 2017, June 2017.

In this context, Enel Américas, in line with the Enel Group, has identified some key emerging risks:

- Cyberattacks ("cyber risks"): The era of digitization and technological innovation means growing exposure to cyberattacks for companies, which are becoming more numerous and sophisticated by the day. The organizational complexity of the Group and the numerous environments it is composed of (data, people, and the industrial world) expose its assets to the risk of attacks. The Enel Group, and Enel Américas as a subsidiary, have adopted a risk management model based on a systemic vision that integrates the traditional IT industry, the operational technology of the industrial sector and the Internet, and tools related to the networking of smart "objects."
- Paradigm change in the world of energy and transformation of the business model of public services: New macroeconomic and energy trends, technologies, and actors can potentially increase or decrease the intermediary role of the traditional business model of public services. This happens specifically through a combination of factors related to digitization, decentralization, and changes in consumer needs. Enel's "Open Power" strategy and vision provide a frame of reference for responding to the challenges of transitioning to the services of the future. The pillars of this strategy are developing new businesses, industrial growth, agility in management (operational efficiency, organizational simplification, short-term remunerations, and active portfolio management), the central role of the customer, and digital transformation.

02

Setting Priorities

Setting priorities

Influence	The degree to which a stakeholder impacts the strategic or operational decision-making of the organization.
Dependence	The degree to which a stakeholder directly or indirectly depends on the activities, products, or services of the company and its performance.
Tension	The degree of immediate attention from the organization in the face of controversies.

Our stakeholders

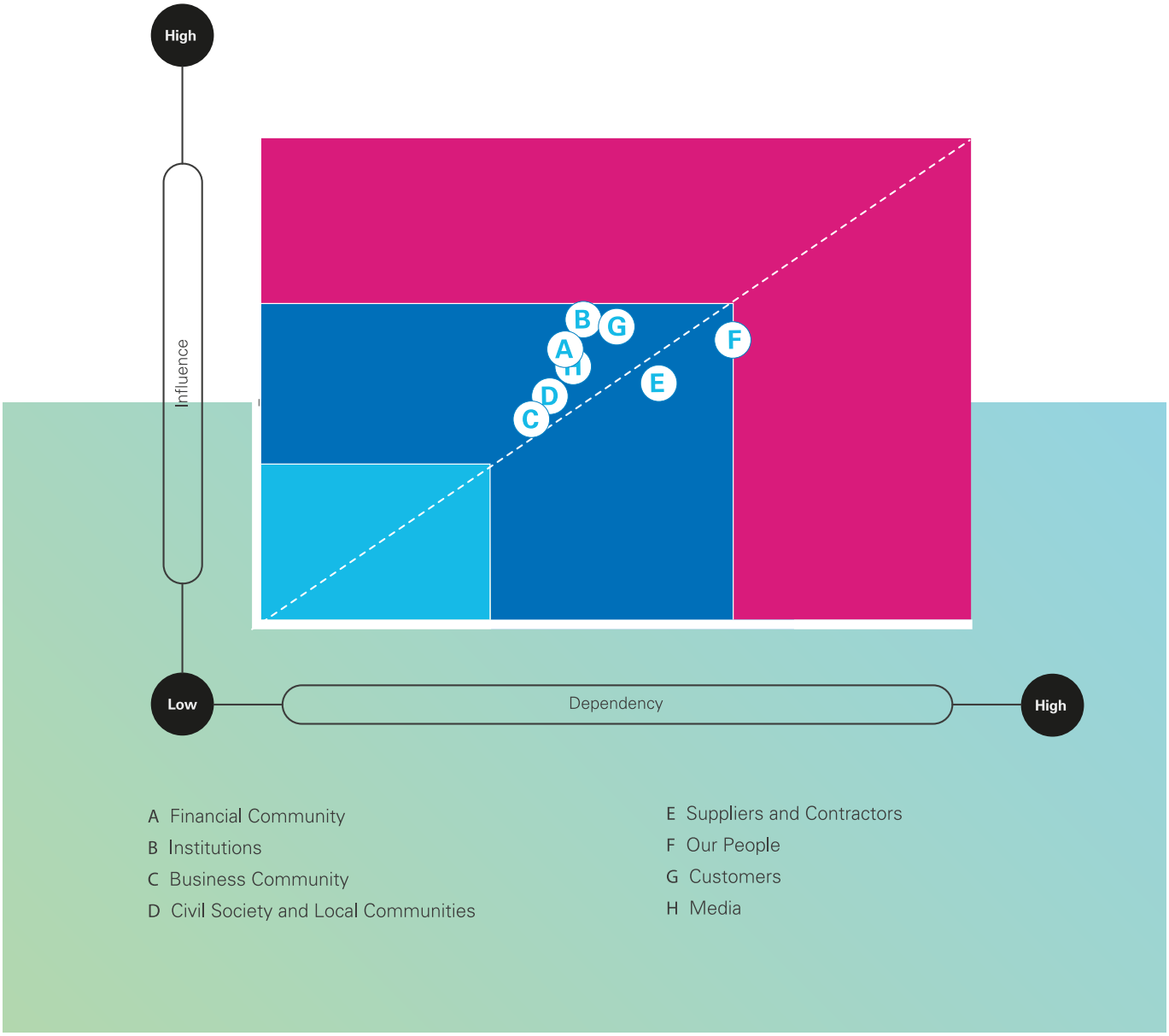
102-40 102-42

Enel Américas maintains an open dialogue with its stakeholders as part of the business strategy. To this end, the company shares a tool with all the companies of the Enel Group, which allows them to prioritize their stakeholders using three variables: influence, dependence, and tension.

According to the results obtained, the strategies and the means of communication are defined, while the findings are used to update the company's sustainability plan. This input is used to define the material aspects which will be included in the Sustainability Report for each period.

The six categories of stakeholders in Enel Américas were evaluated according to these three variables, on a scale that considers five levels of importance. This permits us to establish the degree of relevance of the company to its different stakeholders and vice versa. As a result, the Stakeholders Matrix was created.

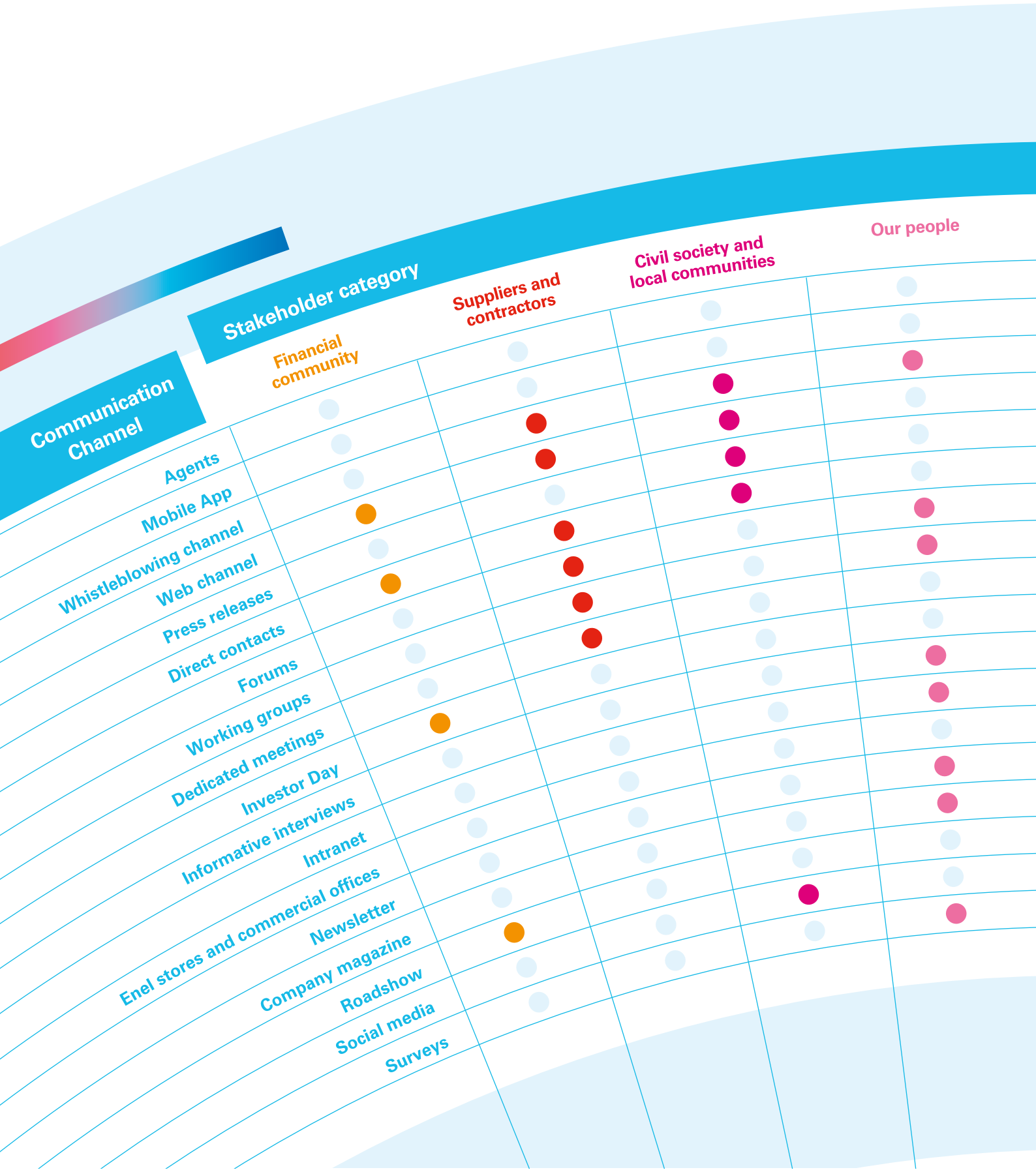
Matriz de grupos de interés



Each year, different interactions with stakeholders provide the material aspects to be included in the Sustainability Report, which makes this document a true reflection of the company's sustainability strategy management.

Communication channels

102-43




Institutions
Business community
Customers
Media
Communication Channel
Agents
Mobile App
Whistleblowing channel
Web channel
Press releases
Direct contacts
Forums
Working groups
Dedicated meetings
Investor Day
Informative interviews
Intranet
Enel stores and commercial offices
Newsletter
Company magazine
Roadshow
Social media
Surveys

Participation in public policy

102-12 102-16

The company voluntarily participates in several initiatives to measure its compliance programs' effectiveness and its performance, and to apply best practices in corporate governance and sustainability management. Participation in initiatives this year included:

Association memberships

102-13

Enel Américas and its subsidiaries constantly manage the relationships with institutions (local, national and international) in line with the provisions of the Compliance Program of the Enel Group. This provides complete and transparent information with the goal of creating better conditions in which the institutional interlocutors can make the decisions for which they are responsible.

As explicitly stated in Enel Américas' Code of Ethics: "Enel Américas does not finance, either in Chile or abroad, political parties, their representatives or candidates, nor does it sponsor conferences or parties that have the sole purpose of political propaganda. It abstains from any type of direct or indirect pressure on political components (for example, through public concessions to the Company, accepting hiring suggestions, consulting contracts, etc.).

However, Enel Américas and its subsidiaries are involved in trade and business associations. Through these memberships, Enel Américas plays roles that include representing and positioning member companies in the development of regulatory frameworks related to their commercial activity.

The annual contributions made by Enel Américas and its subsidiaries during the last four years to the organizations mentioned above were US$1,144,895 in 2017, US$968,656 in 2016, US$773,839 in 2015 and US$525,911 in 2014.

Specifically in 2017, the three most important contributions made to associations in Colombia were to the

Association of Energy Distributors (US$175,591), Association of Electrical Energy Generators (US$172,003) and to the National Operation Council (US$79,927).

The institutional dialogue of the trade and business associations in which Enel Américas or any of its subsidiaries participated in 2017 considered supporting regulatory and consultation processes on the following main issues:

> The development of energy policies: includes perspectives on energy strategy, energy efficiency, growth of renewable energy, development of smart grids, or energy prices, among other energy problems. The contribution made to this issue was US$855,968 in 2017.

> The increase in business competitiveness: includes, but is not limited to, tax regulations, labor, or environmental policies. The contribution made to this issue was US$288,927 in 2017.

The following data show the participation in various associations by each company:

Argentina

- Argentinian Association for Ethics, Compliance, and Control (AAEC, its Spanish acronym).
- Electrical Energy Generators Association of the Republic of Argentina (AGEERA, its Spanish acronym).
- Italian Chamber of Commerce in the Republic of Argentina.
- Argentinian Committee of the World Energy Council (CACME, its Spanish acronym).
- Business Council for Sustainable Development Argentina (C.E.A.D.S, its Spanish acronym).
- Institute for Entrepreneurial Development in Argentina (IDEA, its Spanish acronym).

Peru

- Association for Directional Progress
- Italian Chamber of Commerce in Peru
- Official Spanish Chamber of Commerce in Peru.
- National Society of Mining, Petroleum, and Energy.

Brazil

- Brazilian Association of Energy Sellers (ABRACEEL, its Portuguese acronym).
- Brazilian Association of Financial Development Industries (ABDE, its Portuguese acronym).
- Brazilian Association of Electrical Energy Distributors (ABRADEE, its Portuguese acronym).
- Brazilian Association of Energy Generators (ABRAGE, its Portuguese acronym).
- Brazilian Association of Independent Energy Producers (ABRAGET, its Portuguese acronym).
- Brazilian Electric Vehicles Association (ABVE, its Portuguese acronym).
- Brazilian Global Compact Committee.
- Institute Acende.
- Institute ETHOS.
- Meters &More.

Chile

- Chilean -Argentinian Chamber of Commerce
- Chilean-Brazilian Chamber of Commerce
- Chilean Committee of the World Energy Council (WEC)

Colombia

- Colombian Association of Electrical Energy Generators (ACOLGEN, its Spanish acronym)
- Colombian Association of Electrical Energy Distributors (ASOCODIS, its Spanish acronym)
- National Association of Public Services Businesses and Communications (ANDESCO, its Spanish acronym)
- Colombia Renewable Energy Association (SER, its Spanish acronym)
- Colombian National Association of Businesspeople (ANDI, its Spanish acronym)
- Regional Energy Integration Commission (CIER, its Spanish acronym)
- Marketing Advisory Committee (CAC, its Spanish acronym)
- Advisory Committee on Transmission Planning (CAPT, its Spanish acronym)
- CIER Colombian Committee (COCIER, its Spanish acronym)
- National Operation Council (CON, its Spanish acronym)
- Corporation Center for Research and Technological Development (CIDET, its Spanish acronym)

Materiality analysis

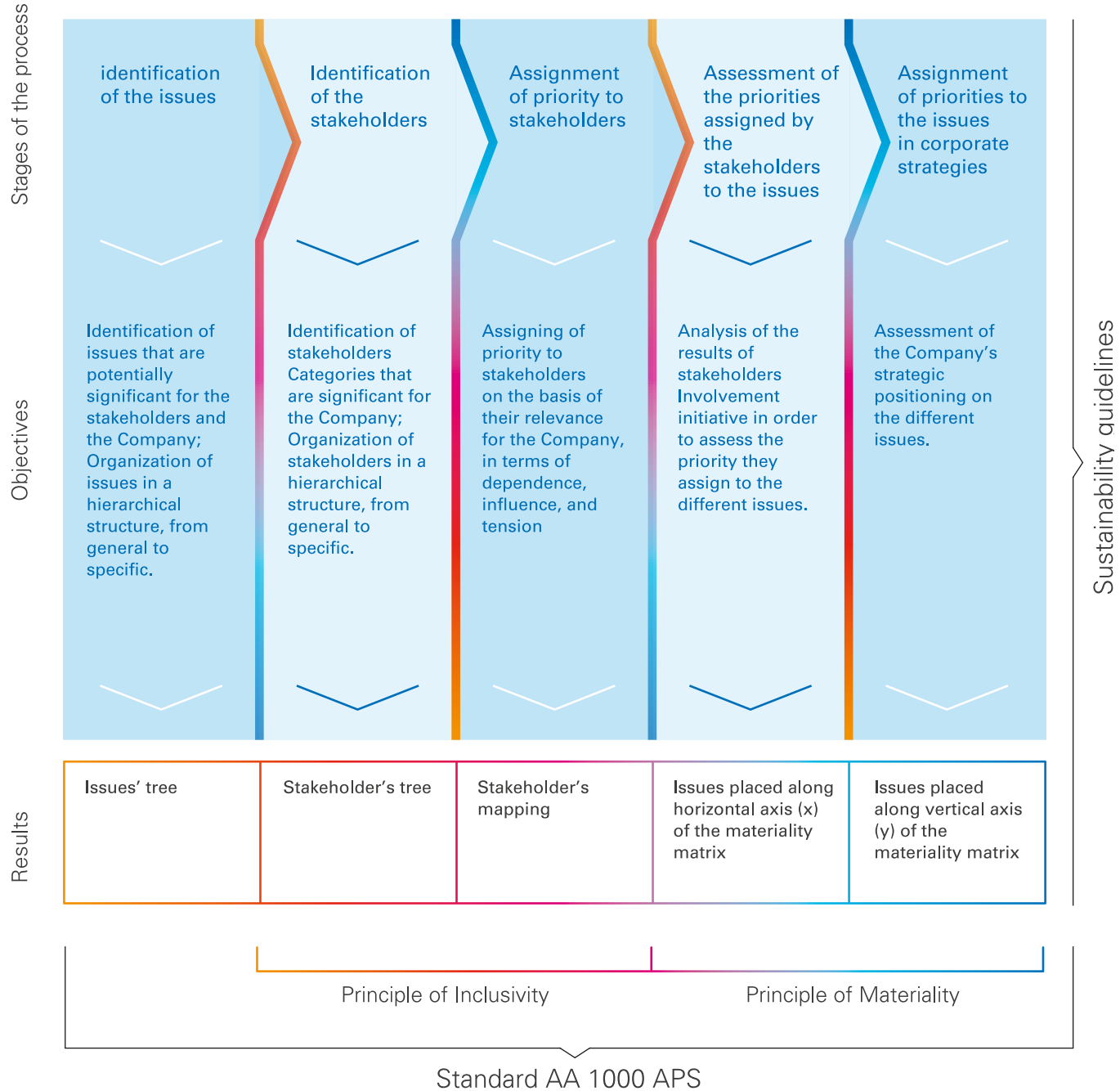
102-44 102-46 102-47

The materiality analysis, for the report content definition, is made from opinions collected annually from stakeholders and an analysis of contingency and industry issues, together with the Enel Group's action priorities.

This process is based upon international principles and standards - the Global Reporting Initiative (GRI), the Communication on Progress (COP) of the United Nations Global Compact, the IIRC (International Integrated Reporting Council) model, and the SDG Compass[1]. As a result, guidelines and objectives for sustainability in the areas of corporate, economic, environmental, and social governance are established.

Enel Américas performs this analysis through a technological support system that allows it to store and analyze data at several levels: global, country, and company.

The first part of the materiality analysis process is carried out during the first semester of the year and is reviewed in the second semester, with the goal of updating it according to any contingencies that occurred during the year. In 2017, activities included meetings with the company's main executives, analysis of secondary documentation, press coverage, and the company's sustainability context. 102-47



1 A guide that helps companies adapt their strategies to the Sustainable Development Goals of the United Nations.

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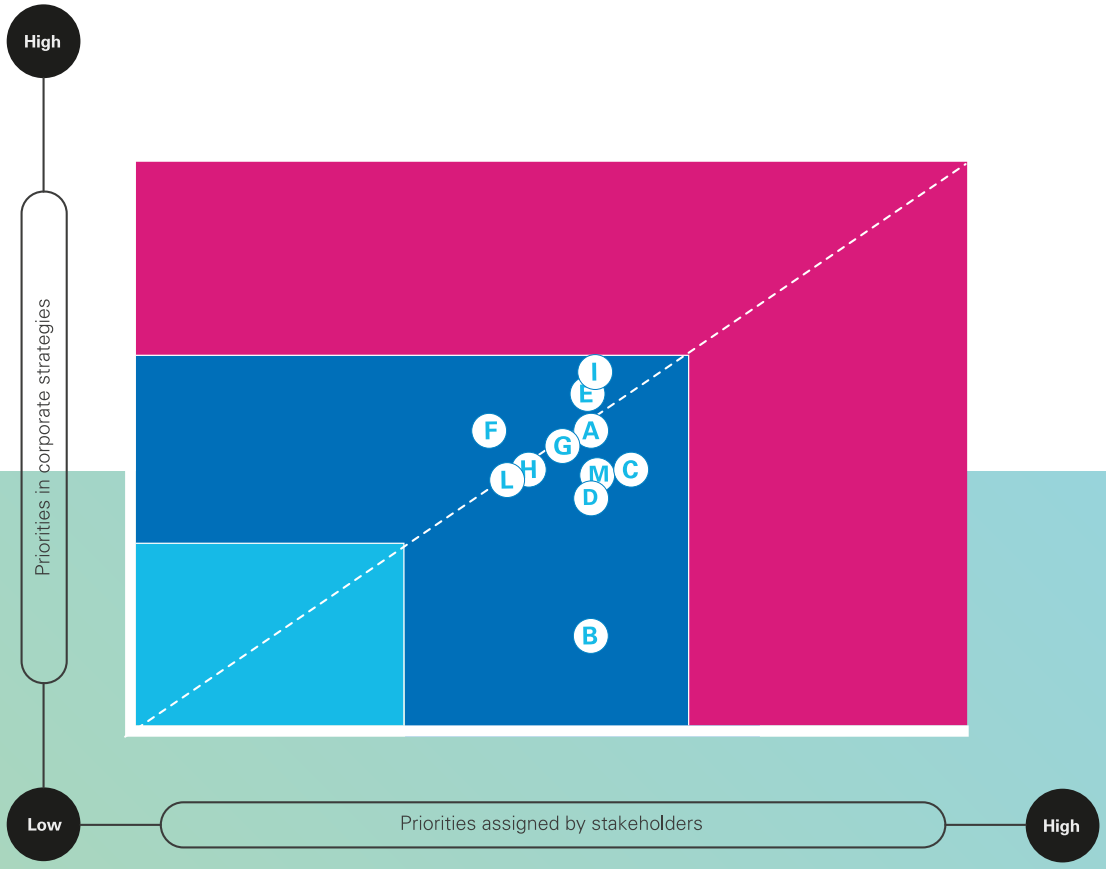
Material Issues

Denomination of the internal topic/issue	Scope	GRI Material Aspect
Creation of economic and financial value	Enel Américas	Economic performance
Relationship with local communities	Enel Américas	Local Communities
	Enel Américas	Disasters, emergency plans
	Enel Américas	Health and safety of customers
Environmental management and compliance	Enel Américas	Materials
	Enel Américas	Energy
	Enel Américas and contractors	Emissions
	Enel Américas and contractors	Effluents and waste
Operational Efficiency	Enel Américas	Research and development
	Enel Américas	System efficiency
Management, development and motivation of employees	Enel Américas	Employment
	Enel Américas	Training and education
	Enel Américas	Diversity and equality of opportunities
Digitization and new solutions	Enel Américas	Innovation and operational efficiency
Health and occupational safety	Enel Américas and contractors	Health and work safety
Energy mix decarbonization	Enel Américas	Availability and reliability
Sustainable value chain	Enel Américas and contractors	Supplier social assessment
Fair corporate behavior	Enel Américas	Anti-corruption
	Enel Américas	Public policy
	Enel Américas	Ethics and integrity
Sound governance	Enel Américas	Governance


HÖRN

Materiality matrix



BUSINESS AND GOVERNANCE TOPICS

A Operational efficiency
B Decarbonization of the energy matrix
C Customer focus
D New technologies, services and digitalization
E Sound governance and fair corporate conduct
F Economic and financial value creation

SOCIAL TOPICS

G Engaging local communities
H People management, development and motivation
I Occupational health and safety
L Sustainable supply chain

ENVIRONMENTAL TOPICS

B Decarbonization of the energy mix
M Environmental compliance and management

The materiality matrix represents the priority topics for stakeholders on the "x-axis," identified with the group's materiality matrix, while the "y-axis" represents the material or relevant aspects for complying with the strategic objectives of the company.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Risk control and management policy

Risk control and management is part of the corporate governance structure of the company. Risk must be viewed as one more element in the business' operational plans for this to be effective. Thus, it is necessary to identify and analyze what factors may affect the achievement of business objectives, quantitatively estimate the probability of their occurrence and analyze the possible consequences. This gives Enel the ability to develop action plans that will help the company be more successful in achieving its business objectives.

The company has a risk control policy that takes into account the good practices of corporate governance recommended by national and international regulations (ISO 31000, COSO and General rule 385, SVS). This Risk Control and Management Policy consists of the set of decisions that the company takes to establish what the acceptable limits of risk levels are, within which the normal development of the business must occur.

As sustainability is being centered more in the business, risks that could threaten the company's sustainable growth, such as relationships with local communities, the derivatives of climate change, reputational risk, etc., are analyzed.

Monthly risk measurements are performed by monitoring Profit at Risk, a measure of the volatility of the company's results, as a result of the values that may occur as a result of exogenous variables that affect it (hydrology, fuel prices, exchange rate, etc.). These variables can correlate to a greater or lesser degree. The Profit at Risk measure will thus be the result of a random combination of the values contributed by these different factors to multiple scenarios that will be generated.

For more detail on risks, please refer to the Financial Report, available on www.enelamericas.com

03

Sustainability Plan

Sustainability plan

Sustainable business model

Enel Américas considers sustainability to be the axis upon which its business model turns. This is reflected in the company's annual plan and the definition of its objectives, which integrate environmental, social, and corporate governance aspects in the industrial plan in concert with sustainability and Human Rights matters.

Through an early, inclusive, and participatory process of involvement, Enel puts stakeholders at the center of decision-making from the design of the project and through all its stages of development and operation. This ensures symmetry in the dialogue and guarantees access to the information needed for decision-making. Enel Américas aspires to turn potential impacts into opportunities in order to generate shared value. Enel Américas' sustainability model anticipates that stakeholders will have an impact on the final solution that the company implements, as well as taking part in defining the sustainability plan of the specific project.

In this context, Enel Américas' sustainability strategy establishes concrete actions that seek to respond to the commitments made by the organization to the Sustainable Development Goals and the 10 Principles of the Global Compact of the United Nations (UN).

Under Enel Américas' business model, sustainability is integrated into the entire value chain of the company.

SDG Integration

As a group, Enel has promised to contribute to the achievement of four of the 17 Sustainable Development Goals (SDG) formulated in 2015 by the UN, by the year 2030.

QUALITY EDUCATION

ENEL'S GOAL
Support educational activities for 400,000 people by 2020, through projects similar to the one in execution, such as the scholarship programs in Latin America.

2017 PERFORMANCE
ENEL AMÉRICAS

188,479 beneficiaries

The beneficiaries for SDG 4 reached 15,161 and 84,430 in 2015 and 2016 respectively.

AFFORDABLE AND CLEAN ENERGY

ENEL'S GOAL
Give access to affordable, sustainable, and clean energy through the ENabling Electricity initiative, which will benefit three million people, mainly in Africa, Asia, and Latin America.

2017 PERFORMANCE
ENEL AMÉRICAS

454,880 beneficiaries

The beneficiaries for SDG 7 reached 473,886 and 646,357 in 2015 and 2016 respectively.

DECENT WORK AND ECONOMIC GROWTH

ENEL'S GOAL
Foster job creation and sustained economic growth, inclusive and sustainable for 500,000 people.

2017 PERFORMANCE
ENEL AMÉRICAS

98,095 beneficiaries

The beneficiaries for SDG 8 reached 138,079 and 79,513 in 2015 and 2016 respectively.

CLIMATE ACTION

ENEL GOAL
Take initiatives to combat climate change, with the objective of achieving carbon neutrality in 2050.

Sustainability plan 2017-2019

The Enel Group defined its sustainability strategy for the period 2017-2019 in response to the current state of the world, which is marked by rapid technological changes, the importance of tackling the challenges of climate change, and social expectations about the performance of the private sector. These challenges require that companies become active actors in society, making specific commitments, and the Sustainability Plan of the Enel Group is the tool that provides guidelines and tangible objectives to realize these commitments.

Based on general guidelines, each company group develops a specific plan, defined according to the materiality matrix for its country. This ensures that the plan responds to the interests and priorities of the Group as a whole, as well as those of stakeholders at the local level.

The 2017 Enel Sustainability Plan is structured around five pillars: health and safety at work, sound governance, environmental sustainability, a sustainable supply chain, and the generation of economic and financial value.

During 2017, the scope of action focused on developing strong community relations; implementing plans with a focus on people, particularly regarding issues of diversity and inclusion; boosting operational efficiency and innovation; and developing an energy matrix that integrates environmentally sustainable technologies.

