

## OPEN POWER FOR A BRIGHTER FUTURE.

WE EMPOWER SUSTAINABLE PROGRESS.

2020 SUSTAINABILITY REPORT - ENEL AMÉRICAS



# OPEN POWER FOR A BRIGHTER FUTURE

### SUSTAINABILITY REPORT ENEL AMÉRICAS 2020



Francisco de Borja Acha

Chairman



Maurizio Bezzeccheri

**Chief Executive Officer** 

WE EMPOWER SUSTAINABLE PROGRESS.

### Letter to stakeholders

102-14

2020 represented a truly disruptive year for the continent and the entire world. The COVID 19 pandemic triggered a health, economic, and social crisis of unprecedented scope in peacetime. This situation, in which electricity has been a key vector, has required Enel Américas to give its very best.

The organization rose to the occasion, which impacted employees, customers, investors, suppliers, and communities, to mention only a few key stakeholders. The efforts of its employees, executives, and partners, as well as the timely implementation of measures, made it possible to maintain the operational continuity of energy generation, distribution, and transmission, reinforcing the company's commitment to its customers and society at large.

In turn, this health crisis caused a crisis in the economies and labor markets of virtually the entire world. The region—which had already been recording lower growth figures in recent years—saw its economic problems and inequalities worsen, despite the measures taken by the different governments to try to alleviate the consequences of the pandemic.

Lockdown negatively impacted productive activity, domestic consumption, and investment, which, inevitably, had a severe negative effect on families. Nevertheless, a positive externality of COVID-19—if there is one—has been the acceleration of the energy and digital transition that the Company had already been developing in the region, with the subsequent boost in electrification and the development of renewable energies.

Since the onset of the health crisis, Enel Américas has faced the emergency in each of its subsidiaries with clear objectives: prioritize the health and safety of its workers, as well as those of contractors, customers, and communities, while ensuring the continuity of electricity supply in all regions where it operates.

The measures were diverse and numerous: monitoring the provisions of global and local health authorities, as well as fully implementing teleworking for all employees who were able to adopt it, excluding only the essential tasks that contribute to service operation and continuity.

In addition, to safeguard the health of employees in the field, the Company implemented digital systems to manage the plants in safe conditions. Meanwhile, an insurance policy, the first of its kind in the world, was activated for all Enel Group employees to guarantee special coverage in the event of COVID-19 hospitalization.

Health and safety, as well as support for the third parties' businesses, was also one of the priorities, for which partnerships were forged with local entities. As part of its unwavering commitment to sustainability and the community, Enel Américas collaborated with healthcare systems in all the countries where it operates, strengthened health and food supplies for local communities, and reinforced support for vulnerable customers such as electro-dependents and people with disabilities, to mention just a few of the actions taken.

Furthermore, the digital transformation proved to be essential in customer relations. By launching various applications and strengthening digital channels, including the website, it was possible to meet business and service requirements, thus facilitating the customer-company relationship.

Aware that the pandemic could have unexpected impacts on suppliers, Enel Américas also sought to guarantee the continuity of its contracts, as well as the corresponding payment flows.

Another milestone for the Company in 2020 was the Extraordinary Shareholders' Meeting held on December 18, which approved the merger, by incorporation, of EGP Américas into Enel Américas. With this, Enel Américas controls and consolidates the ownership of Enel Green Power's renewable energy generation business and assets in Central and South America (excluding Chile). Once the merger is finalized, the share of renewable sources in the Company's total generation portfolio will increase from 56% to 73% in 2023.

The foregoing demonstrates the corporate responsibility to continue progressing in the Latin American energy transition, which allows us to not only affirm our strong commitment to sustainable development, putting into practice the concept of creating shared value with other stakeholders, but to also fulfill the Sustainable Development Goals of the United Nations, while seeking to provide a just energy service.

This leadership position in renewable energies will also allow the Company to continue along the path of combating climate change and reducing emissions. Enel X will play a key role in this same path, as it seeks to make steady progress in the transformation of cities, companies, and people, offering integrated, innovative, sustainable, and digital solutions aimed at encouraging more conscious energy consumption, where efficiency is a shared goal in the countries where Enel Américas operates.





Progress has been remarkable, such as the public-private infrastructure project for the implementation of the first 100% electric Pan-American highway, which installed chargers in record time and in various hard-to-reach points in the region.

Thus, despite the adverse context, the Company fully maintained its commitment to its various stakeholders and to sustainability, which always remained at the center of all its actions and decisions. This and its performance in this regard explain its Bronze Class distinction for its work in this area, as well as its continued inclusion in the Sustainability Yearbook.

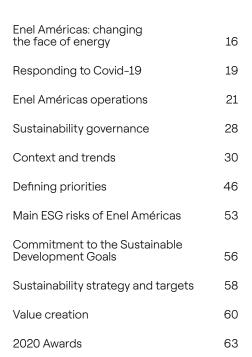
Regarding corporate governance, Enel Américas placed among the ten best companies in Latin America, according to the Annual Study 2020 of GovernArt and VigeoEiris, while in Chile it ranked as the second-best company in this area.

Enel Américas will continue supporting society in all the countries where it operates, especially its partners, employees, suppliers, and contractors, who have given their best to fulfill the responsibility of supplying uninterrupted energy at all times. In summary, as the leading company in the sector in Latin America, we will continue to sustain our operations on the basis of our values—innovation, trust, proactivity, and responsibility—which inspire and guide us to integrate the achievement of our economic targets and objectives with environmental and social ones, thus furthering our commitment to sustainability and development in the region.

Francisco de Borja Acha Chairman of the Board Maurizio Bezzeccheri Chief Executive Officer









### Our ESG performance

The energy transition	
Commitment to the fight against climate change	70
The future of generation	78
Network resilience and digitalization	86
Quality of service and customer relations	98
Ecosystems and platforms	114
People centricity	
People	128
Communities	154
Growth accelerators	
Innovation and digital transformation	186
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Environmental sustainability

Governance



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### ENEL AMÉRICAS IS OPEN POWER



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







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





- Open power for a brighter future.
- We empower sustainable progress.

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



- Trust
- Proactivity
- Responsibility
- > Innovation

## 1

## **Business model** and context

- We are a leading energy group with a sustainable business model that creates long-term value for all stakeholders
- We approach every aspect of our business, including finance, in a sustainable, innovative, and circular way
- We set the priorities that underpin our strategy, commitment, and reporting through a structured materiality analysis process with a continuous and direct involvement of our stakeholders
- Our strategy is focused in sustainability, with the purpose of achieving the UN Sustainable Development Goals





### Sustainable business model

Our ESG

performance

### The resources

### **Open Power - Openness is the key element of our strategy**

**ESG** 

Macrotrends, Risk

### **PEOPLE**

17,000 Enel people **19%** women

44 training hours per employee

71,000 contractor company people

#### **PLANET**

5.49 M m³ total water withdrawal

5.5% of extractions in areas with hydric stress

2.8 Mtep energy consumption

### **PROSPERITY**

55% installed capacity in renewable energies

19,700 km of network

25.6 million total customers

22.6 million residential customers

1,766 charging points (1)

14 MW response to demand

US \$ 1,423 million of Capex

95% Capex related to ODS



### We are the national leader in the energy sector



We create long-term value for all stakeholders





















PRINCIPIO DE GOBERNANZA

(1) Public and private charging points installed

### context

s and Opportunities





### We are integrated along the entire value chain

**CADENA DE VALOR**  Generación eléctrica

**Trading** 

Distribución eléctrica

Mercado (cliente final)

**LINEA GLOBAL DE NEGOCIOS** 





































GOALS

93 Reports to the Code of Ethics (of which 23 are infractions)

### The outputs and created value

### **PEOPLE**

0.50 injury frequency rate

24.82% women managers

7.3% turnover rate

6,555 thousand beneficiaries (projects SDG 4, 7, 8)

#### **PLANET**

6,896 thousand tCO2eq /kWh specific emissions Scope 1

**12,760 thousand tCO2eq** (Scope 1, 2, 3)

3.54 thousand m³ total water consumption

5.3% water consumption in areas with hydric stress

50% waste recovery

88 biodiversity projects

### **PROSPERITY**

115,214 GWh energy sold

**649** SAIDI

12.656 thousand US \$ in revenue

**3,154 million US \$** ordinary EBITDA

90% EBITDA from low carbon operations

**567 million US \$** of taxes paid



## 1. ENEL AMÉRICAS: CHANGING THE FACE OF ENERGY

102-1 | 102-2 | 102-3 | 102-4 | 102-5 | 102-6 | 102-7 | 102-45

Enel Américas is one of the leading electric companies in Latin America, present through its subsidiaries in Argentina, Brazil, Colombia, and Peru in the business of electricity energy generation, transmission and distribution, as well as the offering of innovative energy technologies and solutions.







### Global presence

Enel Américas, a Chilean publicly held limited liability stock corporation, is part of Enel Group, a multinational leader in the energy industry and one of the main global integrated operators in the energy and gas sectors, with operations in Europe, Latin America, North America, Africa, Asia, and Oceania. Present in more than 30 countries, it supplies

electricity to 74 million end users through a network of over 2.2 million kilometers that produces energy with over 87 GW of installed capacity. In terms of ownership, the Italian company Enel SpA is the controlling shareholder of Enel Américas, with a 65% ownership share.

Further information regarding the ownership structure and governance structure can be found in Enel Américas' 2020 Annual Report.

### **Enel Américas merger with EGP Américas**

In 2020, the merger with Enel Green Power (EGP) was approved, effective April 1, 2021, and will allow Enel Américas to incorporate solar and wind generation plants located mainly in Argentina, Brazil, Colombia, Peru, Costa Rica, Guatemala, and Panama, of which 3.6 MW are in operation, as well as a portfolio of projects that will add an additional 6.8 MW to Enel Américas' current 11.3 MW by 2023.

As a result, Enel Américas will increase its diversification while contributing to the much-needed economic reactivation for the sustainable development of the region. The Company will also be able to access new opportunities for growth in generation, in addition to its already consolidated leadership in distribution and the development of advanced energy solutions through Enel X.

GLOBAL **OPERATIONS** 





### 2. RESPONDING TO COVID-19

Enel Américas and all its subsidiaries took various actions to face the Covid-19 emergency, aiming to reduce the possibility of infection among employees and stakeholders with whom the company works constantly. At the same time, Enel Américas was concerned with guaranteeing the continuity of its business and service, constantly monitoring information and following the World Health Organization's (WHO) recommendations and the authorities' instructions.

Within this context, Enel Américas activated teleworking for all employees except for those working in operations whose activities may not be performed remotely and may not be postponed, as they are essential for guaranteeing continuity of service and safe national electricity systems. Special shifts were designed for this group using work cells so employees would have as little interaction as possible with each other. As a result of these measures, we managed to have more than 74% of the Company's workforce working from home

This decision is in line with the precautionary measures adopted by the Enel Group since the beginning of the health crisis. The Group has also activated an insurance policy to cover COVID-19 hospitalization costs for over 68,000 employees worldwide. This insurance was designed to

satisfy the Group's specific needs and is the first-ever of its kind worldwide.

Thanks to the commitment of workers, contractors, and suppliers, supported by the use of technology and robust procedures, 100% of plants and networks were fully operational at the end of 2020, allowing us to guarantee continuity of service.

Engagement with customers expanded over this period as contact channels and options increased WhatsApp, web, chatbot on the website (virtual assistant), and the app. In addition, the number of digital platforms was increased to provide greater flexibility in remote payments.

In controlling infections, inequity has been one of the most critical factors evidenced during the pandemic. In in those populations with more vulnerable conditions, control becomes more complex due to less access to healthy living conditions and quality healthcare. Moreover, the need for collaboration to overcome the health emergency has become evident. This is why Enel Américas has supported its neighboring communities with basic necessities and health items, according to their expressed needs.

### Charitable activities in response to the Covid-19 crisis

### Total initiatives = 112

#### Health (60)

### Socioeconomic (52)

- · Monetary contributions to hospitals or civil protection agencies.
- Enel spaces made available for medical needs (field hospitals, spaces for quarantine, etc.)
- Delivery of Personal Protective Equipment (PPE) to people, doctors, and nurses around our assets.
- · Supply of basic materials such as personal protective equipment and support for patients.
- Donation of Enel resources and monetary contribution to produce rapid tests to detect Coronavirus.
- · Donation of intensive care equipment.
- Free supply of all necessary power and a building for a "field hospital."

- · Donation of basic food baskets to vulnerable families.
- · Family kit (household and personal preventive cleaning).
- · Use of Enel daycare centers to accommodate children of public hospital electricians and health professionals working in quarantine.
- · Awareness campaign on preventative behaviors to face the crisis and "stay at home."
- · Making homemade masks for at-risk community members.
- · Support for vulnerable customers such as "electro-dependent" customers and people with disabilities.

The actions taken and their impacts on each line of work will be addressed in further detail throughout this Sustainability Report.









### 3. ENEL AMÉRICAS' OPERATIONS

102-6 | 102-7





<sup>\*</sup>Non-billable consumptions are not included in distribution business

<sup>1.</sup> Energy Loss is the total loss that includes high, medium and low voltage, and commercial losses and thefts.



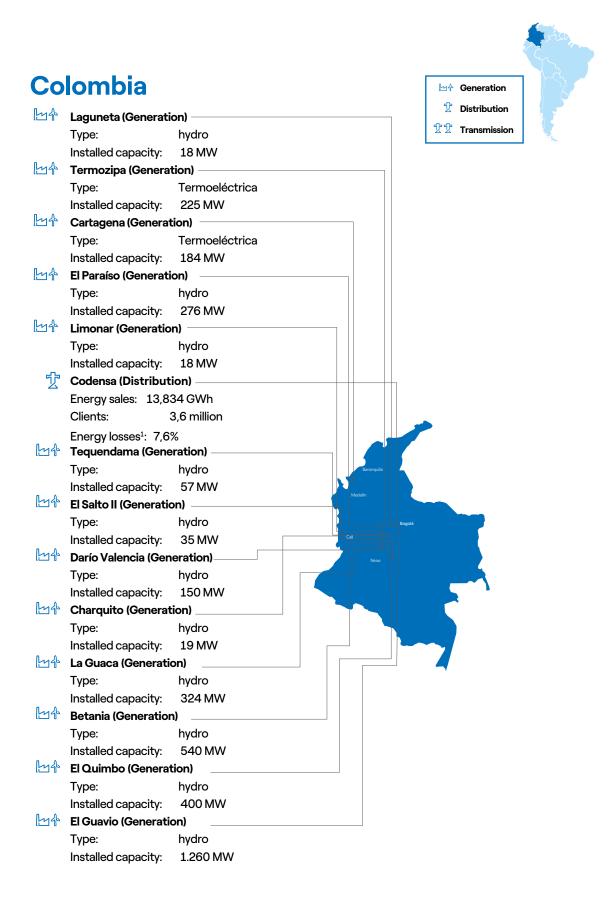






<sup>\*</sup>Non-billable consumptions are not included in distribution business

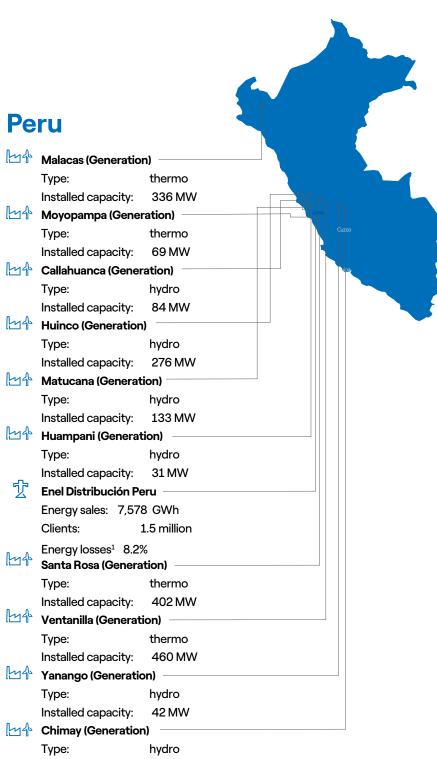
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<sup>\*</sup>Non-billable consumptions are not included in distribution business.

Installed capacity:

157 MW

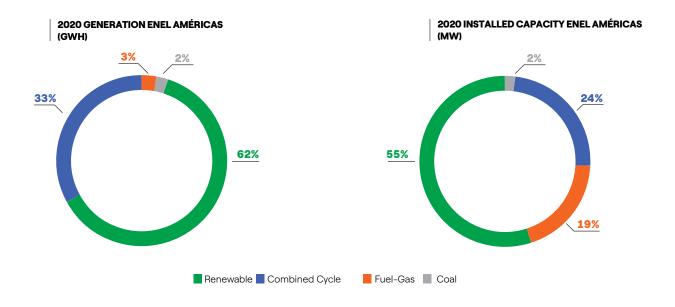
<sup>1.</sup> Energy Loss is the total loss that includes high, medium and low voltage, and commercial losses and thefts.

### Generation

### EU1 | EU2

Enel Américas has 35 generation units which are distributed among its operating subsidiaries in Argentina, Brazil, Colombia, and Peru. Of these, 22 correspond to hydroelectric plants and 13 to thermoelectric plants.

In 2020, net installed capacity reached 11,269 MW and consolidated electricity generation amounted to 40,455 GWh, while energy sales totaled 66,996 GWh.





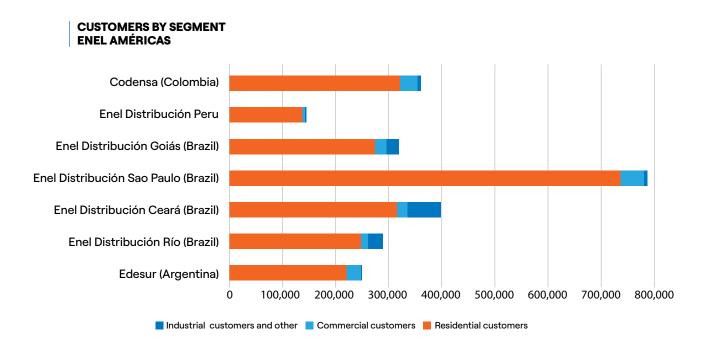
Our ESG

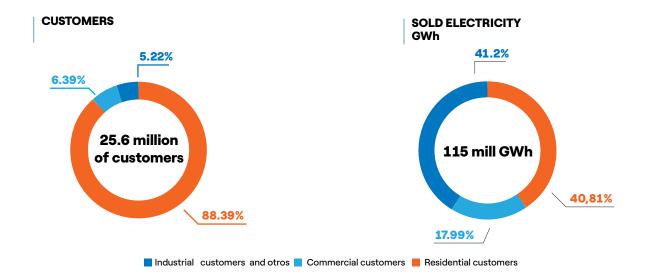
performance

### **Distribution**

EU3

Through the distribution business, the Company sold 115,213 GWh, delivering energy to more than 25.6 million customers.







### **Transmission**

Enel Américas participates has a non-significant participation in the transmission business through Enel Cien, a subsidiary of Enel Brasil, with a transmission capacity of 2,200 MW between Argentina and Brazil.

### **Enel X**

The purpose of this business line is to implement and develop products and services related to energy efficiency and new uses of energy, contributing to the development of sustainable cities by incorporating innovation, cuttingedge technology, and future trends such as electric mobility, distributed generation, and home automation.

102-20 | 102-22 | 102-23 | 102-26 | 102-32

Enel has a specific governance structure inspired by international best practices and integrates them into different decision-making processes and operations throughout the entire value chain.

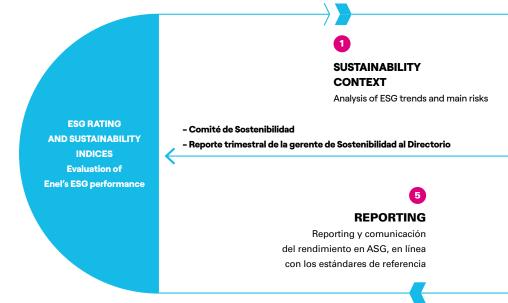
Sustainability and innovation are embedded in the Company's strategic planning and governance.

• Board of Directors: approves strategic, industrial, and financial plans, including the annual budget and business plan, which complement the principal guidelines to promote a sustainable business model and lay the foundations for long-term value. The Board is also responsible for all company endeavors, including environmental issues, such as emissions, integrated management systems, biodiversity, etc.; social issues, such as human rights, diversity and inclusion, employee

retention, etc.; and governance, such as corruption, lobbying, transactions between related parties, etc., and for approving the Sustainability Report and risk maps, including sustainability and climate change risks.

• Directors' Committee: as of June 2020, the company's Board of Directors delegated duties in sustainability matters to the Directors' Committee, a body made up of independent directors, which now supervises and follows up on the main sustainability issues together with the management responsible for this area. The topics include the Sustainability Plan and its guidelines; the general structure of the sustainability report; and specific topics related to environmental performance, climate change, biodiversity, social issues, such as health and safety, labor development, and governance, such as transparency, commercial relations and human

### The integration of environmental, social and governance (ESG) in corporate management







rights, among others. The committee also analyzes and evaluates the evolution of best practices in corporate sustainability and the company's positioning in the main ESG indices. Together with the Sustainability management, the Investor Relations management also informs the committee about trends of Socially Responsible Investors and the company's relationship with them.