The Sustainability area is in charge of monitoring compliance, through KPIs and specially designed tools. All employees of the company participate in fulfilling the objectives defined in the plan. The details of management carried out in 2017 are presented below, showing the performance in each of the pillars.

Customer focus

The pillars

- Engaging local communities.
- Engaging the people we work with.
- Aiming at operating efficiency and innovation.
- Decarbonizing the energy mix.

Digitalization

The backbones

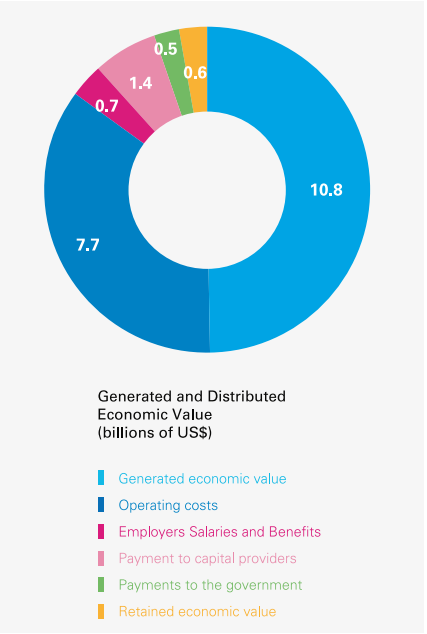
- Occupational Health and Safety
- Sound Governance
- Environmental Sustainability
- Sustainable supply chain
- Economic and financial value creation

Generated and distributed economic value

103-2 | 103-3 | 201-1

During the year 2017, Enel Américas generated US$10.8 billion in value, of which 97% was from its sales revenue. The foregoing is complemented by financial income and other sources of minor income for the period.

Regarding the distribution of the company's value to the different stakeholders and areas of operation, the main factors are the costs and expenses of the period, of which energy payments represent 53% of said disbursements. On the other hand, it is noteworthy that 6% benefited the company's employees, 13% went to capital suppliers (dividends to shareholders and financial costs) and 5% was payment of income tax to the countries where the operations of the company are located.



		2015		2016		2017	
Amounts in millions of pesos		MUSD$	%	MUSD$	%	MUSD$	%
Generated Economic Value (GEV)	Revenues	9,135	100%	8,148	100%	10,843	100%
	Operational	8,097	89%	7,686	94%	10,540	97%
	Non-operational	1,038	11%	462	6%	302	3%
Distributed Economic Value (DEV)	Operating costs	5,357	59%	5,401	66%	7,663	71%
	Salaries and benefits for employees	642	7%	427	5%	665	6%
	Payments to capital suppliers	1,524	17%	1,411	17%	1,413	13%
	Financial expenses	589	6%	773	9%	870	8%
	Dividend payments	935	10%	638	8%	544	5%
	Payments to the Government	800	9%	531	7%	519	5%
Retained Economic Value (REV)	REV= GEV-DEV	813	9%	377	5%	583	5%

04

Our Performance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Our performance

Engaging local communities

103-2 103-3

Both the Sustainability Policy and the Open Power vision establish clear guidelines for relationships between Enel Américas and communities. In 2017, the generation and distribution businesses focused on implementing criteria and principles for relationships, emphasizing inclusion and participation, where stakeholders are involved from the design of the project, ensuring equitable access to information and symmetry in the generated dialogue.

Enel Américas, through their subsidiaries, conducts business in four countries with 107 generating units and supplies energy to more than 17 million customers, mainly in the capitals of the countries in which it does business. This reflects the scale of the company's operations and consequently, the geographical dispersion of their associated stakeholders.

For Enel Américas, it is crucial to maintain a constant relationship with all of their stakeholders, which is why it has a territorial team that depends on the Sustainability and Community Relations Management department, distributed geographically in all the regions where the companies operate.

Methodology

Enel Américas' community relations plan is based on a methodology that envisions the constant monitoring of stakeholders. Every year, an update of the social baselines is developed for the areas that the different assets of the company influence, along with a materiality matrix that allows for identifying strategic priorities. An update of the prioritization of stakeholders is carried out on a regular basis.

For new initiatives, be they brand-new projects or modifications of existing projects, Enel uses the Socio-Environmental Impact Assessment (SEIA) as a tool for measuring potential impacts and risks, considering the respective mitigating actions and the value of residual risks. These are then disseminated through the general risk matrix of the project and subsequently analyzed in the context of the investment committees.

From the development stage to the operation phase, tools are implemented to generate and monitor the sustainability of the project.

The Sustainability Plan is the result of specific analyses carried out proactively with the use of tools that allow for a deep understanding of the context, for identifying key priorities, risks, impacts, and the main actors related to each project, then subsequently correlating them with the company's objectives and defined actions.

Therefore, at the regional level the most important issues identified for stakeholders in the year 2017 were as follows:

- Sustainable socioeconomic development.
- Initiatives for vulnerable customers.
- Education and training initiatives.
- Environmental initiatives.
- Access to energy initiatives.
- Greater presence of sustainability initiatives in neighborhoods.

The initiatives listed above are accomplished through strategic alliances. Enel Américas, through its subsidiaries, acts in collaboration with several universities and various NGOs.

In Argentina, alliances have been made with the following foundations and NGOs: Semillitas comprehensive help center for children and their families, Padre Luis Farinello Foundation, Sueños Mágicos Center for childhood development, Niños del Futuro Center for childhood development, Águilas de Dios Villa Aurora, Margarita Barrientos Foundation, Manos de Mujer - Amartya.

In Brazil, Enel has alliances with important federal, state, and private universities - Universidad Federal Fluminense, Universidad Federal de Río de Janeiro, Pontificia Universidad Católica de Río de Janeiro, Universidad de Sao Paulo, Universidad Federal de Ceará, Universidad de Fortaleza, Instituto Federal de Goiás, and Universidad de Integración de Lusofania – with NGOs

–such as Asociación de voluntarios de servicio internacional (AVS, Association of international service volunteers), Viva Rio (a social development NGO), Instituto de Asistencia y Protección Social (IAPS, Institute for Social Protection and Assistance), Comité de democratización de la información (CDI, the Committee for democratizing information), Asociación de Mujeres del Salgueiro (Salgueiro Women's Association), and numerous local cultural institutions.

In Colombia, various sustainability and innovation initiatives are carried out jointly with important entities and organizations such as the Fundación Caminos de Identidad (FUCAI, Pathways of Identity Foundation), Organización de Estados Iberoamericanos para la Educación, la Ciencia y la Cultura (OEI, Organization of Ibero-American States for Education, Science, and Culture), Corporación Colegio del Cuerpo (Colegio del Cuerpo Corporation), Fundación Escuela Tecnológica de Neiva Jesús Oviedo Pérez (Escuela Tecnológica de Neiva Jesús Oviedo Pérez Foundation), Fundación Servicio Juvenil Bosconia (Fundación Servicio Juvenil Bosconia Foundation), Fundación Juan Felipe Gómez Escobar (Juan Felipe Gómez Escobar Foundation), Accenture, Servicio Nacional de Aprendizaje (SENA, National Learning Service), Programa Desarrollo para la Paz del Magdalena Centro (PDPMC, Magdalena Centro Peace Development Program), Redprodepaz, Asociación Agropecuaria y campesina No Nacional Mámbita (ASOAGROMA, Mámbita National Agricultural and Agricultural Workers' Association), Comité de Cafeteros de Cundinamarca (Cundinamarca Coffee Growers' Committee), Société de Coopération pour le Développement International – Socodevi, Sirolli Institute, municipal mayors, and governments in the areas in which Enel operates.

Strategic alliances in Peru include: Asociación sin fines de lucro Sinfonía para el Perú (Symphony for Peru Nonprofit Association), Fundación Desarrollo Nuevo Pachacútec (D New Pachacútec Development Foundation), Asociación Civil sin fines de lucro Museo de Arte de Lima (Lima Art Museum Nonprofit Civil Association).

Shared value creation

413-1

The relationship with the communities defined in the areas of influence, is based on the model of Creating Shared Value (CSV), which seeks a balance between social value and business benefits. This premise is based on collaborative development, which is reached because of real interactions with the communities surrounding projects.

2017 Community relationship plan performance

Sustainable socioeconomic development

"The circular economy is an economic concept that is interrelated with sustainability, and the objective of which is that the value of the products, materials, and resources (water, energy, among others) is maintained in the economy for as long as possible, and that the generation of waste is minimized. It is a question of implementing a new, circular, nonlinear economy, based on the principle of 'closing the life cycle' of products, services, waste, materials, water and energy. "– Fundación Economía Circular (Circular Economy Foundation).

SECOND OPPORTUNITY PROGRAM -- ARGENTINA

LOCATION: Ezpeleta -Ouilmes

LINE OF BUSINESS: Distribution
Active: Edesur S.A.

BENEFICIARIES:
280 students at school No. 85 "La Esperanza"

ALLIANCES:
Sagrada Familia Foundation – Joining Materials Program

Context

An inventory of disused materials in the technical zones of the company was carried out, revealing quantities of wood pallets, used in transporting heavy electrical equipment, and wooden bobbins that hold the cables used in operating and maintaining the distribution networks. Managing these disused materials generates a waste management cost. As a result of this inventory, the need arose to:

- Reduce the service cost of integral management of waste and materials that have some value.
- Resolve logistic and administrative issues.
- Foster a change in resource management culture.

Project

Through the partnership with the Sagrada Familia Foundation - Joining Materials Program, we contribute to economic inclusion by generating income and access to social furniture at affordable prices for low-income families, in order to improve the habitability of their homes.

The furniture is made with disused material (bobbins and pallets in good condition) that is given to the foundation to construct furniture at low cost.

Impact of the Project

- Creation of new opportunities to promote the social and economic development of the community.
- Access to decent infrastructure for families of little means.
- Reduction of CO_2 emissions due to reutilizing materials.

During 2017, through a collaboration agreement with the NGO Vivienda Digna Foundation, the dining room of School No. 85 in Ezpeleta, Quilmes municipality (Buenos Aires), was fitted with a total of 29 benches and 21 tables made from the wood of the disused bobbins and pallets. Thus, 280 students who eat lunch daily in the school dining room were directly benefited from this program.

REUSING BANNERS AND UNIFORMS - BRAZIL

LOCATION: Low-income community in the state of Río de Janeiro and Ceará

LINE OF BUSINESS: Distribution in Río and Ceará

BENEFICIARIES: 1,464 people

ALLIANCES:
Dragão Fashion
NGO Mulheres do Salgueiro

Context

This program supports projects which enhances the economic development of groups in low-income communities, a common situation in the sales area. The projects encourage the formation of productive associations, supporting them in certification, marketing, management and market development, with respect to the environment and possible structure and supplies contribution. The experience with Circular Economy in the project arose from observing how the uniforms were discarded.

The complexity of the recycling process, coupled with the state in which textile waste is normally discarded after its uses (dirty and partially degraded), present a great challenge for companies: ensuring that this waste goes to the correct destination and that it is not deposited in landfills or burned in the open. During the year, contracted companies performing services for Enel Brazil's distribution area, discard textile waste from field uniforms. Textile pieces are discarded and sent to be incinerated, an expensive and environmentally unfriendly process. The situation was critical in 2017, when the change to the Enel brand forced a change of uniforms for all subsidiaries and associated companies.

Project

The sustainable reuse process begins when the associated companies collect the used uniforms and donate them to the productive groups associated with the Enel Compartilha Emprendedorismo project. Upon receipt of the uniforms, the artisans reuse the pieces (eliminating the visual identification) and sanitize them. From there, each group or artisan is responsible for a particular stage in the process of transforming the fabrics into new products. These new products are repurchased by the company and distributed as gifts at company actions or institutional events.

Impacto del Proyecto

- Elimination of costs with the incineration process for the uniforms
- Adoption of a reutilization process that is doubly sustainable
- Income Generation
- Work opportunities for women
- Encouragement of the local economy
- Promotion of social development

FACILITATING ENTREPRENEURSHIP IN THE CENTRAL ZONE OF HUILA- COLOMBIA

LOCATION: Garzón, Gigante, and El Agrado Municipalities - Huila

LINE OF BUSINESS: Hydraulic generation

ACTING AGENT: El Quimbo Hydroelectric Plant

CAPACITY: 400 MW

BENEFICIARIES: Everyone that has an idea for a potential business.

Entrepreneurs and small producers of achiras (a typical product from Huila), sweets, agro-forestry nurseries, crafts, etc.

Context

There is a great need for economic and social development in the central area of the Department of Huila (the municipalities of Garzón, Gigante, and Agrado), where the company has a presence. Through dialogue with the communities, the company identified that they have entrepreneurial potential; however, their businesses are not sustainable because the results of their efforts do not provide sufficient income to cover their business or subsistence needs.

Project

The business facilitation methodology is a social technology for training local entrepreneurs. The training allows them to develop their skills and facilitate the growth of their businesses. It also provides transferable knowledge that they can use throughout their lives and share with others. In this way, the entrepreneurs are transformed into reproducers of the methodology and, thus, drivers of local development. Concurrent with our goal of contributing to SDG No. 8, and promoting sustained economic growth with inclusive and decent work for all, we implemented the project Facilitating Entrepreneurship in this region, which has as its main objectives:

- Promoting economic development in the region.
- Developing entrepreneurial skills in the community to create sustainable business models
- Creating opportunities for entrepreneurs with the objective of creating new work possibilities and increasing productivity.

Impact of the Project

With this initiative, along with strengthening the relationship between the company and the community, the company is contributing to knowledge access, supporting the creativity and innovation of the people, as well as encouraging the growth of small businesses. Also, the project seeks to leave a legacy in the created or empowered business ventures, beginning with training entrepreneurs in creating companies with sustainable economic dynamics, without dependence on the participation of private business.

COFFEE PRODUCTION PROGRAM CURIBAMBA – PERU

LOCATION: Junín

LINE OF BUSINESS: Renewable

ACTING AGENT: Chimay

CAPACITY: 151 MW

BENEFICIARIES: 115 people in 2017

Context

Defending existing businesses and creating new job opportunities that foster social and economic development as a part of the company's commitment to creating shared value with the communities surrounding our plants

Project

The productive program Café Curibamba was created in 2012 with the aim of improving the quality of the coffee crop, after having created a communal coffee nursery. Through this program, Enel Generación Perú has trained the inhabitants of the Comas and Uchubamba river valleys in the technical aspects of coffee cultivation, strengthening the commercial organizations of the communities and obtaining a quality product that allows them to compete in the international market.

Impact of the Project

Through this systematic project, coffee has been converted into an economic and social development tool for more than 140 farming families, which allows them to improve their quality of life and their children's futures by earning a better income, developing crops, standardizing the quality of the harvest, and taking care of the environment. Some outstanding results of the project are:

- The construction of 73 vats to ferment and wash coffee beans in the safest and most hygienic conditions in order to guarantee a quality product.
- The installation of 38 solar tents in order to guarantee the quality of the coffee beans during the drying process.
- Implementation of guinea pig guano (a natural, low-cost fertilizer), which increased the quality of the compost.
- Association with Tostado Bisetti, which handles the selection and distribution of Café Curibamba and provides a quality assessment certificate. The coffee's quality has increased its scale from 63 before to 83 today, and has won awards in different competitions. Bisetti exports to the US market (3,100kg).

Initiatives for vulnerable customers

EXCHANGING REFRIGERATORS FOR LOW INCOME CLIENTS – BRAZIL

LOCATION: Metropolitan Region

LINE OF BUSINESS: Distribution - Rio, Ceará and Goiás

BENEFICIARIES: 10,430 customers

Context

According to regulator studies, refrigerators can account for about one-third of the total consumption of a residence. Enel distributes energy in areas where vulnerable customers are concentrated, those who do not have the means to invest in a new refrigerator. As a result, the use of high-energy-consumption refrigerators impact customers, affecting their ability to pay their energy bills and thus stimulating energy theft.

Project

The project offers customers who are current on their energy bill the opportunity to participate in a raffle where they can win a refrigerator. The program focuses on areas with the highest debts or energy losses. The model Enel delivers is one with the lowest energy consumption in the market, about 24 kWh/month, and the recipients can see up to a 70% reduction in energy consumption. Additionally, the project allows Enel to establish a closer relationship with the population by constructing a path of shared value.

Impact of the Project

- Reduces debt and late payment of electricity bills.
- Reduces the incentive to steal energy by lowering energy bills and establishing a closer relationship with customers.
- Reduces the cost of energy on the monthly bill.
- Improves the quality of life by changing old refrigerators for new ones without cost to the customers.
- Results in the correct disposal of all material, including gas, without harming the environment.

Promoting sales of energy-efficient electrical appliances

In Peru, through an alliance with a market-recognized specialized retailer, CARSA, energy-efficient appliances are marketed at lower prices, which allows consumers to reduce their consumption of electricity.

Enel participates in the products' design, ensuring their safety, and participates in price negotiations to guarantee low prices for its customers. During 2017, 9,744 customers benefited from this alliance.

More of these types of initiatives are described further on in the customer relationship management section.


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Initiatives for education and training

WE ARE ENERGY –ARGENTINA

LOCATION: the Company's sales area

BUSINESS LINE: Distribution

ACTING ENTITY: Edesur S.A

BENEFICIARIES: 321

ALLIANCES: Municipalities and Foundations/NGOs.

Context

Because some children have accidents with electricity in the home, this program seeks to share information and collaborate on preventing these types of accidents. It does so through educational programs which address awareness of the safe, efficient, and rational use of electricity.

Project

The objective is to collaborate with parents and teachers on the safe and efficient use of energy and to facilitate the linking of concepts to turn children into message spreaders, in the prevention of accidents and the consumption of electricity in a sustainable manner.

The playful educational workshop addresses accident prevention and efficient energy use with characters specifically created for the campaign. Using the pedagogical concept of pair work, the contents of the workshop are presented as daily life situations, thus helping the children reflect upon and comprehend the importance of sustainable energy use, caring for the environment, and prevention of accidents.

Age group: Preschool children (4-5 years old) and first and second graders (6 to 7 years old)

Impact of the Project

Energy Access: development of local capacity to reduce accidents in the home and sustainable consumption of electric energy.

ENEL SHARES CULTURE - READING CHEST – BRAZIL

LOCATION: State of Ceará - Brazil

LINE OF BUSINESS: Distribution

ACTING ENTITY: Distribución Ceará

BENEFICIARIES: 20,992 children served by the community libraries which were benefited by the project.

ALLIANCES:
Casa do Conto
Cultural Secretary of the State of Ceará
Enel

Context

The project was born from Brazil's need, through its Ceará distributor, to contribute to quality education and for the development of children and teenagers who reside in socially vulnerable areas in the state, promoting integration with the territory. 345 chests were delivered in 8 years with this project, which has government support and an alliance with Casa do Conto, an NGO that works to promote reading and social inclusion.

Project

The project delivers chests with 400 books which are suitable for children and teenagers in the beneficiary communities. Since 2013, the Reading Chest program has focused its attention on community libraries which are registered in the State System of Community Libraries of Ceará, to expand the offer and reach more readers.

A community library is a physical space created and maintained by the community's initiative, without intervention of the authorities. The book stock is multidisciplinary, minimally organized, and the libraries seek to increase the local community's access to reading and information. The Reading Chest expands literacy and culture in low-income communities in Ceará, especially rural communities, less assisted and difficult to access regions.

During the delivery of the reading chest, there is a storytelling session with the team from Casa do Conto. The stories are narrated in a playful way, accompanied by songs, in order to further stimulate the taste for reading.

Every year, since 2014, the Reading Chest Seminar is held, aimed at training the reading agents of the community libraries benefited by the project, with the presence of writers, storytelling professionals, and art educators. Conferences, workshops, and dialogue on the role of reading in child and infant-juvenile development are held during the meeting.

Impact of the Project

A societal benefit is realized through socio-economic development fostered by educational improvement and by culturally strengthening the municipalities that receive the Reading Chest, its collection, stories, and training.

Enel Shares Opportunities

In Brazil, this program promotes the social and economic development of the regions where the company operates, develops labor market training projects for young people and adults in surrounding communities, and creates networks of employers with the contracted companies in their value chain and with other companies in the region. The program also directly employs some of these young people in its activities and identifies other employment opportunities, guiding these youth and following their professional development. In 2017, 3,538 people benefited, generating revenues of more than US $800 thousand from these initiatives and Enel's project "Red Empresarial" (Business Network).

PLAN SEMILLA: ELECTRICAL SECTOR TRAINING IN COLOMBIA

LOCATION: Sibaté and Villeta -Cundinamarca and Bogotá

LINE OF BUSINESS: Infrastructure and networks

ACTING ENTITY: Codensa (Bogotá and Cundinamarca)

BENEFICIARIES: 150 Vulnerable young people from Bogotá and Cundinamarca, who do not have access to higher education.

Context

In the electricity sector, obtaining qualified labor is difficult, given the perception of associated risk, which leads people to hesitate to formally engage in these tasks.

Codensa contractors hire more than 500 people annually, and a need arose to promote a specialized training model linked specifically to the work.

Project

Plan Semilla is a corporate initiative that aims to generate shared value among different stakeholders. It benefits surrounding communities in areas of influence and benefits the company by strengthening the energy cluster. Plan Semilla also meets the objective of integrating sustainability into all lines of the business. This program is led by the Infrastructure and Networks Management, Human Resources, and Sustainability departments, and by the Fundación Enel Colombia. The external allies of the initiative are companies collaborating with Codensa, the National Learning Service, and Accenture Colombia.

The main objectives are:

- Provide qualified human resources through the 100% Cundinamarca corporate initiative that seeks to bring energy to zones that are not connected. (ODS 7)
- Train qualified human resources for the energy distribution business, providing technical education in the sector in values and soft skills. (ODS 4).
- Offer technical training with a practical focus that will permit young people to connect with the working world and generate income during the training process.
- Promote a career development process within the associated organizations for youth.
- Create development opportunities for youth who are members of vulnerable populations, increasing their employment opportunities via comprehensive training for the electrical sector.

Computing for all

A project in Peru that focuses on providing free access to basic computer courses for local communities in Junín.

Participants include young people who are looking for new and better skills before entering the working world as adults, who seek to reduce the digital divide, and who are looking to improve their marketability thanks to their improved computer knowledge. 1,570 students participated in 2017.

VOCATIONAL TRAINING – PERU

LOCATION: Lima

LINE OF BUSINESS: I&N

ACTING ENTITY: Enel Distribución Perú

CAPACITY: 27,323.7 km

BENEFICIARIES: 30 graduates during 2017

Context

To guard the existing distribution business of Enel Perú and open new work opportunities which lead to social and economic development of the Youth Communities in Lima, in which we operate.

Project

The aim of this program is to provide an opportunity for youth in the north of Lima through career education. This helps them to find employment in the best conditions and growth opportunities, given that we have a 91% insertion level in the labor market.

Vocational training in Industrial Electrical Engineering allows young entrepreneurs with limited economic resources to be inserted into the electricity sector as workers for the various contractors of Enel Distribución Perú, once the career has been completed.

Impact of the Project

Ensures the incorporation of personnel with specific training and values in the business sector into the contractors' firms, thus lowering the level of material losses.

The creation of new courses seeks to develop a new economy to reduce the demand for subsidies.

Improves earnings, assuring the future of students and improving their quality of life.


ESTA AREA
OBLIGATORIO USAR
DE PROTECCION PERSONAL

Environmental initiatives

Volunteer program: climate action

The company has a Corporate Volunteer Program, which seeks to motivate employees to help care for the environment. In Argentina, the program involved 35 volunteers, who served as tour guides for visits to the "Forest of Viamonte," discussing the nursery that produces native species and the tree planting in the area. In 2017, the volunteers planted 35 trees of native species such as Chal Chal, Curupí, Anacahuita, Bugre, Timbó and Pindó Palm, among others.

"Retribuidores del planeta" program

The Cartagena thermal power plant in Colombia developed a shared value initiative to manage non-hazardous waste. The Community Corporation "Retribuidores Del Planeta" makes use of the waste produced by the plant, such as cardboard, paper, and glass, to strengthen its organization and generate formal work opportunities that increase families' income. This organization is made up of people in low-income brackets from the area of influence surrounding the plant.

Forest reborn

Since 2012, Colombia has been developing a sustainability initiative for the restoration and protection of 690 hectares of high Andean forest, planting more than 30,000 native tree species. With the support of specialists in conservation and biodiversity, a wide variety of fauna and flora have been identified in the forest, some of them listed in international conservation entities.

PROTECTING CALLAHUANCA FOREST – PERU

LOCATION: Lima

LINE OF BUSINESS: Renewable

ACTING ENTITY: Callahuana

BENEFICIARIES: 4,080 people in 2017

Context

Contributing to forest conservation efforts in order to mitigate climate change.

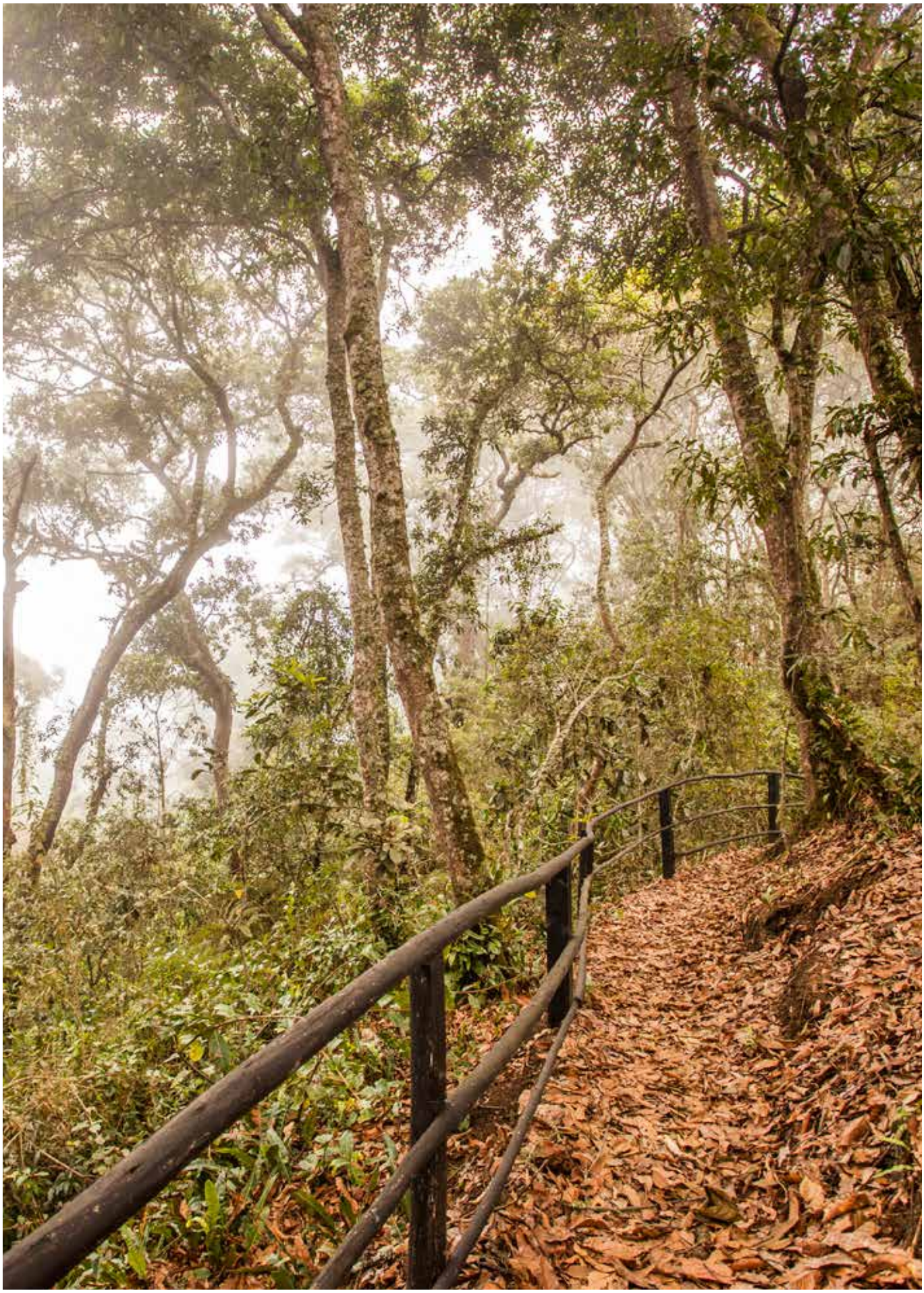
Project

In Perú, activities to protect the Callahuanca forest with the participation of the Chauca-Callahuanca community are developed to help the environment, preserve the biodiversity of the ecosystem, and lessen the impacts of natural disasters.