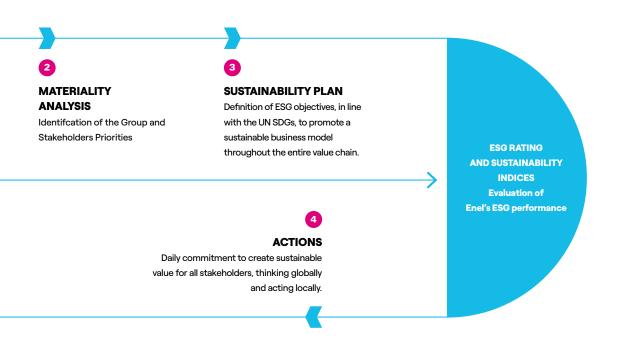
Both the Chief executive officer and Chairman of the Board:
Both the Chief executive officer and the Chairman of the
Board are responsible for defining and implementing the
sustainable business model, establishing guidelines to
manage the energy transition, promoting zero-carbon
energy generation and business practices that account
for the expectations of different stakeholders. The
Chairman of the Board of Directors does not hold an
executive position within Enel Américas.

### Sustainability Management

Under the supervision of the Chief executive officer of Enel Américas, each country manages all activities related to sustainability and innovation, while following Enel Group guidelines. The results of different indicators used to measure the Company's Environmental, Social, and Governance (ESG) performance are presented

to the Board of Directors on a quarterly basis. These indicators are determined based on the three-year Sustainability Plan, considering business objectives and targets focused on energy transition; social goals; and finally, indicators related to the four pillars on which the entire sustainable business is based, such as sound governance under the ethics and compliance model, environmental management, a sustainable supply chain, and prioritizing occupational health and safety for employees and contractors.

- In order to measure the usefulness and acceptance of the sustainability reports distributed to society and relevant stakeholders, this organizational unit also presents information to the Board of Directors on a quarterly basis regarding:
  - Trends in visits to the Company's Sustainability Report on the website, relative to public interest milestones important to the Company.
  - Acceptance of publicly disclosed information based on the Company's positioning in different ESG indices and ratings, such as DJSI (S&P Dow Jones Index), MSCI, FTSE4 Good, Sustainalytics, ISS ESG, Vigeo Eiris, among others.



### 5. CONTEXT AND TRENDS

## Macro trends and pandemic

The global community faces challenges that have been present for several years and have recently intensified or become more pressing.

Today's main current megatrends consider <sup>1</sup> environmental, social, and governance (ESG) issues as key determinants of sustainable development. Environmental change, including climate change, increased pollution, and biodiversity loss, is

analyzed under ESG factors and companies are required to address them with long-term sustainable solutions. Social changes, marked by not only demographic transformations but also by greater awareness of inequality and the need for equity to develop fairer and more inclusive relationships, are social factors that must be part of the strategy for sustainable economic development. Macroeconomic changes and in political powers, as well as the technological revolution that has led to greater access to information and greater concern for data ownership and security are relevant factors for companies' business and their long-term sustainability.

Trends that will shape the future and present new challenges:							
Environmental change	Social change	Macroeconomic and political changes	Technology				
Climate, pollution, and biodiversity	Equity and intergenerational social mobility	Globalization, regionalization, and polarization	Big data, ethics, ownership, and information security				
<b>★</b>	EFFECTS OF T	HE PANDEMIC -	<b>——</b>				

In 2020, these macro trends have undoubtedly been shaped by the effects of the pandemic, which has ushered in a new way of life with different ways of interacting with one another. The health crisis has not only severely impacted people's health. It has also hit the world's economy hard, impacting production levels, distribution chains, the stock market, among other areas, thus demonstrating the

shortcomings of the current system and forcing countries and companies to adopt urgent measures.

In this context, it has become clear how crucial electricity is to people's lives. All teleworking activities, online education, remote social interactions, among others, as well as the important effort of health systems have been possible thanks to the continuity of electricity supply.



<sup>1</sup> Report of the UN Economist network for the UN 75th anniversary: Shaping the Trends of Our Time.

### Socioeconomic context

Despite social progress, humanity continues to face challenges such as inequality and exclusion, with Latin America being one of the most unequal regions in the world. In the last period, the region has witnessed a widespread and synchronized economic slowdown. In this setting, there have been growing social demands and pressures to reduce these imbalances and increase social inclusion. This phenomenon has exploded with unusual intensity in some Latin American countries.

Prior to the pandemic, this region was on a low growth trajectory, and in 2020 it faced an unprecedented combination of negative supply and demand shocks, which has translated into the worst economic crisis in the last 120 years.

In a context of global contraction due to Covid-19, the Economic Commission for Latin America and the Caribbean (ECLAC) notes that this is the world's hardest hit developing region by the crisis stemming from the pandemic, being one of the worst contractions and social upheavals in history. The region is expected to see a 9.1% reduction in its growth rate for 2020 and an increase in poverty rates, which could reach 37.3%. ECLAC projects a rise in the Gini

index of 4.9 points higher than in 2019. Rising inequality in less developed countries will be an unfortunate legacy of the pandemic.

The pandemic has exposed the social weaknesses of

Latin American countries, their economic structures, the informality of employment, and the fragility of health and social protection systems. Despite governments' efforts to rescue their nations, some have been limited by lack of funding and various fiscal constraints. Moreover, measures to curb the spread of Covid-19 have had serious economic repercussions, especially on employment and income. The crisis caused by the pandemic is one of the worst since the Second World War and the World Bank announced that the GDP of Latin America and the Caribbean will fall by 7.9% in 2020. This is a historical decline caused by the decrease in internal and external demand, coupled with health and lockdown measures that halted the production of goods

The severe socioeconomic impact in several countries of the region has caused thousands of people to lose their jobs. According to ECLAC, this fall in GDP will worsen the labor market situation, increasing informal employment and reaching an unemployment rate of 13.5%. This will generate a 4.4% increase in poverty in 2020, according to ECLAC, with extreme poverty increasing by 2.6% compared to last year.

Argentina	Brazil	Colombia	Peru
10.5% drop in GDP and a	4.6% drop in GDP in 2020.	6.8% drop in GDP as a result	12% contraction in the
general slowdown of the	Unemployment rose to	of the pandemic and lower	economy, impacted by
economy, together with	13.4%, inflation to 4.5%,	global oil prices. In addition,	quarantines affecting
high inflation of 36.1%	and the interest rate hit	inflation registered at	mining activity.
and a benchmark interest	a historic low of 2%. In	1.6%, unemployment rose	Unemployment rose to
rate of 55%. In addition, its	addition, the Brazilian real	to 15.9%, and the interest	12.8% at the end of the
foreign currency debt was	devalued sharply, reaching	rate fell to its historic low of	year, with an interest rate
restructured.	5.1967 reales to the dollar.	1.75%.	that hit a historic low of
			0.25%.

and services.

### **Multidimensional** poverty index and energy poverty

Multidimensional poverty allows the concept of poverty to be approached from different angles, considering multiple social problems at the household and individual level. It is measured through the Multidimensional Poverty Index (MPI), which goes beyond the lack of income to consider unsatisfied needs in areas such as health, education, employment, social security, housing, and quality of life. The methods used by each country to calculate the index are based on the guidelines of the United Nations Development Program (UNDP).

### **MULTIDIMENSIONAL POVERTY INDEX AND ENERGY POVERTY**



### **EVOLUTION OF THE HUMANITY**

- Demographic expansion on a global scale added to aging trends, and their social and financial effects.
- · Strong urbanization and increase in megacities.
- New types of mobility and shared models.
- Greater awareness and sensitivity of the community about environmental aspects.



### **CLIMATE CHANGE AND PLANET BOUNDARIES**

- Increasing population, economic growth and climate change put strong pressure on the planet's resources.
- Promotion of the transition from fossil fuels to renewable energies, commitments to combat climate change, technological innovation, development of electric vehicles, circular economy.



### **TECHNOLOGICAL REVOLUTION AND DIGITALIZATION**

- Develop, and exponential development of digital technologies and growing application of connected and intelligent
- Automation: robotics, wearable technologies, machine learning, artificial intelligence, etc.
- Cybersecurity.
- Innovation of business models.
- Technology, employment, work and skills



#### **A NEW SOCIAL** CONTRACT

- Equity and inclusion have a wide room for improvement.
- To thrive on a rapidly changing planet, it is necessary to reorient relationships between civil society, government and business.
- · Growing demand for sustainable products and services, a new driver for companies.
- United Nations Sustainable Development Goals.







One of the consequences of multidimensional poverty is energy poverty at a household level. A study carried out by the United Nations Development Program (UNDP) states that energy poverty is a multidimensional problem, as it limits the possibilities for human, social, and economic development at both a personal and collective level.

Energy poverty impedes a household's ability to afford enough energy, preventing it from meeting fundamental, basic, and secondary needs in a household context.

### MULTIDIMENSIONAL POVERTY INDEX BY COUNTRY



### A household is in ENERGY POVERTY when:



It lacks equitable access to high quality energy services to cover basic and fundamental needs that support the economic and human development of household members.

#### **Energy poverty dimensions**

#### **ACCESS**

Physical and technological thresholds that limit access to services for cooking and hygiene, lighting, electrical devices, and household temperature control.

#### **QUALITY**

Tolerance thresholds that define access and equity. It considers standards of adaptability, reliability, and safety in terms of indoor pollution.

#### **EQUITY**

Economic thresholds regarding over-expenditure on energy, under-expenditure on energy, and the ability to invest in the home.

Source: Red de Pobreza Energética (ver en http://redesvid.uchile.cl/pobreza-energetica/que-es-pobreza-energetica)

Energy poverty is a complex phenomenon that must consider not only electricity connectivity, but also the satisfaction of needs associated with the use of energy, incorporating different energy sources as well as minimum standards for a continuous supply, among others.

Energy poverty poses a major challenge in the global energy agenda (SDG 7) because access to energy affects human development at both social and economic levels.

Although it is a phenomenon that has always existed, the severe energy poverty suffered in some regions of the countries became even more evident in 2020. There are still households that do not have access to energy, preventing them from having light or a quality heating system, or, in other cases, they cannot access it due to its costs.

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### **Summary of context by country**

### **Argentina**

### Covid-19

- First case of Covid: March 3, 2020.
- Mandatory quarantine starting March 20 for 155 days to then begin reopening the economy.
- It was able to flatten the infection curve, which allowed healthcare to be provided to all patients without collapsing the health system.
- 1.6 million cases by December 31, 2020.
- Law 27,541: Law of Social Solidarity and Productive Reactivation in the Framework of Public Emergency.

#### **Economy**

- Eight-month lockdown slowed the economy and caused the GDP to fall.
- Strong monetary issuance. Central Bank assistance was approximately US\$ 23,789,258.
- Rise in inflation when lockdown was lifted

#### Society

- The poverty level stood at 40.9% in July 2020, increasing towards the end of the year.
- The Government made cash handouts to different social groups.
- In the third quarter of 2020, the activity rate stood at 42.3%, the employment rate at 37.4%, and the unemployment rate at 11.7%.

#### **Brazil**

#### Covid-19

- ~7.7 million cases nationwide and 195,000 deaths.
- Population in lockdown and teleworking.
- Increased inequality in education.
- Saturation of the healthcare system, extreme poverty and hunger, violence, and environmental problems.
- 4% drop in the Central Bank's Economic Activity Index (IBC-Br)
- Unemployment insurance: claims up 1.9% (2020) – approx. Ministry of Economy estimated that 6.8 million workers applied for unemployment insurance in 2020, 1.9% higher than recorded in 2019.
- Salary reduction or contract suspension program.

#### **Economy**

- The largest decline in GDP since 1996: 4.6%, despite a fourth quarter increase of 3.2%
- Unemployment reached an all-time high of 14.6% (approx. 14 million unemployed) in the third quarter of 2020, according to IBGE.
- According to FGV lbre<sup>2</sup>, the unemployment rate for 2021 will be 15.6%
- Extreme poverty reached 12.5% and poverty reached 33.7%<sup>3</sup>.
- Nearly one million small businesses have gone out of business.

### Society

- 2020 Municipal Elections
- According to Cetic.br, differences in income, gender, race, and regions affect access to digital technologies.
- Increase in Internet users in Brazil: 134 million (3 out of every 4 Brazilians).
- Growing hunger, poverty, violence against women, worsening health conditions, etc.:
- Barriers to achieving the SDGs require reevaluating the country's economic, social, and environmental goals and action plans.

#### Colombia

#### Covid-19

- 1.6 million cases.
- 43 thousand deaths
- 1.5 million recovered cases
- Lockdown since March 25, 2020
- Increased ICU capacity by 119.7%.
- Extensive regulatory changes to address the emergency

### Economy

- Economic contraction of -6.8%, the worst in history.
- 15.9% unemployment rate as of December 31.
- Inflation was 1.61%.
- Peso devalued by 4.74%.
- 34.1% Poverty (+5.1 pts.) and 14.3% Extreme Poverty (+3.4 pts.)
- Creation of an Emergency Mitigation Fund with US\$10,965,149.

### Society

- Major social movement prior to lockdown.
- Renewed violence (illegal armed groups and assassination of social leaders)
- Social crisis stemming from economic standstill.
- Increased dropout rates and disparities between students.

#### Perú

### Covid-19

- At the end of 2020, Peru's Covid-19 mortality rate was the third highest in the world, with 114 deaths per 100,000 people.
- Total of 1,015,137 confirmed cases in 2020.
- Approximately 37,680 people died in 2020.
- The State of Emergency and mandatory quarantine were established in Peru on March 15, 2020.

### Economy

- Peruvian government 2020 economic plan of US\$ 39,000 million to face pandemic.
- In 2020, Peru's public debt increased from 26.8% of 2019 GDP to 35.4%.
- In April 2020, the country's GDP fell by 39.2% compared to the same month of the previous year, and it continued to fall.
- The Economic Commission for Latin America and the Caribbean (ECLAC) estimates that poverty in Peru increased from 16.5% in 2019 to 25.8% in 2020, and extreme poverty rose from 3.7% to 7.6%.

### Society

- On November 9, 2020, Congress removed then-President Martín Vizcarra. Consequently, Manuel Merino, who had been president of the congress until that moment, was appointed president.
- Demonstrations are generated against the government of Manuel Merino, who finally resigns five days after his appointment as president.



<sup>2.</sup> Brazilian Institute of Economics of the Getúlio Vargas Foundation

<sup>3.</sup> Social Panorama of Latin America 2020 Report

### **Environmental situation**

The effects of the Covid-19 pandemic have not stopped climate change. On the contrary, greenhouse gas concentrations in the atmosphere have reached record levels and are continuing to rise. Further details on climate change and Enel Américas' contribution can be found in the chapter Commitment to the fight against climate change.

# Nationally Determined Contribution (NDC) by country

Each country has submitted its Nationally Determined Contribution (NDC), setting targets and defining plans to meet their goals.

Argentina is committed to an absolute, unconditional, and economy-wide 2030 goal. It also plans to reduce vulnerability, increase adaptive capacity, and strengthen the resilience of different social, economic, and environmental sectors through measures for raising awareness and capacity building that will enable the country and its population to respond in solidarity to the urgent challenge of protecting the planet. Its second NDC reflects a balanced treatment and improvement in the basic pillars of the fight against climate change, incorporating an adaptation goal in accordance with Article 7.1 of the Paris Agreement, and mentions the need to have sufficient means of implementation to face the challenge of climate change.

In December 2020, Brazil submitted its new NDC to the UN as its main international commitment on climate change. The country set a highly ambitious goal based

on four main elements: it refers to absolute rather than relative emissions, such as carbon emission intensity and historical growth trends; it addresses the economy as a whole, not only specific sectors; the magnitude of its targets is above those of many developed countries; and it includes an intermediate target for 2025, which requires designing a low-emissions trajectory over time, not only in 2030 .

Colombia established goals on adaptation and mitigation actions that will guide its actions over the 2020-2030 period, improving on its commitment submitted to the 2015 NDC and increasing its ambition for climate-resilient and adaptive development that is aligned with the objective of carbon neutrality by 2050. In terms of adaptation, 30 measures have been evaluated, divided into 7 action sectors and 18 targets for implementation means. Regarding its implementation, Colombia must advance in regulatory measures for the NDC as well as in the harmonization of Sectoral and Territorial Climate Change Management Plans with the NDC.

**Peru** is addressing climate change by setting adaptation and mitigation goals outlined in the NDC. It engages all sectors and members of society to achieve common objectives for the country's sustainability. In this line, it has established the national Framework Law on Climate Change and the Regional Climate Change Strategies, which require subnational and local governments to include NDC mitigation and adaptation actions in their planning and budget. In the same way, "Tentative schedules" or work plans are being carried out for the implementation of the measures included in the NDC for the mitigation-based sectors (energy, transportation, industry, waste, forests) and adaptation-based sectors (forests, health, agriculture, water, and fisheries/aquaculture).

<sup>5</sup> https://www.gov.br/mre/en/contact-us/press-area/press-releases/brazil-submits-its-nationally-determined-contribution-under-the-paris-agreement

<sup>6</sup> https://www.gov.br/mre/en/contact-us/press-area/press-releases/brazil-submits-its-nationally-determined-contribution-under-the-paris-agreement

Our ESG

performance



### Nationally Determined Contribution (NDC) by country

#### **Argentina**

- Not exceed net emissions of 359 MtCO2e in 2030.
- The goal is equivalent to a 19% decrease in emissions by 2030.
- 25.7% reduction compared to the previous NDC.

#### Brazil

- 37% reduction in GHG emissions by 2025.
- 43% reduction in emissions by 2030 compared to 2005 levels

### Colombia

- 148 mitigation actions.
- Emit a maximum of 169.44 MtCO2 by 2030.
- Design a carbon budget no later than 2023.
- Reduce the deforestation rate to 50,000 ha/year by 2030.
- 40% reduction in black carbon emissions by 2030.

#### Peru

- 20% reduction in projected emissions for 2030.
- An additional 10% reduction is conditional on access to international financing.
- 62 mitigation actions
- GHG emissions level of 298.3 Mt CO2eq for 2030.
- 89.4 MtCO2 reduction, representing a 30% reduction target.





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# Progress towards a circular economy by country

# **Argentina**

### Work has continued to promote the concept of circular economy from within the State, implementing resolutions to define a unified strategy with the participation of different parties.

The "National Circular Economy Strategy" was signed at the end of 2019.

# **NATIONAL DIAGNOSIS**

# National Circular Economy Strategy The document proposes

rebuilding and laying the foundations necessary to transition from a linear to a circular economy over the next 20 years through a collaborative effort of various actors, including committed individuals, Non-Governmental Organizations, social groups, Universities, and Companies, with the purpose of creating economic efficiency and greater equity.

# Circular Economy Technical Roundtable

The Ministry of Environment and Sustainable Development is leading the circular economy strategy through a cross-sectional roundtable. These technical roundtables gather the public sector, industry, technical institutions, and organizations and cooperatives of urban waste pickers together with the specialized Ministry teams so that strategies can be established to advance a circular approach in different areas.

# Regulations

# Resolution 18/20/20

The City of Buenos Aires has issued Resolution 18/2020 of the Ministry of Economic Development and Production of the Autonomous City of Buenos Aires to create a Circular Economy Network in the city with the aim of jointly reducing waste generation.

### Joint Resolution 2/2020 RESFC-2020-2-APN-MAD

The Ministry of Environment and Sustainable Development and the Ministry of Transportation have issued a resolution that identifies processes where inputs can be reused in the national transportation infrastructure.

# **Brazil**

# Significant progress

has been made over the last decade in the most significant aspects of the economic model, especially in the fight against global warming (through the targets set in the Brazilian iNDC) and the regulation of solid waste management in the country (through the National Solid Waste Policy). It is important to note, however, that fulfillment of the commitments made in these two areas has been seriously questioned by important national institutions.

Although a survey by the National Confederation of Industry (CNI) showed that 76.4% of the sector adopts circular economy practices in one way or another, there are still significant obstacles to developing business models, especially from fiscal and regulatory points of view in several sectors, such as the energy sector.

### **NATIONAL DIAGNOSIS**

# Main barriers to circular economy

A diagnosis conducted in 2018 by the National Confederation of Industry (CNI) indicates that the transition to a Circular Economy in the country requires investments in areas enabling the economic model, such as education (to develop new essential skills), public policies (that encourage reverse cycles and circular business models), infrastructure (especially structure for reverse logistics and basic sanitation), and technology (Industrial Automation, Artificial Intelligence, and Industrial Revolution 4.0).

### **FINANCING LINES**

# Access to public funds

In Brazil, there are several financing lines for research by public institutions (through development banks, sectoral funds, or public funds distributed by other governmental institutions) and private institutions (offered mainly by financial institutions). Many of these financing lines spur Research and Development projects on topics such as decarbonization and socioeconomic development, however, no lines are focused on the Circular Economy, which is the economic model transversal to the initiatives they finance.