The goal is to maintain the forest areas surrounding the hydroelectric plant, to prevent any mudslides or landslides that may affect the area. The rural community performs forest rangers' duties and keeps the area in good condition.

Impact of the project

- Contribution to the reduction of gas emissions.
- Protection of the soil from erosion.
- Environmental education and awareness.
- Creation of environmental services



Energy access

Sustainable schools - solar plants

Brazil brought the use of photovoltaic solar energy in an entertaining way to four public schools in the state of Rio de Janeiro. Solar plants and a gaming space, focused on sustainability, were installed.

The solar plants were created to serve as a laboratory for students that will enable them to visualize and experience photovoltaic generation. Additionally, all of the energy generated from the plant was counted as distributed generation, reducing the energy consumption of the schools. Approximately 3,000 students were beneficiaries of this program.

ENERGY ACCESS EDUCATIONAL PROGRAM – ARGENTINA

UBICACIÓN: the Company's sales area

LINE OF BUSINESS: Distribution

ACTING AGENT: Edesur S.A.

BENEFICIARIES: 4,700

ALLIANCES:
Primary and Secondary Schools

Context

Enel Group's educational program promotes awareness, encouraging access to energy and education in energy matters, helping to foster greater social awareness of energy efficiency and sustainability.

Project

This project consists of encouraging students to learn more about the central role of electric energy in everyday life. It also functions as a fundamental pillar for a more sustainable and innovative future. Once the students are registered with the program, the schools receive a kit with educational materials, for free, that teaches about applying electricity to improve everyday life and the quality of life. Also, they can participate in a contest that rewards innovation and the ability to make our reality more sustainable.

The winners of the 2017 Program were these two projects: "Solar tree" and "Wind Extractor." Practical application of the projects will be carried out with the same students from the prize-winning school: Business School No. 22 "Gustavo Adolfo Martínez Zuviría," 2017 Third Grade Class, Susana Gómez, teacher.

Impact of the project

Development of awareness about the value of energy for better quality of life.

Materials and teaching resources to support environmental education, awareness about energy efficiency, and sustainability.

SUSTAINABLE SCHOOLS – BRAZIL

LOCATION: Petropólis, Campos de Goytacases and São Gonçalo

LINE OF BUSINESS: Distribution Río

BENEFICIARIES: Approximately 3,000 students from 4 schools in the cities of Petropólis, Campos de Goytacases and São Gonçalo.

ALLIANCES:
Enel X
Petropólis City Council
Campos de Goytacases City Council

Context

Sustainability is an increasingly relevant issue due to environmental impacts generated by humankind. Using renewable energy is one way to help the future of the planet, particularly solar energy, as it is considered one of the cleanest renewable energies today.

Normally in schools, the topic is dealt with in a superficial manner and as a result, students do not truly understand the meaning of conscientiously using energy and the generation of solar photovoltaic energy.

There is an opportunity to involve students and schools to encourage the conscientious use of energy and to create awareness of the necessity of constructing a new, more sustainable future.

Project

In order to teach children to use solar photovoltaic energy in a playful way, solar plants with educational spaces containing games oriented towards sustainability were installed in four public schools, in Río de Janeiro. The solar plants were created like laboratories, so that the students can visualize and experiment with photovoltaic energy generation. Additionally, all energy generated by the plants was counted as distributed generation, leading to a reduction in the energy consumption of the schools.

Impact of the project

- Creating awareness about electricity consumption.
- Reducing electricity consumption.
- Receiving a discount on the electricity bill.
- Improving collection and fundraising.

Energy access program in Cundinamarca

In 2017, Colombia (Codensa) enacted a campaign to promote electricity access for different vulnerable communities, allowing access to energy not only at the infrastructure level, but also through training people to develop activities which extend service to families in the area that lack it. This facilitates access to research and technology related to different types of clean energy. One of the outstanding projects is Cundinamarca to 100%, a project to energize rural Cundinamarca. 773 families benefited in 2017 from this project, which also establishes optimal connection alternatives for conventional electrification systems with medium- and low-voltage, as well as photovoltaic solutions for users who are farthest from the existing infrastructure. The goal of the project is to extend energy to 8,502 families, as part of a contribution to peace and support from the company in the post-conflict era.

MORE LIGHT FOR SPORTS – PERU

LOCATION: Lima

LINE OF BUSINESS: I&N

ACTING ENTITY: Enel Distribución Perú

CAPACITY: 27,324 km

BENEFICIARIES: 3,000 during 2017

Context

Improving access to electricity, promoting safe areas for people.

Project

The illuminating recreational spaces program, in the low-income districts of Lima, promotes the creation of recreational, social, and cultural spaces at night, through the promotion healthy activities to keep young people away from drugs.

Until 2017, 109 sports courts located in parks in low-income districts of Lima were illuminated. In 2016, Enel Distribución Perú lit the first LED court, which provides energy efficiency.

Impact of the project

Access to recreational spaces and promotion of sports in secure spaces.
Generation of small SMEs, seeking the sustainable development of sports businesses for the population, given that the courts are rented, thus generating income to cover the energy costs and maintenance of the courts and fields.

Improved presence of sustainability initiatives in neighborhoods

Enel's Mobile Office

In Brazil, mobile assistance is provided for commercial services such as debt negotiation, social energy rate registration, and other commercial services. In 2017, approximately 18,000 customers used the mobile office.

Enel shares citizenship

A program focused on socially vulnerable families in Brazil functions to establish partnerships with public social assistance offices in order to address the rights and duties of customers and registering the social energy rate. The project also supports social institutions by collecting donations for energy bills. About 22,000 people benefited from this program in 2017.

Improvement and development infrastructure program

Infrastructure development programs in Peru have improved the quality of life for residents of the Junín and Lima regions. Infrastructure projects for access to water and sanitation services, communication channels in good working condition, and adequate health and education infrastructure were established.

Organizational strengthening

This program in Colombia seeks to create alliances to promote participatory training, and productive processes with communities and leaders in areas of the company's influence. The program contributes to both consolidating peace in the country and strengthening productive chains. During 2017, three programs were created, oriented towards to support the "Desarrollo y Paz del Magdalena Centro" program (Development and Peace of Magdalena Centro) with 110 beneficiaries, promoting participation and citizen organization with 193 beneficiaries, and strengthening the cocoa and coffee production chains, with 333 beneficiaries.

Other initiatives

Comprehensive Health Program

Through a program for comprehensive health in Peru, various evaluations and checkups for children 0 to 10 years old from Junín are carried out. The program helps inform parents about the importance of regular health services for their children, as well as improving the general infrastructure for health services in places the state cannot reach. Additionally, through the same program, health campaigns are conducted, as well as providing home visits from nursing staff, promoting healthy habits in preparing food and healthy living overall, among other aspects.

School breakfast project

A program that provides school breakfasts in Peru seeks to promote food security to contribute to good health and the proper growth and cognitive development of children who attend schools in the communities that surround the Enel Generación Perú headquarters in Junín.

The project resulted in a 55% decrease in anemia cases in children in five evaluated annexes. In 2017, guinea pig meat was included, which is very high in protein. The meat came from raising guinea pigs with the program "Sustitución de Proteínas" (Protein Substitution Program), promoted by Enel.

2017 Advances in the Social Management Plan for the Quimbo Hydroelectric Plant

Description

Quimbo is the most important engineering project constructed by Enel Américas in the last few years, involving an important investment. It is located in the Huila region, approximately 350 kilometers southwest of Bogotá. It has an installed capacity of 400 MW, an extension reservoir of 8,259 hectares, and a storage capacity of 3,200 cubic hectometers, which makes it one of the largest reservoirs in the country. The direct area of influence for the plant consists of the municipalities of Gigante, Garzón, Altamira, El Agrado, Paicol, and Tesalia. In 2017, the plant reached 2,191 GWh, the largest energy generation since it began commercial operation.

Social management

During 2017, the company continued implementing the Social Management Plan, developing intervention methodologies to strengthen the social, economic, cultural, and environmental processes of relocated families. The driving principles of the Social Management Plan are equity, participation, self-management, community, and regional development.

Individuals relocated

- As of December 2017, 40 families had been relocated.
- Out of these families, 25 reestablished their incomes, above the two current legal monthly minimum wage levels in Colombia, because of implementing their productive agricultural projects, and an equal number of families were able to stop taking financial support from the company.

Collective relocations:

- 112 families in total were collectively relocated as of December 2017.
- Of these relocated families, 57 had begun implementing their productive agricultural projects.
- 100% of the collectively relocated families in Nuevo Veracruz (19) and Santiago y Palacio (24) have implemented their Agricultural Production Plan (APP). All of the families from two of the four resettlements have implemented their APP. Out of the 57 total families, 43 live in Nuevo Veracruz and Santiago y Palacio resettlements, and 13 live in other resettlement areas. The population living in Nueva Veracruz and Santiago y Palacio represent 38% of the total collectively resettled families.
- Out of these 57 families, 40 managed to reestablish their incomes, above the two legal monthly minimum wage levels currently in force in Colombia, and of these 40 families, 50% were able to stop taking financial support from the company.
- Seventeen APPs were closed in 2017, after completing 100% of the agreed-upon investments, and meeting the goals set for both the productive level and income generation for each of the family groups.

Monetary compensation:

- No additional monetary compensation was given in 2017, therefore, remains the 244 compensations granted in 2016.

In 2017, 1,317 social intervention activities were carried out with the resettled and host populations, involving: 345 activities related to the ornamentation and resettlement committees, 183 instances of socioeconomic support, 117 instances of support and links to agreements, 515 instances of psychosocial support and 157 linkages to group activities.

Additionally, as result of interventions made during 2017 within the framework of the environmental education program, the following progress was made:

- Strengthening of Environmental Education in Educational Institutions.
- Participatory activities with social actors.
- Environmental practices training for resettled families.
- Strengthening of Ecological Groups.
- Promoting ecological tourism in the Direct Area of Influence of the Power Plant.

As a result of the interventions carried out during 2017 for the Basic Health and Sanitation program, the following stand out:

- 72 healthy lifestyles training workshops.
- 68 health training workshops directed at communities that have had intervention from the Power Plant.
- 32 meetings articulating and accompanying the Basic Health and Sanitation Committee.
- 43 public health awareness days.

Employment restoration

The employment restoration program was formulated with the aim of alleviating the impact on employment sources for the population that had developed its main economic activity in the direct area of influence of the plant. To date, 2,147 people have taken part in the employment restoration program. The company has given the program participants more than US$2.3 million for educational assistance and more than US$21 million in seed capital.

In compliance with Judgement T-135 of the Constitutional Court of Colombia, requests to be included in the census as possibly being affected by the construction and operation of the El Quimbo hydroelectric power plant continued. During 2017, more than 400 people were summoned for the census process, of which 44% were not included in the process, mainly because people did not appear at the summons. After an individual analysis of the impact on the economic means of the remaining 56% was made, only 4 met all the criteria for receiving management action, equivalent to granting educational aid and seed capital close to US$9 thousand for each person.

Services for artisanal fishermen

In relation to services provided for artisanal fishermen, the company continued to monitor their living conditions and economic performance in terms of the investments they made with the seed capital they received from Emgesa. This population of 201 artisanal fishermen mainly invested in improving their conditions and quality of life. In those cases where they invested the seed money in a productive sector, their earnings are about two times the legal monthly minimum salary in Colombia, and their investments generated an average of about 20 jobs.

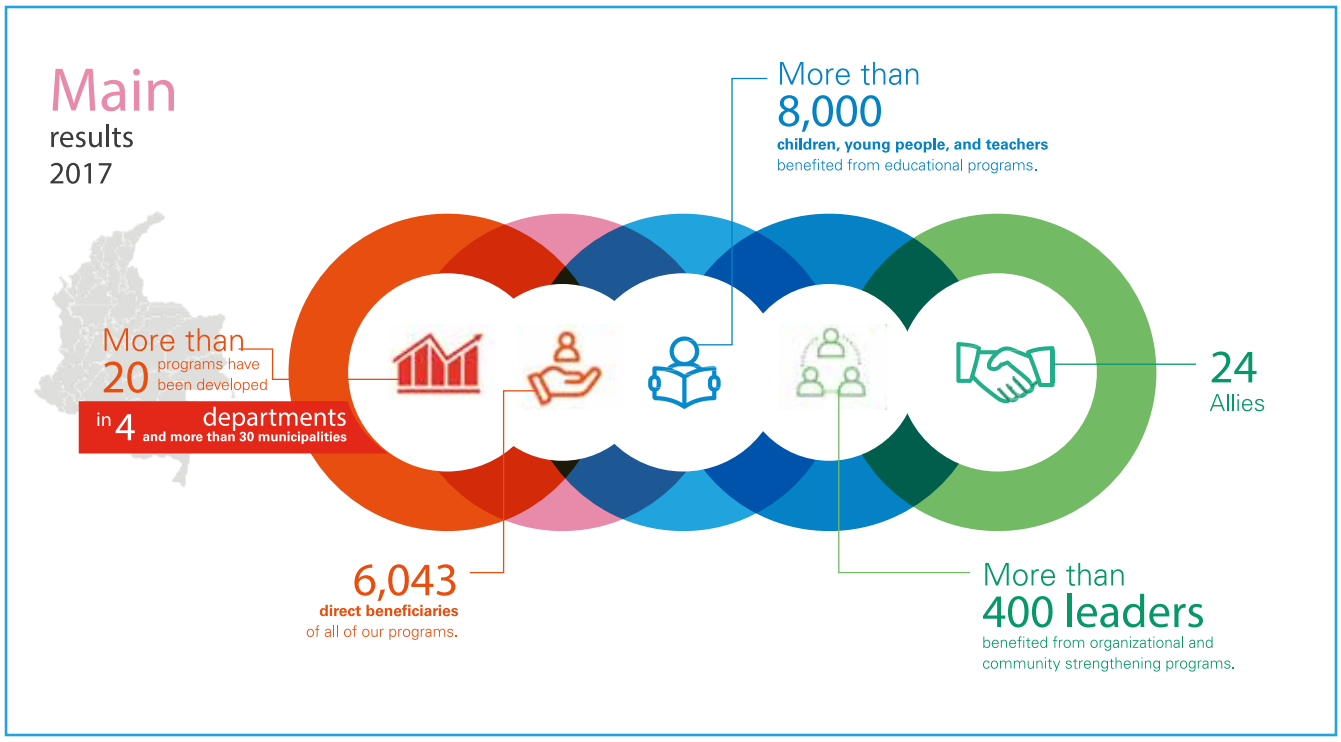
Promoting businesses

As described in the previous section, the company is a pioneer in bringing the methodology of the Sirolli Institute to Colombia and developing it. For more than 25 years, the Sirolli Institute has promoted the creation of more than 45,000 companies in the world with the goal of promoting the creation of shared value focused on people. The ultimate goal is to stimulate their entrepreneurial spirit and prompt them to consider entrepreneurship. As a result of implementing this methodology, in 2017 the company promoted a total of 259 enterprises, of which 16 were publicly launched in November. These ventures are already financially sustainable, with a sales growth of more than 300% since Sirolli has been applying their methodology, and they are also generating income and employment in the municipalities of Gigante, Garzón, and El Agrado. The launch was attended by more than 700 people, including municipal administrators. The regional press gave the launches much positive coverage, with several articles appearing in the media in the days following the event.

"Fundación Enel" in Colombia

Social programs implemented in 2017 through the Fundación Enel in Colombia reflect the company's commitment to the development of the communities in Codensa and Emgesa's areas of influence.

The foundation was created to integrate and promote social management programs, which reaffirm the company's commitment to communities in the country. The projects promoted focus on supporting local communities, the socioeconomic development of communities, and electricity access, thus identifying opportunities for Shared Value Creating.



Corporate Volunteering

The volunteer program **in Argentina** is a tool that addresses different projects and involves the company's employees in social programs. It is directed towards employees' integration and interrelation, developing social action in the community. Some of the main themes for this work are: energy access, energy efficiency, environmental action, sustainable development, and the environment, among others. In 2017, one of the activities addressed the Sustainable Development Goals (SDGs) for climate action in the Costanera Sur Ecological Reserve, which is a protected natural area. Native tree species were planted as a contribution to local biodiversity.

The "Red del Bien" (Network for Good), a digital platform for volunteering, brought together more than 1,000 members, including the company's own employees, interns, and partners **in Brazil** in 2017. Launched in 2012 and extended to Enel Distribución Goiás (formerly Celg) in 2017, the Red del Bien has a design and resources similar to that of a social network, allowing employees to register volunteer activities and to know which activities are supported by other members. The platform also includes the tool "Talent Exchange," which allows for the exchange of technical or crosscutting knowledge, as well as the formation of stakeholders.

The relevant event of the year was "Christmas with a Purpose," held in Rio de Janeiro, Ceará, Goiás, and Rio Grande do Sul, in which volunteers brought the magic of Christmas to 2,248 children between 1 and 12 years old. The volunteers provided joy for children from 12 different institutions with gifts, storytelling, jokes, music, and dance. The actions of the Red del Bien (Good Network) benefited 1,502 people altogether in 2017 with their initiatives, involving the work of 233 volunteers.

In Colombia, a corporate volunteer space has been established, where employees contribute during their working hours, and then have the incentive to have half a day off after their contribution. The purpose of this program is to contribute to the development of volunteerism through three lines of action: "My time", "My knowledge" and "My hands".

The development of corporate volunteer activities during 2017 had the following results:

- More than 500 employees of the companies participated.
- 18 foundations were supported, with a total of 2,200 hours donated by volunteers.
- 982 boys, girls, youth, seniors, and disabled people were beneficiaries of employees' volunteer activity.

The volunteer program "Buena energía para tu escuela" (Good energy for your school) was also developed, with the participation of 160 employees who performed work such as cleaning, painting, landscaping, and other minor jobs in eight educational institutions. The schools are located in Bogotá, Soacha, Ubalá, El Colegio, Tocancipá, San Antonio del Tequendama, Sibaté, and Granada.

In Peru, four company professionals share their knowledge and experience as volunteer teachers in their spare time in the Industrial Electrical Engineering major at the Instituto Superior Tecnológico Pachacútec. They volunteered a total of 500 hours teaching classes in 2017, benefiting more than 90 students. Also, this year during the ravages of the El Niño phenomenon, the workers came together to help the victims with non-perishable food, water, diapers, and personal hygiene items, which were distributed in Sierra Lima and the north of Lima, the most affected areas.

In addition, the Enel Group fostered a global chain of solidarity with Peru, involving its 70,000 employees all over the world, and managing to collect US$400,000, with contributions from Enel Cuore.

Finally, in December, a group of employees brought the joy of Christmas to 140 senior citizens from the San Vicente de Paul retirement home in the downtown area of Lima, donating clothing, adult diapers, and wet wipes, among other articles.


SOY
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Involving the people we work with

103-2 103-3

The employees' talents and commitment are the main assets of Enel Américas. The company has developed a people management plan that allows employees to enhance their talents, ensuring that they have the tools and stimuli needed to achieve the company's objectives.

The people management strategy strives to enhance the leadership of Enel Américas in the energy industry, focusing on cultural change and developing skills, which allows the company to have working teams geared toward efficient processes and continuous improvement.

The people of Enel Américas

102-7 102-8 405-1

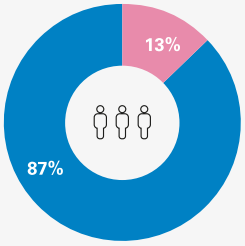
Enel Américas ended 2017 with a total of 11,393 employees spread across the region. The workforce is comprised of 20% female and 80% male employees. The female participation at a consolidated level in executive positions reaches 30% approximately Enel Américas is committed to gender parity and is promoting various initiatives, detailed below, to achieve this goal. With respect to the year 2016, 2017 shows an increase in staffing, which is mainly explained by the incorporation of Enel Distribución Goiás, a distribution company, and Volta Grande, a hydroelectric plant, both in Brazil.

2017 Staffing [1]	Managers and main executives	Professionals and technical professionals	Employees and others	**2017**	2016	2015	2014
Argentina	45	3,709	1,107	4,861	4,935	4,823	4,444
Brazil	19	2,756	814	3,589	2,499	2,659	2,695
Chile[2]	7	45	3	55	62	87	0
Colombia	37	1,941	2	1,980	1,898	1,544	1,632
Peru	45	863	0	908	930	931	951
Total	**153**	**9,314**	**1,926**	**11,393**	**10,324**	**10,044**	**9,722**

(1) Female participation in 2015 and 2016 reached 20% in each year.
(2) Includes Enel Américas employees that work in Chile.

Gender Diversity

405-1

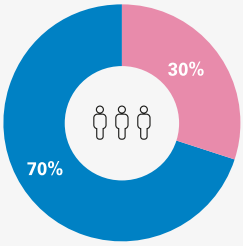


Argentina

Women

Men

Total: 4,861

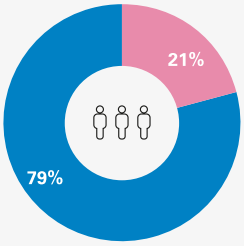


Colombia

Women

Men

Total: 1,980

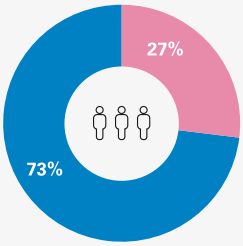


Brazil

Women

Men

Total: 3,589

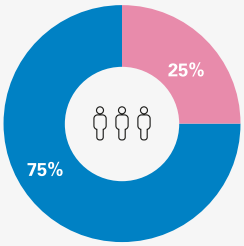


Peru

Women

Men

Total: 908



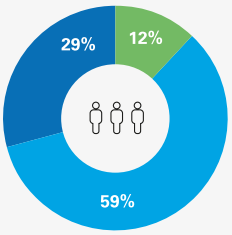
Chile

Women

Men

Total: 55

Distribution of the endowment by age range

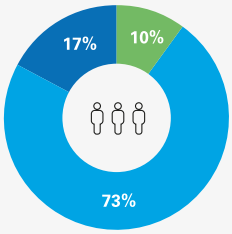


Argentina

Under 30 years old

30 - 50 years old

Over 50 years old

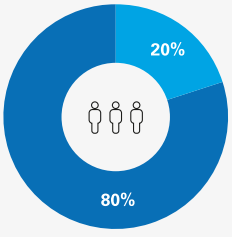


Colombia

Under 30 years old

30 - 50 years old

Over 50 years old

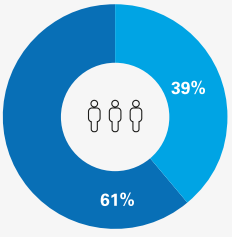


Brazil

Under 30 years old

30 - 50 years old

Over 50 years old

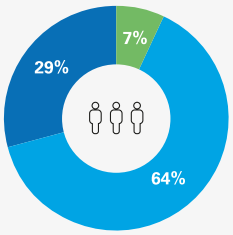


Peru

Under 30 years old

30 - 50 years old

Over 50 years old



Chile

Under 30 years old

30 - 50 years old

Over 50 years old

Enel Brasil - Ser Program

Since 2015, Enel Brasil maintains the SER Program – Sustainability in Network, with actions in four pillars (Human Being, Being Social, Being Environmental and Being Economical). The program looks for internal promotion of the sustainability culture and the increased commitment of collaborators in strategic planning and in the actions of the Plan of Sustainability.

In 2017, the program was successfully extended to Celg. To facilitate the adoption of the program more than 40 Celg's collaborators were appointed as facilitators. The launch of the program also included workshops named "To be Itinerant" in four cities: Luziânia, Morrinhos, Anápolis and Río Verde, that aimed to clarify any doubts about sustainability and also on the new management that Celg's collaborators might have. In the activities, 731 collaborators attended and they were evaluated with an average grade of 9.4, which indicates 96% adhesion to the sustainable management model. In the other companies more than 1,600 collaborators participated. It is important to highlight, the meeting on equity of gender held in May, within the Human Being week, in which the company formalized its participation in the Coalition for Equity of Gender and Race, promoted by the Ethos and Ceert Institute.

Diversity and Inclusion

103-2 103-3

Enel Américas addresses the challenges of diversity and inclusion with the Global Diversity Policy, elaborated by Enel Group and applied to all its companies. This guideline provides a framework for incorporating the principles of non-discrimination, equal treatment, and dignity for all forms of diversity, as well as the inclusion and balance between work and family life. Enel Américas values differences and converts them into a competitive advantage, improving its processes, products, and services, stimulating creativity, learning, flexibility and respect.

Gender

- The company adheres to the United Nations Women's Empowerment Principles, a document that guides the process of incorporation into a sustainable strategy for businesses.
- Encouragement of gender equality in internal and external hiring processes. Enel Group has established a voluntary goal to reach a fair gender representation on the candidate list by 2020. Thus, the personnel selection process must guarantee a fair gender representation in the group of candidates (50% by 2020). Since 2016, the percentage of women in recruitment groups is monitored through a detailed reporting system, shared with all of the recruitment units in different countries. The model stipulates that if it is not possible to achieve equality in gender representation, a written justification to identify any opportunity for improvement and support in future processes is required.
- During 2017, 129 workers have participated in the Parental Program that seeks to increase the value of motherhood and balance the needs of parents with their aspirations for professional growth. The initiatives of the program range from the health and well-being of women overall, to talks about the change generated by the arrival of a child in the family, to generating bonds of trust between pregnant employees and the company.

Nationality and Age

- During 2017 the company implemented the On-Boarding program, where a mentor, whose purpose is to provide personal and professional support, accompanies each worker beginning with Enel, orienting the new employee to the day-to-day dynamics and establishing networks that help them feel welcome and trusted. This program facilitates a quick adaptation to the company's culture and collects suggestions from new employees.

Disabilities

- As part of the awareness actions, the company has advanced identifying and knowing the needs of people with disabilities, with the aim of improving infrastructure.

Argentina

Some of the actions implemented in Argentina to encourage equality of opportunities in gender were:

- A Workshop for women's empowerment in personal development with self-awareness exercises.
- -Mentoring for Women:" aimed at female managers, to facilitate cross-mobility and growth within the group.
- An annual soccer tournament where women can participate.
- Commemoration of the International Day of the Woman with workshops on women's leadership.

Brazil

Since 2014, Enel Brasil has maintained a Diversity and Inclusion program for disabled people. More than just meeting quotas, it represents a new paradigm in the conventional selection model, since the company hires and invests in the training of people with disabilities to support their performance. Training takes place during a six-month period, and within the program there is a differentiated structure for Paralympic athletes, with the goal of supporting their transition from sports life to the corporate world. Thus, part of the athletes' working day is fulfilled without sacrificing their sports training. This is a way to communicate values in human resources management, positively changing not only people's career paths, but also the atmosphere of the companies of the group.

Colombia

With the objective of promoting gender equality in the organizational culture, Codensa and Emgesa have obtained the certification of the Gender Equality Management (SGIG, its Spanish acronym)- Seal "Equipares", which supports developing a culture of work that incorporates equity for women and men. This is accomplished through work in different dimensions of human talent management: recruitment, promotion and development, training, benefits, salaries, work/life balance, personal and family life, work harassment prevention, sexual harassment prevention, work environment, health, and non-sexist communication.

Colombia also uses the Family-Responsible Business Policy (EFR, its acronym in Spanish) and Labor Equity, approved in 2012 by the CEO, with the aim of supporting and promoting a positive working environment that impacts quality of life for the companies' employees. This policy was updated during 2014, when issues of diversity and labor equity were included.

Additionally, in 2017, Policy 283 concerning the treatment of complaints of labor and/or sexual harassment was implemented and disseminated as part of the companies' commitment to maintain a good working environment for each and every one of its employees, and to reject any behavior that generates any possible situations of labor and/or sexual harassment.

Peru

In Peru, a program for talented youth seeks to encourage a culture of equity. Presentations are made at universities about the diversity that the company offers as well. To promote integration, as well as recognizing, respecting, and managing differences between people of different nationalities, a mentor from the host country is assigned to all foreign personnel, whom the mentor assists and supports.

Quality of life and reconciliation of work, family and personal lives

401-2

Enel Américas seeks to understand the needs of employees through dialogue. To achieve this goal, Enel Américas engages with employees to develop the benefits packages the companies offer so that the companies' benefits are consistent with the various stages of the employee's life cycles. These benefits are transversal and apply to most of the companies that make up Enel Américas.

INTERACTION

Meetings that demonstrate the permanent presence of human resources and that aims to achieve greater closeness and dialogue with people regarding their day-to-day work.

PRESENTATION OF AREAS

Where employees deepen the roles, functions, and challenges of different areas of the company. The importance of this program lies in promoting a culture of collaboration, especially between different areas of the business.

FEEDBACK

Conversations that improve closeness, transparency, outline expectations, and support professional development of employees. Encouraging a culture of continuous feedback leads to developing employees' talents, as well as forming high-performance teams.

ONE BY ONE

Personalized conversations with each worker that strengthen their motivation and future aspirations, reinforcing closeness and relationships with our internal customers.

RECOGNITION

Seeks to enhance a culture of recognition within the company and generate formal instances in which co-workers nominate their peers for recognition for their contributions and performance.

CHANGE AGENTS

Leading a permanent culture of change in the organization. The program involved employees who proposed cultural change initiatives in different areas of business development.

CELEBRATIONS

Celebrations of important and special events for workers, such as birthdays, work anniversaries and festivities for other symbolic days such as Women's Day, Secretary's Day, and Electrical Power Workers' Day.

CONCILIATION AND GOOD LABOR PRACTICES

We have implemented smart workspaces where people can reinforce team activities, foster knowledge exchange relationships, collaboration, and team integration.

ECONOMIC SUPPORT

Personal loans, insurance discounts, gymnasiums, scholarships for employees and their children, gifts for the births of children, marriage benefits, and seniority recognition are provided.

Measures of reconciliation and work flexibility

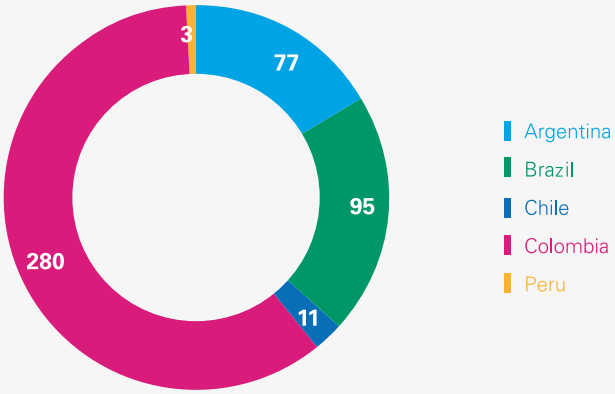
WHO	WHEN	WHERE	HOW
The activation is on a voluntary basis and regards only the staff of the pilot units.	1 or 2 days of the week	Work can be done at the employee's residence/domicile or other location.	All the legislative and contractual provisions in force are applied to the smart worker.

Smartwork permits employees to develop their lives in harmony, both in the personal and professional dimensions. This work option is based on trust, responsibility, flexibility, and commitment.

The primary objectives of this program are:

- Consolidating a style based on self-management.
- Favoring the reconciliation of professional, personal, and family lives.
- Increasing flexibility in the way work is performed.
- Improving the motivation, satisfaction, and commitment of workers.
- Enhancing work in terms of results, rather than in terms of time spent in the office.

Smartwork is increasingly spreading among the employees of the companies that make up Enel Américas and who perform tasks that can be adapted to work at home, currently totaling 466 employees.



Argentina

During 2017 in Argentina, the following actions related to developing and motivating personnel were carried out:

- Including grandchildren, nieces, and nephews in the Family Day celebration, so that these family members can enjoy a day of fun and bonding with the employees.
- The Parental Program for mothers, which consists of two days of telecommuting while the mothers are breastfeeding.
- The "Enel Te Cuida" Program, which conducts workshops on breast cancer prevention and female empowerment. Similarly, other workshops have been held on avoiding the flu, happiness, relaxation, and mindfulness.
- A day of diversity that included a lecture on gender.

Brazil

"Vivir Bien" Program

Quality of life initiatives are carried out through the "Vivir Bien" program (Good Living program), launched in 2004 to encourage mental and physical wellbeing. Pillars supporting a healthy work atmosphere were constructed in 2017. These help workers balance their professional and personal lives, and the program covers employees in four states (Río de Janeiro, Ceará, Río Grande do Sul and Goiás) and the Federal District.

Another outstanding program in Brazil is the "Orientando el Futuro" (guiding the future) Program,, which focuses on vocational guidance, along with cultural and sports activities, health, and safety campaigns, and corporate volunteerism, which means much more than just social projects for the company. A program called "Saber Vivir Más" (Knowing Living More" was specifically created in 2017, which will be described in the next chapter.

Colombia

Colombia initiated the program "Por tu felicidad toda nuestra energía" (For your happiness all our energy), a project meant to amplify the happiness of employees and their families. This program complements the strategy of the People Care program and establishes paths of action that lead to a consistent work environment where the results are the satisfaction and welfare of staff and teams.

Peru

In 2016 in Peru, the company launched a retirement plan for all employees with indefinite contracts who are no more than 68 years old. 44 employees joined the program in 2017. The program has the following benefits:

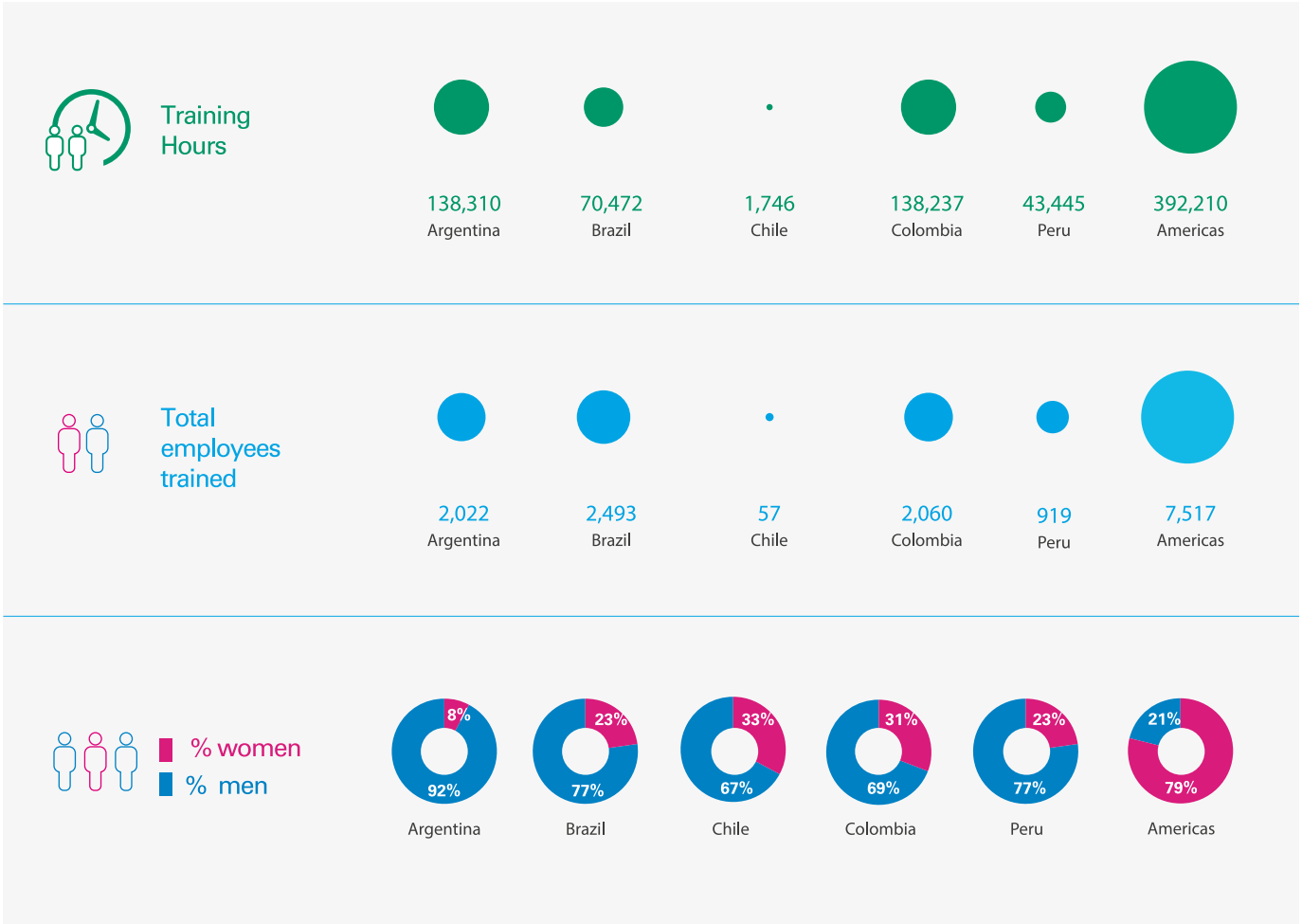
- Pay calculated based upon age and years of service.
- Age-dependent private medical insurance.
- Age-dependent cancer insurance.
- Economic benefits for education.
- Personal advising for facing the future.
- Advice and training for: starting a business, searching for a new job, developing a retirement plan.

Professional development

103-2 103-3 404-2 404-1

The company's capacity for leadership and innovation depends on a highly trained technical and professional team. Because of this, Enel Américas has developed initiatives for knowledge management within the company, paving the way for professional development and encouraging employees to stay at the forefront of their respective fields.

392,210 hours of training were carried out in 2017 (278,827 in 2016), both online and in person. Professional staff took online training, while in-person classes were given to managers and heads of departments, as well as professionals.



In line with management's focus, Argentina took inventory of what the company's training needs were, from which the companies developed the annual training plan. Additionally, the companies executed training workshops for new employees and other training activities were held for employees that needed to develop specific skills in operations and maintenance, such as electrical risks, working at heights, and others.

During 2017, Brazil implemented 107 Open Power workshops, with audiovisual aids and an interactive smartboard, enabling the participants to ponder the company's new values. Among the programs introduced was the Leadership Academy, involving workshops to teach and enhance leadership techniques. International Exchange programs were also introduced, in which professionals selected by the Executive Committee travel to work on specific projects for 30-day periods. In 2017, the company developed the Brazil Hall of Energies, to acknowledge and celebrate the best attitudes and collaborations among employees, shared with the entire company.

Some of the main internally developed programs in Colombia are:

Programs	Descriptions
School of Leadership	Directed at all of the leaders in Enel Group, some training classes are held in house at the company's headquarters, while others are held offsite.
Professionalization Program	Aimed at employees without college degrees. Benefits for university expenses are offered, facilitating access to an undergraduate education. The program contributes to the business' value and to professional growth for its participants.
Training in Soft and Technical Skills	For all employees. Includes in-house and external training for strengthening both soft and technical skills necessary for developing daily work tasks.
Change Management Office	Deals with all of the projects that require a process changes that will have large impacts on the company. Leverages the strategic projects of the company by carrying out activities that allow employees to adapt to the work required by each specific project.
getAbstract	A platform that gives access to digital educational content such as books, articles and lectures, for all employees at all the companies.
The Leader's Guide	The implementation of 13 leadership principles, which are in the leader's basic guide for Enel Colombia. These principles are evaluated every year so that each leader can create a personal improvement plan.

In Peru, individual employee development plans were defined in 2017, and a constant bidirectional feedback loop was enacted, in which 95% of the personnel received feedback. Peru also fostered the functional and geographical mobility of people through local and international competitions. One of the specific programs the companies developed is "Jóvenes Líderes para el Cambio" (Young Leaders for the Change) promoting the development of young leaders who have been identified as having high potential. This program focuses on enhancing the young participants' leadership skills and strategic knowledge of the business, while raising their level of organizational exposure as they develop multidisciplinary improvement projects. Another program, "Jóvenes Talentos" (Young Talents) employs tutoring, training, evaluations, and feedback to foster the professional growth of university students and recent university graduates. This program functions as the main recruiting ground for junior positions in the company. It evolved from a plan to position the company in universities by having employees attend university job fairs to speak with students about their experience and knowledge of the business.

Performance evaluation

404-3

The company has behavior/skills assessment model called Performance Appraisal, through which the companies evaluate ten behaviors identified by Enel Group. This model is applied annually in reviews for all employees and is the main tool for merit-based advancement and for managing employee development.

With respect to technical knowledge, there is currently no instrument that can accurately perform an evaluation of people's technical skills. Thus, technical knowledge is evaluated in an indirect manner, by evaluating the accomplishment of objectives. This type of evaluation varies according to the professional level and type of contract the employee has.

In 2017, 96% of the total employees were evaluated, 95% of men and 98% of women.

2017 Evaluations

	Argentina		Brazil		Chile		Colombia		Peru	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
N° of high-level executives	27	8	15	4	10	0	28	9	35	10
N° of middle managers	2,391	586	268	71	3	4	140	51	59	25
N° of administrative employees	1,457	16	2,552	679	29	10	1,101	520	573	206
% coverage	92%	97%	100%	100%	100%	100%	92%	98%	96%	96%

Employee satisfaction survey

Every two years, Enel Américas performs an employee satisfaction survey, last conducted in 2016. The survey is implemented in different countries, both online and on paper, with 81% coverage and a 73% response rate. The next survey will be held in 2018.

Labor relations and unions

102-41

The Enel Group's vision encourages all of its business members to establish transparent and respectful relationships. With regard to unions, Enel Américas seeks to maintain an ongoing dialogue.

For Enel Américas and its subsidiaries, trade union relationships provide a space to further improve the working conditions of employees, positively impacting the working environment and personal satisfaction for employees, and the efficiency of the company overall.

Out of all its employees, 60% are syndicated, and 87% are covered by collective agreements in 2017.

Turnover

401-1

The turnover rate in 2017 for all of the companies was 10%, compared to 7% in 2016. The higher rate for 2017 can be explained mainly by the large amount of employees that retired in Brazil because of the acquisition of Enel Distribución Goiás (formerly Celg).

Celg was previously a state-operated business. In order to promote synergy with the other Enel businesses in Brazil, elevating efficiency standards, quality, and service in the short term, a voluntary retirement plan was offered to Celg employees.

	New Hires	Retirees	Average Workforce	Turnover
Argentina	176	258	4,801	5%
Brazil	299	1,137	3,788	19%
Chile	3	7	58	9%
Colombia	194	114	1,963	8%
Peru	70	92	907	9%

Innovation and operational efficiency

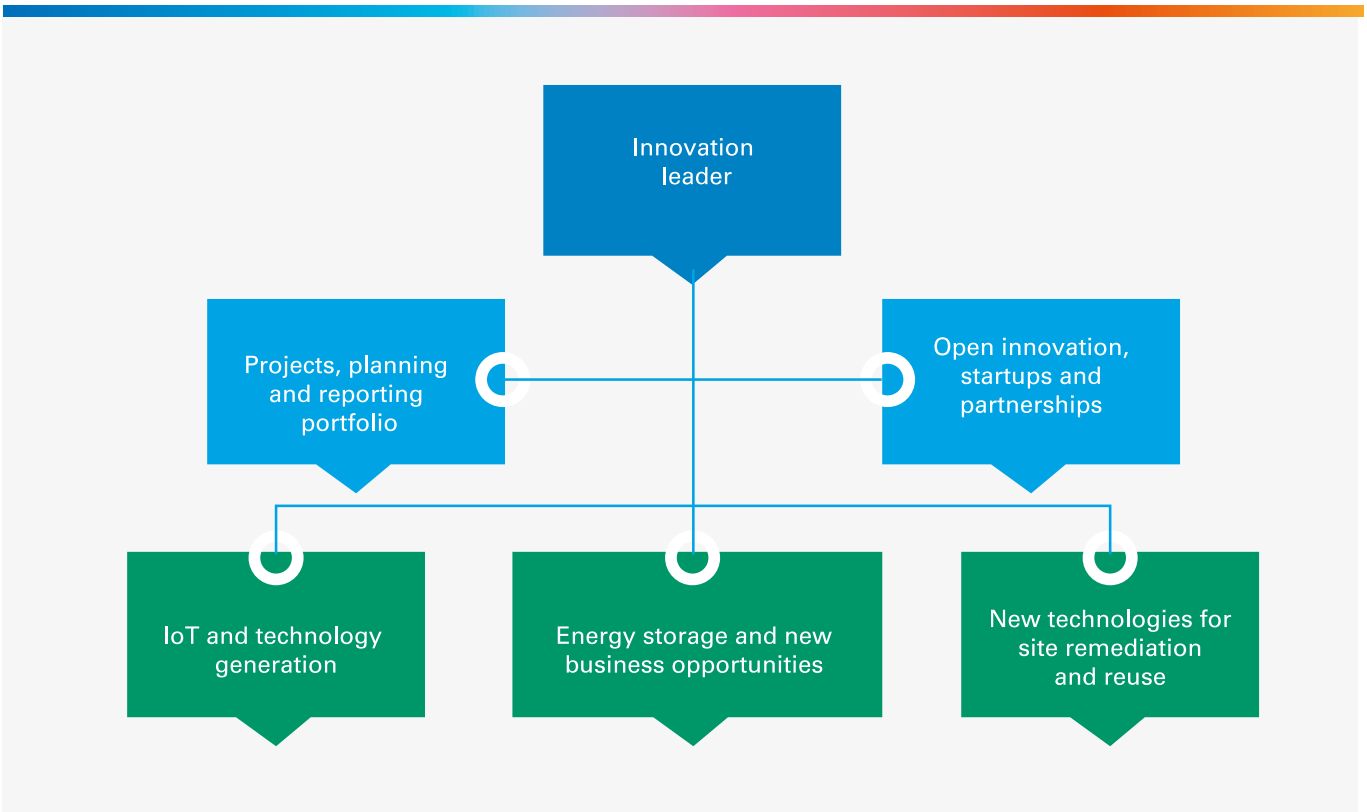
Innovation

102-2 102-3

Innovation has become a management pillar for Enel Américas. It is a factor that differentiates the business, giving it a competitive advantage in its respective markets. Through technological improvements implemented in the last few years, Enel Américas has improved efficiency in the operations in the generation and distribution businesses in the different countries where it conducts business in Latin America. As a result, Enel Américas' operations produce less environmental impact and help to ensure the continuity of supply to its millions of customers.

The vision of Enel in the area of innovation anticipates opening new areas, such as opening up: energy access to a larger number of people, the world of energy to new technologies, energy management for people, the possibility of new uses for energy, and opening the company to a greater number of alliances.

Thus, Enel Américas seeks to focus on innovation, and structure it as follows:



Following the guidelines of the Enel Group, innovation strategies, according to each line of business, are summarized below.

GENERATION SUBSIDIARIES	Efficiency and flexibility in thermal power plants	Security and robotics
	Environment and sustainability	Cross activities
	Energy storage, digital systems and market analysis	

DISTRIBUTION SUBSIDIARIES

NEW BUSINESSES

New business models, products or services that leverage the main business for the following segments

B2C	B2B	The pyramid base

INCREASING MARKET SHARE

Increasing market insertion of electrical power, boosting energy efficiency and complementing Renewable Energiest.

OPERATIONAL EXCELLENCE

Increasing productivity and reducing cost, maintaining or improving quality.	Improving accident rates through the incorporation of new technologies and the excellence of processes.	Reducing non-technical losses, improving technical and commercial process reliability.

2017 Innovation Day

Colombia held an Innovation Day, an event open to all employees where inspiring lectures on issues of entrepreneurship, digitization, and BlockChain were given, as well as playful onsite and virtual activities. 229 people from different areas of the company participated.

Innovation in Generation

In Colombia, the program "Gxellence Thermal" helped generate ideas for improvement and innovation for the thermal generation business. Two workshops were held on structuring ideas, storytelling, and the pitch in the Termozipa and Cartagena thermal plants. Eight innovative ideas were presented and evaluated.

Innovation in distribution

Efficient networks and distributed generation

The Smart Grid system was born in response to the needs of society, evolving towards a digital and intelligent network distribution model. This system has the capacity to respond to the demands placed on a more efficient low-carbon electrical system. The automated network with smart meters can support the necessary infrastructure for electric vehicles and distributed generation (more detail about smart meter projects can be found in the Efficiency in Energy Distribution and Continuity of Supply section).

Brazil's Innovative Projects

Energy Star

The Energy Star project was created through the Open Innovation model. Energy Star concentrates on the development of businesses and creating Startup ecosystems in different sectors. During the first public call in August 2017, startups were invited to register. Enel Brasil received approximately 700 startup registrations, more than double the expected amount. The selected companies could receive up to about US$380,000 to invest in research and development, could take a specialized course in Silicon Valley, and would have the opportunity to display their work on an international scale. The startups were selected from four categories - Research and Development (R&D), Innovation Hub, Commercial Association, and Acceleration – in the following areas of specialization: Digitization (IoT), Renewable Energies + Storage, Fintech, Efficient Energy, and Intelligent Cities + Electric Mobility.

The Inspire Program

The Inspire program involves employees from all over Brazil, suppliers, and customers to find creative and assertive solutions, via different fronts and stages:

- Inspire New Ideas: a space to debate creative ideas through the Innovation Portal. Challenges are presented, inviting collaborators to present innovative practices related to specific topics.
- Inspire Deu Certo: ideas that improve the quality of processes and services, providing greater security, efficiency, productivity, and financial gain. The adopted projects compete in different categories
- Products, Processes, Generation, and Security - and at the end of the year, the winners compete with each other to determine the best project of the period. In 2017, more than 400 people participated and 88 projects were presented.
- Inspire Multiplique: combines two tools to disseminate innovative practices. In the Innovation Bag, one can participate as an investor in a project, or open a fictitious company for an idea that was presented in Inspire Deu Certo, where the 50 best initiatives are awarded. In the Business Plan, space is provided for practices with financial potential, which have one year for the analysis and implementation stages of the project. The project is then evaluated by the Executive Committee of Enel in Brazil.

Inspiring Entrepreneurs: Created in 2015 and aimed at employees, it concentrates on developing products or services with high growth potential. In addition to financial support, approved initiatives receive consulting support from a startup accelerator, and contributors take a leave of absence for up to 1 year and 6 months to invest in their projects. One outstanding example from 2017 is the startup Nuestra Casa (Our House), in which packaging from milk, juice, and derivatives is transformed into a thermal lining to protect homes from the intense heat emitted by roof shingles. "Nuestra Casa" began last winter in Río de Janeiro. In the first stage, thermal liners were installed in eight houses of the Jardim Bom Retiro community in São Gonçalo, which are covered by asbestos roof shingles. For the second stage, an energy efficiency consulting firm was hired to analyze the performance of all electrical equipment to identify if the drop in the internal temperature was also able to encourage a reduction in energy consumption, mainly with equipment such as refrigerators and air conditioning units. The project is technologically supported by Flumat, Grupo de Fluidos y Materiales Poliméricos Multifásicos (Group of Fluids and Multiphasic Polymeric Materials), from the Chemistry Institute of UFRJ.

Brazil: Intelligent Microgrid

In march 2017, Enel Distribución Ceará launched a laboratory to operate an intelligent energy microgrid, a pioneering project in the country that anticipates intelligent technologies and is transforming relationships with residential customers.

The pilot project will benefit about three hundred houses with high consumption (average of 780kWh/month) in a residential condominium, located in the municipality of Eusebio, 27 km from the capital. The goal is to transform the internal electrical structure of the condominium into an autonomous microgrid, capable of functioning whether it is connected or not to the electrical network of the distributor. When it is connected to the distributor, the microgrid stores energy so it can be consumed during failures, or to reduce the demand on the city's grid. In the event of a possible lack of power supply by the distributors's network, the microgrid operates in autonomous mode and is capable, of maintaining the energy supply for priority loads (refrigerators, safety equipment, lighting, etc.) for at least an hour.

The microgrid uses renewable energy sources (solar and wind) and battery storage systems. While houses produce energy from solar sources, customers will be able to monitor the energy that is being generated and consumed in real time, by using mobile applications for smartphones and tablets, as well as being able to control their loads remotely. The energy produced by the renewable sources that is not immediately consumed is stored in high technology batteries and can be sent to the network of Enel Distribución Ceará, generating credits in the electric accounts of the residents.

Electric mobility

Argentina

In order to demonstrate the worldwide leadership of Enel in innovative energy forms, electric mobility, and care for the environment, in 2017 Enel Argentina installed the first charging station for cars 100% electric. This charging station will mainly supply energy for a Renault Kangoo ZE truck that the company already uses. In the near future, there will be Enel charging stations to charge any electric car, following the model already implemented in Europe.

Brazil

E-Car Sharing Fortaleza: via alliances with universities, industries and prefectures, the project seeks to make the use of electric vehicles in Brazil viable, contributing to advancing the technology of urban vehicles and sustainable mobility. The final product of the project will develop a system for managing and controlling the electric vehicle charging stations, as well as integrating with the application that manages the use of the shared vehicles.

Colombia

- Enel Group's companies in Colombia developed a pilot program with 18 collaborators that now have an electric vehicle (Renault Twizy), the program members are accessing to the multiple benefits that electric mobility represents as a more comfortable driving, noiseless, zero CO2 emissions and time and money savings in their journeys. Fifty CO2 tons per year are expected to be avoided with the pilot program thus contributing to the environment and public health.
- Transmilenio electric bus operating pilot: In the month of December 2017, the participation in the operational pilot between Transmilenio, BYD, Transmasivo and Codensa of the articulated high floor 18 meters electric bus was renewed for another year.

The indicators as of December 2017 are the following:

- Energy Consumption: 32,000 kWh
- 23,000 Km traveled
- 235 Km / day average
- 123,000 passengers transported approximately
- 39 Ton CO_2 avoided
- The bus has saved a 48% energy cost using electric power, compared to diesel.
- Another electric bus of the same characteristics with improvements identified during the pilot test it is expected to be in operation in Transmilenio during the last quarter of 2018.
- Electric bicycles: Codensa's bicycle exchange pilot consists of six bicycle stations where 50 electric bicycles will be located. Codensa negotiated a shared risk model in which it provides 60% of the Pilot's budget, while the company "El Tomacorriente" provides the other 40%. In addition, "El Tomacorriente" will be responsible for the system operation and maintenance. The pilot revenue will be divided in the same proportion of 60-40 when it becomes operational in mid-April 2018.

Peru

Enel Perú has the country's first electric car: The Mitsubishi i-MiEV, which can be charged with a conventional 220v electrical connection. This vehicle emits no noise, no contaminating gases and is 70% more economical than a traditional gasoline-based car. Enel Distribución brought the car to Peru for the first time, for an initiative to support electric mobility in Lima, with the vision of converting the capital of the country into a Smart City, as has already happened in cities like Santiago, Bogotá and Río de Janeiro.

Additionally, Line 1 of Lima's Metro, which is the only electric transportation in Lima, has been supplied by Enel Distribución Perú since 2011.

Operational efficiency

Efficiency in generation plants

Argentina

During 2017 in Central Costanera, important maintenance for operational efficiency was carried out. Efforts concentrated on the equipment that has the greatest effect on operational efficiency, such as washing air heaters, washing steam condensers, washing air compressors in gas turbines, and replacing air filters.

With regard to the maintenance of the Combined Cycles, specifically for the Combined Cycle II, repair work was conducted during September, on both recovery boilers (HRSG). Finally, in November Central Costanera began to work on installing new screens in the water outlet of the combined cycle, with the objective of strengthening this critical system and thus reducing the impact of unforeseen natural events, such as the water hyacinth invasion during the summer of 2016.

Regarding the Combined Cycle I, Siemens started the stoppage of the productive process to extend the useful life of the "Life Time Extension" (LTE) unit at the end of September. At the same time, they proceeded to replace other equipment:

- Gas Turbine: Gas Turbine Rotor y Generator Rotor.
- Vapor Turbine: High, medium, and low pressure rotors.

Conserving natural resources, especially water, is a priority goal. The sustainable management of water resources on the part of the company is centered on three fundamental aspects: the rational and effective use of this resource, the conservation of its quality, and the reduction of the effects of possible discharges on the receiving environment.

An Osmosis Plant was incorporated into the Water Plant in 2017, which allows for more efficient management of the water demineralization treatment and for optimizing water use.

Brazil

In 2017, the following Operational Efficiency Projects were carried out in Enel Generación Fortaleza: cleaning the tower basin and cleaning the condenser. The latter maintenance task was carried out as regularly scheduled maintenance in September 2017.

The following water efficiency projects were also carried out during the generation cycle:

- Reusing the industrial effluent generated in the boilers with replenishment water from the plant's cooling tower, generating a savings of 5,000 liters per hour in the water consumption of the plants and in the destination of effluents.
- Adaptation of the water treatment program in the cooling tower, generating a savings of 20,000 liters of water per hour and in the destination of effluents.

Colombia

Management in 2017 was geared towards improving processes and adopting world-class best practices in generation, which permitted the efficient development of projects for the different technologies used by the company, as well as optimal operating results.

Some of the hydroelectric generation initiatives carried out in Colombia are detailed in the following table.