# Laws and Regulations

### National Solid Waste Policy, Law 12.305/10

The law was an important milestone, defining objectives to close open dumps and encourage recycling. Despite its importance, it faces a series of barriers to compliance by municipal and state administrations, which have insisted on postponing the deadlines for meeting the goals. A decree was enacted in 2020 that established the policy for collecting electronic waste.

### ISO TC 323 Circular Economy

Brazil participates in working groups supporting the development of the ISO technical standard on Circular Economy. This standard is divided into 4 topics:

- 1. 59004 Framework and principles
- 2. 59010 Business models and value chains
- 3. 59020 Measuring circularity
- 4. 59031 Specific issues (case studies)

The National Circular Economy Strategy (2019) is a program that aims to maximize the added value of production systems and consumption in terms of profitability, climate change, and employment, based on circular flows of material, energy, and water. It establishes mechanisms for the transition to the Circular Economy: the adjustment, development, and innovation of regulations; the development of knowledge and research; scenarios for partnerships and cooperation; the management of financial tools, and the creation of incentives.

The strategy has established the following priority lines of action:

- 1. Industrial materials and products
- 2. Packaging and packaging materials
- 3. Optimization and use of biomass
- 4. Water circulation
- 5. Energy sources and flows
- 6. Building Materials

# **National Diagnosis**

Appendix

## Main Barriers to the circular economy

The purpose of the Circular Economy Reports is to provide timely information for decision making and strengthening public policy on the Circular Economy. The first Report, published August 5, 2020, outlined the conceptual background of the model as well as a series of 44 indicators. The Second Circular Economy Report contains available information on the level of circularity of the country's economy. To this end, the indicators are classified into four components:

- i) extraction of environmental assets ii) production of goods and services iii) consumption and use
- iv) closure and optimization in the life cycles of materials and products. All the information is gathered by the Circular Economy Information System - SIFC

# **Roundtable of Circular Economy** Information - MIEC

Space that seeks to link the entities of the National Statistical System (SEN) to identify, strengthen, and generate relevant and timely statistical information required for decision making and evaluating public policy associated with the Circular Economy.







### Peru

In Peru, several initiatives related to the Circular Economy have been launched over the years, mainly related to sustainable businesses.

Now, the Roadmap marks a turning point in the approach to the country's economy, shifting from a linear economy to a circular economy, which is integrated into public policies on production and consumption in the industry, and also into processes, products, and services in companies.

This new approach to production in the country is reflected in the National Competitiveness and Productivity Policy for 2019-2030, which contains 9 priority objectives.

During the process of transition to a circular economy in Peru, the involvement and articulation and articulation of private actors through business associations business associations, companies themselves and academia and academia, who actively participate actively participate in the design and implementation of instruments and concrete actions and concrete actions, in the coordination, knowledge and knowledge and training, and training, as well as in the exchange of best practices in circular economy.

### **RELATED REGULATIONS**

# "Roadmap towards a Circular Economy in the **Industrial Sector**"

The Peruvian Ministry of **Production and Ministry** of Environment issued a joint decree enacting "The Roadmap Towards a Circular Economy." This is a policy that promotes a management model consisting of two lines: encouraging industrial development through a circular economy approach and generating sustainable consumption habits in public and private sectors and among citizens. In order to successfully carry out this initiative, a complex agenda is required to generate a change in the relationship that companies and people have with the environment.

**National Competitiveness** 

This policy outlines the path

to be followed to promote

prioritized objectives which

sustainability in economic

activities, transitioning to a

medium and long-term

It is composed of nine

address environmental

economic growth.

circular economy.

and Productivity Policy

2019-2030

# **NATIONAL INITIATIVES**

# "¡Fantástico! Menos plástico" program

An initiative that brings companies and organizations of all types together with interested individuals to promote sustainable consumption of plastics and develop the domestic market for alternatives to singleuse materials. This effort is an initiative of the German Cooperation (GIZ) and the Embassy of the Federal Republic of Germany in Peru. It is jointly implemented by the GIZ and the Peruvian-German Chamber of Commerce and Industry, with the support of the Goethe-Institut.

# "The Journey Towards the **Circular Economy in Times** of COVID-19"

Event organized by the ¡Fantástico! Menos plastico Program, which will bring together specialists from public and private organizations to exchange ideas and analyze key points in the challenge of developing a circular economy in Peru.

# **COOPERATION ACTIONS**

The Ministry of Environment is part of the Steering Committee of the Regional Coalition for the Circular Economy in Latin America and the defined at the Forum of Ministers of Environment and of Ministers of the Environment and whose Technical Secretariat is UN Environment.

Peru was invited by the European Union to be part of the part of the drafting group drafting group for the resolution to be submitted to the Fifth United Nations United Nations Environment (UNEA 5) to be held next year vear, on the need for an the need for an international instrument international instrument on plastic on plastic pollution.

Work has begun on the implementation of the EU EU Support Contract, as part of as part of a comprehensive support to MINAM, through which through which we will be able to products and concrete actions concrete actions that will allow us to strengthen the transition to a circular towards a circular economy. At objective of this contract is to support Peru in the transition to a circular and carbon to a circular and carbon neutral economy, generating the technical, institutional technical, institutional and regulatory institutional and regulatory conditions that the transition to a circular economy circular economy.

Our ESG performance

3 Appendix

# **Energy industry context**

Latin America is experiencing its greatest challenge since the public debt crisis of the early 1980s. Widespread economic contraction, impact on access to services such as technology or Internet, and increased poverty rates have been just some consequences of uncertainty during the pandemic, damaging the region's economy.

According to OLADE's (Latin American Energy Organization) analysis of the impacts of the Covid-19 pandemic on the energy sector in Latin America and the Caribbean, energy demand has been severely affected since the quarantine began. In Argentina, daily demand fell by 26%, in particular, demand in the industrial sector fell by 24%. In Brazil, it dropped by 13%, while in Colombia it shrank by 6.5% in the regulated market and by 20.3% in the non-regulated market . Finally, it should be noted that energy demand in Peru fell by 32% . OLADE expects the recovery in electricity demand to be led by the electricity, gas, mining, and industry sectors, while the transportation and construction sectors will have the slowest recovery.

Given this context, the pandemic's main impacts on Enel Américas were the drop in demand due to lower consumption and the difficulty in collecting distribution payments. For this reason, remote payments were encouraged.

In a broader industrial context, **Argentina** was questioned on energy matters due to the long-standing economic crisis, the general increase in poverty, and the high gas and electricity rates together with legal limitations.

In **Brazil**, the government's attempts to recover the decline in energy demand have led the Ministry of Mines and Energy to request privatizing companies such as Eletrobras and to expand the electricity system towards renewable sources.

On the other hand, **Colombia** became the Latin American country with the greatest progress in energy transition, rising from 34th to 25th place among 115 countries, according to the World Economic Forum's Energy Transition Index. This is thanks to great strides in incorporating non-conventional renewable energy sources into its electrical mix. By 2022, it is expected to increase its installed capacity for solar and wind energy by 50 times.

Also, to encourage energy culture, the Colombian government invited innovative proposals for the 2020 Colombia Energy Culture Challenge. All types of projects could participate, and the winning team will receive technical and financial support of up to 30 million Colombian pesos to develop the proposal.

In **Peru**, the government proposed moving forward by using the crisis as an opportunity to develop renewable energies, since it has range of renewable sources to facilitate a sustainable recovery.

In 2020, the Ministry of the Environment updated its National Strategy on Climate Change for 2050, which aims to achieve carbon neutrality by using 80% renewable energies. Peru also has the National Energy Plan 2014–2025, which aims to satisfy the national energy demand through a reliable, regular, continuous, and efficient energy system, promoting sustainable development supported by planning, research, and continuous technological innovation.





<sup>7</sup> Energy Demand Projection in light of Covid-19 2020-2026, Ministry of Mines and Energy, Mining and Energy Planning Unit (UPME) <a href="http://www.siel.gov.co/siel/documentos/documentacion/Demanda/UPME\_Proyeccion\_Demanda\_Energia\_Junio\_2020.pdf">http://www.siel.gov.co/siel/documentos/documentacion/Demanda/UPME\_Proyeccion\_Demanda\_Energia\_Junio\_2020.pdf</a>

<sup>8</sup> Latin American Energy Organization <a href="http://biblioteca.olade.org/opac-tmpl/Documentos/old0452.pdf">http://biblioteca.olade.org/opac-tmpl/Documentos/old0452.pdf</a>

<sup>9</sup> https://united4efficiency.org/wp-content/uploads/2017/02/InformePlanEnergi%CC%81a2025-281114.pdf

# **Energy transition**

Energy transition is the shift from a fossil fuel-based economy to a low or zero-carbon economy. This transformation involves structural changes such as decarbonizing the energy mix, electrifying demand, and decentralizing energy systems, where consumers become active participants in the energy market, self-producing their own energy and managing their consumption through digitalization.

# ENERGY TRANSITION FOR A SUSTAINABLE FUTURE

**Stakeholders** 

Society

**Environment** 

**Consumers** 

Regulator

**Generating and** 

distributing companies

Axes of the energy transition

**Decarbonization** 

Closure of coal-fired plants Increase renewable energy

**Electrification** 

Electricity as a source of energy

**Digitization** 

Digitization / Decentralization of energy

Nature-based solutions and circular economy

In addition to this energy transition, the challenge for companies is to foster sustainable and resilient recovery, taking advantage of the opportunity presented by the pandemic to achieve growth that focuses on climate urgency, social inequalities, and economic sustainability.

# Significant regulations

The most significant regulatory changes in 2020 primarily focused on sustainable recovery and resolving issues arising from the health crisis.

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# **Country Guidelines 2020-**

# **Regulatory Guidelines 2020-2021**

# Resolution SE No. 31/2020 Secretariat of Energy

# Decree 311/2020

# **National Energy Policy**

Conversion of generation prices to the local currency (pesification) at an exchange rate of ARS 60 = 1 USD and establishes an update factor in Argentine pesos based on the Consumer Price Index (CPI).

> Established a remuneration scheme by generation

internet, and other services are prohibited from other types of users. suspending service for non-payment.

Utilities providing telephone, gas, water, Residential supply was prioritized over

### Brazil

type.

# Legislative Decree No. 6/2020

For the duration of the pandemic state of emergency, power cuts are prohibited for some consumer groups, such as low-income consumers, households with people who depend on life-sustaining electrical equipment, among others.

Pursuant to Legislative Decree No. 6/2020, this period would be until the end of 2020. However, starting December 8, 2020, power cuts due to non-payment or energy supply may occur for residential consumers and for services and activities considered essential when consumers are revisited

# Law No. 14.052/2020

It introduced changes to the electricity sector in three main areas: fines for lack of electricity supply, renegotiation of hydrological risk, and period to extend concession agreements. With the approval of this Law, it is expected to solve gridlocks caused by the generation scaling factor (GSF) in the short-term energy market, restoring normal liquidations.

### MP 998/2020

Provisional measure that reallocates financial resources in the electricity sector to reduce energy costs.

### Senate Bill (PLS) 232/2016

New regulatory framework for the electricity sector, approved by the Infrastructure Commission, which paves the way for a free energy market, with the possibility for portability of electricity bills between distributors.

### Law No. 14.120 of March 1, 2021

Allocates resources to the electricity sector to reduce electricity costs, modifying the legal framework of the electricity sector.

The measure also covers structural reforms in the sector and adopts measures to organize the nuclear energy segment and conclude the Angra 3 project.

### Bill 1.182/20

Prohibits, for a period of 120 days, recording individuals in credit restriction registries for delinquent payment of debts incurred with commerce or derived from public services (water, energy) or banking services. Breach of the measure subjects the offender to sanctions provided for in the Consumer Protection Code.

### Law No. 14.015/2020

Prohibits cuts for missed payments on Fridays, Saturdays, Sundays, holidays, and the days before holidays.

### Bill 3.851/2020

Prohibits readjustments of electricity rates in 2021. According to the bill, rate adjustments for the electricity sector will be prohibited until January 2022. The result of the previous period's rate freeze cannot be passed on to consumers all at once this year and must be staggered over the next five years.

# Normative Resolution No. 878, of March 24, 2020

Establishes a set of actions to guarantee the continuity of the energy distribution service and to protect consumers and concessionary employees in the midst of the Covid-19 pandemic.







# Colombia

# **Country Guidelines 2020-2021**

# Decrees/2020 517,798,574,581,437,399

The Decrees established special interim regulatory schemes deemed necessary to mitigate the effects of the COVID-19 emergency.

# Conpes 4023/2021

Seeks to create two million jobs, strengthen support for households and businesses, recover economic growth in a sustainable and inclusive manner, and guarantee vaccination for 35 million Colombians.

# **Regulatory Guidelines 2020-2021**

# Coverage-Decree 099/21

Established policy guidelines to expand electricity coverage in the National Interconnected System and in the Non-Interconnected Zones.

# Transfer of Subsidy Resources - Decree 399/20

Given the deficit in subsidies, this established a more efficient mechanism to provide sufficient liquidity and ensure the sustainability of the service rendered.

# Remuneration Methodology - CREG 122/20

Approved the variables necessary to calculate the income and charges associated with the electricity distribution activity for the market served by the Company.

# Payment of Subsidies - Decree 1693/20

Established payment requirements, terms, and conditions for subsidies accrued during 2020, pending payment, with resources from public credit operations.



### Peru

In the context of the COVID-19 pandemic, the following regulations of particular relevance were published:

# Supreme Decree No. 044-2020-PCM and supplementary regulations.

Declares a State of National Emergency due to the COVID-19 outbreak, which has been extended until March 31, 2021. The regulation guarantees the continuity of electricity services during the State of Emergency.

# Ministerial Resolution No. 128-2020-MINEM/DM

Approved the "Sanitary Protocol for the implementation of prevention and response measures against COVID-9 in the activities of the Mining Subsector, the Hydrocarbons Subsector, and the Electricity Subsector."

**Emergency Decree No. 062-2020** 

# Ministerial Resolution No. 108-2020-MINAM

Set forth the provisions for carrying out field work in preparation of baseline studies for environmental management instruments.

### **Emergency Decree No. 035-2020**

This decree, published April 3, allows distribution companies to divide bills up into 24 months that were issued in March 2020 or that include any consumption from during the state of national emergency. The State will cover compensatory interests with resources from the Social Energy Inclusion Fund. It also authorizes the suspension of meter reading and delivery of physical receipts (the delivery of digital receipts is authorized), suspends in-person assistance in Customer Service Centers, and authorizes billing using the average consumption.

This decree, published May 28, expanded the group of customers eligible to divide up their electric service bills to include those with a consumption of more than 100 kWh/month and less than 300 kWh/month. In this case, the standard establishes that the division can be applied to bills from May and to those including consumption while the State of Emergency is in force, with compensatory interest being partially subsidized by the State. In addition, it extends the suspension of compensations for non-compliances with the Technical Standard of Quality of Electric Services and the Technical Standard of Quality of Rural Electric Services for up to 60 calendar days af-

ter the end of the State of Emergency.

# Emergency Decree No. 074-2020

This decree, published June 27 within the framework the National State of Emergency, created the "Electricity Bonus," which is a subsidy that covers consumption pending payment in the period from March to December 2020 and that is not involved in a user complaint process with consumption of up to 125 kWh/month (subject to conditions). This bonus will cover debts up to PEN 160, and the resources will be transferred directly to the distribution companies.

# 6. DEFINING PRIORITIES

Our ESG

performance

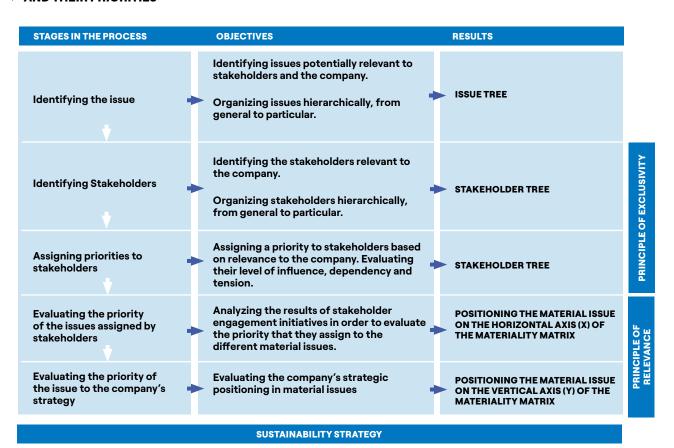
### 102-21 | 102-40 | 102-42 | 102-44

Acording to the context and evolution of the main economic, environmental, social and governance variables, Enel Américas annually defines the material issues for its management, including the expectations of its stakeholders, whom it also reviews, identifies and maps annually. To carry out the process, the Company implements the methodology developed by Enel, which is aligned with the international standard AccountAbility AA 1000 APS (2018), the purpose

of which is to guide the organization in the strategic management of the interaction with its business groups. interest

In accordance with the provisions of this standard and the principles of inclusivity, materiality, responsiveness and impact, Enel has defined a materiality analysis process composed of five main phases, as shown below:

### PROCESS FOR DETERMINING MATERIAL TOPICS AND THEIR PRIORITIES



# **Stakeholders**

Enel Américas places stakeholders at the center of its sustainable business strategy. The materiality analysis is implemented through different stages, considering their expectations. Understanding stakeholders' expectations is a cornerstone of Enel Américas' sustainability approach, which primarily seeks to identify drivers that enable sustainable, competitive, and safe energy models, as well as develop innovative, comprehensive, and cutting-edge

perspectives to anticipate events, manage risks, and seek differentiation. The Company's commitment to sustain continuous dialogue with these stakeholders is fundamental in creating spaces for collaboration, development, and trust.

Good management and ongoing communication with stakeholders contribute to:

- Improving risk and opportunity management.
- Identifying relevant trends and issues at an early stage.





- Enhancing credibility and trust, enabling synergies.
- Facilitating decision-making processes.
- Finding opportunities for improvement and business opportunities.

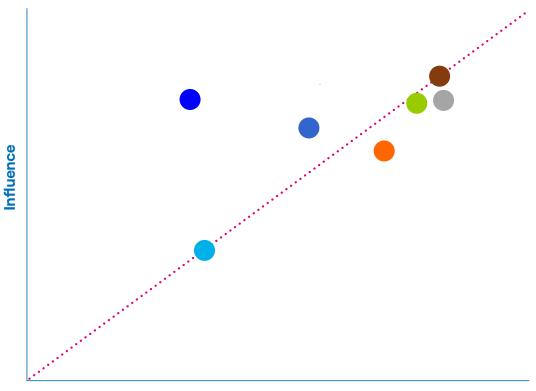
Company managers are responsible for the ongoing management of stakeholders.

In 2020, stakeholders were prioritized according to their significance for the Company. Their priority was determined together with the Company's different business and corporate units and was based on two criteria:

**Dependence:** groups or individuals who directly or indirectly depend on the organization's activities, products, or services and their associated duties.

**Influence:** groups and individuals that may have an impact on the organization or strategic stakeholders for the decision-making process.

# Stakeholders matrix of Enel Américas



# **Dependence**

- Suppliers and Contractors
- Our People
- Customers
- The Media
- Financial Community
- Institutions
- Business Community
- Civil Society and Local Communities

Starting with direct surveys of stakeholders and supplemented with secondary sources, priority topics are identified for each stakeholder. In 2020, Enel Américas identified the following priorities for the Company's stakeholders, which are presented collectively:

Topics	Stakeholders	Business community	Customers	Financial community	Institutions	Civil society and local communities	Media	Our people	Suppliers and contractors
Economic and financial value creation		•	•	•	•	•	•	•	•
Sound governance and fair corporate conduct		•	•	•	•	•	•	•	•
Customer focus		•	•	•	•	•	•	•	•
Ecosystems and platforms		•	•	•	•	•	•	•	•
Innovation and digital transformation		•	•	•	•	•	•	•	•
Energy distribution		•	•	•	•	•	•	•	•
Decarbonization of the energy mix		•	•	•	•	•	•	•	•
Environmental management		•	•	•	•	•	•	•	•
People management, development and motivation		•	•	•	•	•	•	•	•
Occupational health and safety		•	•	•	•	•	•	•	•
Sustainable supply chain		•	•	•	•	•	•	•	•
Engaging local communities		•	•	•	•	•	•	•	•

- Priority values from 4.3 to 4.9
- Priority values from 3.6 to 4.2
- Priority values from 2.8 to 2.5



# **Communication channels**

All Company activities are based on continuous interaction with its stakeholders through distinct communication channels and procedures, which enable a thorough understanding of their needs and expectations. Additionally, the Company's Ethical Channel<sup>10</sup> is available to all stakeholders.