Hydroelectric Plant	Intervention and Investment Initiatives
El Guavio	> Consolidation of two high-impact projects initiated in 2016: > Guavio Menor began service of 9.9 MW. > Increase in the net effective capacity of the plant (1,200 MW to 1,250 MW). > The first complete disarming of unit 5, since it was put into service 25 years ago, to perform maintenance on the stator spool and a general overhaul.
Betania	> Modernization of unit 1's speed regulator as part of a plant modernization project that will continue through 2018.
El Quimbo	> 8,000 hours of operation maintenance.
Cadena Pagua	> Modernization of the speed regulators in units 1 and 2 at Paraíso and unit 3 at Guaca. > Change of the stator spool in unit 1 at both Paraíso and Guaca. > Execution of public works to improve the operation of the plant.
Estación de Bombeo Muña III y Muña II	> Inspection and installation of the discharge pipes' flowmeters at Muña III and Muña II to improve the efficiency of the pumping station.
Cadena Antigua Río Bogotá	> Modernization of the power transformers' instrumentation at the small Charquito plant. > Installation of the flow measurement system in the load pipe. > Modernization of the Motor Control Center (MCC) of the auxiliary services in the Tequendama small plant. > Recuperation of 3.3 km of the load pipe at Colegio II, maintaining more than 21,000 m2 of surface area, in the Darío Valencia Samper water power plant.
Pondaje Alichachín	> Implementation of a long-term innovation project in order to take advantage of sludge disposal, a product of dredging and proper conforming of the shores, thus improving both the operating and environmental conditions of the area. This project is carried out jointly with the Universidad de los Andes.

Peru

In 2017, Peru invested US$61 million in maintenance. Among the main Projects were the reconstruction of the Callhuanca Plant, the purchase of contingency parts for thermal units, various maintenance activities and the modernization of public works and hydraulic units, a duality project and the overhaul of thermal units.

Energy Distribution Efficiency and Continuity of Supply

Argentina

Through the Edesur distributor, Enel began installation of smart meters in Buenos Aires city. This is the first step in a pilot plan to install 5,400 devices in 2017, in search of greater efficiency and technology in the network.

This new equipment, which Enel has already used in other locations, has many advantages, including reading consumption from a distance, the early detection of potential network failures (with much shorter repair times) and the continuous reading of consumption data per customer, allowing for greater energy efficiency in their homes.

This technological innovation is part of a US$235 million investment plan by the Edesur Distributor in 2017, which includes important works such as the construction of the new Padre Novak substation in Florencio Varela (in the south of the province of Buenos Aires), repowering of existing substations, renewal of medium-voltage lines and the installation of new high-voltage links, which provide greater reliability to the entire network.

In order to ensure continuity of service in the metropolitan area of Buenos Aires, the National Electrical Energy Regulator (ENRE, its Spanish acronym) requires the company to maintain, implement and audit an Emergency Operational Plan, which must anticipate the timely and appropriate reaction of the distributor in the event of unforeseen incidents which may cause major interruptions in service.

Edesur is successfully fulfilling the requirements for certifying its Emergency Operational Plan year to year, which includes a planning and warning process for critical events, such as severe weather events or public disorder situations, through a series of planned training sessions, periodic simulations, an organizational structure capable of reacting and coping with crises, and finally, a post-contingency evaluation.

Brazil

After the acquisition in February of the Enel Distribución Goiás (previously Celg), Enel Brasil announced a plan in March that would be enacted during the year.

The main parts of the plan include:

- Constructing 400 km of electrical network, along with six new substations.
- Installing 400 new automation systems of high- and medium- voltage networks with the goal of improving quality indicators in the medium term.
- Improving the quality of the energy supply, including new connections and the granting of universal energy access in the concession area of Enel Distribución Goiás

By implementing these measures, Enel Brasil hopes to reduce the equivalent interruption per unit of consumption compared to the limits set by the Brazilian electric regulator Aneel by 15%

and increase the capacity of the network to about 110 MVA in the next 18 months, benefiting 96,000 customers.

Enel Brasil' technology has been adopted by Enel Group's companies in other countries and, more recently, by Brazilian distribution companies, with a significant impact on quality indicators.

In addition to the quality plan for Enel Distribución Goiás, the company continued with investment plans to raise quality levels and network digitization at Enel Distribución Río and Enel Distribución Ceará. These efforts have already shown results via improvement in the supply companies' indicators. During 2017 Enel Distribución Río focused on implementing remote control technologies as well as promoting quality and service improvements by expanding the network and adding new connections, installing compact substations and investing in modernization. In the case of Itaipú and Duque de Caxias, two 15 kilovolt (KV) voltage containers were installed and energized, increasing the reliability of the electrical grid. This represented an investment of US$2 million in the Itatiaia and Duque de Caxias substations and marked the first time an Enel Américas company adopted this technology.

At Enel Distribución Ceará, together with advances in remote control technology, fulfilling a goal of customer service was emphasized, defined in 2016 by Aneel as 12,500 complex connections which included work to install extensions to medium- and low-voltage networks. At the end of the period, a plan to improve the quality of the underground network in Jericoacoara, which is old and needs upgrading, was also underway.

Colombia

In order to continue carrying out maintenance, improvement, and renovation work on electrical networks without interrupting the power supply, Codensa has opted for technological innovation via the acquisition of a modern mobile electrical substation. The mobile substation serves as a backup unit that continues to bring power to certain areas of the city when a fault occurs, or while large-scale modernizations are carried out. This innovative equipment is transportable, modular, easy and fast to connect, and remote-controlled, which is why it represents such a great solution for the company.

Codensa, which serves more than 3.2 million customers in Colombia, is aware of the need to streamline its distribution management via technological innovation. In this vein, and after having initiated the largest investment plan in its history, Codensa now also uses drones, does remote inspections with helicopters, and has smart remote-controlled equipment.

With these new measures, the company has managed to earn the second-lowest rate of failures perceived by customers in the country, as shown below.

Among the notable initiatives in distribution are the following:

LATAM DATA MINING PROJECT

- Global project that allowed us to develop a new predictive algorithm for selection of clients to be inspected with which **3,000** operations were executed.
- **24%** of the operations generated energy clearance, being the methodology with the highest percentage.

ONLINE METERING PROJECT

- Initiated in 2016 and ended in 2017.
- Achieved **1,813** large customers that were telemetered, that is, **17%**.

NORMALIZATION OF NEIGHBORHOODS BY ACCESSION

- Multiyear project that achieved the normalization of **2,505** non-customer users, who contributed to the loss rate with an increase of **1.8** GWh-year.

NEW MANAGEMENT STRATEGIES FOR NON-REGISTERED CONSUMERS (NRC)

- Thanks to its implementation, there was an increase of **81%** compared to that obtained in 2016, emphasizing the collection of unregistered energy from non-customers.

Peru

Enel Distribución Perú installed more than 8,700 smart meters in seven districts of Lima and Callao in 2017 as part of a pilot project that strives to create a more efficient and digitized electrical network in order to improve the quality of service. The company will invest a total of US$1.1 million in this project, which will install 10,000 smart meters by the end of the first trimester of 2018. The goal is to demonstrate the benefits of the technology and the smart management of energy for clients and for the entire electrical system.

This is the first pilot project in Peru to install smart meters, which provide the customer with more detailed information about their electrical service and allow them to optimize their energy consumption.

The smart meters installed during 2017 represent almost 90% of the 10,000 that the company plans to install in the districts of La Punta, San Miguel, Breña, Cercado de Lima, San Martín de Porres, Los Olivos, and in the city of Huacho. The company is working to progressively expand the use of these meters to all of its customers in Peru.

Additionally, Enel Distribución Perú put a new Philadelphia Electrical Transmission Substation (SET, its Spanish acronym) into service in August 2017 in the district of San Martín de Porres. This substation, operating at 60 kV, will benefit more than 25,000 residential, commercial, and industrial customers in San Martín de Porres, Los Olivos and Callao. The substation will not only improve the reliability of power supply in these districts, it will also address the increased energy demand resulting from the construction of the future Line 2 of the Lima's Metro.

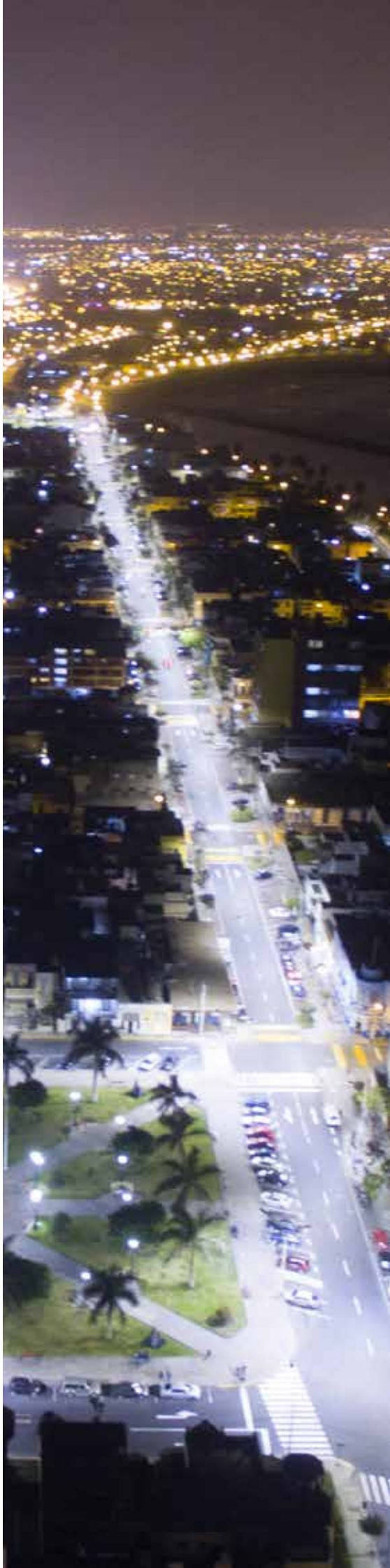
The Philadelphia SET continues with the innovative design of the Malvinas substation, inaugurated last year by the Enel Distribución Perú, as it optimizes the space thanks to the use of GIS (gas insulated substations) cells, which are fully automated and the latest generation. Using this technology allows Philadelphia to occupy an area of 1,538 m^2, half of the area required compared to a conventional electrical substation.

Construction of the Philadelphia substation was performed under the highest safety standards and environmental care, according to the Environmental Impact Statement (EIS) submitted by Enel Distribución and approved by Senace, the same government agency that also stipulates the environmental standards for the operation of the substation.

Number of Smart Meters [1]

	2015	2016	2017
Argentina	0	0	5,400
Brazil	9,339	9,339	9,339
Colombia[2]	0	40,489	42,485
Peru	0	0	8,700

(1) Accumulated value at the end of each year
(2) For the year ended 2017, 41,975 customer installations and 510 macrometers.



Contingency plans

Argentina

Since 1999, the National Electrical Energy Regulator (ENRE, its Spanish acronym), through resolution 905/99, requires an Operative Emergency Plan from all distributors in the Buenos Aires metropolitan area, which must include maintenance and implementation measures. The plan is audited annually by a government authority that specializes in Quality Control.

The goal of this plan is to provide for a timely and appropriate reaction from the distributor to unforeseen incidents that can cause major service disruptions. To this end, Edesur has successfully fulfilled the requirements for the certification of its Emergency Operations Plan by the Argentinian Institute of Standardization and Certification (IRAM, its Spanish acronym) every year.

Among other things, the plan includes:

- Planning and warning processes.
- Training workshops, checklists, and periodic simulations.
- Critical event management.
- States of emergency.
- Post-contingency evaluation.

Brazil

Enel in Brazil maintains and periodically revises its Contingency Plans for operations in the different sectors of the business. The company also defines procedures and operational instructions for emergency situations. Distributors have a Maximum Emergency Occurrence Manual and a Maximum Emergency in the Electrical Support System Procedure. In conjunction with the National System Operator (ONS, its Portuguese acronym), simulations are also held to minimize the impact of outages in the system, as well as to comply with the deadlines determined by Aneel (the National Electric Energy Agency) for restoring the energy supply. The company has also adopted transparent and flexible communication in cases of risks and contingencies, at the same time communicating pertinent information for technical areas and for the general public via mass media and social networks. Employees are also informed with internal bulletins (Direct Line), and industrial customers are informed by their account managers.

Colombia

The emergency management system of the company was developed with the guidelines defined in Policy 99: Colombia's Critical Incidents Management, which promotes the development of procedures and processes to effectively manage any crisis in Colombia. This policy defines the impact matrix, roles, and communication flows according to the nature of the incidents. It also defines protocols, plans for dissemination, training, testing, communication, and relationships with local stakeholders.

The primary contents of this policy reference:

- Planning and warning.
- Analysis, classification, and critical incident reporting.
- Critical incident management depending on the classification level.
- Internal and external communications.
- Crisis and code red management committee.

In 2017, 2 simulation exercises to test the emergency operations plans were conducted for the Termozipa and Cartagena Thermal Plants.

Peru

Enel Perú's emergency and crisis care management system was developed with the guidelines defined in Policy 34, which explains the operational measures to be taken during operational incidents and interruptions. These measures allow for the technical recovery of affected processes and systems.

The contents of this policy refer to:

- Planning and warning.
- Critical events management process
- Impact Matrix.
  - Impact Matrix.
- Evaluation and notification of critical events phases.
- Operational instructions for critical emergency/event management:
  - State of Emergency and Related Operations .
  - Crisis State.
  - Crisis Committee Functions.
- Operational procedures for communicating with customers.
- Relationships with Institutions.
- End of emergency situations.
- Event reports.
- Periodic activities about the crisis management process.

A Maximum Emergency simulation was held in December 2017 in AT to test the proper application of policy 34. Another simulation is scheduled for the second semester of 2018.

The contingency plans are constantly being redefined and updated, due to the various unforeseen events that may occur in the country.

Technical indicators of service quality

The companies of Enel Américas constantly monitor quality indicators that reflect the degree to which the incidents in the network affect the final customers. This provides a way to find timely solutions and make investments in work and activities that are necessary to improve the quality of service available to their consumers.

This is reflected in the SAIDI (an international score that represents the interruption time per customer in a period of 12 months due to incidents in the distribution networks) and SAIFI measures (an international score representing the frequency of interruption per customer in a period of 12 months due to incidents in the distribution networks).

The evolution of both scores is shown below. It is important to emphasize the progress in 2017's scores with respect to 2016's scores in the majority of the subsidiaries, except for Codensa. Due to Codensa's merger with Cundinamarca, its levels record an increase in 2017, which means the information for Codensa is not comparable to the scores of the other companies.

Additionally, during 2017 Enel Distribución Goiás (formerly Celg) was incorporated, explaining the rise in the consolidated scores. If Enel Américas exclude the data for this company, the downward trend would have been preserved.

Company	Indicator	2014	2015	2016	2017
	SAIDI	2,112	1,932	1,950	1,782
Argentina –Edesur	SAIFI	5	7	7	7
	SAIDI	1,307	1,631	1,321	1,085
Brazil – Enel Distribución Río	SAIFI	10	12	12	10
	SAIDI	559	596	500	515
Brasil – Enel Distribución Ceará	SAIFI	5	4	5	5
Brazil – Enel Distribución Goiás (antes llamada Celg)	SAIDI	-	-	-	1,861
	SAIFI	-	-	-	16
	SAIDI	850	820	688	820
Colombia – Codensa	SAIFI	12	10	9	10
	SAIDI	619	542	485	469
Peru - Enel Distribución Perú	SAIFI	3	3	3	2
	SAIDI	**5,447**	**5,521**	**4,944**	6,532
Enel Américas Consolidated	**SAIFI**	**7**	**7**	**7**	8


enel

Focus on the Customer

103-2 103-3

Customer satisfaction is a fundamental issue for Enel Américas, and the company's commitment is to guarantee the permanent, safe, and flexible supply of energy to its customers.

The company offers high quality products and services, maintaining a close, transparent, and effective relationship with each one of its customers. The Enel Group's vision aims to generate shared value from new products and services based primarily on the efficient use of electricity, devising innovative solutions for customers, even outside the sales distribution zone.

Quality of Service and Customer Satisfaction

103-2 103-3 102 -43 102 -44

Quality of service has a direct impact on customer satisfaction for the Enel Américas' companies. An annual customer survey is conducted by the company to determine the level of customer satisfaction. This measure is critical for the company's management, because with the survey results, it is possible to identify management weaknesses and implement improvement plans. During 2017, customer satisfaction decreased slightly due to the incorporation of Enel Distribución Goiás.

	2014	2015	2016	2017
Customer Satisfaction [1]	76%	74%	73%	70%
% customers surveyed	0.06%	0.03%	0.05%	0.07%

(1) Excludes Argentina, because until 2016, the electric rates were fixed at 2008 levels, so efforts focused on the continuity and efficiency of the service. During 2017, a rate readjustment was applied and sales contracts began to operate. Service is expected to improve, and therefore; satisfaction surveys would be implemented.

Argentina

With the objective of improving commercial services for customers with different capacities, with temporary difficulties (pregnant women), or for senior citizens, Edesur installed a "virtual host" program that prioritizes service for these customers.

The program is reviewed annually to ensure quality customer service for these clients. Also, the company provide Braille bills for blind customers.

Brazil

Every year, Enel Brasil measures the customer satisfaction through a survey developed by Abradee (the Energy Distributors' Association). The survey provides details that facilitate monitoring and correcting the results, such as opening locations and modules by performance area. The results of the survey demonstrate positive trends in Rio de Janeiro and Goiás, while Ceará shows good results with a slight downward trend. Ceará's results are expected to recover, with a reinforcement of customer communication campaigns, which will recover the customers' trust in the company in the end.

Other aspects to emphasize in client management for the year are the creation of a service group in Rio de Janeiro with the goal of reducing response time for customers. At present, the average response time is two working days. Additionally, Enel Distribución Río provides five blind customers with monthly bills in Braille.

With respect to communication methods for customers, the company has a mobile application and social network accounts on Twitter and Facebook.

Colombia

For residential and commercial customer service, Codensa has face-to-face service options in Bogotá and Cundinamarca, in addition to the Integrated Service Network, which includes a virtual office, community cell phones, a contact center, and online service options, with the goal of ensuring timely and efficient attention for the services purchased from the company.

During 2017, many relevant activities were initiated that allow for a closer relationship with the customer, and that allow the customer to experience and use new service opportunities:

- Integrated Service Network (ISN): This program seeks to improve the Cundinamarca users' experience via a virtual office and community cell phones.
- From Within Program: This program seeks to strengthen the culture of customer service in Codensa through the fourth internal customer evaluation carried out in 2017. Services and customers were updated (71 working committees). Information was disseminated to Departments (15), Sub-Departments (62) and Divisions (9). More than 400 services were assessed.
- Codensa Is Inclusive: with the goal of increasing access for customers with auditory and/or visual disabilities to the company's service channels, the initiative Codensa Is Inclusive was launched during 2017. The company allied with the Ministry of Information and Communications Technologies (MINTIC, its Spanish acronym) for access to the relay center through a virtual platform. A sign language interpreter facilitates communication on the virtual platform for customers.

Peru

Enel Distribución Perú developed a survey to measure satisfaction with the goal of knowing customers' opinions about the different stages of the business cycle. Customers who received electrical service, contacted an Enel office, or contacted Enel by phone were surveyed. In 2017, through the Quality of Service Survey, a total of 1,700 interviews with customers were carried out, with direct and personal surveys in the home.

Among the activities related to quality of service, the development of the Enel Perú mobile application in 2017 should be emphasized. The application allows Enel Perú to interact with users, so that customers can receive alerts about their electrical service, locate customer service centers, and obtain information about their bills, among other functions.

It should also be noted that, for more than ten years, the company has sent out Braille bills along with the official monthly bill for blind customers registered in the customer database.

Relationships with customers

102-43 102-44

The companies of Enel Américas reinforce their presence in the field through activities and projects that are of direct benefit to customers, promoting energy efficiency and the safe use of electricity. Listed below are the major initiatives of 2017 by country:

Argentina

- Lectures for customers were held in municipalities about social rates, commercial data, understanding invoices, energy savings, and all the ways customers can communicate with us. 255 people participated in 2017.
- 5,400 smart meters were installed for residential customers.
- Workshops on the responsible and safe use of energy were held. 540 people participated in 2017.

Brazil

- Ecoenel is a program that allows customers to redeem recycled waste for discounts on their energy bills. In 2017 the project collected 6,077 tons of materials, generating a benefit of 26,000 MWh in discounts on energy bills.
- Enel shares energy in schools, which consists of supporting public schools with educational activities and specific teaching materials, reaching teachers and students with a focus on sustainable energy consumption and environmental sustainability. 143 schools participated in the program in 2017.
- The program replacing refrigerators within the Enel Shares Efficiency program replaced 9,988 refrigerators in 2017 in the states of Rio de Janeiro, Ceará and Goiás for new models with an energy efficiency rating of A.
- Electrodependent: Micro solar plants for distribution were installed, and inefficient bulbs and air conditioners were replaced for clients who depend on a consistent supply of energy for health reasons. These actions allow the customers to avoid possible network disconnections, reducing their energy bills, facilitating debt negotiations, and guaranteeing the constant supply of energy for electrodependent customers.

Colombia

Codensa has strategic alliances with the communities in the company's area of influence, which favor corporate actions via strengthening citizens' skills and competencies in knowledge of the business and other issues of common interest. The most outstanding projects during 2017 were:

- 85 lectures about the productive, conscientious, and efficient use of energy and domestic electrical appliances, with 2,613 customers participating.
- 775 lectures in 208 schools in Bogotá, where 42,981 boys and girls were trained and certified as Energy Guardians.
- Play Energy: 14 schools participated in the Energy Guardians program, which has the goal of presenting innovative projects on energy topics, with an emphasis on the intelligent use of energy and care for the environment.
- "A tu lado en tu barrio" and "A tu lado en tu conjunto" (At Your Side in Your Neighborhood and At Your Side Overall): 469 work days were spent attending to 48,817 consultations and needs.
- Mobile customer advisory center: 2,437 queries, needs, and claims were attended to in different municipalities of the greater Sabana area.

Peru

- A plan to promote the efficient and safe use of energy was developed. Information was disseminated through flyers, videos, and small events at the customer service offices, in addition to being disseminated on Facebook, Twitter, and the company's website.
- Two campaigns to facilitate payments were organized during 2017. Activities were coordinated with different areas of the company, such as marketing and customer service.
- Application of the First Contact Service Policy, in order to provide and control the provision of adequate advice to customers who are dissatisfied with the consumption amount listed on their energy bills.

Occupational health and safety

103-2 103-3

Safety

Enel Américas believes its employees are at the heart of the company's work, thus, ensuring their safety and integrity is of vital importance for the operation of its businesses.

Operating in the electrical industry means working in plants where there are potential risk conditions for people's health and safety. Thus, it is of primary importance that these factors are evaluated and controlled to protect the integrity of those who work and live near the facilities.

In general terms, the company's goal is for company employees and their families to enjoy good health. In specific terms, this is one of the values reflected in the "Zero Accidents" policy promoted internally at Enel Américas' companies, as well as with the contractors working for the companies. Based on the policies of the group, including policy 50, which regulates work interference between different sectors of the company in the same area; and policy 52, which refers to reporting and investigation of accidents/incidents, in addition to the Handbook of Occupational Safety and Health Standards, the value of safety is emphasized. These policies also apply to the contracted work and service suppliers, as they are included in the bidding bases.

The company also wants communities to feel safe in the face of the plants' operations and, in this respect, has disseminated emergency response mechanisms, making the company's neighbors part of these plans.

This makes it possible to respond to the needs and expectations of stakeholders and to contribute to the achievement of the Sustainable Development Goals (SDGs), specifically to objective eight, which seeks to promote sustained and inclusive economic growth; sustainable, full, and productive employment and decent work for all.

Strengthening the culture of safety: training and Communication

The results of occupational safety and health directly affect Enel's strategic objectives. Therefore, the continuous improvement of operations processes involves strengthening permanent preventive activities and the search for better performance indicators.

The work safety culture is supported by different communication and training activities, with materials such

as self-care, detection, and reporting of situations or events that could put workers at risk. In this context, the company's subsidiaries have developed programs to promote Enel's safety culture, emphasizing both the leadership skills of the various company headquarters and the self-management capacity of all employees.

Some of the outstanding safety initiatives are:

Safety Moving Pool (SMP)

During major maintenance activities in the plants, a multidisciplinary team that includes experts and specialists from different countries is assembled to support the Responsible Hygiene and Safety of the plants. Inspections and monitoring are carried out by sharing good maintenance practices and ensuring compliance with both local standards and Enel's internal standards.

Safety Walks

This is an initiative that consists of employees in senior management positions performing safety walks in the companies. During these walks, the safety conditions in different work areas are analyzed and opportunities for improvement are identified. These opportunities for improvement, together with all the observations that may be produced during the safety walks, are directed to the area in charge to proceed with correcting the identified risk(s) and improving processes.

The observations are uploaded by means of smart phones to the One Safety corporate application.

One Safety

One Safety promotes a work culture of safety and self-care, by encouraging a review of the behaviors of employees with a checklist that demonstrates evidence of opportunities for improvement. The tool is used by all the company's teams, who share the results of the observations in a constructive way, promoting their own self-care and that of others as well.

Extra Checking on site (ECOs)

These are controls aimed at evaluating whether the company, its commitment, and its processes are appropriate. The controls are carried out by expert personnel in the areas of Health, Safety, Environment, and Quality (HSEQ), external to the operational unit subject to the evaluation, together with specific technical experts from the company. The ECOs allow for planning and defining corrective actions that are properly monitored.

Highlights by country

Argentina

To manage safety in the different plants in Argentina, actions to reduce accidents and improve employee culture are carried out according to the best practices of the Enel Group, including the following:

- Intrinsic safety workshops are organized by technical personnel from operations, maintenance, and contractor companies that analyze equipment/systems in order to uncover nonconformities or possible improvements that can be developed. These activities help improve safety conditions and raise the trust and safety culture of the employees that work in the plants.
- The elaboration and distribution of communication materials about hygiene and safety matters that supports diffusing the safety culture, for example: HSE leaflets during inductions into plant access, safety videos for visitors and employees during induction, various videos of hygiene and safety in the dining room, and a useful pocket-sized safety book that allows employees to review hygiene and safety standards during the activities.
- All hoisting elements and equipment are inspected annually by a certified company, which attaches a steel cable seal, providing a unique number that is connected to the service life of the element.
- Coordination meetings with the areas of Operations and Maintenance and the contractors involved with the plant activities, in order to evaluate weekly programs and eliminate any interference.
- Hygiene and Safety Committee, with the objective of improving risk prevention measures for health, hygiene, and safety

in the work environment.

Brazil

In the context of the Integrated Management System, OHSAS 18001, and the structure of Health, Safety, Environment and Quality, in 2017 various activities were developed, which include:

- Training programs, as well as the encouragement of preventive attitudes that prioritize respect for life in the implementation of operational and administrative activities. For example, the Fatality Prevention program, which addressed prevention of falls (working at heights), movement of loads, confined work, and activities involving electrical energy, among others during the period. The company also invested in timely, but relevant, safety initiatives such as the adoption and use of personal voltage detectors to avoid electric shock and the launch of a mobile application with the five golden rules of security for field work.
- Within the One Safety project, based on the observation of behavior in the field, the company worked hard so that managers, in the process of integration, can guide and correct unsafe actions and stances. At Enel Distribución Río de Janeiro and Enel Distribución Ceará 280 safety walks were performed. Additionally, 200 Safety Leadership events were carried out, in which the managers leave the headquarters to conduct safety training activities or to participate in training events as students. They are directors or managers training other professionals or being trained: gaining knowledge themselves and improving field training.
- At Enel Distribución Goiás, The "Se adhiere a la seguridad" (Adhere to security) campaign was carried out, addressing the main risks of accidents from the presence of employees' family members, to demonstrate both the relevance of the issue and that everyone is responsible for the maintenance of a safe work environment. For this reason, it was promoted in the ISO 18001 company audit, adopting safety checklists and strengthening the Daily Safety Dialogs (DDSs, its Spanish acronym).
- Additionally, the company promoted security by means of monitoring operations, engaging in vehicular surveillance with cameras, contributing to the fulfillment of norms during risky activities. Two monitoring centers, in Ceará and in Rio de Janeiro, receive and analyze images from more than two thousand teams. The safety conditions of equipment, tools, materials, the work environment, and vehicles are also evaluated through the continuous monitoring of the Labor Accident Prevention Index (IPAL, its Spanish acronym).