In 2020, the Company used the following communication channels:

Stakeholder	category
-------------	----------

	Financial community	Suppliers and contractors	Civil society and local communities	Employees	Institutions	Companies and trade association	Customers	Media
Agents								
Mobile App								
Complaints channel	•			•		•	•	•
Web channel	•	•					•	
Press releases					•			•
Direct contacts	•	•				•		•
Forums		•	•	•		•	•	
Task force/Teams		•		•		•	•	
Dedicated meetings	•	•	•			•		•
Investor Day	•							
Cognitive Interviews				•				
Intranet		•		•				
Enel stores and commercial offices	•	•	•		•	•	•	•
Newsletter				•				•
Business Magazine				•		•		
Roadshow	•	•						•
Social media							•	•

Communication Channel

# Social media presence

The Company shares corporate, educational, commercial, financial, sustainability, and customer service information on various social media platforms (Twitter, Facebook, LinkedIn, and Instagram) to maintain smooth interaction with its virtual communities, which became more relevant during the pandemic.



@EnelArgentina
@OficialEdesur
@EnelBrasil
@EnelClientesBR
@CondensaEnergia
@EmgesaEnergia
@EnelPerú



@EnelArgentina
@EdesurArgentinaOficial
@EnelBrasil
@EnelClientesBr
@CondensaEnergia
@EmgesaEnergia
@EnelPerú



Enel Américas Enel Argentina Edsur S.A. Enel Brasil Condensa Emgesa Enel Perú



@EnelPerú

@EnelArgentina @edesur.oficial @EnelBrasil @CondensaEnergia @EmgesaEnergia



Edesur Enel Argentina

	Facebook		Link	edIn	YouT	ube	Insta	agram	Oth	ers
	Fans (Millions)	Impressions (Millions)	Followers (Thousands)	Impressions (Millions)	Subscribers (Thousands)	Views on Videos (Millions)	Followers (Thousands)	Interactions (Thousands)	Fan/Followers (Thousands)	Impressions (Millions)
2020	1.6	370.9	387.4	5.3	26.5	24.7	84.9	130.4	340.7	45.5
2019	1.3	142.7	227.5	6.7	11.1	8.2	41.8	105.9	278.0	67.7

# **Materiality matrix**

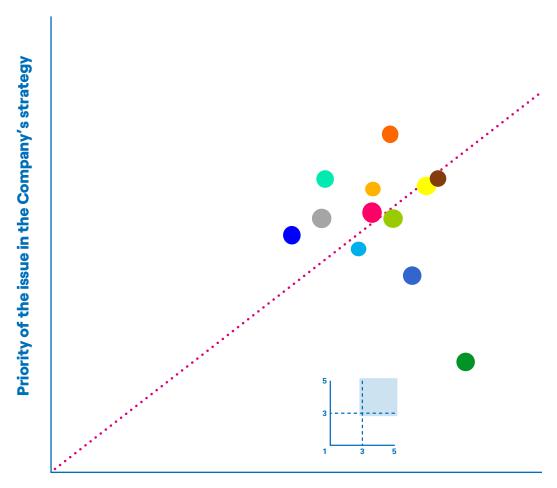
102-44 | 102-46 | 102-47

Enel Américas uses the information it collects to build the materiality matrix, which shows the topics that are a priority for its stakeholders and, at the same time, strategic for the Company. This matrix is presented to the Board of Directors and the Directors' Committee, forming the basis for not only defining the issues to be addressed in the Sustainability

Report, which responds to stakeholder expectations, but for also guiding the entire Company's work focuses. These are reflected in the Enel Américas Sustainability Plan, which is also framed by the challenges of the current context and the SDGs.



# Materiality Matrix Enel Américas



**Priority of the issue for stakeholders** 

- Innovation and digital transformation
- Customer focus
- People management, development and motivation
- Occupational health and safety
- Sound governance and fair corporate conduct
- Energy distribution
- Ecosystems and platforms
- Economic and financial value creation
- Environmental management
- Decarbonization of the energy mix
- Sustainable supply chain
- Engaging local communities

# **Material topics**

The highest priority topics are described below, although each of them and their associated risks are covered in each chapter of the Enel Américas Sustainability Report.



Health and Safety: for Enel Américas and its stakeholders, the occupational health and safety of employees, contractors, and stakeholders in general is a priority for the performance and continuity of service, which became more relevant than ever during the pandemic. For this reason, Enel Américas embraces best practices on governance, strategy, and procedures to detect and prevent situations that could jeopardize the safety and health of internal and external workers.









**Energy distribution**: the quality and reliability of the electrical grid supply are key in a context of greater electrification. Increased investment in digitalization and maintenance is a priority to strengthen the resilience of the grid, which is facing growing challenges from the decentralization of generation.





**Sound governance**: Enel Américas has established rules, models, and control mechanisms that govern the actions of its employees under principles of integrity, both internally and externally. This model of transparent conduct generates trust among stakeholders, an aspect that is reflected in the

Company's economic results as well as in its positioning in the main sustainability indexes. For more information, refer to the Governance section.









**Customer focus**: the Company targets its business strategy towards satisfying the needs of its customers, placing quality relationships with them at the forefront of its strategy. As meeting the needs of customers is paramount, the evolution of technology has led the Company to provide citizens with direct energy management tools, changing the role of the consumer to a more proactive role as a "prosumer."





People management, development, and motivation: the People Centricity strategy places Enel Américas employees at the center. Their development and motivation are key to the sustainable management of the company, especially in the context of the energy transition. For more information, refer to the People section.



# 7. MAIN ESG RISKS OF ENEL AMÉRICAS

102-29 | 102-30

Enel Américas, as part of the Enel Group, has committed to contribute specifically to six of the 17 SDGs: Quality Education (SDG 4), Affordable and Clean Energy (SDG 7), Decent Work and Economic Growth (SDG 8), Industry, Innovation, and Infrastructure (SDG 9), Sustainable Cities and Communities (SDG 11), and Climate Action (SDG 13). This commitment arose from the definition of the sustainable business model and, therefore, the SDGs are incorporated into the company's strategic plan and non-compliance with them poses a risk. The Company contributes to the achievement of the other sustainable development goals. The following diagram displays how the different Sustainable Development Goals have been integrated into the risk taxonomy defined by the Group.

Enel Américas has integrated these risks into its analyses and maintains an active monitoring and predictive measurement system to mitigate them. Furthermore, the Company develops initiatives with local stakeholders, especially in the case of water resource reduction, for actions that generate a collective impact on the mitigation of these risks.

Physical risks associated with climate change: these are related to the onset of extreme weather conditions or gradual but structural changes resulting from them. Extreme events could expose Enel Américas to some degree of prolonged unavailability of assets and infrastructure, restoration costs, inconvenience to customers, etc. Recurrent changes that impact electricity demand and resources needed for generation are, for example, drought and/or temperature increases, among others

The geographic and technological diversity used in Generation and a good predictive measurement of climate phenomena, allow us to mitigate and manage changes associated with climate patterns.

Mitigations actions that Enel Américas' distribution companies are taking around their assets include investments in the distribution network to strengthen its resilience to these climate phenomena. All areas of the Company are subject to ISO 14001 certification and, by applying internationally recognized Environmental Management Systems (EMS), potential sources of risk are monitored so that any critical issue can be promptly identified.

### Risks in the transition towards a low-carbon economy:

may involve risks related to regulatory, political, legal, technological, and market changes with a short, medium, and long-term effect. Enel Américas' competitive advantage in managing these risks is that it belongs to a Group operating in a more developed market that can share good regulatory, technological, and market practices, among others, anticipating trends and adapting its business model to take advantage of opportunities offered by the energy transition, which are described in the Our ESG Performance.

# Regarding the management of social risks, it is important to note:

- Social conflicts with intensity that may jeopardize the continuity of operations. To face these potential impacts, Enel Américas has, in all the territories where it operates, a strategy of continuous dialogue and the presence of personnel dedicated to community and stakeholder engagment, social investment focused on local development, and structured Complaints and Grievance Management systems, which are the tools for mitigating conflicts related to operations.
  - Enel Américas has plans and processes in place to manage situations in the event of contingencies. Aware of the strategic role that electricity represents for the countries, these plans prioritize uninterrupted delivery of electricity to the system, customer electricity supply, and employee safety.
- Risks linked to health and safety, for example, risks caused by accidents with company personnel or contractors. Enel Américas mitigates these risks by promoting a culture based on safety, which includes developing policies and including safety in processes and training, among others.

Related to diversity and employee attraction and retention in the context of the energy transition.

Our ESG

performance

To meet these challenges, Enel Américas has a diversity policy, along with a talent management and promotion policy. The Company carries out different initiatives dedicated to work-life balance and promotes education and personal growth through scholarships and courses.

# Regarding the management of governance risks, it is important to note:

- Risks arising from unlawful conduct, including corruption, lobbying, etc., by company personnel or contractors, or from anti-competitive practices. Enel Américas maintains an Internal Control and Risk Management System based on legal and commercial standards.
- Human rights violations, risks that are detected through due diligence processes, which are conducted annually throughout Enel Américas' value chain and subsidiaries and across all operations. Action plans are developed from the due diligence process to address identified areas of vulnerability or impacts.

# Additionally, the risk matrix includes emerging transversal risks related to:

Personal data protection: in the era of digitalization and market globalization, Enel Américas' business strategy has focused on accelerating the transformation process towards a business model based on digital platforms, through a data-driven and customer-centric approach, which is being implemented throughout the entire value chain. Enel Américas boasts a sizeable customer base that has been increasing in the various countries where it is present, reaching more than 25.6 million and with more than 16.7 thousand people directly employed by the Company. Consequently, Enel Américas' new business model requires managing a much larger volume of personal data than in the past. This means greater exposure to risks associated with processing

- personal data and increasingly stringent privacy legislation worldwide. Some of the ways in which these risks can occur include a breach of confidentiality; loss of complete, accurate, current, and available personal data of customers, employees, and third parties (such as suppliers and contractors); and problems in the systems' resilience, all of which could result in sanctions, interruptions in operations or processes, economic or financial losses, as well as reputational damage. To manage and mitigate this risk, Enel Américas has adopted a personal data governance model (Data Protection Compliance Program) that assigns roles at all levels of the companies in the Enel Group (including the appointment of a Data Protection Officer ("DPO"), the adoption of digital tools for data mapping, an adequate risk impact assessment and technical and organizational security measures, among others).
- Digitalization, IT efficiency, and service continuity: Enel Américas is carrying out a digital transformation for how it manages its entire value chain, developing new business models and digitalizing processes, integrating systems, and adopting new technologies. A consequence of this digital transformation is that Enel Group, in the various territories in which it operates, is increasingly exposed to risks related to the functioning of the information technology (IT) systems implemented throughout the company, with impacts on operational processes and activities that could lead to service disruptions or data leaks and data loss. To mitigate these risks, the Global Digital Solutions (GDS) unit, which is responsible for leading the Group's digital transformation, has set up an internal control system that introduces control points throughout the value chain. The GDS internal control system oversees activities performed internally and those entrusted to external associates and suppliers. In this way, Enel Américas is promoting the dissemination of a digital culture to successfully achieve the digital transformation and minimize the associated risks.



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For more information, review the Governance section of this Report and the <u>2020 Annual Report</u>.

As shown in the following section, Enel Américas is committed to six Sustainable Development Goals (SDGs) through its business strategy. The following it illustrates the connection between the six macro categories of the risk taxonomy, the integration of ESG matters, and the SDGs.

MACROCATEGORIE	S	SUBCATEGORIES			SDG		
COMPLIANCE	1	COMPLIANCE WITH OTHER LAWS & REGULATIONS  DATA PROTECTION & CONSUMER RIGHTS  EXTERNAL DISCLOSURE			8 DECENT WORK AND 9 NOUSTRY, INDIVIDUAL TO 11 SUSTAINABLE CITIES 13 CLIMATE AND COMMUNITIES 13 ACTION		
DIGITAL TECHNOLOGY	2	CYBERSECURITY			3 ROUSTRY, NEOVATION AND INFRASTRUCTURE		
GOVERNANCE & CULTURE	3	CORPORATE CULTURE & ETHICS REPUTATION COMMITMENT TO STAKEHOLDERS			7 ATORDABLE AND 8 DECRIT WORK AND 9 MOUSTRY, DROVATION 11 SUSTAINABLE CITIES 13 ACTION  13 ACTION  15 ACTION  16 ACTION  17 ATORDABLE AND 8 DECRIT WORK AND 9 MOUSTRY, DROVATION 11 SUSTAINABLE CITIES 13 ACTION  18 ECONOMIC GROWTH 9 MOUSTRY, DROVATION 11 SUSTAINABLE CITIES 13 ACTION		
OPERATIONAL	4	ASSET PROTECTION	ENVIRONMENT	PROCESS EFFICIENCY	4 QUALITY 7 AFFORDABLE AND CLAM EMERGY 8 DESIGN WORK AND ECONOMIC GROWTH		
		BUSINESS INTERRUPTION	HEALTH AND SAFETY	PROCESS EFFICIENCY	9 POUSITY, NEWATION 11 SUSTAINABLE CITIES 13 CLIMATE AND ORNAUSTRICES 13 ACTION		
		CUSTOMER NEEDS AND SATISFACTION	PEOPLE AND ORGANIZATION	QUALITY OF SERVICE MANAGEMENT			
STRATEGIC	5	CLIMATE CHANGES  LEGISLATIVE & REGULATORY DEVELOPMENT			7 AFFORDABLE AND 9 INDUSTRY, INDIVIDUAL 11 SUSTAINABLE CITIES 13 CLIMATE AND INPASTRICTURE 11 AND COMMUNITIES 13 ACTION		
			NG & CAPITAL ALLOCA				

# 8. COMMITMENT TO THE SUSTAINABLE DEVELOPMENT GOALS

Sustainability is at the core of the Company's business model.

In 2015, the United Nations adopted the Global Agenda on Sustainable Development and associated Sustainable Development Goals (SDGs) with the aim of meeting them by 2030. As such, the 17 SDGs have become a compass for Enel Américas' work and have strengthened its commitment to an increasingly sustainable business model.

Enel Américas has committed to contribute specifically to six of the 17 SDGs, without precluding the Company's contribution to achieving all the objectives. Moreover, commitment to the SDGs resulted from the definition of the sustainable business model. Therefore, its strategic sustainable business plan is framed within the energy transition, incorporating the SDG targets into the investments of the business lines.

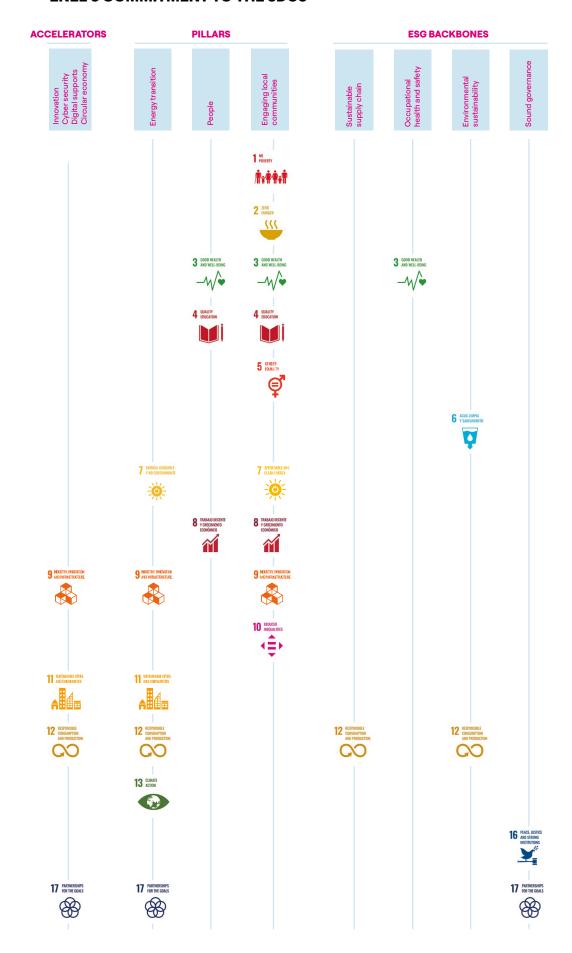
# **Prioritized SDGs**

- Quality Education (SDG 4).
- Affordable and clean energy (SDG 7).
- Decent work and economic growth (SDG 8).
- Industry, innovation, and infrastructure (SDG 9).
- Sustainable cities and communities (SDG 11).
- Climate action (SDG 13).





# **ENEL'S COMMITMENT TO THE SDGS**

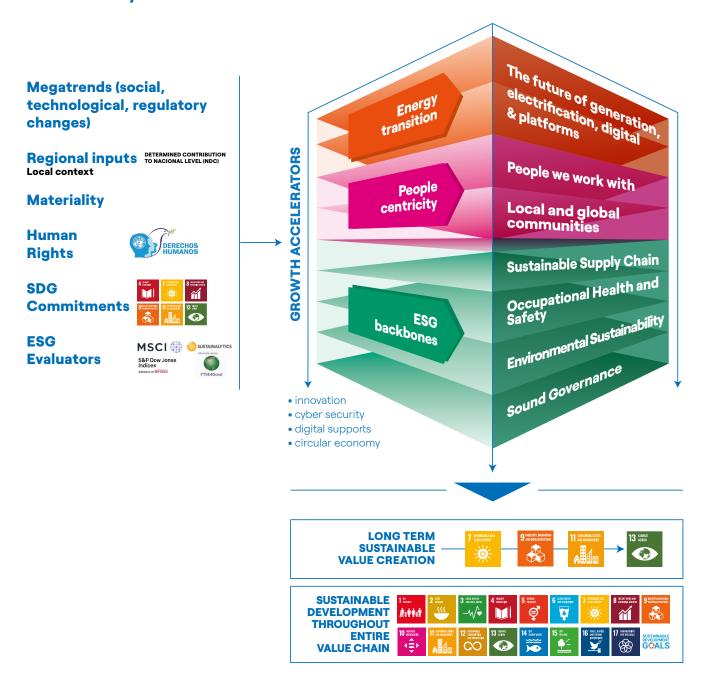


Our ESG

performance

# 9. SUSTAINABILITY STRATEGY AND **TARGETS**

# Sustainability Plan 2021-2023





Following the analysis of the context and mega trends used to identify the important ESG matters in the value chain, the material topics were identified. This process considered stakeholder expectations and the Company's strategic aspects to define the path forward in each business line and staff area, forming the Company's sustainability plan. Sustainability, which is embodied in the company's strategic plan, considers the energy transition to be a pillar of Enel Américas' business strategy, anchored in the investment plan.

Along with energy transition pillar, the sustainability strategy includes a pillar dedicated to people, namely employees and communities.

At the base of the plan, there are four cornerstones that support all the development of the pillars: governance, environmental sustainability, occupational health and safety, and sustainable supply chain.

The plan also identifies the investment for its realization, also considering growth accelerators, such as innovation, digitization and circular economy, which are the basis and accelerate the achievement of the other goals.

Finally, Enel Américas' sustainability plan also considers external essential factors that influence the Company's business and its long-term sustainability. These factors are represented in the energy and social strategies, the NDCs within the environmental strategy, the guiding principles of business and human rights, the Sustainable Development

Goals, stakeholder materiality, and the feedback that the Company receives from the market through ESG analysts.

To achieve the plan's objectives and commitments, a series of actions are designed throughout the value chain.

The following pages of this report present the results obtained in 2020, corresponding to the implementation of the 2020–2022 plan, which is geared at long-term sustainable value creation, in four sections:

- Energy Transition, through the actions taken in relation to zero-carbon ambition, electrification, digitalization, and platforms.
- People centricity, which will address social issues related to employee management and working with the community, who are key partners in advancing a just energy transition.
- Growth accelerators, which are related to the innovation model that spans the entire business strategy, as well as a circular economy approach, supported by a digital and cybersecurity foundation that makes it feasible to carry out the strategy.
- Finally, the four backbones underpinning the strategy are described: a sustainable supply chain, occupational health and safety, environmental management, and the sound governance model.

Throughout this Report, each chapter will begin with a graph that presents the material topic to be addressed and the priority with which it has in the Materiality Matrix, to which area of the Sustainability Plan the issue corresponds, the Objectives of Sustainable Development to which the management of these matters aims, as well as the principles of the Rights Policy Company humans that are addressed through this management.

Similarly, by means of a table, the Objectives outlined according to the Sustainability Plan 2020-2022 are presented, the results achieved in the reported year and the objectives redefined or added in relation to the new horizon of the Plan 2021-2023.

# 10. VALUE CREATION

201-1

The ultimate goal of the sustainability plan is to create value for all the Company's stakeholders over the long term. The following table shows the value created by Enel Américas regarding the consolidated results of its business areas for suppliers, employees, capital providers (investors, shareholders, and financiers) and the government.

		2020		2019	
		US\$ Million	%	US\$ Million	%
	Revenue	12,656	100%	15,040	100%
Economic value generated (EVG)	Operational	12,193	96%	14,314	95%
	Non-operational	463	4%	726	5%
	Operating costs	9,722	77%	10,917	73%
	Employee wages and benefits	418	3%	628	4%
Economic value distributed (EVD)	Payments to providers of capital	1,826	14%	1,812	12%
	Financial expenses	768	6%	1,088	7%
	Dividend payments	1,058	8%	724	5%
	Government payments	567	4%	236	2%
Economic Value Retained (EVR)	EVR = EVG - EVD	123	1%	1,447	1%

Operating revenue in 2020 fell by 14.8% to US\$12,193 million as compared to the previous year. The main reason for this drop is the conversion of figures partially offset by higher revenues from rate adjustments, mainly in Brazil, coupled with a contraction in energy demand due to Covid-19.

Operating costs in 2020 fell by 10.9% to US\$9,722 million as compared to the previous year. The main decrease is due to the conversion effect, partially offset by higher rates paid for goods and services hired by the Company to carry out its activities, mainly in Brazil.

Payments to the government include payments made in each of the countries where the Company operates, none of which is a tax haven. Enel América's tax payments contribute to the development of local economies. For further details on the Company's tax contributions, visit https://www. enelamericas.com/es/conocenos/a201910-transparenciafiscal-y-reporte.html.

Finally, the retained economic value amounted to US\$123 million in 2020, a US\$1,324 million reduction explained by the previously stated operational reasons and an increased dividend payment to shareholders totaling US\$334 million as a result of improved profits from the previous fiscal year.

For more information, refer to the 2020 Annual Report.



BACK TO CONTENT

# Long-term economic value creation

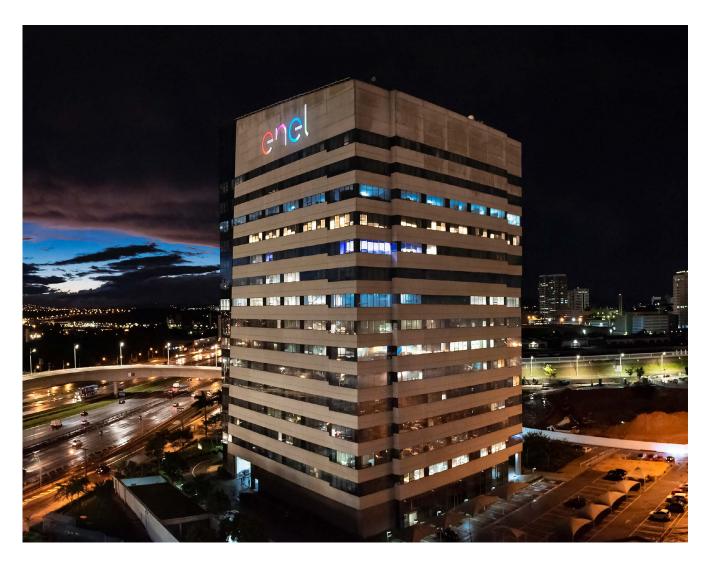
The value created by the sustainable business strategy can be seen in the economic indicators Enel Américas uses to evaluate its performance.

	2020	2019	2018
EBIDTA of low-carbon products and services (MMUS\$)	2,836	3,510	2,954
CAPEX of low-carbon products and services (MMUS\$)	1,318	1,486	1,542
Ratio CAPEX of low-carbon products and services to total (%)	93%	90%	89%

Performance in the different areas encompassing sustainability, which are an integral part of Enel Américas' business model, is seen in its presence in various globally renowned indices, which include environmental, social, and governance (ESG) variables. This allows traceability of the Company's work and represents an opportunity to compare its management, providing credibility and transparency to investors, consumers, and stakeholders.

There is a clear link between sustainability and value creation. By investing in environmentally and socially sustainable projects, companies can maximize profits and minimize risks while simultaneously contributing to the achievement of the Sustainable Development Goals (SDGs) promoted by the United Nations.

In this way, sustainability indices and rankings are instruments to measure the performance of any given company in the ESG areas. Therefore, the ratings and analyses performed by organizations specialized in these matters are deemed to be a strategic tool to support investors and identify risks and opportunities linked to sustainability in their investment portfolio, aiding the development of sustainable investment strategies.



Our ESG

performance

# Main ESG indices and rankings in which Enel Américas participates

S&P Dow Jones Index (DJSI)	Enel Américas was included in all three categories in which it participates: Emerging Markets, Integrated Market of the Pacific Alliance (MILA), and Chile. The Company obtained 83 points, which places it among the best companies worldwide, achieving scores higher than 90/100 in more than 60% of the criteria.
Sustainability Yearbook 2021	In 2021, the Company was confirmed in The Sustainability Yearbook 2021 for the third consecutive year and was again distinguished within the Bronze Class for its excellent performance, ranking between 5% and 10% of its industry's most sustainable companies worldwide.
FTSE4Good	For the fourth consecutive year, Enel Américas was included in this ranking in the Emerging Markets and Latin America categories, with a score of 3.8 points (Evaluation from 1 to 5 and 2.9 is the minimum score to be included). This index series (FTSE4Good) is designed to measure the performance of companies demonstrating strong environmental, social, and governance (ESG) practices.
Vigeo-Eiris	For the fourth consecutive year, Enel Américas was included in the "Best Emerging Markets Performers" ranking in the Vigeo-Eiris utilities sector, which includes the best-performing companies in emerging markets with "best-in-class" approach. The Company scored 53 points.
MSCI ESG Indexes	Enel Américas has received the AA rating since 2019, forming part of the various sustainability stock market indices offered by this entity.
<u>Sustainalytics</u>	Enel Américas was evaluated with a score of 27.4 points, ranking within the 18% of companies with the lowest risk in the global electrical industry.
Corporate Knights	Enel Américas was included in the 2021 Carbon Clean 200 <sup>TM</sup> Ranking that includes the 200 largest companies in the world ranked by revenue from clean sources. Enel Américas is ranked first in its generation, transmission, and distribution industry.





# 11. 2020 AWARDS

Enel Américas' good management in 2020 earned the Company recognition from various organizations, the following are among the most noteworthy:

# **Argentina**



### **Eikon Awards**

This 2020, the Company was presented with two Eikon awards by Imagen magazine. The awards were given for proper communication during the blackout in June 2019, with the project "Voceros de la Oscuridad. El dia que se apago la Argentina" and for communication while managing Covid-19 in the first semester with the project "Vamos Por Más.".<sup>22</sup>



### **Fundacom Awards**

This award recognizes excellence and best practices in public relations and organizational communication in all its aspects, rewarding the best communication projects produced and distributed in Spanish and/or Portuguese around the world. The Company was a finalist in the "External Campaign - Services" and "Social Media Campaign" categories."<sup>23</sup>.



# WEPs Argentina Award "Companies by Women"

Aims to encourage, value, and recognize the efforts of companies that promote gender equality in workplace culture and women's empowerment in Argentina, guided by the Women's Empowerment Principles (WEPs).

Enel Argentina was among the 31 finalists this year.



# **Ecumenical Social Forum Award for Best Sustainability Report**

Awarded for the preparation of the 2019 Enel Argentina Sustainability Report. More information can be found at <a href="https://foroecumenico.com/premios/96-premio-al-mejor-reporte-de-rse-de-la-argentina">https://foroecumenico.com/premios/96-premio-al-mejor-reporte-de-rse-de-la-argentina</a>.

<sup>22</sup> Eikon Awards web site: <a href="https://premioseikon.com/?s=edesur">https://premioseikon.com/?s=edesur</a>

<sup>23</sup> Fundacom web site: https://fundacom.lat/

# **Brazil**

# Sustainability and compliance

### **Pro-Ethics Company**

The Office of the Comptroller General of the Federal Government (CGU) awarded Enel Brasil with the Pro-Ethics Company recognition. The initiative evaluates companies on corruption and crime prevention within the scope of their business activities over the last two years.

### **2020 Gallery of Notables**

Nicola Cotugno, Country Manager, was selected for the 5th Gallery of Notables in the Sustainability category, presented by Money Report magazine.

### XV Abrafac Award 2020

The Company was recognized with an award from the Brazilian Facilities Association (Abrafac) in three categories: Services, Social Responsibility and Sustainability, and Technologies.

# **Época Negocios 360 Yearbook**

In 2020, the Company was recognized in the Época Negocios 360° Yearbook, one of the most important awards in the country, which ranks the 300 best Brazilian companies. In the Sustainability dimension, the Company ranked 15th among the companies listed from all innovation sectors.

# **Innovation Value Award**

The Company was among the top five most innovative companies in the country's electricity sector during 2020. The award, granted by the newspaper Valor Económico, seeks to encourage and recognize successful efforts in innovation and innovation management practices at a national level.

# Innovates 2030 - Young SDG innovators

Enel Brasil was selected to participate in Inova 2030, a Global Compact accelerator program aimed at young professionals who want to solve a business challenge and contribute to the achievement of the Sustainable Development Goals

(SDGs). The selected project, set to be developed in 2021, includes a smart monitoring system with conscious consumption and circular economy solutions to support customers with difficulties in measuring energy costs.

# People management

### **Top Employer Certification**

The Company was certified as a Top Employer by the Top Employers Institute for the third consecutive year. The international certification assesses Human Resource management practices and employee conditions within organizations.

# **Operation and performance**

### **Brazilian Asset Management Award**

Once again, the Company was featured in 3 categories at the Asset Management Meeting for Companies in the Electricity Sector (Egaese): Life Cycle Activities, Strategic Management, and Regulatory Impacts.

# **Abradee Award - Special Edition 2020**

Due to new challenges in the electricity sector posed by the pandemic, the Brazilian Association of Electricity Distributors (Abradee) held a special edition of the Abradee Award with representatives from all distributors, honoring field teams and front-line employees who worked to safely deliver quality power to customers.

### **Aberje Award - Southeast Region**

Enel Distribución São Paulo won the regional Aberje Award in the Events category with the case "Urban Futurability: The challenge of bringing the future to the present." The award aims to promote and publicize efforts and initiatives in business communication around the country.

### **SA Customer Award**

The SA Customer Award aims to recognize best practices in customer relations in Brazil. Enel Distribuição São Paulo took 2nd place in the "Leader in Strategy for Citizenship" category for the distribution company's case "Transparency and autonomy in the palm of your hand."





# Colombia

# Recognition of Good Practices for Sustainable Development (Global Compact Network Colombia)

Emgesa and Codensa were recognized for their good practices and commitment to the Sustainable Development Goals through their projects "Cacao Effect" (SDG 8) and "100% Cundinamarca" (SDG 7).

# Women Economic Forum Latin America (WEF) organized by the SHE IS Foundation

Codensa and Emgesa were recognized among 18 "Iconic companies creating a better world for all."

### **Friendly Biz**

Codensa and Emgesa received the Friendly Biz seal from the Colombian LGBT Chamber of Commerce, becoming the first companies in the Colombian energy sector with LGBT-friendly business.

### **Biosecure Operations**

The Colombian Institute of Technical Standards and Certification (Icontec) awarded Enel Colombia with three Biosecure Operations seals. These recognize the proper management of the pandemic, transportation for work crews, and the Communication Plan to educate and keep workers and employees informed.

# Recognition from the National Business Association of Colombia (Andi) and Dinero magazine.

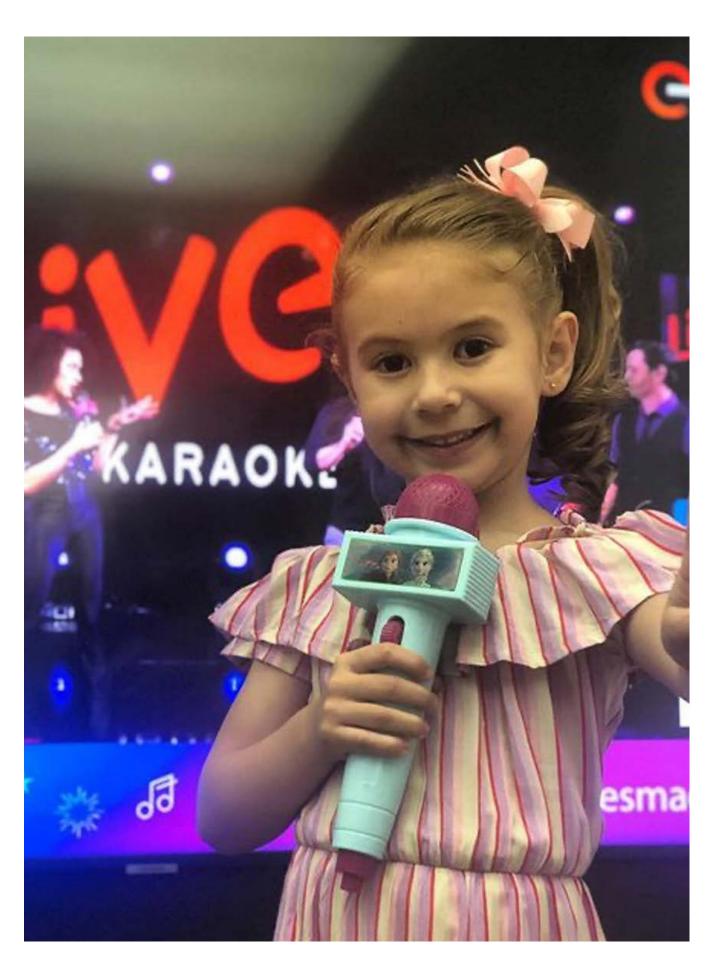
Enel Codensa and Emgesa were ranked in the Top 30 most innovative companies in Colombia and Top 1 in employment generation for their good labor practices.

Colombian Sustainability Award for Good Labor Practices: award given by the Colombian Federation of Human Management and the International Center for Social Responsibility & Sustainability recognized Codensa for its good labor practices during the COVID-19 pandemic.

# Significant Experiences in Environmental and Social Management of the Mining and Energy Sector Award

This year, the Ministry of Energy and Mining recognized Enel Colombia for its environmental and social management in line with SDG 8

Private Social Investment Index 2020 (PSII): Enel Colombia was ranked among the 25 companies with the best index



# Peru



Enel Generación Perú and Enel Distribución Perú received 1st and 3rd place, respectively, as Leading **Companies in Sustainability**, placing them among the TOP3 participating companies in 2020. These recognitions are given to companies that truly stand out for their leadership in public disclosure of information on sustainability.



The Global Reporting Initiative is an organization that enables organizations to be transparent and accountable for their impacts through sustainability reporting standards. Enel was awarded for the third consecutive year for involving 17 of its suppliers and training them in the publication of their Sustainability Reports.



This recognition seeks to spotlight exemplary projects that align with one or more of the 17 Sustainable Development Goals.

Enel Peru won 1st place in the **Planet** category, aimed at projects taking urgent actions to address climate change and whose main objective is to contribute to the conservation and sustainable management of natural resources. The winning project was "Articulating the private efforts of companies that perceive value in the energy supply generated from renewable resources."



Enel Distribución Perú and Enel Generación Perú received the **Socially Responsible Company Distinction** (DESR® 2019) developed by Perú 2021 and CEMEFI, recognized for their ability to align their industrial strategy with the Sustainable Development Goals (SDGs). In this new edition of DESR® 2019, the framework evolved to promote sustainability as the main cornerstone of business, transcending Corporate Social Responsibility.



In 2020, we renewed our commitment to the pursuit of a more equitable and violence–free society. For this reason, the Ministry of Women and Vulnerable Populations renewed our status with the "Safe Company Free of Violence against Women Seal." Enel Generación Perú and Enel Distribución Perú received the highest category of this recognition, each receiving the Gold Seal.

# 2 Our ESG performance

- We have stepped up our efforts to tackle climate change and decarbonization
- We pay close attention to the people who work for the company and strive to advance the economic and social growth of the local communities where we operate
- Innovation, Circular Economy, Digitalization, and Cybersecurity are our growth accelerators
- Our sustainable business model is based on: a sustainable supply chain, occupational health and safety, environmental sustainability, and sound governance



# context

# 1. COMMITMENT TO THE FIGHT AGAINST CLIMATE CHANGE

### 201-2

According to the World Meteorological Organization, the average global temperature in 2020 was 1.2°C above preindustrial levels, making it was one of the three warmest years on record. The last decade was the warmest in history, clearly confirming global warming. Meanwhile, the United Nations Environment Programme concluded in its Emissions Gap Report 2020 that despite a dip in greenhouse gas (GHG) emissions from the Covid-19 economic slowdown (a reduction of about 7% is expected for 2020 compared to 2019), the world is still heading for a catastrophic temperature rise above 3°C this century—far beyond the goals of the Paris Agreement. A sustainable and resilient economic recovery from the pandemic, as envisioned around the world, could cut projected greenhouse gas emissions by around 25% and bring the planet close to the 2°C pathway, consistent with the global target. As a result, this decade will be key to reversing the trend and ensuring that the commitments established in the Paris Agreement are met.

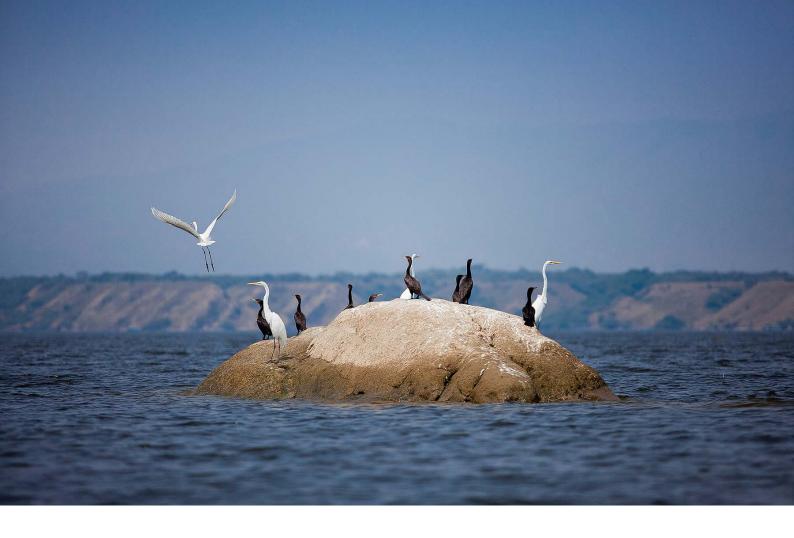
Given this context, it is essential to promote collaboration between governments, companies, financial institutions, and civil society, raising awareness on topics related to climate change. Companies play a key role—they are responsible for the majority of global emissions, but they also have a unique ability to develop innovative solutions to contribute towards reducing emissions on a large scale. The electricity sector can work towards reducing emissions in energy production and simultaneously promote the electrification of energy demand to support the decarbonization of other industries and services

As a signatory of the "Business Ambition for 1.5°C" campaign promoted by the United Nations and other institutions, the Enel Group is committed to establishing a long-term goal to achieve net-zero emissions throughout the value chain by 2050, in line with the criteria and recommendations by the Science Based Targets initiative (SBTi). As a result, Enel announced a new target in October 2020 for an 80% reduction in its direct greenhouse gas emissions per kWheq by 2030, compared to a 2017 base year. The updated commitment entails reducing the Group's direct 2030 emissions to 82 gCO2eq/kWh from 125 gCO2eq/kWh, which corresponds to the previous 70% target announced in September 2019.

Fully aware of this challenge, Enel Américas has developed a business model in line with the goals of the Paris Agreement to keep the average increase in global temperature below 2°C compared with pre-industrial levels and to further limit this increase to 1.5°C, in line with the Enel Group's strategy and commitments.

To guarantee more transparent communication and relationships with stakeholders, Enel Américas reports on its operational activities in line with international standards such as GRI (Global Reporting Initiative) and follows the guidelines of the Enel Group, which reports SASB indicators as well as the impact of climate risks according to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).





# Stakeholder involvement in the fight against climate change

Enel Américas encourages the participation of its main stakeholders to increase their awareness and develop a constructive dialogue that contributes towards creating solutions that mitigate the impact of climate change and create value for both parties. The most important actions carried out in 2020 include:

Materiality analysis: climate change, in terms
of priority for stakeholders and Company
performance, has been one of the topics covered
with all stakeholders and it is strongly considered in
sustainability planning and strategy development.

- Local communities: maintaining continuous relationships with the communities surrounding the operations offers a detailed view of the impacts of climate change on urban and rural society. For this reason, social investment is mainly dedicated to initiatives that invite communities to be part of the energy transition by implementing renewable energy models and solutions based on nature or circular economy.
- Suppliers: workshops were held to communicate
  the Company's strategy and commitment to the
  fight against climate change, demonstrated by
  incorporating sustainability factors into tender
  processes to recognize suppliers that take action to
  minimize social and environmental impacts.
- Employees: activities to raise awareness on climate change seek to promote the development of a culture of innovation and entrepreneurship to solve energy challenges. Events were mostly held on virtual platforms, covering topics such as electrification, decarbonization, digitalization, and urbanization.

• Financial community: corporate presentations communicate the Company's actions and concrete advances that contribute to building low-carbon economies and more sustainable cities.

Our ESG

• Social networks: Enel Américas reinforces its commitment to digital society by using subsidiary social networks to promote responsible energy consumption and raise public awareness on topics related to climate change, including decarbonization, the development of renewable energies, electrification, and electric mobility.