Colombia

Codensa developed the following activities in the first trimester of 2017 under its Strategic Safety Plan:

- Eight work days for leaders close to the "Tu seguridad es la mía" (Your Safety Is Mine) project.
- Re-launch of the Be Safer Program in I&N and Isolution, associated with the linking and monitoring of program implementation in 95% of the collaborating companies associated with the operating units.
- Four extra Checking on Site events (ECOs, the Spanish acronym).
- During the year-end period in the area of safety, cultural actions were performed, such as the delivery of 7,600 security-related almanacs, Christmas trees made with recycled material by 31 collaborating companies, 89 employees of collaborating companies and Codensa participated in the snowball chat, disseminating 585 security messages and 6 Safety Stand Up performances took place, activities in which 405 attendees from collaborating companies participated.

Emgesa developed some activities in addition to ECOs and the Safety Moving Pool:

- Safety Commitment Chain: HSEQ Global created questionnaires about specific controls for some critical risks.
- Safety Moving parts and Intrinsic Safety: Good global practices that generate mechanical risk controls for equipment with moving parts or machinery that requires intrinsic safety to avoid unsafe driving/operation.
- Kaizen Events: Immediate process through a well-organized event, that was focused, intense, and short. It was developed by a multidisciplinary team of personnel and aims to improve the development of its activities.
- Interference meetings: These are developed together with the areas involved in the development of routine and non-routine plant activities, which may have transverse effects on the processes carried out by them.
- Contractor Monitoring Committees: these committees are in charge of planning activities to be carried out by each contracting company, defining the critical or high potential tasks and measures of assurance envisaged.

Peru

The company pursues a goal of zero accidents. This gives continuity to local and global security plans and projects, such as:

- The prevention tool APP5RO, implemented to monitor the 5 golden rules of electrical work.
- The company continued to use Be Safer, a tool for controlling and preventing risk activities.
- The company continued to use Delfos Mobile, an application for IPAL prevention inspections.
- During 2017, the technology of augmented reality spread as a tool of the future for preventing accidents, and using virtual reality for training and virtual training/simulations on risky activities for preventing accidents was also popular.
- Other projects were: the Safety Leadership project, the ECCE (Events Coming from Common Evidence) project, the Extra Checking On Site Locations, training via the video recording of critical activities, and plans for control and monitoring in the field, among others.
- Key elements were: the commitment of top management, the leadership of the command line, an integral approach to safety with contractors, the use of multidisciplinary teams, sharing best practices, continuous training, and promoting security improvement initiatives.

Training and Qualification of Contractors

In order to ensure compliance with the health and safety requirements agreed upon in the bidding process, Enel conducts inspection audits in the field on a regular basis, to identify opportunities for improvement. In addition to the above, in seeking to share standards and good operational practices for working efficiently and safely, the company provides training events conducted by both Enel's own personnel and specialized agencies.

Occupational Health

Creating a culture that promotes health within the company, both for employees and contractors, is integral for Enel's Strategic Plan on a global level. In that vein, Enel Américas seeks to improve its employees' health knowledge, as well as its contractors, by taking specific actions to assist people in adopting healthier habits.

The companies that make up Enel Américas carry out different initiatives during the year to educate and encourage activities in pursuit of a healthy life, promoting changes in everyday habits that generate positive impacts in people's lives.

In 2017, several campaigns were emphasized to promote preventive tests for different types of cancer, such as prostate, cervical, colon, breast, and gastric cancer. Additionally, several cautionary campaigns were conducted, such as an anti-stress campaign, an anti-tobacco campaign, and a heart health campaign. These were complemented by campaigns for flu vaccinations, preventing viral infections, and preventing respiratory diseases, among others.

Enel also has the "pause gymnastics" program, inviting employees to take a few minutes of the workday to focus on their posture and breathing, which has had a positive impact on productivity and the work environment.

Highlights by Country

Argentina

Along with the annual periodic controls defined by the risk map, Argentina has several programs that promote health and quality of life, which include:

- A flu vaccination plan.
- A tetanus vaccination plan.
- Blood pressure control program.
- Weight and size control program.
- Healthy lifestyle program: eliminating sedentarism, promoting aerobic activity in the plant gym.
- Prevention of dermal lesions program: management of mineral oils and their impact on the skin, managing the amount of hydroxypyrene in urine.
- A healthy eating program, with a nutritionist in the plant.
- An ergonomic risk and musculoskeletal injuries prevention program.
- A CPR and first aid training and automatic defibrillator management program.
- A preventive medical evaluation program: controlling addiction in the work environment.
- A workshop on supporting patients recovering from conditions related to drug consumption.
- Psychological offices in plants.
- A prevention of gynecological conditions program.

Brazil

Brazil has several programs to promote quality of life, including:

- The Journey Game: an educational game with safety situations that may be encountered in the field
- Empathetic observation: Field inspection that focuses on cultural behavior and safety.

"Saber Vivir Más" (Knowing living more) Program

In 2017, after an evaluation of more than 1,700 employees in 17 cities, Enel in Brazil launched the Saber Vivir Más program, an evolution of the Saber Vivir program. In this stage, the initiative aims to consolidate the culture of quality, safety, and respect for the environment. The initiative was launched for employees and partners in October 2017.

"Saber Vivir Más" program has seven principles:

- Live Longer – Respect life, it must be your first priority. There is always someone waiting for you.
- Planing More – Planing well before starting any activity to avoid unforeseen obstacles, and be prepared to confront them proactively and safely.
- Improve More – Always prioritize quality, this way you achieve results, satisfy the customer, act in a safe manner, and care for the Environment.
- Be More Careful – Be responsible for your life and for the lives of others. Be careful, respectful, and use the right of rejection correctly. You are an example.
- More Information – Instill confidence, be positive, and treat everyone how you would like to be treated.
- Communicate More – Share information and knowledge simply, and make sure that everyone understands the message.
- Innovate More – Propose practical, creative, and safe solutions.

Colombia

In 2017 playful skits using puppets were designed and implemented with help from external suppliers. The skits were performed at the plants, promoting prevention topics, covering issues such as states of mind that can cause errors during work, like hurrying, frustration, overconfidence, and entering the line of fire. The skits also included topics such as training for recognizing peripheral on-the-job risks, safety tips for controlling priority risks, the culture of reporting unsafe actions and conditions, health risks from noise and chemicals, and positive feedback for peers.

Peru

All of the employees receive a preventive annual medical checkup. This checkup has a unique protocol that includes some ancillary tests aimed at the early prevention of high-risk diseases.

Other featured programs were:

- An auditory and ophthalmological prevention and conservation program.
- A program for the prevention of non-ergonomic risks.
- A psychosocial risk control program.
- An epidemiological observation program for endemic diseases and diseases resulting from bites from venomous animals.
- An oncological prevention program (skin, prostate, uterine, breast).
- A program for monitoring and controlling metabolic syndrome.
- A dining room hygiene and sanitation program.
- A cardiovascular risk prevention program.

Programs associated with common diseases are based on the results of annual occupational medical evaluations.

Health and safety in nearby communities and for third parties

Enel Américas' plants in the various countries in which it operate are built in accordance with legal provisions and good practices. The plants are also equipped with operational safety management systems with the goal of eliminating/minimizing risks both for employees and for nearby communities. The plants, machinery, and equipment are subject to systematic inspections and periodic maintenance to guarantee normal operation, in conformity with the law and in accordance with the highest standards. To guarantee the health and safety of the community and reduce the impact of the company's production activities on the external environment, periodic measurement campaigns are carried out internally to monitor indicators such as:

- The level of electromagnetic fields generated by electrical distribution plants.
- The noise level generated by electric machinery in production plants, substations, and transformers.

These periodic measurement campaigns allow Enel to keep risks low, under control, and within the legal limits for communities in the areas where the company operates. The following environmental aspects are monitored: atmospheric emissions (polluting gases, greenhouse gases, particulates, vapors, aerosols); surface water discharges; waste production, recycling, reuse, and disposal; land pollution; physical agents (noise, vibration, dust, etc.); impacts after accidents and emergencies; biological impacts; and impacts on ecosystems (for example biodiversity).

Sustainable supply chain

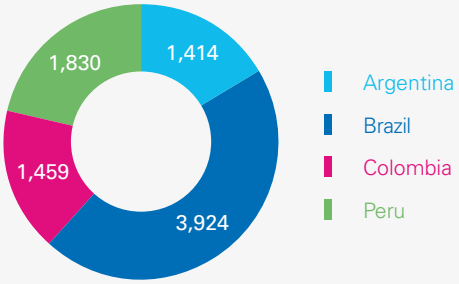
103-2 103-3 102-9 204-1

Enel Américas seeks to improve the efficiency and effectiveness of purchasing processes by using the values of the company as guidelines. Loyalty, transparency, and collaboration are three pillars that guide its suppliers' performance. In addition to guaranteeing quality, the suppliers must commit to adopting best practices and preventing breaches in terms of Human Rights, working conditions, health and safety at work, environmental responsibility, and ethics, in accordance with the Open Power vision and internationally accepted standards.

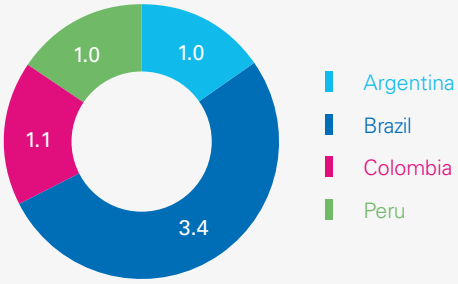
In 2017, 8,627 supplier companies formed part of the supply chain of Enel Américas.

Payments to suppliers for goods and services represent an amount of US$6.4 billion in 2017, compared to US$5 billion in 2016.

Number of providers



Payment to providers of goods and services
Billions of US$



Enel Américas, following the Enel Group's guidelines, carries out a risk assessment on 100% of its Tier 1 suppliers[2], a total of about 2,216 companies that have been considered critical in relation to their strategic position for the company's business, and the potential economic, social, and environmental impacts. In 2017, a detailed analysis of all sectoral groups was completed with the objective of identifying risks associated with each category. The main identified risks were: economic, environmental, social, and reputational.

For more information about critical suppliers, please refer to the Financial Report, available at www.enelamericas.com

With respect to contractor businesses, 48,017 employees provided services to Enel Américas companies.

	2016	2017
Contractor company employees	53,402	48,017
Enel Argentina	6,014	4,377
Enel Brasil	23,809	24,313
Enel Colombia	15,635	12,561
Enel Perú	7,944	6,766

The main labors performed by the collaborating businesses were linked to maintenance (building, electrical, mechanical), transportation, dining services, control, splices, and civil constructions and works, among others.

2) Tier 1 suppliers are those with whom a direct contract of over 25 thousand euros is maintained.

Supplier qualification and selection practices

103-2 103-3

Enel Américas undertakes developing and managing the procurement process by treating suppliers equally, without discrimination and with total transparency, as well as hiring at market prices, complying with established standards and procedures to mitigate risks associated with hiring.

The General Conditions for Contracting (CGC, its Spanish acronym) is a document that establishes the guidelines for recruitment in each of the countries where the company operates. The CGC also regulates the contractual relationship with each supplier, for the acquisition of materials, equipment, work, and services. These conditions apply to contracts for the purchase of supplies, services, or work, according to the particular legislation of each country.

Social and environmental clauses in the General Conditions for Contracting:

Global Compact

Guarantees the company's commitment to comply fully with the principles of the Global Compact. Ensures that all activities, developed by company staff or subcontractors, are included in this international document.

Safety and Health

The company follows the guidelines of the Corporate Policy of Working at Heights, which indicates that, in risky situations or in the presence of unsafe behavior, work will be suspended until safety conditions are restored.

Conflicts of Interest

For the duration of the contract, the contractor declares that there are no conflicts of interest with the company, and commits to avoid any conflicts of interest in the future, considering the interests of Enel Américas. In case any conflicts do occur, the contractor promises to inform the business and comply with the instructions they are given by Enel Américas.

Ethical Conduct

Governed by the provisions established in the "General Principles for the Prevention of Criminal Risks" policy. The supplier agrees to follow these guidelines, in addition to those stated in the Code of Conduct, the Zero Tolerance Plan Against Corruption, and the Human Rights policy. At the same time, the supplier promises to comply with any legal regulations related to labor issues and Human Rights.

Environmental Protection

The contractor commits to adopt adequate measures to guarantee its compliance with the environmental obligations required by legislation. Among other clauses, the supplier promises to provide eco-labeled products, when possible, as well as providing products with a lower possibility for waste generation.

Supplier evaluation: Vendor Rating

414-1

The company reserves the right to monitor the suppliers and contractors in its value chain, and invalidate any contract in the case that violations of the principles of the United Nations' Global Compact, and/or any violations of Human Rights, including any indirect violations, are found.

As stipulated in the contract, Enel applies the Vendor rating procedure for evaluating suppliers to verify the practices and performance of the suppliers. This procedure allows the company to perform a systemic and objective evaluation of information and indicators associated with punctuality, quality, compliance with legal-labor and security aspects, as well as the behavior of contractors during all phases of the implementation of the contract.

The Vendor Rating procedure consists of a system for evaluating the economic, financial, reputational, and technical aspects of the contractor. It also contains a specific evaluation in the area of sustainability, which includes aspects such as work health and safety, environmental compliance, and respect for Human Rights.

In this way, the company has established a qualifying system for suppliers that allows for a precise evaluation of the businesses that wish to participate in the procurement process, which requires the presentation of a series of documents[3]. Among other requirements, suppliers must adhere to the principles expressed by the Code of Ethics, the Zero Tolerance Plan Against Corruption Policy, Model 231, the Human Rights Policy, and the UN's Global Compact Principles, with specific reference to the absence of conflicts of interest and to fulfilling principles related to Human Rights, work, the environment, corruption, and ethical conduct. The sustainability assessment is conducted at different depth of analysis levels according to the type of risk attributed. This integration of sustainable criteria enables us to investigate such matters as compliance with ISO 14001, OHSAS 18001, ISO 14067, and use of green vehicles, waste management, and other matters, such as labor practices.

In Colombia, with the goals of mitigating the legal and labor risks that can be a result of contracting services, to ensure that contractors fulfill the agreed-upon obligations, and to strengthen relations with contractors, Codensa and Emgesa developed the following actions:

Codensa

- 44 work inspections and integral audits of the main contractors to validate their compliance with legal and labor requirements, so that contractors may enact corrective measures, with 84% of the measures implemented by the end of the year.
- Participation in 30 compliance evaluations, to validate compliance with the labor and legal obligations of new contracts.
- Quarterly performance evaluations, Vendor Rating, for more than 100 contracts with regard to compliance with legal and labor requirements, so that companies may continually improve in the performance their contracted services.

Emgesa

- 14 work inspections and integral audits for the most relevant contracts with the goal of validating compliance with legal/labor, health and safety, information safety, and contractual requirements, which allowed the contractors to formulate action plans that were 83% implemented at the end of the year.
- Quarterly performance evaluation, Vendor Rating, for more than 35 contracts with regard to compliance with legal and labor requirements, so that companies may continually improve in the performance their contracted services.
- Participation in 20 materializations of new contracts, to ensure compliance with legal and labor requirements.

3 Self-certification with respect to having all of the general requirements, financial statements, certifications, etc.

Human Rights Policy

103-2 103-3 102-15
408-1 409-1 412-1

In both the qualification and bidding stages, Enel Américas maintains the same contractual standards for its suppliers. The company evaluates, selects, and supervises suppliers on the basis of the 10 principles of the UN's Global Compact, to which it voluntarily adheres, Enel's Code of Ethics, and the Human Rights policy. In this context, the company rejects any form of slavery, child labor, or any other practice that will violate people's dignity.

All of Enel América's contractors and suppliers have an ethical treatment clause in their contracts, which requires fulfilling all legal obligations relating to the protection of children, health and safety, and hygiene conditions. The company also respects trade union rights and association or representation.

In managing its relations with third parties, Enel Américas requires that its contractors and suppliers are not involved in: criminal proceedings for tax offenses; offenses against any public administration entity, against property, personal freedom, public order, the environment, or any other similar offenses. Additionally, those who provide services to the company must handle any possible environmental impacts during the execution of the contract, which implies not violating the contractual obligations and ethical principles of the company. Also, the possible social and safety impacts are carefully monitored by the company.

412-3

In 2017, 100% of all new supplier contracts included clauses about respecting Human Rights.

414-1

100% of the new suppliers were assessed according to social criteria by Enel Américas and its subsidiaries.

Initiatives with contractors and suppliers

In 2017, the companies of Enel Américas developed different activities with suppliers and contractors, generating opportunities for dialogue around different topics:

Argentina

In July 2017, when the tender for the services of technical operation and commercial operation was presented, a meeting was held with the current suppliers of Edesur and with potential suppliers, both national and foreign. The purpose of the event was to introduce the new model of remuneration of activities with which the Enel group is operating in the countries where it is present to the Argentinean market. This new model for remuneration for technical activities includes a certification system for each activity contractors perform in the field, considering the industry's best practices, the efficient use of time and resources, and the utilization of new tools and equipment available through technological advances.

Along with the new remuneration model, the meeting sought to disseminate the safety culture of the Enel Group to contractors.

Brazil

The "Parceiro Responsável" (Responsible Supplier) program seeks to involve and encourage suppliers through in-person training and information, to expand and incorporate socially and environmentally responsible management, in line with the culture and values of Enel. In total, 200 companies attended at least one of the four meetings during 2017, working on topics such as security, innovation, Human Rights, management practices, and governance. 97% of the audience of 473 professionals trained throughout the year rated the event as "very good" or "good."

The program provides for improvements in management and, with data derived from questionnaires given to companies, the following improvements made by suppliers stand out:

- 50% of the companies that did not have an ethical code in 2016 created one during the year.
- 48% of the businesses developed anti-corruption educational activities in 2017.
- 40% of the suppliers that lacked an anti-forced labor and anti-child labor clause in 2016 adopted one during the period.
- 20.5% of the businesses became signatories of the UN Global Compact in 2017.

The 10th version of the Sustainability Seminar for Suppliers was held, to raise awareness about sustainability issues and their importance to the continuity of businesses. At the end of the event, the most outstanding suppliers in this period received awards.

Also, in Río de Janeiro, 5,800 suppliers were trained in basic electricity, live lines, and voltage detectors. Key points of the training were complemented by explanatory videos.

Colombia

In 2017, the event "Juntos podemos construir soluciones que generan valor compartido" (Together We Can Build Solutions That Create Shared Value) was held for suppliers. The event emphasized why Codensa is a good option for suppliers, having solid structures and processes that allow the company to offer its partners projects that promote business growth.

Peru

On September 8, 2017, the second meeting of Enel Group's group of suppliers was held in Peru, organized by the Peru Procurement Unit and Sustainability Peru. Participation in the event was focused on current suppliers.

"The Importance of Having a Sustainable Supply Chain" was the primary theme of the event, with the main objectives of sharing good practices and identifying actions to improve the impact of activities on society.

The event featured external invited guests, like José Luis Altamiza, National Coordinator of the United Nations' Global Compact Network, and Daniel Vargas, Director of the Global Reporting Initiative in Peru, who spoke about the importance of adhering to the commitments made with the Global Compact and of the unconditional respect for Human Rights. The speakers also addressed the benefits of creating Sustainability Reports that allow businesses to measure and manage sustainable topics.

Continuing with the purpose of the event, a cooperation agreement was signed with the GRI to provide training and IT tools to SMEs to generate their first Sustainability Reports based on Enel's material issues. With these reports, SMEs will be able to measure and manage their actions to achieve more sustainability.

Environmental sustainability

103-2 103-3

Enel Américas and its companies constantly seek ways to contribute to the sustainable development of the environment in which the companies operate. In doing so, the companies adapt to the reality of each country in which Enel Américas conducts business. The company continued to implement various environmental management programs for its operations in 2017, in order to minimize and mitigate the impacts of the processes of generation, distribution, and commercialization of energy, protecting natural resources and the quality of the environment.

The company is aware of the need for using natural resources in a manner that ensures future generations' development. For this reason, the company has committed to going beyond strictly fulfilling current legislation, intensifying necessary efforts and establishing appropriate procedures to guarantee the rational use of resources, contributing to the sustainable development demanded by society.

Protecting and respecting the environment, improving and promoting environmental characteristics of the products and services delivered by the group, and creating corporate value are the bases and fundamental pillars of the environmental policy of the group. Fulfilling these objectives allows Enel Américas to maintain its leadership position in the energy market in the countries in which it operates.

Prior to starting the construction and operation phases of subsidiaries, the companies must perform the environmental licensing processes required by the relevant authorities, including meeting international standards with higher demands. These necessary measures and plans are comprehensively structured to prevent, control, mitigate, and offset the impacts that each project generates on the environment and society.

Environmental management system

102-11 305-7

The Environmental Management Systems (SGA, its Spanish acronym) of Enel Américas' businesses considers the entire impact of operations and allows the company to establish measures that ensure the correct prevention, mitigation, and/or reparations, in a process of continual improvement.

Enel has adopted a multi-site Integrated Management System (SGI, its Spanish acronym) as a way to comply with its commitments to the Integrated Policy for Quality, Health, Safety, and the Environment.

The SGI has been implemented at all installations and has achieved certification in ISO 14001, OHSAS 18001, and ISO 9001 standards for the entire fleet of generation and distribution, except for the recently acquired subsidiaries in Brazil (Volta Grande and Enel Distribución Goiás). The maintenance of these systems and their continuous improvement is verified annually by certified external auditors.

As of December 31, 2017, almost all operations have environmental, safety, occupational health and quality management systems.

Argentina

Argentina conducted two environmental compliance audits of thermoelectric plants and of the control system for distribution materials management.

Brazil

Brazil conducted internal and external audits in 2017, involving different areas of the company. An OHSAS 18001 certification was obtained for occupational health and safety management (SMS).

Additionally, there is an annual auditing program that covers all areas for aspects such as fraud and corruption. This year, 16 internal audits were carried out, and suppliers are also subject to labor and tax audits, which involves a thorough process of review, payment, and fulfillment of obligations to company employees.

Colombia

In Colombia, in 2017, seven internal audits and an external audit of the Emgesa Environmental Management System were carried out, in which no non-conformities were identified regarding compliance with established management measures.

In October, external audits were carried out on the Codensa integrated management system with the objective of making the transition to the ISO 9001 quality standards, from version 2008 to version 2015 and the follow-up visits were made for Health, Safety (OHSAS 18001:2007), and the Environment (ISO 14001:2004). In total, the external audit took 17 days, in which no non-conformities were identified, providing compliance with the integrated system guidelines.

Peru

Enel Distribución Perú conducted four internal and external audits of the Integrated Management System. It should be noted that between the months of October and November the audit for the certification of Environmental Management System ISO 14001 for the new 2015 version was carried out, with zero non-conformities in Enel Distribución Perú.

Enel Generación Perú conducts audits of ISO 14001, OHSAS 18001, and ISO 9001 on an annual basis. Additionally, in September 2017 an internal Audit of the Integrated Management System was conducted.

Environmental impact mitigation

Monitoring

In Argentina, Edesur preventively monitored their electrical and magnetic fields in ten facilities. The monitoring was conducted 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.

Regarding water management, preventive pluvial sampling was conducted. During the year, eighteen measurements were taken, which showed no deviations in the laboratory results.

Regarding noise, the purpose of monitoring is to evaluate parameters that serve as a reference to determine the degree of compliance with current legal requirements. This allows the company to minimize possible inconveniences to neighbors of substations. In 2017, 20 measurements of audible noise in substations in Argentina were taken. All were found to be within the normal parameters of operation.

In Brazil, the commitment to environmental protection is part of the group's strategy, which invests heavily in energy generation from renewable sources and in solutions for more efficient and rational consumption of energy. Additionally, the company monitors and seeks to minimize impacts on nature by maintaining a robust Environmental Management System. The company focuses our operations on complying with relevant legislation from the National Policy on the Environment and the resolutions of the National Council of Environmental Policy (CONAMA, its Portuguese acronym). The company takes all the steps required by law for its economic activities, while preserving the environment and complying with the rulings of municipal, state and federal organs. Measures are adopted and preventive actions or reparations are designed to prevent and correct any damage to the environment arising from conducting business.

In Colombia, water consumption monitoring is carried out at all company facilities in order to detect trends and possible excesses in behavior, and thus providing the ability to take preventive and corrective actions when necessary. In 2017, 184,856 tons of CO_2 were emitted. Thus, 1,039 kg of CO_2 is emitted for each MWh of energy produced, while in 2016, 928 kg of CO_2 was generated for each MWh of energy produced. It is important to note that the decrease of 81% in the activity of the thermoelectric plants implies a decrease of 80 per cent in the total emissions of the company, despite the higher CO_2 emission. The company also emitted 557 tons of NOx, 1,387 tons of SOx, and 84 tons of particulate material that was generated from operation of the thermal plants, among other actions.

In Peru, within the framework of the management and control practices of environmental impacts the company has committed to doing for the environmental authority, the company is engaging in activities such as monitoring of air, noise, electromagnetic fields, and water quality, monitoring of flora and fauna, controlling the generation of dust and CO_2 emissions, and control and monitoring of water rights.

As part of its commitment to the environmental studies of the Yanango and Chimay plants, Enel has been carrying out monitoring of and follow-up on the habitat and water flows in the area of influence of these plants. The results of the monitoring and follow-ups are reported quarterly to the governmental authority.

Compliance management

103-2 103-3

Among the environmental management systems, one of the most relevant aspects is compliance management, which consists of ensuring that obligations and commitments for the phases of environmental impact assessment studies of the projects are implemented, monitored, and reported to the relevant authorities or agencies. In order to comply with the foregoing, 100% of the operations have internal management systems for obligations, internally managing compliance and closing any gaps that may exist when it is time to report to the authorities about compliance status, when required.

The Costanera Plant in Argentina ensures compliance control with environmental impact studies approved through the SIGAR Management System, which is certified in ISO 14001 and 9001. The SIGAR system guarantees compliance with requirements and provisions established by governmental authorities as a result of the analyses carried out in the submitted EIA. Depending on these requirements, the Costanera Plant holds meetings with the participation of the areas involved to establish the actions and programs for implementation. These actions and programs are reflected, if applicable, in the company's Environmental Planning, in order that they may be implemented, monitored, and reported to the governmental authority.

Additionally, the El Chocón plant has internal systems for studies, inspections, and monitoring, including the "Atlantide" system and the incident management system. They also have ISO 14001 and 9001 certifications. Along with this, each of the company's areas presents the objectives for the year, and proper monitoring and controls are carried out. All these activities are performed to evaluate and to discover environmental aspects and possible impacts in detail, enabling the company to generate control measures in advance.

In Brazil, all environmental permit required during the planning, construction, and operation stages, as well as environmental compensations and authorizations, are monitored internally to ensure their faithful fulfillment through the Legal Compliance Control document.

In the case of Colombia, the companies provide to the Competent Environmental Authority their compliance reports (ICAS, the Spanish acronym). These reports are prepared on an annual basis, except for the report for the El Quimbo hydroelectric plant, which is delivered every six months. In the ICAS, the commitment fulfillment status the company agreed to obtain the environmental license for projects is reported. The ICAS must contain the compliance statuses of the programs and projects of the Environmental Management Plan (WFP, its Spanish acronym), the environmental permits' statuses and/or authorizations, the status of requirements for administrative acts, and an analysis of trends in the environmental quality in the area where the project is developed.

Enel in Peru, among other activities, sends an annual report to the authority, in which summarizes its fulfillment of the environmental commitments of each plant, according to its Instruments of Environmental Management. Any verification of legal compliance or environmental commitments is made by the OEFA, the supervisory authority which is part of the Ministry of the Environment. Additionally, Enel performed a verification of compliance with legal obligations and environmental commitments associated with permissions through an independent third party.

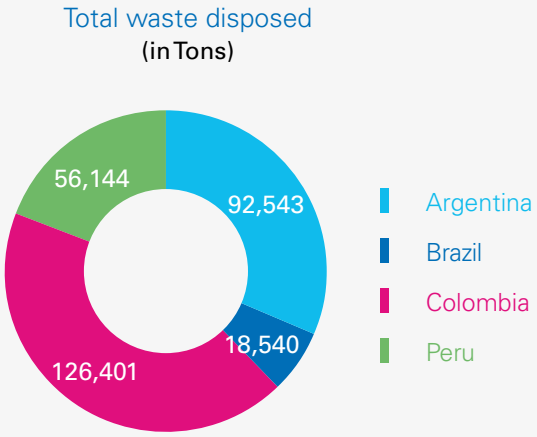
Waste management

103-2 103-3 306-2

The environmental policy of Enel Américas contains the guidelines for waste management, the priority being reduction and reuse, which is encouraged by circular economy projects. For managing effluents, the company seeks to improve the quality and optimization of its internal reuse.