# **Enel Américas' impact on climate change in 2020**

	CO <sub>2</sub> FREE PRODUCTION	ELECTRICAL NETWORK DIGITALIZATION	ELECTRIFICATION OF THE ENERGY DEMAND AND PROMOTION OF ENERGY EFFICIENCY
POSITIVE IMPACTS	15,48  tCO <sub>2</sub> eq  Avoided CO2 emissions from energy production  Contribution towards the reduction of CO <sub>2</sub> emissions in other sectors through a zero emissions energy mix.	thousand 94.6 end users with active smart meters  By providing data in quasi-real time, smart meters permit an efficient management of the energy supply and demand, promoting informed and sustainable consumption.  Service interruptions per client 5 (SAIFI)  A reliable and resilient network contributes to the reduction of CO <sub>2</sub> emissions associated with network losses.	charging points 1,766 for electric mobility.  Contribution to the reduction of CO <sub>2</sub> emissions in other sectors through the electrification of consumption, including transport by promoting electric mobility. Energy efficiency solutions to reduce consumption (residential, city and industry).

VALUE CHAIN







	THERMAL PRODUCTION	ELECTRICITY NETWORK LOSSES	SALE OF RETAIL ELECTRICITY AND GAS
NEGATIVE IMPACTS	Direct CO <sub>2</sub> emissions from electricity production (Scope 1).  0.06284  tCO <sub>2</sub> Indirect emissions derived from the extraction and transport of fuel, raw materials and waste.	0.548  t eq de CO <sub>2</sub> avoided  Indirect emissions associated with losses in the electricity grid (Scope 2).	Emissions associated with the use of electricity sold on the retail market (Scope 3).

## Governance model to tackle climate change

Enel Américas organizational and corporate governance model defines specific tasks and responsibilities for the Company's main governance bodies, ensuring that risks and opportunities related to climate change are suitably taken into consideration during all important company decision-making processes.

#### Corporate governance

#### **Board of Directors**

- Is responsible for examining and approving the company's strategy, including the annual budget and business plan, which incorporate the Company's main objectives and actions in terms of the energy transition and sustainability in general. In this way, it steers investments towards low-emission economies and tackling climate change, promoting a sustainable business model that generates value in the long term.
- Plays a guiding role and assesses the adequacy of the internal control and risk management system (referred to as "ICRMS"), defining the type and level of risk compatible with the strategic objectives of the company and the Group, including risks related to climate change.
- The Board of Directors is supported in climate change management by the Directors' Committee when required.

#### **Directors' Committee**

- Advises the Board in evaluating and making decisions concerning sustainability, the performance of the sustainability plan, which includes any issues related to climate change, biodiversity, and circular economy, and the dynamics of the Company's interactions with stakeholders.
- Examines and analyzes the climate objectives defined in the sustainability plan and the structure of the content reported in the Sustainability Report, issuing a special prior opinion to the Board of Directors.

#### **General Manager**

 In fulfilling all responsibilities for managing the Company, the General Manager has defined a sustainable business model by identifying a strategy for guiding the energy transition towards a low-carbon model. Furthermore, always within the scope of the assigned powers, the

- General Manager manages the business activities connected to Enel's commitment to the fight against climate change.
- Reports to the Board of Directors on the activities carried out when exercising the proxies, including business activities aligned with the Company's commitment to tackle climate change.
- He is also in charge of the ICRMS regarding the management of company risks, including those related to climate change.

#### **Organizational Model**

Enel Américas has a management team that assigns responsibilities related to specific functions that contribute towards guiding Enel's leadership in the energy transition. Each area is responsible for managing the risks and opportunities related to climate change in its area of expertise:

- Responsible for consolidating the scenario analysis and managing the strategic and financial planning process aimed at promoting a sustainable business model by placing the fight against climate change at the center of its strategy.
- Each business line is responsible for developing activities tied to promoting renewable energy generation by optimizing heat capacity and developing the digitalization of the electricity grid and business solutions that enable a low-carbon energy transition.
- The global service functions are responsible for adopting sustainable criteria in supply chain management and developing digital solutions to promote the development of technologies enabling the energy transition and better addressing climate change.
- Promote decarbonization and guide the energy transition towards a low-carbon business model within its areas of responsibility.

## Incentives system concerning climate change

The Company's remuneration policy includes several mechanisms for progressing towards energy transition, in particular:

 A variable short-term remuneration (MBO) that can include objectives relative to the specific company functions of each manager. For example, they can include objectives related to the development of renewable energies for managers within the generation business line or objectives related to energy transition solutions for those within Enel X.

Our ESG performance Appendix

A long-term variable remuneration for some managers includes a quantitative climate objective.

#### Climate change scenarios

Enel Américas develops short, medium, and long-term energy and financial macroeconomic scenarios to support its strategic and industrial planning, investment evaluation, and extraordinary corporate transactions. The role of climate change in these scenarios is increasingly important since it produces effects that can be analyzed in terms of:

- Acute events (heat waves, flooding, hurricanes, etc.) and their potential impact on industrial assets.
- Chronic events related to structural changes in the climate, such as trends in rising temperatures and sea levels, etc., which can cause, for example, changes in the output of plants and in electricity consumption profiles in residential and commercial sectors.
- Transition Factors of various industrial and business sectors towards a green economy characterized by a decreasing level of greenhouse gas emissions.

Factors connected to future trends in climate variables (in terms of acute and chronic events) define the "physical scenario." while factors associated with the transition towards low-carbon economies define the "transition scenario." The scenarios are created with a systemic perspective to ensure consistency between climate projections and transition assumptions, which evaluate identified events in the short, medium, and long term.

The adoption of these scenarios and their integration into the Company's value chain takes the TCFD guidelines into account, which are used in the assessment of risks and opportunities related to climate change.

As a methodology to analyze scenarios, the Company uses a platform approach, equipping itself with tools that guarantee solid and accessible information. The process that translates the scenarios into information for strategic business decisions can be summarized in five steps:

- 1. Identification of events relevant for the business (for example, impact on electricity demand due to extreme weather events such as heat waves, heavy rains, or snowstorms)
- 2. Development of links between climate change scenarios and operational variables.
- 3. Identification of trends in climate events based on scenario data (for example, intensity and frequency).
- 4. Impact calculation (for example, variation in margins, damage to infrastructure, or budget planning).
- 5. Strategic actions: definition and implementation (for example, resilience plans or capital allocation).

#### The physical climate scenario

The Intergovernmental Panel on Climate Change (IPCC) has developed three scenarios on a global scale, characterized by a specific emissions level called a representative concentration pathway or RCP.

- Representative Concentration Pathway 2.6 (RCP2.6): compatible with a global warming scenario of +1.5°C above pre-industrial levels (1850-1900) by 2100 (IPCC projects ~+1.6°C on average compared to the 1850-1900 period, with a 78% probability of remaining below +2°C)43.
- Representative Concentration Pathway 4.5 (RCP4.5) compatible with an intermediate scenario, which expects an average temperature increase of approximately 2.4°C by 2100 compared to the 1850-1900 period. Enel identified the RCP 4.5 scenario as the most appropriate to represent the current global climate and policy context and related transition scenarios. This scenario projects global warming consistent with worldwide temperature growth estimates that factor in current and announced global policies 44.
- Representative Concentration Pathway 8.5 (RCP 8.5): compatible with a scenario where no particular actions are taken to combat climate change, which was identified as the "business as usual scenario" in 2019. In this scenario, a global temperature increase of about +4.3°C above pre-industrial levels is estimated for 2100

<sup>44</sup> Reference: Climate Action Tracker thermometer, global warming estimates for 2100 considering the current "Pledges & Target" (updated December 2020).





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<sup>43</sup> Reference: IPCC Fifth Assessment Report, Working Group 1, "Long-Term Climate Change: Projections, Commitments, and Irreversibility."

(certainly above 3°C and with a 62% probability > +4°C according to IPCC estimates).

The Enel Group considers the RCP 8.5 scenario to be a worst-case scenario and uses it to assess the effects of physical phenomena in a context of extreme climate change, but the Group considers it unlikely. The RCP 2.6 scenario is used both for the assessment of physical phenomena and for assessing an energy transition consistent with the most ambitious mitigation targets.

In the RCP 8.5 climate projections, the Mediterranean and Central/South America will suffer an impact in terms of increased temperatures and a decline in precipitation. These effects are likely to become more pronounced in the second half of the century, with a trend increasing up to 2100. In the RCP 2.6 scenario, the effects will be similar but less intense, with the trend slowing in the second half of the century, thereby producing a substantial differential between the two scenarios in 2100.

The climate scenarios are global, therefore, in order to determine their effects in the areas of relevance for the Group, an initiative has been started with the Earth Sciences Department of the International Centre for Theoretical Physics (ICTP) in Trieste. As part of this collaboration, the ICTP provides projections for the main climate variables with a grid resolution ranging from ~ 12 km2 to ~ 100 km2 and a forecast horizon of 2030–2050. The main variables considered are temperature, rainfall, snowfall, and solar radiation.

The analyses performed in physical scenarios considered chronic and other acute phenomena. Some of these phenomena require an additional level of complexity, as they depend not only on climatic trends but also on the specific characteristics of the territory and require additional modeling for their high-resolution representation. For this reason, in addition to the climate scenarios provided by the ICTP, the Group also uses natural hazard maps.

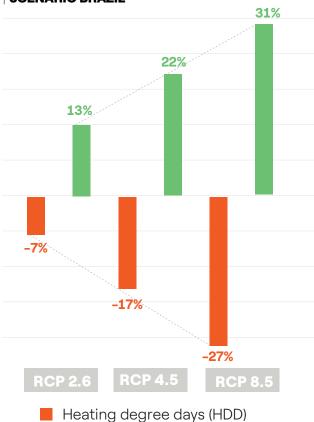
#### **Brazil**

Acute events: given the size of Brazil, significantly different trends may be shown in different areas, so the analyses will focus on areas of interest to the Enel Group. For example, initial studies conducted in the state of São Paulo show an increase in heat waves. In Brazil, climate projections estimate a more pronounced reduction in average precipitation in the north, with extreme phenomena that will be analyzed on a local scale. Based on the initial analyses, the number of days with an extreme fire risk is likely to increase over the historical average both in the RCP 8.5 scenario and compared with the RCP 2.6 scenario, with greater severity in the central-western and northeastern areas of the country. As with the precipitation phenomenon, the fire risk will also be analyzed in more depth on a local scale according to the Group's needs.

Chronic events: the average annual temperature over the 2030–2050 period is expected to increase compared to pre-industrial levels in every scenario. In particular, in the RCP 8.5 scenario, the average temperature is expected to increase ~1.6°C (min. +1.2; max. +2.1°C) over the 2030–2050 period compared to the 1850–1900 period. The RCP 4.5 scenario instead foresees an average increase of ~1.3°C (min +1.0; max +1.7°C), while the RCP 2.6 scenario foresees an average increase of ~1.1°C, with a range between +0.8 and 1.4°C. In terms of heating degree days (HDD) and cooling degree days (CDD) compared to the 1990–2017 period, the 2030–2050 period went from a reduction in HDD (-7%) and an increase in CDD (+13%) in the RCP 2.6 scenario to HDD and CDD values of -27% and +31%, respectively, in the RCP 8.5 scenario.

Our ESG performance

#### PHYSICAL CLIMATE **SCENARIO BRAZIL**



### The transition scenario

The transition scenario depicts the evolution of energy production and consumption in various sectors in an economic, social, and regulatory context consistent with different trends in greenhouse gas (GHG) emissions and, therefore, is related to RCP climate scenarios.

The scenarios used by the Enel Group around the world are the result of a benchmark analysis of external scenarios and currently known policy objectives. For the main countries where the Group is present, it develops cohesive transition scenarios using energy system models; when internal models are not available, risks and opportunities are evaluated by analyzing scenarios developed by third parties, as described previously.

The main assumptions considered when defining transition scenarios concern-

- Local policies and regulatory measures to combat climate change, such as measures to reduce carbon dioxide emissions, increase energy efficiency, decarbonize the electricity sector, and reduce oil consumption.
- Macroeconomic and energy context, in terms of, for example, Gross Domestic Product, population, and commodity prices, using international benchmarks such as the International Energy Agency (IEA), Bloomberg New Energy Finance (BNEF), and International Institute for Applied Systems Analysis (IIASA), among others.
- Evolution of technologies for generation, conversion, and energy consumption, in terms of both technical operating parameters and costs.

Using the transition scenario framework, the Group has established impact analyses on risks and opportunities related to climate change under two scenarios: an "inertial" one (Reference), based mainly on current or announced policies as well as on specific internal assumptions regarding the evolution of specific variables of interest, and a more ambitious one (Brighter Future) in line with reaching the Paris targets, requiring more stringent actions for reducing carbon dioxide emissions or increasing energy efficiency, as well as the possible acceleration in cost reduction for certain technologies. This second case involves an incremental growth in electricity generation from renewable sources as well as an increase in electricity demand due to greater electrification of final consumption, mainly driven by more ambitious objectives for energy efficiency and decarbonization.

It holds true that if the countries with the highest emissions do not adopt effective decarbonization policies, instead remaining in inertial or pejorative scenarios, any particularly ambitious transition trajectories defined on a local level could coexist with worsening climate change scenarios

compared to the Paris goals. In fact, the ambitions of individual countries regarding mitigation actions are not sufficient on their own to determine long-term emissions trajectories and the resulting RCP pathways.

In preparing the transition scenarios pertaining to the countries included in the analysis, the Enel Group has equipped its companies with quantitative tools that incorporate assumptions regarding the evolution of policies, technologies, and other contextual variables to produce projections for energy demand, electricity demand, electricity generation, penetration of renewables and electric vehicles, etc.

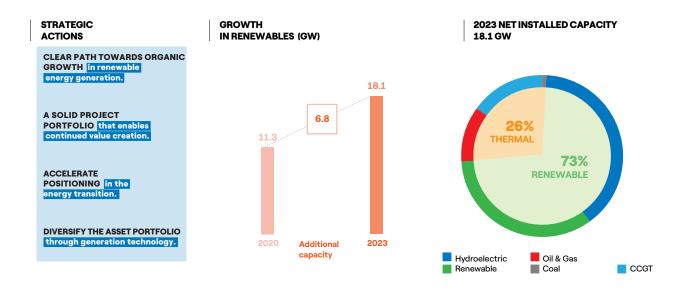
Once the medium and long-term transition scenarios have been determined, the adopted scenario framework will make it possible to analyze the long-term chronic physical effects, which are locally determined by the included climate pathways.

It is possible to quantify a country's individual service demands by using integrated energy system models. Therefore, this level of detail makes it possible to distinguish the specific effects that temperature change can have on energy requirements. Considering the entire time horizon analyzed, reaching carbon neutrality faster in the more ambitious Brighter Future scenario is more efficient and electrified than the Reference scenario

#### Strategy to tackle climate change

The sustainable strategy developed in recent years and the integrated business model have allowed Enel Américas to create value for all its stakeholders, seizing the opportunities that emerge from the energy transition and from climate action. To this end, the Company has so far focused its actions on enabling network infrastructures and implementing platform models, taking full advantage of technological and digital evolution, which will favor electrification and the development of new services for customers. However, as a result of the Enel Green Power Américas merger, 6.8 MW of capacity will be added by 2023, totaling 18.1 MW with 73% renewable capacity.

#### **Enel Américas, leading electric company in Central and South America**



## 2. THE FUTURE OF GENERATION

103-1 | 103-2 | 103-3



#### Primary material topic: Decarbonization of the energy mix

#### How is it managed?

Enel Américas is committed to addressing the climate crisis through its business strategy. Through the merger with Enel Green Power (EGP), Enel Américas will incorporate 6.8 MW by 2023, with 73% of its generation expected to come from renewable sources.

On the other hand, its gas-fired generation capacity provides flexibility and reliability to the energy matrixes of the countries in which it currently operates during the process of changing to renewable sources, which are more intermittent.

In addition, Enel Américas has been digitalizing its plants to operate them automatically as well as combining various technologies for more efficient generation and greater availability.

#### Material topics

- Renewable expansion and management
- Traditional technologies
- Climate change adaptation

#### Importance of good management

The electricity sector's role as a catalyst for change is unquestionable, given its contribution to the reduction of global emissions and to the virtuous circle in the economy, based on a renewable energy matrix.

Adequate management can avoid negative impacts on financial performance and help preserve stakeholder confidence in the ability of business models to adapt to the drastic changes required by the climate emergency. In order to manage physical risks from changes in weather patterns, the Company has a diversified portfolio, both in terms of geographic location and technologies. As for transition risks, new business models are being introduced, leveraging digitalization, greater availability of lower-cost technology, and the circular economy.







## **Targets and challenges**

SDG		Activities/targets	2020-2022 Targets	2020 Results	2021-2023 Targets
7 AFFORDABLE AND CLEAN ENERGY	13 CLIMATE ACTION	Increase in Renewable Capacity	-	-	+6.8 GW

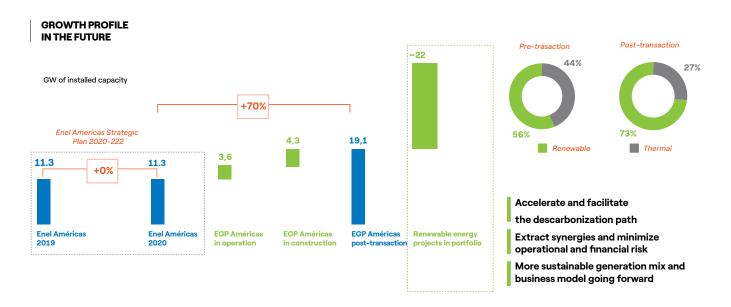
Respect for community rights



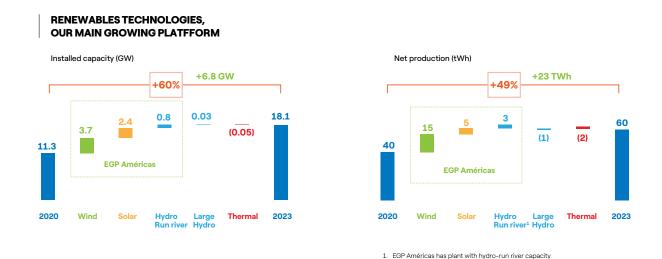
## Growth in renewables energies

Our ESG

With the incorporation of Enel Green Power Américas, Enel Américas enters a new phase in renewable energies, incorporating renewable power plants into the operations in Brazil, Colombia, Peru, Costa Rica, Guatemala, and Panama, beginning the operation in the last three countries.



Over the next three years, this expansion plan will allow Enel Américas to add 6.8MW, with a generation of 60 TWh, or 40% higher than current levels.



# Contribution of operational power plants to the energy transition process

Enel Américas' acceleration of the energy transition is based on a flexible generation mix, which consists of growing generation from renewable sources as well as reducing fossil fuel consumption. For this, the efficiency achieved by investing in cutting-edge technology and, in particular, digitalization and innovation, is essential for carrying out the Company's sustainable growth strategy and addressing climate change.

#### **Operational Efficiency in Generation**

Aiming to improve the operational efficiency of the Company's generation plants and transform them into smart plants, we seek to optimize and increase the flexibility of all units and processes supported by digital transformation in order to have a diversified matrix that meets energy needs through a sustainable and integrated business model.

In a year marked by the pandemic, extraordinary contingency plans were implemented to take care of

people's health, major maintenance was rescheduled, and digital tools were strengthened, such as the use of state-of-the-art technology for remote inspections, control platforms, and predictive maintenance, among others.

The following projects related to automation, operation and maintenance, and digitalization stand out among the main initiatives carried out in the Generation area during 2020.

## Automation of the operation and digitalization

#### **Argentina**

**Plant Information (PI) Platform:** captures data in real-time and compares the performance of different plants. This improves operational intelligence, feeding all processes and monitoring assets in real-time. The platform was implemented in Enel Generación El Chocón and Arroyito in 2020.

Contract Revolution in Central Costanera and Central El Chocón Co.Re. (Contract Revolution) is a tool used to digitize information for the processes in which different suppliers interact. Suppliers shape their profile according



to the needs of the contract, future hiring, and evaluations. All the information is digitized to obtain authorization and start operations in the plant. The supplier is granted remote, secure, and segmented access to documentation. Based on the concept of integration and mobility, this tool will be integrated into the array of mobile digital tools to share information and improve data quality.

#### **Brazil**

Project for ArcGIS implementation in hydroelectric power plants: ArcGis is a global program for capturing, storing, manipulating, analyzing, managing, and presenting geographic data. It was first used in 2020 to analyze data from Enel Brazil's various hydroelectric power plants, allowing hydroelectric assets to be digitized and reducing the execution times for plant activities.

**SCADA level 3:** A SCADA (Supervisory Control and Data Acquisition) system is a software application designed for remote process control and monitoring. In 2020, the Company worked on the development of a supervision system that integrates all SCADA systems and resources needed to operate and supervise renewable generation projects and future ventures.

The SCADA level 3 project is managed using the Agile methodology, which has ensured the successful integration of the new facilities since 2019. Its main benefits include the integration of the operation, greater reliability in the electrical system automation, reduced time for decision-making, and greater data security. In 2020, it was implemented in three plants: Fortaleza, Cachoeira Dourada, and Volta Grande.

**APR Digital:** a digital tool for carrying out routine inspections, risk analysis, and other documentation required for simplified daily activities, which improves the risk identification and management process and provides better tracking of the necessary documentation. This tool, which also works with contractors, digitizes documents and forms and enables the measurement of deviations by comparing scheduled and completed inspections with electronic tracking of this information.

Implementation of SIGGA Brizzo (Hydro) mobile application: The SIGGA mobile application, which is certified and integrated with SAP, was implemented in 2020, allowing online and offline maintenance activities (work orders, notes, measurements, records, equipment movement, materials, and generation of forms). The implementation of this application optimized work times, bypassing Internet connection problems in the plants.

#### Colombia

**Power plant automation and remote control-project:** as part of the progress made in this area in 2020, a series of initiatives were carried out, including:

- Integration of the Salto, Laguneta, Limonar, and Darío Valencia power plants into a single control center.
- Start of work to automate Cadena Pagua's first generation group.
- Continued engineering, testing, and manufacturing equipment for the automation and remote control of the Bogotá River power plant's units.

**SCADA** system at the Dario Valencia plant: The SCADA system was implemented for the Dario Valencia plant in a virtual and high availability setting, leading to more efficient management of the system's resources and increased operational availability and reliability.

**HyDEA-Plant Coordinator projects:** in 2020, the Company developed the model for the optimal distribution of operating load between units at the El Quimbo and Betania hydroelectric power plants. The project aims to analyze efficiency in hydroelectric power plants, taking full advantage of the potential offered by big data.

**Update of the PI data platform:** The Plant Information (PI System) platform was updated in 2020, which allows collecting, storing, viewing, analyzing, and sharing operating data inside and outside the company. The information is centralized within a single system, improving data availability and quality to better monitor plants and power generation, perform component analysis, and integrate this platform with predictive systems and models for plant maintenance.





Climate and hydrological analysis: the climate and hydrological analysis of the Colombian energy mix is carried out through an application based on a georeferenced system. In 2020, the way of collecting, monitoring, and presenting water information was optimized, making it possible to generate risk scenarios and basin scenarios with a physical and real-time overview of energy generation, considering the water, energy, and macro-climatic indexes.

#### Peru

**Automation of the hydroelectric power plants:** the goal of the project is to automate the hydroelectric power plants, which are on average 50 years old. Units 1 and 2 of the Huinco Hydroelectric Power Plant were automated in January 2020. The work plan had to be modified due to the health emergency, focusing on engineering and procuring supplies for the Huampaní, Matucana, and Huinco hydroelectric power plants.

App Proposal for automated scheduling of the transport operating fleet: The project storyboard was created using the Agile methodology. The goal is to streamline work times when scheduling the use of the vehicle fleet and easily manage requests for vehicles to be sent to the plants. In 2020, the Company identified key parties and carried out a detailed mapping of the process and the areas involved, which enabled the creation of the app's technical specifications and the presentation of proposals for improving the process.

**Industrial Monitoring & Facility Management App:** this tool was developed in 2020 to automate a new model for contract management and supervision, optimizing resources and focusing activities on information analysis and traceability.

The application supplements the contract platform (Contract Management) and service quality (HSEQ4U) platform, allowing services to be integrated and controlled efficiently through activity scheduling, contingency records, incidents, and requests for additional operational activities, allowing the supervisor, user, and contractor to interact in real-time.

**Remote Control "Stay at home":** a tool was implemented during the pandemic to remotely operate thermal power plants from the operators' homes, complying with the system's cybersecurity protocols.

In addition, as part of the digitalization and process optimization strategy, feasibility and viability studies have been carried out for the project to operate the thermal units from a single point.

GoPro Hero camera application for virtual tours: the use of GoPro cameras has made it possible to produce videos of the plants in an easy and low-cost way, and it was one of the most used digital initiatives in 2020. This audiovisual equipment can record high-resolution virtual visits, which are used to create tours to learn about the plants, provide assistance on technical or safety issues, and finally, train personnel remotely to prevent accidents and infections that could occur at the facilities. In this way, virtual visits provide fundamental support, mainly to the Health and Safety area and the Operation and Maintenance area, also allowing the quality verification of equipment and materials necessary for business continuity.

**Hydro Data Model:** this initiative will allow the implementation of best practices for maintenance within the facilities by standardizing signals from Hydro technology in the servers, thereby integrating new analysis and predictive maintenance systems globally.

In 2020, the Company coded plant signals under the Hydro Data Model corporate standard, with support from plant operators and virtual training by the Technical Support team.

**PI System:** the system was strengthened against cyber attacks in 2020, improving the physical and virtual infrastructure. Personnel was also trained on its proper use to develop technological skills in PI tools. This made it possible to improve operational efficiency and reduce faults through a joint effort with the Operation and Maintenance area.

Dynamic 365 Remote Assist App: to protect social distancing between workers, in line with Covid-19 directives, we worked on tools to innovate the daily operational and maintenance tasks of external personnel. As a result, the Microsoft "Dynamics 365 Remote Assist" app was implemented, which is available for all types of cell phones and mitigated the risk transmission and exposure of workers in the plants. This application enables remote supervision of maintenance activities carried out by contractors in the field, as it connects directly to the Teams platform via laptop or cell phone.

## **Advances in** maintenance

#### **Argentina**

Workforce Costanera: continuous development tool that is initially focused on assisting plant personnel in managing notices and maintenance orders, which supports the planning and scheduling, execution, and accounting of operational and maintenance activities. The tool consists of a mobile application that allows for quick and easy integration of information from notifications, shift leader logs, and work orders.

Installation and implementation of EtaPRO at Central Dock Sud: EtaPRO offers technology for complete plant monitoring. The main purpose is to detect anomalies in processes and equipment with Advanced Pattern Recognition. Different modules are used to detect early failures in rotating equipment with Spectral Vibration Monitoring, and thermodynamic modeling can improve the overall performance of the plant. Advantages of the system include:

- System and component performance monitoring that provides comparisons between actual and expected performance,
- System and component condition monitoring to detect problems in sensors and equipment related to operation and maintenance,
- Historical data storage for field readings and calculated values,
- Configuration tools for end users
- Historical data filters to base trends on periods of steady-state operation at specific loads.





#### Brazil

**Smart Monitoring:** the project aims to help predict faults in the maintenance process, particularly in wind farms, by providing real-time reports that allow maintenance to be carried out with greater efficiency and speed. The design allows for reduced failure detection time, increased useful life of equipment, reduced costs, and reduced energy unavailability. The system works by monitoring the assets in real-time, sending a message to field employees through the Telegram application to avoid untimely failures.

**PREDIX:** this is a software based on predictive analysis through mathematical models for real-time observations. It has been implemented in Brazilian plants and uses the operating history of the main process variables to predictively identify the ideal behavior of the plant, detecting deviations and possible failure points in the equipment.

**Predictive maintenance through Artificial Intelligence:** In 2020, Enel Brazil implemented an artificial intelligence tool called Presagho. This tool allows predictive maintenance of monitored plants to achieve operational and financial efficiency.

**EtaPRO:** The EtaPRO predictive maintenance software has been implemented to facilitate analysis, decision making, and operational and maintenance actions to improve operational efficiency. In 2020, the Company reached milestones such as the collection of process variables, units, and alarms, system App configuration, start-up and commissioning tests, simulated start-up and deviation correction, order backlog tracking, and equipment training.

#### Colombia

**Generation plant maintenance:** a single platform was implemented to manage major maintenance at the plants, providing a centralized view of all activities related to scheduled plant maintenance.

#### Peru

**Installation of vibration sensors:** work was done in 2020 to implement an online vibration monitoring system, which allows for early detection of possible faults and breaks in the impellers (rotating part inside a conduit) to plan a prompt intervention. The beginning of the project included training on the platform to properly interpret and read the signals.

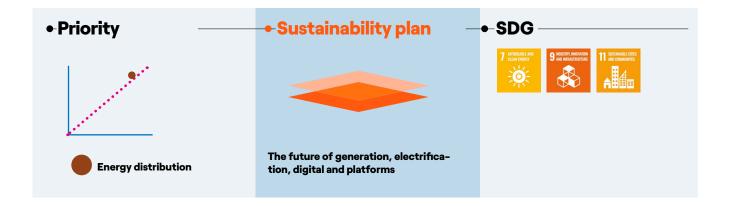
**Heat exchanger:** in 2020, the original heat exchanger was replaced with one that increases the cooling efficiency of the transformer in thermal power plants, reducing downtime by increasing frequency and reducing maintenance times. The expected benefits include a 50% reduction in water consumption, down from 220 to 110 lt/min, as well as a reduction in the temperature of the heat transformer, improving its operability and useful life and optimizing maintenance costs.

Predictive transformer platform with AI: seeks to implement a system to evaluate transformers in power substations. This assesses maintenance tests and parameters in real-time as a support system that helps the maintenance team make decisions, avoiding faults that affect the production of the power plants.

Al will help analyze the large amount of data generated by this equipment, supporting transformer management and maintenance.

## 3. NETWORK RESILIENCE AND DIGITALIZATION

103-1 | 103-2 | 103-3



#### **Primary material topic: Energy distribution**

#### How is it managed?

With the standing goal of improving the quality of supply for all customers, investment plans are being developed to automate and digitalize the network, achieving greater reliability and availability of the service. By incorporating new technologies that allow electricity grids to be digitalized in both operation and maintenance processes, we enhance the availability, resilience, and flexibility of the infrastructure in the face of increasing adverse climatic phenomena and cybersecurity risks.

#### **Material topics**

- Network improvement and development.
- Networks operational management.

#### Importance of good management

The electricity distribution network provides current and future customers with access to electricity supply and—if it is clean, reliable, and high quality—it becomes a driver of sustainable social development. Futhermore, in a world of greater electrification, the digitalization of the grid is key to facilitating the transition from consumer to prosumer, an active role in the direct management of energy.

Therefore, in addition to being an enabler of the energy transition and facilitating changes in consumption, good management avoids the risks of supply interruption, impact on corporate image, fines from regulatory entities, and damage to the distribution network, among others.





## Targets and challenges

SDG		Activities/targets	Strategic Plan Targets 2020-2022	2020 Results	2021-2023 Targets
7 AFFORDABLE AND CLEAN ENERGY	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	SAIDI (min)	630	649	541
7 AFFORDABLE AND CLEAN ENERGY	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	SAIFI (no.)	5.5	5,2	5,4
7 AFFORDABLE AND CLEAN ENERGY	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Total loss	-	13%	11%

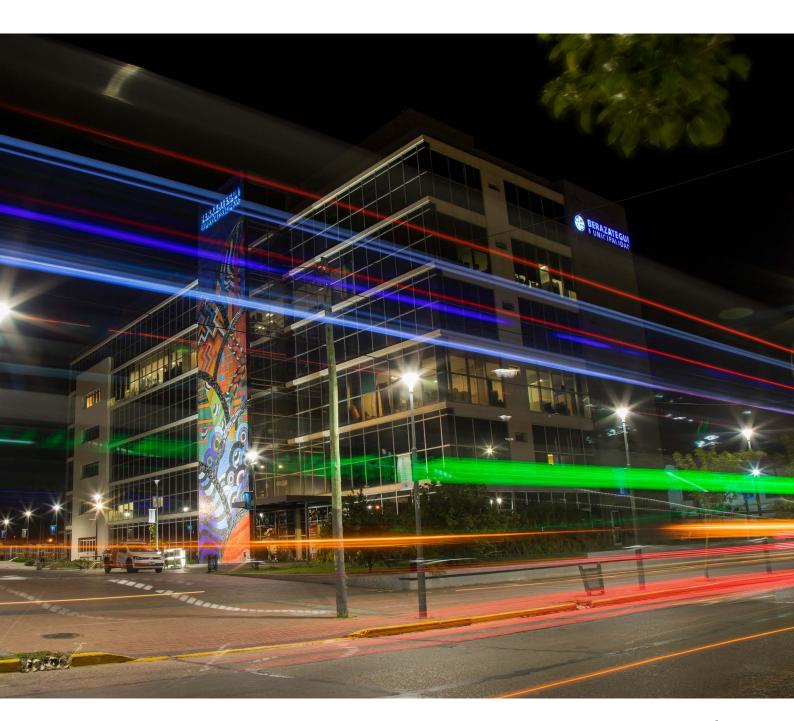
Material topic and principles of the Policy on Human Rights			
Respect for community rights	والمنافعة المنافعة ا		
Privacy & communication	<b>₩</b>		

To address the global trend of energy consumption electrification, aligned with the Company's energy transition process, it is important to have a solid infrastructure that guarantees the quality of supply to the population in the concession areas.

Strengthening this infrastructure requires implementing new technologies, robust processes, and digitalization across the operation, thus improving electrification and, with it, support for the energy transition and new uses of energy.

Enel Américas is continuously executing improvement plans through network maintenance and modernization to reduce the frequency and duration of service interruptions. This also enables real-time monitoring, guaranteeing a rapid and timely response to repair malfunctions and ensure optimal energy supply.

Remote systems play a key role in this respect, allowing operating plants to take the necessary actions to ensure continuity of the electric service without affecting consumers' quality of life or activities.



NETWORK DEVELOPMENT AND IMPROVEMENTS	<ul> <li>Digitalization of the electricity network</li> <li>Smart grid development</li> <li>Improved supply quality and continuity</li> <li>Expansion, modernization, and development of the electricity grid</li> <li>Telecontrol and network automation</li> </ul>
NETWORK OPERATIONAL MANAGEMENT	<ul> <li>Operation and maintenance of the electricity grid</li> <li>Operational management of networks and associated energy losses</li> <li>Digitalization of processes</li> <li>Contingency prevention and planning</li> <li>Ensuring service quality and continuity</li> </ul>
ADAPTATION TO THE IMPACTS OF CLIMATE CHANGE	<ul><li>Asset resilience</li><li>Impact mitigation</li><li>Adaptation to new climate scenarios</li></ul>

#### Actions taken for operational continuity during the pandemic

Thanks to a large deployment of employees, the adaptation of systems, and new ways of work, Enel Américas' achieved operational continuity for its distribution subsidiaries, even as a large part of teams' work consists of field work and direct contact with the customer. The main actions taken were as follows:

- Implementation of smartworking and shifts: the first step was to analyze which tasks could be carried out remotely through teleworking. For services where this was not possible, Enel Américas established shifts with staggered entry and exit times.
- Workspace modification: common areas and workspaces in all company buildings were arranged to ensure social distancing, in addition to the placement of notices, signs, and new movement paths.
- Health precautions: in addition to the mandatory use of protective equipment, Enel Américas installed thermographic cameras and used rapid PCR tests in buildings and operating facilities.
- Work "cells": work cells were established for field visits. This facilitated employee traceability, allowing action to be taken quickly in the event a possible case was detected.
- Suspension of in-person readings: Enel Américas suspended on-site readings, replacing them with self-readings by customers or calculating an average based on previous months.
- Special safety protocols when meeting with customers: when in-person visits were resumed, special measures and protocols were implemented, such as the use of airtight bags for document delivery, disinfection of objects before and after use, and social distancing.

### **Smart Grids**

The digitalization of electricity grids is a pillar of the business, incorporating new technologies and equipment that enable a continuous supply and a greater capacity to respond to incidents. This digitization is essential to visualize data in real time, respond quickly to contingencies, and promote responsible residential consumption. In 2020, Enel Américas countries carried out the following initiatives:

In **Argentina**, initiatives to improve the quality of electricity service have continued. 130 additional remote-control devices were installed in 2020, allowing us to remotely open and close the grid from the control center in order to quickly isolate the section of the grid affected by a fault, benefiting more than 270 thousand customers.

In **Brazil**, progress continued on the Telecontrole project to automate the medium-voltage network, using remote control equipment and a management system to remotely supervise the network. Grid Blue Sky was also maintained, which has improved the monitoring of power supply interruptions for customers, reduced synchronization times of distributer information, and improved remote assistance with new tools made available to specialists in the field.

Also noteworthy is the digitalization of the Brasilândia, Itaqueruna, Bartira, and Vargem Grande electrical substations, where new digital systems replaced old protection systems to provide greater reliability and flexibility to the system due to the increase of available information and remote operations.

Meanwhile, **Colombia** launched the 3D power grid modeling project in Codensa to implement a solution for capturing and managing Lidar (Light Detection and Ranging) data. This is a cloud of points used to create thermo-graphic images that contribute to grid digitalization and are integrated with other applications to analyze data through artificial intelligence technologies.

Another initiative was remote metering and management for large customers to efficiently manage resources and ensure the delivery of information captured from point-to-point metering equipment. It is currently reading approximately 8,000 meters, about 66% of the total number of meters for large customers. 100% will be reached in the first quarter of 2021.

The first digital substation was installed in **Peru** this year. With this, the Company seeks to address the transformer overload at the Huacho substation and to meet the new power requirements in the area. As this is a digital substation, it improves operational efficiency by providing greater reliability to the system, which will meet the demand and benefit 100,000 customers in the province of Huaura.

Remote-controlled equipment	2020	2019	2018
Argentina	130	565	555
Brazil	23,671	20,068	17,449
Colombia	1,125	1,178	1,128
Peru	966	916	894



#### **Smart meters**

As part of the grid digitalization, installing smart meters is key to improving service because they provide the Company and its customers with accurate, real-time information on electricity consumption. With this information, people can manage their electricity consumption and make appropriate decisions to optimize it, such as energy-saving measures. In addition, smart meters allow Enel Américas to remotely manage electricity supply operations. Smart meter installation is always accompanied by specific information and awareness campaigns and the fleet will increase active meters by 8% in 2020. One milestone was the approval to develop 100% smart meters by Inmetro, Brazil's regulatory

agency, allowing a pilot project to install 1,000 devices in Sao Paulo. In Colombia, the Engagement Plan was launched to ascertain the real value that advanced metering has for the end user. At the end of the year, the Minimum Viable Product (MVP) was in execution, which reports weekly and subsistence consumption and validates products. The results indicate that the Company sent more than 3,300 messages to 537 customers selected for the study. From a regulatory standpoint in Colombia, the findings of the Company's pilot projects were presented to the Energy and Gas Regulatory Commission (CREG), emphasizing proper management of the social environment, technical challenges, and changes in the structure of the electricity market as a reference for the implementation of smart meters nationwide.

	2020	2019	2018
Smart meters (in thousands) (*)	95	87	65

(\*) Active meters excluding other technologies such as remote reading



Our ESG

## **Preventive** improvements in electrical grids

Each distribution subsidiary of Enel Américas has maintenance programs aimed at properly preserving the infrastructure required for distributing electricity in each concession area, ensuring efficient use of resources and an extension of the useful life of assets. It includes the three types of high, medium, and low voltage power lines. For these programs to operate efficiently, it is essential to maintain close ties with the municipalities, properly managing work permits, addressing the action plans issued by authorities, and identifying the social needs that can be covered in the maintenance plans.

Details of the projects carried out in 2020 are provided below:

#### **Argentina**

1,346 projects were carried out in 2020 to meet new supplies and power increases, of which 1,304 correspond to low voltage and 42 to medium voltage. In addition, the Company expanded and upgraded the distribution network by 102 km for medium voltage and 103 km for low voltage. Also, 253 transformer centers were inspected. Other projects carried out are:

- Renovation of Reconquista-Nuevo Puerto 104 triple line
- Aysa Bernal high voltage delivery and measurement
- Glew substation expansion
- Installation of a 150 MVA reserve transformer in the Perito Moreno substation

#### Brazil

92

The projects include equipment replacement, improvements in process efficiency, maintenance, and increased power, among others, to improve the quality and continuity of supply. The main projects are:

- Capacitor banks with MVAr injection into the system
- High voltage modernization plan

- Predictive maintenance
- Varjota substation power increase
- Improvements in the quality and continuity of supply in Goiás

#### Colombia

Different plans, programs, and projects were developed in the Company's area of influence. The Company also sought to strengthen the growth in demand and service coverage under criteria of quality, reliability, and safety through its management. 14 km of fiber optic cables were obsolete and replaced in 2020. In addition, it connected the Compartir and Portugal high voltage substations, integrating them into the control center and the protection management center. Furthermore, they Company participated in the maneuvering of two high-voltage cable transfers for the land development of the Metro and Transmilenio Avenida 68 projects.

#### **Projects to improve the distribution** network

- Construction of new high and medium voltage substations.
- Construction of new feeder circuits.
- Redesign and replacement of medium-voltage
- Installation of remote-controlled equipment in the medium-voltage network.
- Standardization of substations and high-voltage
- Modernization of essential services in high and medium-voltage substations.
- Protection management in power substations.
- Expansion of power substation capacity.
- Forestry management.
- Action plan and operational measures to control and/ or mitigate the impact of seasonal events such as winter, summer, and winds.
- Redesign and replacement of low-voltage networks.
- Adaptation and replacement of infrastructure in high-voltage lines, substations, and medium and low-voltage networks.