In 2017, 293,628 tons of waste were produced, of which 98% were non-hazardous. The 2017 results show an increase of 108,077 tons in comparison with 2016, comprised of an 87,446 ton increase in Argentina, a 41,179 ton increase in Colombia, and a 10,133 ton increase in Brazil, while in Peru a decrease of 30,681 tons was recorded.

Detail	Unit	2014	2015	2016	2017
Hazardous waste production	Ton	11,204	3,649	6,836	6,665
Non-hazardous waste production	Ton	320,766	138,996	178,716	286,963
Total waste disposed		331,971	142,645	185,552	293,628
Non-hazardous waste recycled or sent to recovery	Ton	12,733	8,925	12,014	25,513
Hazardous waste recycled or sent to recovery	Ton	2,770	2,252	3,472	3,503
Non-recycled waste	Ton	316,468	131,468	170,066	264,613
Total waste disposed	Ton	331,971	142,645	185,552	293,628



Argentina

In 2017, 13.7 tons of hazardous waste was generated at El Chocón. This is substantially more than in previous years, because during the year a bank of batteries was replaced, according to the modernization schedule for the plant. This generated extra hazardous waste would not be generated during a normal operating year.

Hazardous waste is collected in the temporary deposit area designated for that purpose and the final waste disposal is performed by an authorized operator according to the current legislation in the province of Neuquén.

Non-hazardous waste is managed through the residential collection system of the Municipality of Villa El Chocón and an average of 2.5 tons per year is produced.

Edesur generated 492 tons of waste, of which 35% was recycled.

During 2017, the Costanera Plant's private pier was dredged in order to maintain the depth of the pier and permit entry for larger vessels that supply oil and gas to the plant. The dredged material is considered non-hazardous waste, with evaluations being performed to avoid any possible impact. The pier is dredged approximately every three years and the last dredging was in 2014.

Brazil

Since 2016, the Río and Ceará headquarters have had selective waste collection and, in 2017, the waste disposal locations were standardized and modernized for better environmental control.

Also, Enel Generación Fortaleza reutilized 100% of the industrial towels used for cleaning parts and equipment, which amounted to 591 kilos and 657 kilos. 97.2% of the mineral oil used in the Rio and Ceará distribution companies was recycled as well.

In 2017, hazardous waste was reduced by 9% and non-hazardous waste by 21%, in comparison with the previous year. The drop was mainly due to the decrease in batteries at the Fortaleza generator, and the minimal discarding of lamps at Enel Distribución Ceará (volume was accumulated for shipment for decontamination). There was also a reduction in recyclable materials, such as electrical scraps, metals, and cardboard. There was an increase in waste in some categories, such as pruning and other organic waste, due to an increase in the scope of the maintained facilities, however, this did not affect overall performance.

Colombia

Enel in Colombia generated a total of 850 tons of hazardous waste in 2017 and 7,240 tons of non-hazardous waste.. The waste is managed by an industrial waste use center that possesses the permits required by the environmental authority for its operation and final disposal.

With respect to the information reported in 2016, there was an increase of 41,057 tons of non-hazardous waste, resulting in a total of 125,904 tons of non-hazardous waste produced in 2017. The increase was due to the construction of transmission lines for the Nueva Esperanza and Gran Sabana substations, and the execution of the POT project.

The Nueva Esperanza and Gran Sabana projects allow us to ensure the reliability of the energy distribution system, favoring good performance with respect to the quality of service indicators. The POT Project is a response to regulatory requirements related to putting the networks underground.

Waste generation from construction and demolition in these types of projects generates a larger quantity of material because of the excavation needed for the foundations of the public works. Excavation is the only way to ensure an effective foundation for the infrastructure. The waste is properly managed with trash dumps or by transporting it to treatment centers. When possible, the waste is reused for the same projects.

Peru

Since Enel Distribución Perú is responsible for providing public lighting in its service area, the project "Recycling of streetlights and auxiliary equipment" was initiated, giving the company the opportunity and challenge of recycling streetlights and auxiliary equipment with the goal of providing continuous service at low cost. The recycling process is based on the implementation of a technical procedure and its respective quality control, so that the new streetlights do not differ in quality from the recycled streetlights. 614 streetlights were recycled in 2017, producing a savings of almost US$25 thousand.

Management of environmental liabilities

Argentina

The environmental liabilities for Edesur consist of hazardous waste formed from PCB-contaminated soils and solid waste contaminated with PCB. In total, there are 118 drums filled with liquid waste and 38 drums with solid waste in storage, for a total of 23,503 kg.

The waste is exported by sea from the Buenos Aires port to the Ditecsa Soluciones Ambientales PCB plant in Murcia, Spain, for treatment, gaining an international certificate for Final Disposition. The transport and operation are done under international standards and according to the Basilea Convention – Law N° 23,922.

Brazil

At Enel Brasil, no environmental liabilities were identified in 2017. The entire group in Brazil has adopted preventive measures for identifying liabilities, such as procedures, audits, inspections, and recognition. Enel Brasil also maintains an Environmental Management System to guarantee conformity with the law in its practices.

Colombia

In 2017, Codensa continued with a PCB-inventorying project. At the end of the year, 26,551 pieces of equipment were marked and 3,831 were analyzed for PCB content of which 10 of them were identified as contaminated.

In addition, Codensa continued the obsolete/trash transformer analysis process to identify the presence of PCB, and found 34 pieces of contaminated equipment, with a total weight of 14.4 tons.

A pilot project meant to demonstrate the dechlorination of transformers was enacted, studying 10 pieces of equipment, the contamination level of which decreased from 400 ppm to 2.7 ppm of PCB.

As a result of environmental action, Codensa managed to decontaminate the solid parts of 9 pieces of equipment which were contaminated with PCB (3,867 kg) with ultrasonic washing, and 10 pieces (4,337 kg) of equipment were decontaminated using dechlorination technology.

Peru

There were no environmental liabilities identified in Peru.

Energy

103-2 | 103-3 | 301-1 | 302-1

As part of the production process in the thermoelectric generation plants of Enel Américas the main fuel consumed in 2017 was natural gas, reaching a level of 86% in Argentina, 100% in Brazil and Peru, and 64% in Colombia, with respect to total fuels consumed in each territory. The following table presents the total consolidated consumption of fuels:

Fuel consumption by type in energy generation		2014	2015	2016	2017
Coal	Mtep	0.25	0.32	0.17	0.03
Lignite (brown coal)	Mtep	0.25	0.32	0.17	0.03
Fuel oil	Mtep	0.46	0.57	0.59	0.24
Gas oil	Mtep	0.24	0.25	0.24	0.17
Natural Gas	Mtep	2.16	2.83	2.64	3.12
Total fuel consumption	Mtep	3.36	4.29	3.80	3.60

Mtep: Millions of tons of fuel equivalent

One way to assess the performance of the company's plants is with an operational efficiency indicator, which measures the relationship between net energy produced in the form of electricity and energy provided in the form of fuel. The average efficiency of the plants in the respective countries is presented below:

Average efficiency of thermoelectric plants	2014	2015	2016	2017
Argentina	43%	45%	44%	46%
Brazil	48%	48%	50%	47%
Colombia	29%	29%	28%	28%
Peru	44%	43%	42%	40%

Argentina

In terms of energy generation, in 2017 a 14,825 GWh was produced, an increase of 12% from the previous year, maintaining the installed capacity of 4,419 MW in 29 generator units. In the same vein, the distribution side registered sales of 17,736 GWh during the same period, with a decrease of 4% compared to 2016.

Brazil

The generation business in Brazil has seventeen generator units, four more than in 2016, because of the incorporation of Volta Grande in December 2017. This incorporation raised the installed capacity to 1,354 MW, with a generation of 4,034 GWh. 3,665 GWh were generated in 2016, in comparison. Sales from generation units were 12,587 GWh in the same period.

Similarly, sales in distribution increased to 34,876 GWh, an increase of 53% compared to 2016, because of the acquisition of Enel Distribución Goiás (in February 2017).

Colombia

Colombia's generation business raised production levels to 14,765 GWh with 34 generating units, maintaining a total similar to the previous year. Its sales were 18,156 GWh, while on the distribution side the sales were 13,790 GWh, a total also similar to 2016 sales totals.

Peru

Enel Distribución Perú registered physical sales of energy and tolls of 7,937 GWh for 2017, an increase of 2.1% over the previous year's sales.

For its part, Enel Generación Perú raised its installed capacity to 1,979 MW at the close of the year. This permitted the generation of 7,430 GWh, compared to 8,698 GWh in the previous year.

Responsible use of water resources

103-2 103-3 303-1 306-1

The availability of water resources is key for the development of the generation business and represents a risk due to the variability in rainfall patterns and flow rates. In the face of changing climatic patterns, the hydroelectric plants that have water regulation gain more importance, since they permit making adjustments to the supply, taking larger amounts when consumption increases. The plants that have the ability to regulate also are an excellent complement to renewable technologies, the generation of which varies.

Argentina

103-2 103-3

Generación Costanera has a municipal network water uptake of 240 m³/h. and the collection of surface water for cooling was 98,000 m³/h, depending on the production of energy.

At Enel Generación Costanera, discharges of both water used for cooling the thermoelectric units and discharges of water of industrial origin complying with the limits in all its parameters are made into the Río de la Plata. The flow discharge is 1,633 m³/s, including 0.33 m³/s of industrial discharge. The discharge parameters are monitored and submitted to the relevant governmental authority.

At the Dock Sud Plant, the uptake of municipal network water was 93 m³/h according to energy production. The collection of surface water for cooling was 31,000 m³/h.

At the Dock Sud Plant, a water treatment system is used that discharges water by a physical, mechanical method into separating pools, complying with the limits of applicable regulations. Similarly, the water demineralization production plant puts water into a pH neutralization pool before discharging it into the Río de la Plata. Effluents from the water plant sent to the regulation pool are already suitable for evacuating into the river, and do not require any further treatment. The usual value is PH ~ 8.5 and it is of ambient temperature. Boiler purges are also sent to the regulation pool, and this fluid has its pH regulated by a chemical dosage via a regulating substance (pH ~ 9), and it does not require any subsequent adjustments. The mixture of these two effluents in the regulation pool produces a syrup, the pH of which always satisfies the legal discharge limits, set at a Maximum Temperature of 45° C/ PH 6.5 – 10.0.

The operation of the hydroelectric power station "El Chocón" and hydroelectric power station "Arroyito", is performed in accordance with the technical standards specified in the concession contract. These rules establish the criteria for operation, based upon the natural contributions of the rivers in the basin and the conditions of the reservoirs. Water management is performed in compliance with the objectives of flood attenuation and water supply for consumption. Taking into account the existence of other reservoirs with flood-regulating capacity in the basin, the standard has criteria that interrelates the operation of the reservoirs according to the conditions in which each one is located. The average flow of the Limay River, in natural conditions, is 667 m³/s. The el chocón Reservoir has a total volume of 20,600 m³/h and an operating volume of approximately 9,500 m³/h. El chocón is a central point for which the flow rates vary from 0 to 2,400 m³/s, depending on the electrical dispatch. El Chocón discharges directly into the Arroyito reservoir, so it has no maximum/ minimum flow restrictions. Arroyito, located immediately downstream of El Chocón, acts as a compensating dam for the latter and functions to regulate downstream flows, absorbing the fluctuations. For this reason, it has a reservoir of approximately 350 m³/h. Arroyito discharges can vary from a minimum of 168 m³/s (ecological flow) to the maximum dump capacity plus the plant (approximately 4,650 m³/s). Within this range, it operates according to water management standards that define the discharges and the daily gradient timetables that must be respected.

The operation anticipates the fulfillment of the downstream ecological flow of the Arroyito: 168 m3/s by means of minimum and maximum discharges downstream, as well as establishing maximum gradients of flow variation. Taking these considerations into account, the reservoir operation for the production of energy is planned.

With regard to the industrial use of water in the generation plants, the water is used mainly for refrigeration systems, which are open-circuit, and in critical cases where there may be an impact on water quality due to oil contamination; the plant has water-oil separators before the downstream discharge.

Brazil

103-2 103-3

No significant impacts on water affluent during transmission. Water is used for maintenance and internal consumption.

The only business that has a significant impact on the access to water resources is Enel Generación Fortaleza. The plant has contracts with a water resources management company in the state of Ceará, responsible for the management of water resources in the State of Ceará, and also has a concession issued by the State Department of Water Resources for the use of raw water, in addition to integrating the Committee of the Hydrographic Basin in the metropolitan region of Fortaleza. Taking into account these three points, Enel Generación Fortaleza participates directly and indirectly in the management of the water resources of the State, in that it meets the consumption demands and the reservoir levels, especially in the region of the Industrial Complex of the port of Pecém, in which it is located.

During 2017, Enel in Brazil increased its water consumption by 17%, reaching 2,286,000 m^3 of freshwater intake, compared to 1,945,000 m^3 of the previous year.

Enel Brasil always seeks to be more efficient in its water consumption, and for this reason, the company monitors consumption and leakage data, in order to have sufficient information to make decisions about replacing equipment, developing initiatives to change consumption habits and, eventually, shutting down the supply in some areas.

On the basis of the data collected during the year, equipment to measure leakage was installed in Rio de Janeiro, and leakage-measuring equipment will also be installed at Ceará and Goiás. Water recycling systems for the water discarded by air conditioners is used for gardening. In Goiás, old taps were replaced by equipment with timers, the discharge systems were updated, and dividing the quantity of water released and rainwater collection projects were begun for use in gardening activities.

Almost all (99.2%) of the volume of effluents discharged comes from Enel Generación Fortaleza, which maintains a contract with the Ceará Water and Sewage Company (Cagece) for the discarding, in accordance with legislation, of industrial effluents after treatment. Cagece, in process of authorization and monitored by the Environmental Department of Ceará (Mace), equalizes the effluents and gives them to an emissary, 7 kilometers from the coast, in the Atlantic Ocean.

Most of the volume of effluents is sent to water and sewer treatment plants and, in regions that do not have those systems, they are treated with septic tanks, which did not undergo cleaning in 2017 because they had not reached their capacity limits.

Colombia

103-3

Efficiently managing water resources is of utmost importance for Emgesa because the operation of hydroelectric plants represents 89% of the energy generated by the company annually.

Surface water sources have a greater role in operations because it depends on the operation of hydroelectric plants, with a catchment of 27,641,237,544 m^3; relegating the level of capture and consumption of the other two sources to a consumption of 92,733 m^3.

Codensa consumed 22,011 m^3 in 2017, 19% more than the prior year. This increase was due to the merger with the Cundinamarca Energy Company, which resulted in a greater amount of administrative offices and staff included in the calculation.

Derived from operations in the Termozipa and Cartagena thermal power plants, Emgesa performs wastewater dumps into the Bogotá River and into the sea. The wastewater is first submitted to a primary treatment in line with the regulations in force. Said treatment includes grease traps, sedimentation systems, aeration and disinfecting systems, refrigeration towers, and aeration and sedimentation channels, complying fully with country regulations.

In 2017, Emgesa dumped 37,079 m^3 of wastewater, 28% less than in 2016, as a result of implementing a dry ash system in the Termozipa plant and the decrease in the operation of thermoelectric power plants overall.

Additionally, it is noteworthy that the company reuses 20% of the industrial wastewater used in the operation of the Termozipa plant to control the irrigation processes in the ash yard. Thus, in 2017, a consumption of 57,682 m^3 of water was recorded for industrial use, of which 11,493 m^3 were reused.

Peru

In the case of the thermal plants, the industrial wastewater treated as a result of refrigeration processes and other industrial processes is returned to the environment. The effluent complies with applicable environmental standards and, in some cases, its quality is superior to that of the water of the receiving body. In accordance with the Directorial Resolution 008-97-EM/DGAA, parameters subject to monitoring in liquid effluents are pH, temperature, concentration of oils, fats, and total suspended solids. Also, the temperature of the receiving body must be measured upstream and downstream of the point of discharge for the effluent.

The irrigation water from the Ventanilla Combined Cycle Plant comes from the treatment and reuse of industrial and domestic wastewater. All these discharges are monitored monthly according to the current environmental legislation.

Similarly, during 2017 a rejection water recovery system was implemented for the Water Treatment Plant, which is used to irrigate the green areas of the Malacas Power Plant, thus decreasing the consumption of domestic water and improving the appearance of the plant.

During the electrical generation process in the hydraulic plants, the use of water is non-consumptive, that is to say, the water used is returned in the same quantity and with equal quality to the source from which it was taken to be used in the turbines.

Total volume of water discharges		**2014**	**2015**	**2016**	**2017**
Argentina	MMm3	1.76	1.53	1.33	1.77
Brazil	MMm3	0.60	0.45	0.26	0.29
Colombia	MMm3	0.05	0.07	0.05	0.03
Peru	MMm3	0.00	0.98	0.73	0.46
Total	MMm3	2.41	3.02	2.37	2.55

Biodiversity management

103-2 | 103-3 | 304-1 | 304-2 | 304-3 | 304-4

Enel has a biodiversity policy at the global level, which has been adopted by all of the countries that form part of the group and which was developed to contribute to the goals of the United Nations' Convention on Biological Diversity (CBD), and the Biodiversity Plan 2011-2020, which contains the Aichi Goals (goals for biodiversity established by the United Nations' Program for the Environment).

Concordant with this policy, the business has developed work jointly with various stakeholders addressing the conservation of species and natural habitats in the environment of its plants, compensating for possible impacts and preventing a "Net loss" of biological diversity. At the same time, Enel has committed to not plan activities that may interfere with species and their natural habitats in order to compensate for environmental impacts that may occur. This commitment includes developing environmental studies to evaluate the effects of constructing a new plant on ecosystems and biodiversity. With this information, the company can avoid operations in areas of high environmental value and anticipate measures to eliminate, reduce, or mitigate impacts.

In 2017, Enel Américas invested US$3.8 million in 18 projects and 22,057 hectares, of which 8% are under protection, with 100 species in the IUCN Red List.

Interaction with biodiversity

Argentina

El Chocón has integrated the conservation of biodiversity in its operations and has created an internal culture, incorporating conservation criteria in its operational procedures. A strategic biodiversity conservation program was also established.

In the river and reservoirs of Villa El Chocón there are abundant fish fauna of autochthonous varieties, among which are the Patagonian Pejerrey, the Perca Boca Chica, the Perca Bocona, and the Puyen.

In order to evaluate the evolution of these species, a monitoring program of the fish fauna in the reservoirs was performed, which included carrying out sampling in different stations of the reservoirs, as well as analyzing and evaluating the results obtained from this sampling.

Additionally, a water quality monitoring program was carried out on the reservoirs, with the goal of evaluating the trophic state of the bodies of water.

Edesur and the Costanera Plant participate annually in a native species tree planting program in the Buenos Aires Ecological Reserve. The Costanera Sur Ecological Reserve is a protected natural area, with the greatest biological diversity in the City of Buenos Aires and it is made up of 350 hectares. The main goal of vegetation management in the reserve is to recreate lost ecosystems, and in order to do this, many threatened or endangered native species are incorporated into the reserve.

For this reason, a joint project was realized to promote environmental awareness. This can be done by taking a guided tour of the reserve, including touring the native species production nursery and planting trees in the "Viamonte" forest, where species of riparian forests are produced and where the reserve is trying to replicate that environment. Volunteers can plant species such as Chal Chal, Curupí, Anacahuita, Bugre, Timbó, Palmera Pindó, etc., in the forest. It covers an area of approximately 100 m^2.

Brazil

The greatest impact that operations have on biodiversity relate to the passage of distribution and transmission networks through ecological stations, parks, and reserves, to provide service in remote areas. Tree cutting and pruning are performed with authorization and, when necessary, required environmental mitigation or compensation is done. In these cases, for each tree cut, three are planted. Although each environmental mitigation measure can set various numbers, the most frequently used in Brazil is 3 to 1, that is, for each tree cut down, three trees are planted.

The company received a visit from representatives of the Unión Internacional para la Conservación de la Naturaleza (International Union for Natural Conservation, or UICN, its Spanish

HABITATS AFFECTED

Terrestrial ecosystem

Aquatic ecosystems

Wet zones

SPECIES INVOLVED

Mammals

Bats

Birds

Amphibians and reptiles

Fish

Flora

Reptiles and amphibians

SPECIES ON THE IUCN RED LIST

EX	EW		Extinct
CR	EN	VU	Threatened
NT	LC		Low Risk
n			Number of threatened species

The Red List, which is drawn up by the International Union for Conservation of Nature (IUCN), provides information on the conservation status of various species.

EX: Extinct
EW: Extinct in the wild
CR: In critical danger
EN: Endangered
VU: Vulnerable
NT: Almost extinct
LC: Low concern

COLOMBIA

PROJECTS: **16**

VOLUNTARY: **6%**

EN 17 VU 35 NT 42
CR 6

PERU

PROJECTS: **2**

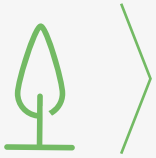
VOLUNTARY: **0%**

acronym), who evaluated the processes for animal conservation, which includes, for example, the use of drones to inspect Permanent Preservation Areas (APPs, their Spanish acronym) that the business is responsible for. Furthermore, possible changes in the fauna were monitored in the areas surrounding the facilities, and the process of forming a team of biologists for the company was begun, to internalize the nature conservation programs.

Colombia

Emgesa performed identification and characterization of the flora and fauna species present in the zones of operation that are on the red list of the International Union for Natural Conservation (UICN, its Spanish acronym), and also the recognition of the species located in the areas of influence of the projects. In order to consolidate the sustainability of the operation for the protection and conservation of biodiversity, activities have been developed that include:

RENACE FOREST

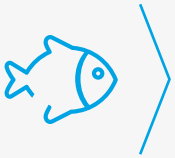


Since 2012, more than **30,000 trees** have been planted in compensation for the company's activities, on both a voluntary and an obligatory basis.

Supporting

- Water and environmental sustainability in the areas and communities in which they operate.
- Conservation of native flora and fauna species in the Tequendama area.
- The connectivity of the ecosystems located in the middle and lower basins of the Bogotá River.

SPECIES REPOPULATION



Introduction of **360,000** fingerlings of native species to the Betania dam.

Supporting

- The increase of the fish population in the reservoir's ecosystem and ensuring the sustainability of artisanal fishing work in the area.

ECOSYSTEM PROTECTION

6 initiatives to protect the ecosystem bordering the Cartagena thermal power plant were developed.

Supporting

- The conservation of aquatic ecosystems.

Peru

Peru has the second largest amount of forested area in South America, constituting approximately 57% of the country's territory. It is one of Peru's main renewable natural resources, and produces environmental services such as maintaining water sources, providing biologically diverse habitats, and regulating the climate by carbon capture.

At the thermal generation level, none of the plants are located in protected natural zones, or in areas where species on the Red List of the International Union for Natural Conservation (UICN, its Spanish acronym) live. As part of Enel Perú's environmental commitments, work continued in 2017 on managing forested areas with the planting of native trees and fruit trees in the interior of the Malacas Thermal Plant.

The hydroelectric plants are not located on land in protected natural zones; however, the Chimay Hydroelectric Plant is located in a forested area that contains a wide variety of flora and fauna that must be preserved. Environmental parameters are monitored on a monthly basis, among which the flow and population of macrobenthos and nekton stand out, all with the purpose of confirming the development of the habitat in the area of influence of the Chimay Hydroelectric Plant.

The International Union for Natural Conservation (UICN, its Spanish acronym) and the global energy company Enel signed a one-year agreement to strengthen the company's biodiversity action plans for a wide range of energy facilities.

2017 Advances in the environmental management plan programs at the El Quimbo Hydro-electric Plant

- 33,087 forest animals rescued
- Inauguration of the Southern Colombian Experimental Station of Hydrobiological Resources, for investigating and reproducing threatened native species from the Magdalena River (capaz, pataló, peje, dorada, bocachico).
- Forest fauna habitat rehabilitation, which consists of fauna habitat rehabilitation strategies, established between June 2014 and 2016, including the creation of perches for birds, 150 trellises for mammals, 150 enclosures for reptiles and amphibians and planting more than 6,885 plants to provide food for the animals. Recovery and enrichment of five water reservoirs was also performed.
- Pilot Plan for the ecological restoration of the Dry Tropical Forest-BST: Implementation of the entire pilot plan on 140 hectares located in three areas of the restoration area.
- Consolidation of the Infrastructure of the Tropical Dry Forest Research Center at the Finland Site (Flint path, Municipality of Agrado). The Research Center has a nursery for native species propagation, a forest seed laboratory, three ecological trails of different lengths, routes, and degrees of difficulty, a collection of trees called an arboretum, an environmental classroom for receiving and attending to groups of visitors, and parcels where restoration strategies are being implemented. A total of 1,556 people have been a part of the 120 guided tours of the nursery, ecological trails, and research center to date.

Civil Society's Nature Reserve

Among the challenges faced by the company in assuming the responsibility of conducting a restoration process in an area of 11,079 hectares was to develop research on the basic aspects of tropical dry forests, in order to effectively identify the appropriate strategies for restoration in an ecosystem about which not much information was provided.

The company believes that beyond the restoration requirement, the area is a natural heritage spot, and the cultural diversity and biodiversity of the region should be preserved. The sustainability of the area must be ensured for the good of the community. To this end, the company initiated the process of changing the classification of the area to a conservation category that allows the environmental services offered by the ecosystem of the tropical dry forest to endure and be sustained.

As a result, on July 5, 2017, under resolution 092 issued by the National Natural Parks of Colombia, the "Cerro Matambo" Civil Society Natural Reserve was officially registered. With an area of 918 hectares, it is the largest in the Department of Huila and the second largest tropical dry forest Civil Society Natural Reserve in the Magdalena River basin.

Conservation activities will be carried out on 618 hectares in the reserve. These activities consist of monitoring and maintaining the plant cover found in these areas, as well as caring for water sources and other natural resources in the area. The remaining 300 hectares of the reserve will be designated for ecological restoration by planting trees, native species of the tropical dry forest, and restoring the plant cover in this ecosystem.

Comprehensive Campaign of Limnological Monitoring

During 2017 these authorities: CAM (its Spanish acronym) - the Alto Magdalena Regional Autonomous Corporation and ANLA (its Spanish acronym) - the National Authority of Environmental Licenses, with the advice of IDEAM (its Spanish acronym) the Institute of Hydrology, Meteorology and Environmental Studies - established a comprehensive campaign of Limnological Monitoring. The campaign includes workshops which were organized on an ongoing basis to gather information on the results of water quality, after the implementation of the oxygenation system and the evaluation of this system's effectiveness, which was designed and implemented by Emges.

Guidelines and a specific methodology for sampling the physicochemical parameters of the water were defined. The samples will be analyzed by laboratories accredited by IDEAM.

Simultaneously, the company worked with fish farmers on a "Covenant of Compliance" agreement, which was submitted to the Administrative Tribunal

of Huila for its approval to complete the process. Additionally, the company, in conjunction with the ANLA and CAM and in compliance with the orders of the Constitutional Court, has collected data on the oxygenation system, formulating guidelines for the water-monitoring methodology. The company has also held socialization days for the pact with environmental authorities (Environmental Ministry, ANLA; CAM), to explain the scope of the Covenant. The process is currently in the judge's office for a decision on the request to hold a hearing to approve the agreement.

Environmental litigation

307-1

As of December 31, 2017, 313 legal proceedings were opened for environmental reasons for Enel Américas. About 72% of the proceedings refer to the electricity distribution network. With respect to the distribution of disputes by country, 84% of them are in Brazil, followed by Argentina with 8%, Peru with 6%, and Colombia with 2%.

Judgments

Existing material lawsuits for environmental causes are described below, not including material environmental crimes.

El Quimbo

- Different "Group Actions" filed by 1,170 residents of the Garzón municipality against Emgesa's El Quimbo in 2012, for alleged reduction of their income. The proceedings are at the evidentiary stage.
- A "Popular Action" filed by 17 fish farms against Emgesa's El Quimbo in 2015, alleging that El Quimbo's operation may cause massive fish mortality. The Court requires that water quality conditions be compatible for life, for which it ordered: (1) that an oxygenation system be implemented; (2) that the environmental authorities submit a report on water quality. Notwithstanding the foregoing, the parties signed an agreement for a mutually agreed-upon resolution, which obligates Enel to pay US$454,000, gradually over two years, but the Court stated that it does not accept this at the moment, although it may possibly be incorporated in a future judgment. On March 22, the environmental authorities of CAM and ANLA presented a report on the oxygenation system and water quality that was favorable to Enel. The company maintains a dialogue with communities and environmental authorities to improve these relationships.

El Muña

- In 2001, residents of Sibaté filed a "Group Action" against public and private entities (one of which is Emgesa), requesting compensation for pollution in the Muña reservoir, which they valued at US$1,392 million. But generation activity not only does not pollute, but Emgesa receives water from the Bogotá River, which is already contaminated. Emgesa managed to connect many companies located in the river basin whose discharges contaminate it as responsible. But in a surprise decision of June 2015, the Administrative Court of Bogotá decided to disassociate these companies. Emgesa appealed, and in November 2017 the Administrative Court N° 5 of Cundinamarca reversed the decision of the Court. Then, several companies filed a new appeal that is pending a decision, after which a conciliation hearing will be held.
- In the framework of a "Popular Action", the Administrative Court of Cundinamarca, via a judgment issued in August 2004, decided to protect the collective right to a healthy environment and declared the industries and municipalities in the basin area, which have been carrying out their domestic and industrial discharges for many years without treating them, as responsible for the contamination of the Bogotá River. Also declared responsible due to failure to monitor and control discharges were various Ministries, the environmental authority ("CAR"), the Aqueduct and Sewerage Company of Bogotá, municipalities in the basin area, and others. In March 2014, the State Council confirmed the Court's decision. In the context of the judgment Emgesa is obliged to: (1) comply with the Interinstitutional Agreement 9-07-10200-0688-2011 of December 2011 and its technical annex or the construction, operation and maintenance of the "canoes" lifting station for the duration of the water concession for the generation of electric power; (2) coordinate with the Bogotá energy company and CAR to implement necessary activities for the operation and maintenance of the Muña reservoir. Currently, the process is pending to set a new date and time to carry out the compliance verification hearing and various requests.

For more details, please refer to the Financial Report, available at www.enelamericas.com.

Decarbonizing the energy matrix

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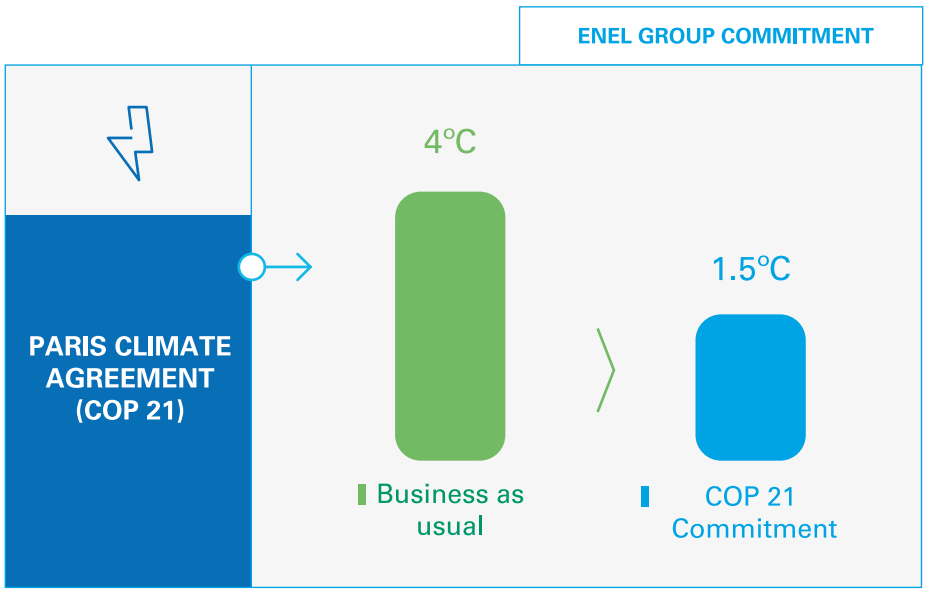
The growing international attention to climate change has increased the necessity of increasing the level of awareness of the main risks and opportunities that arise from it.

The Enel Group has defined strategic pillars at the global level for the decarbonization of the energy matrix by 2050. Thus, Enel Américas is contributing by eliminating the use of coal from the energy matrix of the company.

This goal is part of Enel Group's Vision, which seeks to increase the use of renewable energies in order to reduce the high levels of pollution generated by the intensive use of traditional fuels, like coal. In this way, the companies that make up Enel Américas are working to completely decarbonize the energy matrix by the year 2050 and continue with 0% emissions in 2050, thus supporting the Sustainable Development Goal Number 7 "Affordable and Clean Energy" and Number 13 "Climate Action."

Enel Américas Energy View



Argentina, Brazil, Colombia, and Peru, as member countries of the United Nations Framework Convention on Climate Change (UNFCCC) and signatories of the "Paris Climate Agreement," or COP 21, an agreement where 194 of the 197 member states pledged to limit the global temperature increase of the planet to less than 2° C with the ideal goal of not surpassing 1.5° C. To achieve this, the countries agreed to contribute with measures that should reduce the impact of their operations on the environment and that will decrease the effects of climate change worldwide, through a plan to control emissions that alter the climate, such as carbon (CO_2).

Argentina

In 2017 in Argentina, three sectoral plans were created: Energy and climate change (focusing on both the demand and supply of energy, and focusing on mitigation measures, such as improving energy efficiency, continuing with the development of renewable sources, cutting down the use of biofuels, among others); Transport and climate change; and Forests for climate change.

As a whole, these three sectors anticipate actions that represent 93% of the reduction of greenhouse gas emissions, as expected by the National Determined Contribution. The Ministry of the Environment presented the national Climate Change risk mapping system and the greenhouse gas inventory web portal. Additionally, the agenda for the Argentinian presidency of the G20 was outlined, proposing sustainable development based on the axes of adaptation, resilience, and work for those who have lesser means; as well as continuing to work towards aligning international funds, so that countries that require funds can increase their expectations for reducing carbon emissions.

Also, in 2015, within the framework of Argentina's commitment to COP21, Law N° 27,191, "National Development Scheme for the Use of Renewable Energy Sources for the Production of Electricity," defined renewable energy sources such as: wind energy, solar thermal, solar photovoltaic, geothermal, tidal, oceanic, hydroelectric, biomass, landfill gas, gas treatment plants, biogas and biofuels, except for the uses established in Law N° 26.093.

The law establishes that large customers must satisfy their contract demands based on renewable technologies according to the following values: 8% in 2017, 12% in 2019, 16% in 2021, 18% in 2023 and 20% in 2025. The country's goal is to reduce carbon emissions by 18% compared to the BAU (Business-As-Usual) Scenario (2005).

In this context, in August 2017, the Ministry of Energy and Mining issued resolution 275-E/2017 that establishes rules for the renewable electricity market, allowing generators with renewable sources to sign contracts with large customers (more than 300 KW). The Department of Renewable Energy ruled on several administrative aspects through the provision N° 1/18.

Brazil

To combat and adapt to climate change, the government of Brazil developed a series of national-level actions. The Ministry of the Environment (MMA, its Spanish acronym) defined strategies and proposed policies related to monitoring and implementing sectoral plans for mitigation and adaptation. The MMA promotes, in addition, technical and scientific cooperation with entities related to the topic so that the country can achieve its voluntary commitments to reduce greenhouse gas emissions. In December 2015, Brazil signed the Paris Climate Agreement, joining efforts of other signatory nations to adopt a low-carbon economy by the end of this century. Brazil committed to: a 37% reduction in greenhouse gas emissions by 2025, and a 43% reduction in emissions by 2030, based on 2005 levels.

All policies, measures, and actions to implement Brazil's purported Nationally Determined Contribution (INDC, its Portuguese acronym) are conducted within the framework of the National Climate Change Policy (Law N° 12.187/2009) of the Native Forest Protection Act (Law N° 12.651/2012, also called the Forest Code), of the National System of Conservation Units Act (Law N° 9.985/2000) and of the related legislation, instruments, and planning processes. The INDC of Brazil has a broad scope, which includes mitigation, adaptation, and means of implementation. To achieve the reduction goals, the Brazilian Government adopted policies and goals in various areas: agriculture, forestry, industry, transport, and energy. In the energy sector, the goal is to achieve an estimated 45% share of renewable energies in the composition of the energy matrix in 2030, including: expanding the use of renewable sources, in addition to hydropower, in the total energy matrix energy for a share of 28% to 33% by 2030; expanding the domestic use of non-fossil fuel energy, increasing the share of renewable energy (in addition to hydropower) in the electricity supply by at least 23% by 2030, including increasing the share of wind, biomass, and solar energies; and to increase energy efficiency in the electricity sector by 10%.

In Brazil, a price-fixing system for carbon emissions and commercialization has not yet been established. Discussions are being conducted by the Ministry of Finance (National Policy on Climate Change) and companies, through initiatives and working groups, for example, the Energy and Climate in the Local Network of the Global Compact working group, in which Enel participates.

Colombia

During 2017, in Colombia, the management of environmental regulations with respect to climate change was focus on tools to mitigate emissions in order to fulfill environmental commitments made at COP 21, by specifically addressing issues such as the diversification of the generation array, signs of stability in long-term investment, and harmonization with the current expansion schemes. It should be noted that the government legislated an exemption from the carbon tax defined in the tax reform via carbon neutrality certification (Resolution 1.741 of 2016, of the Ministry of Environment and Sustainable Development).

Peru

The Planned and Determined National Contribution (INDC, its Spanish acronym), presented at COP 21, envisages a 30% reduction in greenhouse gas emissions for the year 2030, as part of a Business as Usual (BAU) scenario. 20% of the reduction will be implemented by investments and expenditures with internal, public, and private resources (non-conditional proposal) and the remaining 10% is contingent on the availability of external financing.

To date the country is currently evaluating specific alternatives for mitigation in the energy sector. Four NAMA's (Nationally Appropiate Mitigation Action) have been identified for the electrical sector:

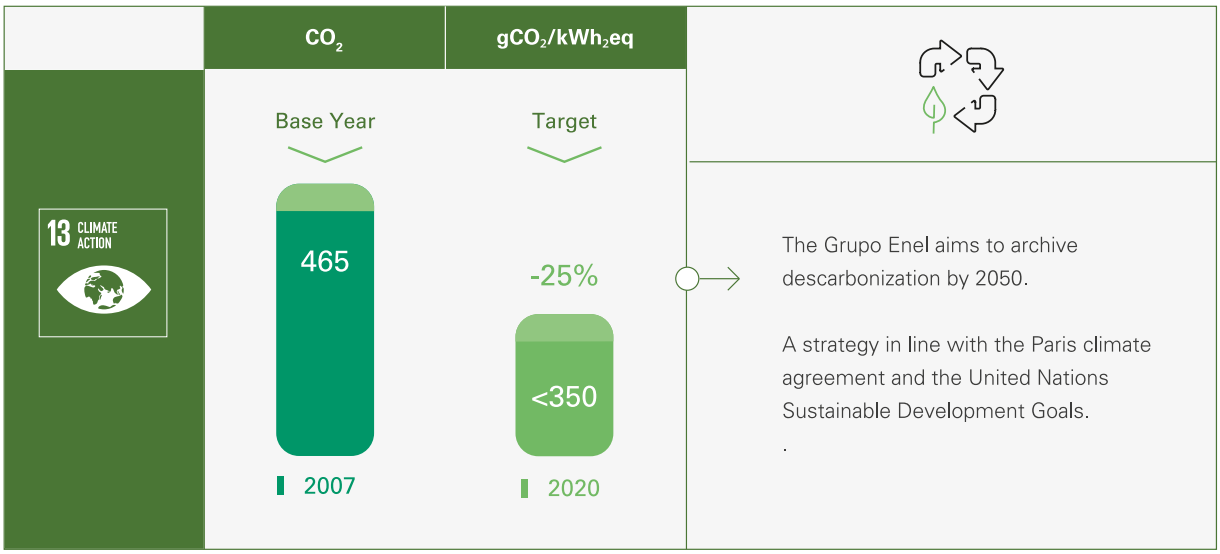
- Greater penetration of renewable energies in the interconnected generation system
- Promotion of electric transport
- Promotion of energy efficient measures
- Renewable solutions in isolated areas for electrification, heating, and cooking, among others.

Peru is participating in the first two NAMAs.

Decarbonizing the energy mix by 2050 plan

In line with the "Paris Climate Agreement", Enel's energy mix decarbonization plan seeks to transform the company into an emissions-free business by the year 2050. Enel Américas has focused on decreasing generation with coal, representing only 2% the total current capacity. Coal is used only as a backup source, so the generation is minimal. 55% of the generation and capacity is provided by renewable sources and when possible, Enel privileges these energy sources, as that is where investments are concentrated.

Enel´s Commitment 2050



The Enel Group's energy mix decarbonization plan is one of the four strategic pillars, and seeks to transform the company into an emissions-free business by the year 2050. The following goals will assist in this endeavor:

Enel Group's Goals

- A 25% reduction in CO2 emissions by the year 2020 in comparison to 2007 levels.
- Important investments in the renewable energies sector during the 2017-2019 period.
- Gradual and selective reduction of thermoelectric plants.
- Research and development of new, low-carbon technologies with an Open Power focus.

Enel´s Contributions to Decarbonization

GENERATION

- 25% gCO2i/KWH by 2020 vs 2007
- Decarbonization by 2050
- New renewable capacity

DISTRIBUTION

- Digitalization of the network
- Reduction in network losses
- New means of connection
- Recharging points for electric mobility

VALUE ADDED SALES AND SERVICES

- Electric mobility
- Domotics
- Energy efficiency

Enel Américas' major emissions reduction initiatives

Argentina

In 2017, the Costanera Plant sought to use cleaner and more efficient technologies, acknowledging that uses very valuable natural resources and that the industrial processes of its activities involve unavoidable effects on the environment. The Plant focused its research on the reduction of these effects at the local level and on making energy-saving improvements and reducing CO_2 emissions. Experts in different areas of eco-efficiency designed online systems to optimize combustion in boilers.

In the context of the regulatory changes that the Argentinian Government is implementing, the series of tenders that it has made and the future that it plans to call for new energy investments, Enel in Argentina is analyzing the possible installation of a new combined cycle in Costanera.

The goal is to compete for electrical energy contracts in tenders that the Ministry of Energy and Mining could call during the second semester of 2018. For this reason, during 2017 the company showed evident interest in presenting projects to this process.

Brazil

Enel Brasil was awarded the 380 MW Volta Grande Hydroelectric power plant, which increased its renewable capacity in the country by 58%.

Colombia

During the 2015, COP 21 in Paris, Colombia committed to 20% emission reductions by the year 2030, with respect to the reference scenario. In this context, Enel implemented an improvement project that envisions interventions in boilers, turbines, generators and water intake. With this project, Enel Colombia seeks to achieve high environmental standards in terms of gas emissions in coal-fired thermal power plants in Latin America, aiming at: emissions of Nitrogen Oxide (NOx) less than 330 mg/Nm^3; Sulphur Dioxide (SO2) emissions less than 400 mg/Nm^3 and particulate matter emissions less than 35 mg/Nm^3. The interventions were begun at the end of 2016 and will conclude in 2022, including the environmental improvements that have the goal of a new emissions regime in all the generation units.

Peru

With respect to managing climate change, it is important to note that at the level of thermal generation Enel has a project called Clean Development Mechanism - CDM Ventanilla Combined Cycle Thermal Power Plant that allows for reducing the emission of greenhouse gases into the atmosphere. Enel Generación Perú began a process in 2006 to register a project linked to the Kyoto Protocol. On June 20, 2011, the Executive Board of the United Nations Framework Convention on Climate Change (UNFCCC) registered the Ventanilla Thermal Power Plant Combined Cycle Project. This project allows for a reduction of 407,296 tons of CO_2 emitted per year according to the project design document (PDD). Additionally, the operation of the new TG6 unit of the Malacas thermal power plant was consolidated, which consists of a dual TG6 unit that uses natural gas as its main fuel. This provides more operational flexibility. It also has a system called chiller that allows it to optimize its production. Whereas gas turbines are very susceptible to ambient temperature changes, this system allows the developed power to not fall if the ambient temperature increases.

Digitization

The investment in digitization marks a critical issue for the sustainability of business, especially in terms of improving the operational efficiency of the generation plants together with optimizing supply and services to customers, who are considered to be the main actors in the business model.

Digital technologies allow for improving traditional businesses, the discovery of new markets, and at the same time they contribute to large volumes of available information and help businesses to be at the forefront of trends.

In this sense, Enel Américas aims for the complete digitization of the distribution network, the retail sector, and all customers to whom energy is supplied, along with digitizing the processes developed by people who work at Enel. A key factor in this process is the massive installation of smart meters, which allow for thorough and online monitoring of electricity consumption, detecting risks to the supply of electricity in time.

Remote control systems, remotely controlled vehicles, and new connectivity systems contribute to the operational efficiency of the business. Processes that are accompanied by the evaluation and detection of cyber risks in the framework of increasing digitization, as well as action protocols at a global level permit Enel to optimize the efficiency of plants and offices in a digitally secure manner.

The new value-added services and digitization will enable the promotion of the economy, environmental and social sustainability and, through increased awareness of consumption, energy access, by promoting the intelligent use of resources and greater care of the environment.

Digitization Initiatives

During 2017, management focused on improving customer service tools by implementing virtual offices in Argentina, Brazil, Colombia, and Peru, facilitating customer access and improving coverage and access to services.

Argentina

During 2017 in Argentina, ATV (its Spanish acronym, Virtual Attention) was implemented. ATV is equipment that can remotely assist clients, with a 3% share of commercial service. Also notable was the opening of a new sales office in the area of Lomas (Buenos Aires), the initiative benefits more than 50,000 households. Concerning the MAS LATAM project, the first step was taken in August 2017 to change information systems, leading to the implementation of the Sales Force Emergencies Module. This module permits giving priority treatment to critical cases in the absence of energy, such as electrodependent customers.

Brazil

In Brazil, in February 2017 the company acquired control of Enel Distribución Goiás (formerly Celg), the second distributor business in Brazil. Enel Distribución Goiás supplies power to three million customers in the state of Goias, in which the company are automating the network and company systems, incorporating digitization as a way to improve services and coverage. Approximately 300 remote control units were installed in 2017, and the project of installing smart meters will continue.

In Enel Distribución Río de Janeiro, the focus was on remote control in 2017. The amount of installed remote control units in the network doubled this year, with 4,300 units installed by the end of the period. In the same vein, Enel Distribución Ceará installed 616 remote control units, closing the year with 1,356 in the Ceará sales area, with a more agile identification of supply failures, in addition to shorter wait times for service. Before 2017, there were only 150 pieces of remote control equipment in operation.

Regarding digitization for customers, the company executed a project for electrodependent customers, in which it installed micro solar plants for distributed generation, exchanged inefficient lamps and air conditioning equipment for customers who depend on constant access to energy for health conditions, called "vital clients" by the Brazilian regulatory agency. These actions avoid possible disconnections or make it easier to reconnect these customers by reducing energy bills, facilitating the

negotiation of debts, and ensuring a constant supply of energy.

On the topic of digital service channels, the company expanded the program encouraging its customers to use them, and included new services on the web site and the APP. The company also have implemented chat technology and we installed more self-service machines in sales offices.

Colombia

During 2017, different activities that envisioned digitization were carried out. Among these, the following deserve mention:

- Service to sales: Implementation of cross-selling in the front office, from active listening and the identification of customer needs, to product placement for PSVAS-associated products (lighting, NNCC, micro insurance) with the existing customer service force.
- Smart Window: Deployment at the Soacha customer service center a solution that allows the client access to self-service options (payment coupons), browsing of the web page, and attention with a Virtual Advisor. This service is available during the business hours of the shopping mall where it is located. During 2017, the Smart Window handled 17,200 transactions.
- Appointment scheduling: Using this new service, Enel Colombia managed to schedule 161,894 customers and get an average wait time of three minutes for attention, once the customer enters the service queue.
- Integrated Service Network (RIA, its Spanish acronym): The program seeks to improve the experience of Cundinamarca users through a virtual office and community cell phones, with important results during the year, such as the recognition during an external audit as one of the most advanced projects of the Company in topics of digitization.

The daily work on optimizing processes and resources demonstrates the maturity of the quality model that measures customer satisfaction and experience recovery. Also, having restored the Kaizen initiative as the migration of the operation of the insurance service SAC, achieved significant efficiencies in customer service indicators.

Peru

As part of its digitization efforts, Enel Distribución Perú began a project of implementing a new CRM tool, the main benefits of which are focusing on knowing the customers better and thus being able to provide them with service in a proactive manner. Also, this new tool provides operational improvements in the handling and digitization of customer service, improving efficiency on that front. In line with this, the services provided by the APP were expanded, in May 2017 the option to associate was put into production, along with the authorization of supply numbers in order to quickly display information such as consumption, payments, and debt, among others. In August of 2017, the option to register blackouts due to a lack of energy in the home or area was created, which allowed customers to register emergency cases easily, digitally, and quickly. In April 2017, the Salesforce Emergency platform was implemented to facilitate the service for non-conformities related to electric emergency services and public lighting, in a simple and standardized manner. This platform has encouraged the creation of new channels for self-service and thus provides more tools to customers, increases their satisfaction, and generates operational efficiency through digitization.

Finally, the implementation of the Salesforce CARE Project began in August 2017. During this first stage, work meetings are held in which solutions to problems were sought and critical points were identified and analyzed, while at the same time initial prototypes and tests for the expected product are validated.

Some noteworthy benefits are:

- Control over critical processes.
- Alert tasks in the main legal battles.
- Reduction of TMO by automating 80% of the orders emitted in the field.
- Standardizing information to be gathered.
- Digitization of processes.
- Better traceability for reports, which contributes to control.

It is expected that this project will be implemented during the first quarter of 2018.

Assurance statement

102-56

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Building a better working world

Limited Assurance Statement of Enel America's Sustainability Report 2017 (free translation from the original in Independent spanish)

To the President and Directors
Enel Americas

Scope

We have performed an independent limited assurance engagement on the information and data presented in Enel Americas 2017 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 GRI Standards 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 2017 Sustainability Report are duly supported by evidence.
- Verify the traceability of the information disclosed by Enel Americas in its Sustainability Report 2017.
- Determine whether Enel Americas has prepared its 2017 Sustainability Report in accordance with the Content and Quality Principles of the GRI Standards.
- Confirm Enel Americas self-declared "Core" option of the GRI Standards 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 2017 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 2017 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 2017 Sustainability Report are not presented fairly.
- Enel Americas 2017 Sustainability Report has not been prepared in accordance with the GRI Standards for the preparation of sustainability reports under the Global Reporting Initiative.
- Enel Americas self-declared "Core" option does not meet the GRI Standards 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 2017, which are detailed in a recommendations report presented to Enel Americas Administration.

Truly Yours,

EY Consulting SpA.

Eduardo Valiente Noto
PI Chile Leader

April 06th, 2018

I-00401/18
GER/xgc

05

Appendix

Appendix

302-1 303-1 305-1 305-2 305-5

Environmental data

Detail	Unit	2014	2015	2016	**2017**
Total direct GEI Emissions (scope 1)	tCO_2e	11,548,000	9,771,000	8,778,000	7,897,000
Indirect greenhouse gas emissions from consumed and purchased energy (Scope 2)	tCO_2e	45,000	33,000	43,000	58,000
Other indirect emissions (Scope 3)	tCO_2e	18,269	121,704	64,551	14,174
Non-renewable energy (electricity and heat and refrigeration) produced	MWh	19,798,000	19,938,000	17,889,000	18,436,000
Fossil fuels (coal, gas, natural gas, etc.) bought and consumed (for energy purposes)	MWh	36,154,650.07	46,115,917.84	42,295,535	41,443,105
Purchased Electricity (non-renewable)	MWh	26,740	3,810	29,317	18,824
Renewable energy produced (biomass, solar, Wind power, etc.) Total bought or generated	MWh	23,034,000	23,462,000	24,359,000	25,809,000
Renewable energy (biomass, solar, Wind power, etc.) Total bought or generated	MWh	199	118	256	418
Total consumption of non-renewable energy	MWh	16,383,390	26,181,727	24,435,852	23,025,929
Average losses of the distribution network	%	11%	11%	11%	12%
Total costs of energy consumption	US$ miles	360,736	394,243	362,156	229,308
Total municipal supply of water (or of other water services)	MMm^3	2.86	2.67	2.82	3.17
Above ground freshwater (lakes, rivers, etc.)	MMm^3	3.05	0.26	2.05	2.34
Subterranean freshwater	MMm^3	3.36	0.17	3.10	2.24
Total freshwater consumption	MMm^3	9.27	3.10	7.97	7.76
Waste water (Used in plants)	MMm^3	0.00	0.00	0.00	0.34
Total water consumption	MMm^3	9.27	3.10	7.97	8.10
Waste water (Discharged volume)	MMm^3	2.41	3.02	2.37	2.55
Direct emissions of NOx	Ton	16,904	16,811	12,555	10,981
Direct emissions of SOx	Ton	13,189	15,752	11,052	3,211
Direct emissions of dust	Ton	472	1,204	1,535	444
Emissions of SF6	Ton	0.9	0.57	0.61	0.80
Composted, reused, recycled or recovered gypsum and ash waste	Ton	53,634	66,707	34,968	6,893

Note 1: The coverage of the environmental data presented corresponds 100% to the operations of Enel Américas
Note 2: Some figures differ from previously reported figures due to changes in criteria or involuntary omissions.

Environmental Sanctions Higher Than US$ 10,000

307-1

	2015	2016	**2017**
Number of fines	3	11	5
Associated amount (US$ thousands)	178	1,404	2,472
Provision (US$ thousands)	0	0	0

Internal Mobility

	2015	2016	**2017**
Argentina	9%	16%	16%
Brazil	1%	1%	2%
Chile	76%	2%	133%
Colombia	6,0%	10%	10%
Peru	12%	10%	13%
Total Enel Américas	7%	10%	10%

Rotation

401-1

	2015	2016	**2017**
Argentina	4%	4%	5%
Brazil	10%	12%	19%
Chile	12%	22%	9%
Colombia	15%	9%	8%
Peru	4%	5%	9%
Total Enel Américas	7%	7%	10%

Unionization

102-41

	% syndicated			**% covered and syndicated**		
Years	2015	2016	**2017**	2015	2016	**2017**
Argentina	86%	85%	87%	87%	85%	87%
Brazil	35%	34%	45%	98%	98%	98%
Chile	75%	66%	56%	47%	66%	56%
Colombia	42%	25%	38%	57%	63%	65%
Peru	36%	33%	30%	95%	95%	95%
Total Enel Américas	61%	57%	60%	86%	85%	87%

Accidents

403-2

Type	Employees			Workers			Employees + Workers		
	2015	2016	2017	2015	2016	2017	2015	2016	2017
Number of fatal accidents	1	0	1	3	3	3	4	3	4
Number of serious accidents	0	2	1	4	4	1	4	6	2
Number of non-serious accidents	59	58	55	121	66	60	180	124	115
Frequency of Accidents	2.97	3	2.26	1.32	0.87	0.67	4.29	3.87	2.93
Injury Rate	0.59	0.6	0.45	0.26	0.17	0.13	0.85	0.77	0.59
Lost day rate	18.5	21.3	18.72	5.63	3.03	3.04	24.13	24.33	21.76
Hours worked	20,206,125	20,024,300	25,219,998	96,905,303	84,145,700	96,150,511	117,111,428	104,170,000	121,370,509
Lost days	1,865	2,136	2,361	2,726	1,276	1,461	4,591	3,412	3,822

Performance evaluation

404-3

	2015			2016			2017		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Total number of employees	8,071	1,973	10,044	8,269	2,055	10,324	9,154	2,239	11,393
Number of high executives evaluated	105	37	142	101	34	135	115	31	146
Number of middle managers evaluated	621	159	780	499	139	638	2861	737	3,598
Number of administrative employees evaluated	6,586	1,671	8,257	5,441	1,728	7,169	5,712	1,431	7,143
Total number of employees evaluated	7,312	1,867	9,179	6,041	1,901	7,942	8,688	2,199	10,887
Percentage of employees that receive regular performance evaluations	91%	95%	91%	73%	93%	77%	95%	98%	96%

Absenteeism rate

403-2

	Year	Absenteeism rate (days)	Absenteeism rate (%)	Rates of occupational diseases
Argentina	2016	296	14%	0%
	2017	296	14%	0%
Brazil	2016	22,063	11%	0%
	2017	20,052	8%	0%
Chile	2016	510	2%	0%
	2017	260	1%	0%
Colombia	2016	6,016	27%	0%
	2017	6,108	27%	0%
Peru	2016	6,587	3%	0%
	2017	4,907	2%	0%
Total Enel Américas	2016	35,472	15%	0%
	2017	31,623	13%	0%

Gri index content

102-55

GRI Index with material topics that are linked to the SDG and COP.

Basic content	Title	Page	Number Principle of Global Compact
Profile of the Organization			
102-1	Description and company businesses	13	
102-2	Description and company businesses	13	
102-3	Description and company businesses	13	
102-4	Description and company businesses	13	
102-5	Ownership structure	20	
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