#### Peru

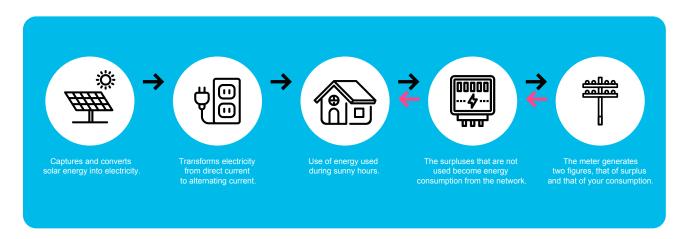
In 2020, much of the work carried out for operational efficiency was related to the 2021-2025 Transmission Plan, which was approved by the regulatory body OSINERGMIN. This allows the Company to carry out various investment projects that contribute to improving and maintaining the reliability of the electricity system.

Some of the projects that Enel Peru implemented in 2020 were:

- New transformer at Puente Piedra substation
- New Malvinas-Pershing Transmission Line
- Transformers change at Mirador substation

#### **Small means of distributed generation**

Distributed generation is the use of renewable sources, such as the sun, to generate electricity for self-consumption and, in turn, inject surplus energy into the distribution grid. "Prosumers" (given that they produce and consume) inject their surplus generation into the distribution grid at a regulated price, submitting the documents that correspond to their connection contract model, whether they are residential or industrial customers.



## **Contingency planning and prevention**

Within the scope of the Crisis and Incident Management Policy, the Company has Contingency plans to respond quickly to problems associated with the continuity of electricity supply.



In addition to the activities that are part of the usual quality, maintenance, and contingency plans, changes were made during the pandemic to networks supplying hospitals and clinics, reinforcing preventive and predictive actions to avoid supply interruption.

**Argentina** repowered the network for the field hospital in the municipality of Ezeiza, which included constructing an overhead medium voltage line and a new transformer station and provided 15 heating units.

		Planned		
Technical Zone	Number of Projects	MV network (mts)	LV network (mts)	TS expansion (unit)
Rio de la Plata	4	72.2	274	2
General Paz	1	-	202	-
Avellaneda Quilmes	26	447	3,051.20	8
Lomas de zamora	21	827.3	1,622.00	7
Total	52	1,346.30	5,149.20	17







In **Brazil**, Enel Distribución Río de Janeiro provided 274 daily teams for emergency assistance and a contingency plan for adverse weather conditions. Meanwhile, Enel Distribución Sao Paulo has different teams according to alert level, with 260 emergency teams and 24 motorcyclists available on normal days. Enel Distribución Ceará has the Summer Plan, systematically designed to ensure the continuity of power supply in case of abnormal events in the system, such as weather events that increase the number of emergencies. This plan runs from October to April, involving all key areas, and anticipates the activation of extra resources through the different alert levels. Enel Distribución Goiás increased the number of emergency teams to 1,038, who support maintenance activities and small projects.

Amid the lockdown in **Colombia**, Codensa restored service to more than 156 thousand customers who were at home and delinquent in payment of their energy service. In addition, it focused on preventing third-party electrical accidents on the electrical infrastructure, implementing actions that reduced third-party fatal accidents by 13% compared to 2019. Additionally, a maintenance plan was established and put in place for the electricity grids that supply hospitals, supporting the emergency field strategy for Bogotá and Cundinamarca.

Enel **Perú** developed projects to support the increased load in 14 public hospitals. These projects served to expand the facilities of these clinical centers, support new equipment, and enable the operation of oxygen plants.





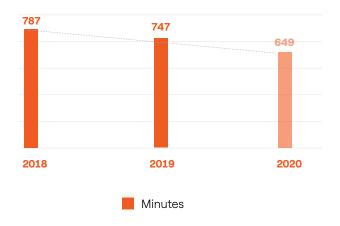
## Electricity supply quality and safety results

EU28 | EU29

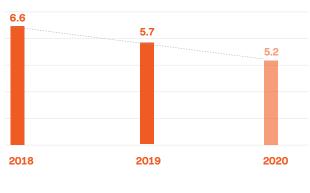
The Company continued developing several initiatives in 2020 to achieve operational excellence and ensure network efficiency and supply continuity.

The continuity of electricity supply is measured by two main indicators: the **SAIDI** (System Average Interruption Duration Index), which represents **the duration of an interruption in minutes per customer** over a twelve-month period, and the **SAIFI** (System Average Interruption Frequency Index), which represents the **frequency of interruptions** during the same period.

#### AVERAGE SAIDI AMÉRICAS



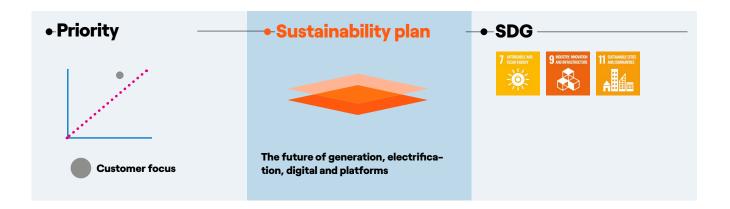
#### AVERAGE SAIFI AMÉRICAS



frequency of interruptions

## 4. QUALITY OF SERVICE AND **CUSTOMER RELATIONS**

103-1 | 103-2 | 103-3



#### **Primary material topic: Customer Focus**

#### How is it managed?

Decarbonization and decontamination, along with digitalization and decentralization, are the macro trends that companies in the electricity sector must now consider to understand the customer's role in the evolution of the electricity consumption and service management system.

Technological evolution provides citizens with direct energy management tools, changing the role of the consumer to a more proactive role as a "prosumer."

In this scenario, the customer is at the center of the business, and electric utilities' competitiveness will be increasingly determined by an energy offering that meets the needs of an ever more interconnected society that is concerned with the quality of service in terms of continuity, accessibility, equity, and-at the same time-environmental

To meet this demand, the Company has short-term plans to resolve matters surrounding the improvement and upgrading of its infrastructure with more effective and efficient commercial assistance and problem solving, the implementation of cost-effectiveness models, and the process of continuous improvement of digital channels.

#### **Material topics**

#### Capacity to meet customers' needs:

- Affordability of tariffs and flexibility of payments
- Product and services optimization for vulnerable customer
- Quality and promptness in commercial and technical assistance

#### Quality of commercial offering

- Raising customer awareness on efficient energy use
- Quality in relationship with customers
- Effective and fair communication
- Quality and fairness in relationships with customers

#### Importance of good management

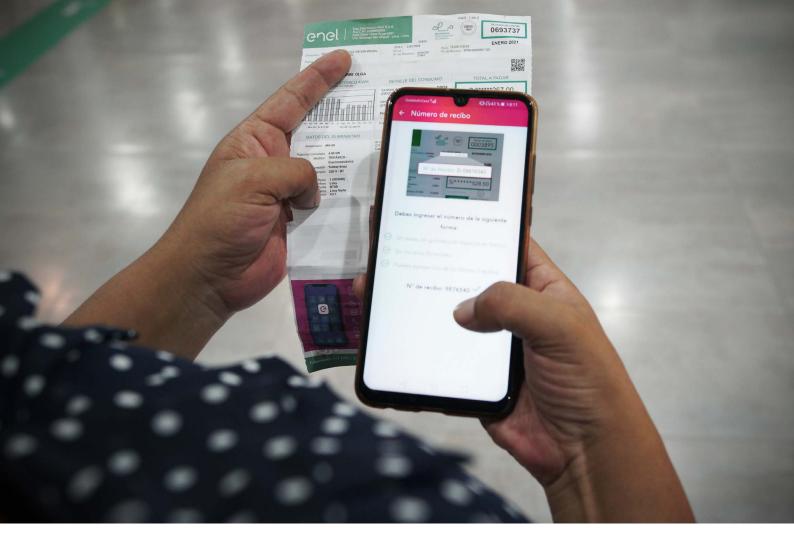
The current competitiveness of companies in the electricity sector is linked to their performance in managing risks associated with service management. According to Enel Américas' internal analysis, it is fundamental to have a shared purpose throughout the Company, focused on customer satisfaction.

The following have been evaluated as potential risks to the business: inefficient response to customers, lack of punctuality and timeliness of the solutions provided, transparent management of complaints, and inequity in energy access. In the analysis, these risks are linked to a loss of reputation and trust in the company, in addition to a loss of customers in a rapidly evolving market of consumers who will have more decision-making power in energy purchase, consumption, and production.

If future needs are not anticipated, the resulting risk of such a situation is that the Company will not be able to take advantage of the opportunities arising from the energy transition. For this reason, Enel Américas' plan is geared towards initiatives that address these risks by concentrating investment in networks and infrastructure, digitalization, and customer service quality to meet customer needs.







## Targets and challenges

SDG		Activities/targets	2020-2022 Strategic Plan Targets	2020 Results	2021-2023 Targets
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	11 SUSTAINABLE CITIES AND COMMUNITIES	Number of customers with App	8.7 million	7.3 million	11.3 million
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	11 SUSTAINABLE CITIES AND COMMUNITIES	Number of customers with e-Billing	4.4 million	2.6 million	5.5 million

Material topic and principles of the Policy on Human Rights	
Respect for community rights	REA.
Privacy & communication	CO C

## **Customer centrality**

Ensuring reliable, safe, and uninterrupted electricity service is the main goal of Enel Américas' distribution subsidiaries. This leadership is related not only to electricity supply, but also to placing the customer at the center, forming a basis for a good relationship by listening to their requirements and responding adequately to their expectations.

Enel Américas and its subsidiaries provide truthful and complete information to their customers through simple, specific, clear, and accessible documents. A transparent relationship with trust and proper treatment is fundamental for the continuity of the Company and stronger stakeholder relationships.

Enel Américas' strategy for continuously improving accessibility and interaction with its customers is driven by various practices, among them:

- The development of new contact methods and communication channels.
- Improvement of back-office processes.
- · The monitoring of complaints and enquiries to reduce response time and ensure proper management.
- Analysis of reports to understand customer perception and any critical issues in progress, immediately taking appropriate corrective actions without compromising overall customer satisfaction.
- Continuous training for customer service teams.
- Privacy of customer information.

Accompanying the health emergency is a profound social and economic crisis, which has forced companies to assume greater responsibilities, redefining their strategies to adapt quickly to the current situation.

In this regard, Enel Américas has focused on maintaining operational continuity and preserving the well-being of its people as well as its suppliers, contractors, customers, and communities, which translated into a heightened focus on

the customer-centric strategy, developing an integrated offering of services and solutions that goes beyond delivering energy as a basic and essential commodity.

Given this, the pandemic posed a major challenge in providing quality service, so new initiatives and projects were introduced to support the most affected communities.



#### Customer management during the pandemic

To deal with Covid-19's effect on the electric service, action plans were implemented to minimize the impact caused by the pandemic's economic crisis on customers as well as focus on caring for people's health.

Meter reading was suspended in order to avoid physical contact, and self-reading was encouraged, along with proration in installments of increased billing for non-reading, interest-free easy payment options, collection through recommended agreements, and promotion of communication campaigns. These initiatives were developed by promoting the use of digital channels in each of Enel Américas' markets, communicating how to access them in a clear, transparent, and accessible manner.

The main actions taken to respond to customer needs in a timely manner were as follows:

- 1. Teleworking for commercial office personnel.
- 2. Promotion of digital channels.
- 3. Suspension of physical bill delivery to protect the health of contractor employees.
- 4. Easy payment options.
- 5. Creation of customer service teams dedicated to handling requests for easy payment options from customers at risk of non-payment and other segments.
- 6. Launch of campaigns through the website and social media, inviting customers to report their meter reading and take advantage of the special payment conditions offered by the Company in Argentina and Brazil.

## Solutions to social emergencies



The health emergency that shaped 2020 has further highlighted the importance of electric service as an essential factor for human, social, and economic development, with accessibility, quality, and equity as the attributes determining the sustainability of the electricity supply.

The social phenomena of 2020 have been characterized by an increase in precarious settlements in various urban areas of the region, as well as an increase in economic vulnerability for emerging social groups. Enel Américas and its distribution subsidiaries positioned themselves as part of the solution. From the beginning, they have accelerated their inclusion projects, ensuring the prevention of electrical risks for the families living in these sectors as well as for the safety of the network and the supply for those who may be impacted by the increase of informal connections.

In the same way, the Company has made special agreements for all customers who found themselves with limited ability to pay due to the loss of income, fulfilling—at the same time—the Sustainable Development Goals (SDG): 7 (Affordable and Clean Energy) and 10 (Reduced Inequalities). Throughout 2020, we continued to develop initiatives in partnership with institutions, government, and civil society.

#### **Easy payment options**

Considering the economic situation of its customers, the Company sought to make payment conditions more flexible and granted greater payment options to those who faced a decreased ability to pay due to loss of income.

In **Argentina**, the Company made existing payment plans more flexible, giving customers the option for a payment agreement to settle electricty supply debts, which could be requested through remote service channels, such as the virtual office, App, social media, and telephone line.

Depending on the balance due, customers could choose to pay the debt in up to nine payments.

Our ESG

Brazil offered a differentiated payment policy for defaulting customers through the Negotiation Portal available on the distributors' websites and in the App. Customers were able to simulate different forms of repayment and choose the one that best suited their family budget to facilitate payment in the face of the economic impact of the pandemic, opting for interest-free installments. The payment can be divided into up to eight installments on the energy bills themselves or up to twelve installments on the credit card. All dealings were conducted in a secure environment, providing the customer with access to a Debt Confession Term with full details of the conditions under which payment was made.

In addition, Colombia deployed a wide range of options, such as payment in interest-free installments of 24 to 36 months, according to the stratum. During this period, interest on late payments was not charged to residential customers who were late in paying their bills or who had taken out financing. As established by the Bogotá Mayor's Office, a 10% discount was granted on the May and June energy bills 2020 for strata 1 to 4, as well as a prompt payment discount of up to 10%.

It also enabled the option of a voluntary solidarity contribution for users of strata 4, 5, and 6, as well as commercial and industrial users to help other users meet their obligation.

Futhermore, more than 8,200 residential customers in strata 1, 2, and 3 were reconnected, ensuring their service availability. Additionally, the Company did not suspend the service to the most vulnerable residential customers in Bogotá and Cundinamarca during April, May, June, and July.

In Peru, payment options were granted automatically, following those provided by the government for customers with consumption of less than 300 kWh. The Company also provided an option for online agreements so that customers could independently manage their own agreement. The online agreements seek to promote customer selfmanagement from the comfort of their home and, at the same time, eliminate physical paperwork. Through this method, customers choose how they wish to finance their debt, paying the initial installment digitally or at any of the more than 13,000 collection points available for this purpose.

In 2020, 51,000 customers obtained online financing, generating a management savings of US\$ 50,000.

## **Access for customers** with special requirements

The health emergency has highlighted the importance of electric service as an essential factor for human, social, and economic development for the whole society. In this regard, Enel Américas strengthened its support for customers who required greater assistance in terms of accessibility and easy payment options as well as specific products and services to improve their quality of life.

In Argentina, an exclusive channel was set up to support the population of elderly customers who were in mandatory social isolation. This initiative consisted of creating a form on the Company's web page for customers to enter their customer number, contact information, and reason for inquiry. They are then contacted by a Company volunteer who will ask for details on the inquiry. With this information, the case is analyzed, and the customer receives advice.

The impact of this program was measured through a survey in the NPS (Net Promoter Score system), which is received by customers once the inquiry has been resolved. The score achieved is +35, which is considered a good evaluation in terms of customer acceptance and satisfaction.





#### **Supporting seniors**

To assist seniors in the digitalization of remote processes and inquiries, an exclusive channel was set up and coordinated interdisciplinarily with various areas within the Company: Sustainability, Residential Customers, Marketing and Customer Experience, Credit Management, People, and Organization.

The Company called for volunteers through its corporate volunteer program, who were trained to advise and follow up on each case. Also, these employees were expected to have the necessary empathy to establish a relationship with the seniors and accompany them in their procedures through digital channels. In the event that the case needed a higher level of assistance, it was referred to the Market area for management and resolution. The main topics of inquiry were how to apply for the Social Rate, available payment methods, use of the virtual office, virtual channels, change of ownership, and how to read the bill, among others.

In addition, partnerships were formed by mapping senior citizen centers in the Company's area of influence. The Company informed the centers about the initiative's details and shared information so that they could safely pass it on to the seniors who visit the center. This activity was coordinated with 30 retiree centers in Edesur's concession area, strengthening the partnership.

In 2020, the channel reached 2,584 customers in Argentina.



To offer a better service to visually impaired customers, Conta em Braile was implemented in Brazil, making this format available and aiming to provide accessibility to the electric bill for people with this disability. The braille invoice is available and sent upon request, along with the regular invoice.

Colombia signed a service contract in 2020 with e-Taxis, an electric transport service specialized in the transportation of medical equipment, which has several benefits, such as a 24/7 service, delivery of batteries in approximately one hour, and vehicles that do not emit polluting gases while in operation. After restoring the service, the equipment is scheduled to be picked up within 24 hours and the patient receives support during the delivery and collection of the batteries at their place of residence.

In Peru, the Company continued working with municipal and regional authorities to develop the "More light, more life" project, which aims to contribute to the well-being, safety, and quality of life of families in the most vulnerable areas of Lima where Enel provides access to electricity service. Electricity is an essential service for the growth of any society and, in this case, supplying energy to lowincome families helps to improve the quality of life by providing access to means of communication, enabling the generation of income, allowing children and young people to study, and ensuring safety in the streets by having lighting, etc

The new infrastructure in Peru allowed electricity projects in 59 settlements.

7,000 families with electricity in 2020.

Approximately 200,000 families since the program began in 2005.

## Electro-dependent management

Access to electricity for people who need to be connected to a medical device requiring power to operate is a priority for Enel Américas in its aim to meet the most urgent needs of its customers. For this, it develops initiatives, some together with governments and civil society organizations, with the main objective of providing access and inclusion.

Standing out in Argentina is the continued support to normalize household electricity connections for electrodependent customers. The Company's assistance seeks to provide installation safety, obtain the installation certificate, and subsequently install the Alternative Energy Source (FAE), which provides self-suffiency in case of a service outage. The electrical installations of 13 homes were also normalized, with nine completed in 2020 and four in the normalization process, benefiting 52 people.

The Energy Authority issued resolutions with the purpose of creating a solidarity fund for Home Adaptations for Electro-dependent Persons, which finances tasks, construction, or modifications related to electrical connection and safety from the distribution line to the power supply of medical equipment prescribed by a licensed physician, aiming to guarantee quality access to electric energy. The funds allocated to this account will come from the fines received by electric companies in Argentina for service, product, and/or commercial quality.



### **Customer satisfaction**

Enel Américas' distribution subsidiaries evaluate their customers' perceptions of the quality of service and customer service experience through various tools.

#### **Brazil**

The Perceived Quality Satisfaction Index (ISQP) calculated by the Brazilian Association of Electricity Distributors (ABRADEE) is measured through a survey targeting different customer segments. The satisfaction survey is a statistically representative sample survey, with a 95% confidence level that uses the CIER (Spanish acronym for Regional Energy Integration Commission) methodology.

Year	Enel Distribución Río de Janeiro	Enel Distribución Ceará	Enel Distribución Goiás <sup>(1)</sup>	Enel Distribución Sao Paulo (2)
2020	68.60%	70.90%	60.70%	66.50%
2019	60.30%	67.50%	60.00%	69.70%
2018	70.40%	80.10%	66.30%	73.30%
2017	67.80%	83.80%	68.50%	74.90%

(1) Controlled by Enel since February 2017.(2) Controlled by Enel since June 2018.

The satisfaction targets for 2020 were 74.3%, 82.5%, 73.1% and 77.8% for Enel Distribución Rio, Enel Distribución Ceará, Enel Distribución Goiás, and Enel Distribución São Paulo.

The difference between the target and the satisfaction rate achieved is mainly due to the fact that the goal was proposed and confirmed without considering the 2020 pandemic scenario. Rio and Ceará distributors showed growth, but not as great as expected. On-site services were stopped and the work of the field team was affected.

In Enel Sao Paulo, for example, in addition to the pandemic, we had billing problems that led to the local media with great impact.

Compared to the results obtained in 2019, the Electricity Invoice area of Enel Distribución Ceará has grown by 7.5 p.p, mainly due to the attributes of the Payment Locations and the expiration data of the accounts. Likewise, the Image area of the company has grown 5.7 p.p, with significant growth for the Company.

In Enel Distribución Goiás, despite having remained stable with a growth of only 0.7 p.p., the Electricity Invoice area improved 8.5 p.p., while the Image area of the company with + 1.0 p.p. The remaining areas evaluated for presentation are within the margin of error (Offer –1.0 p.p; Information and Communication –1.9 p.p; Service –2.4 p.p).

At Enel Distribución Río, there was Growth in all areas, with an emphasis on the Energy Supply area + 13.1 p.p and Company Image + 11.0 p.p.

Finally, in Enel Distribución Sao Paulo, the Information and Communication area is the area with the greatest impact, without a rate of return, remaining at 12.0 pp compared to 2019, followed by the Image area of the Company with a retraction of 4.6. It is worth mentioning that, in the same way, the Energy Supply area shows an improvement of 4.0 p.p.

Our ESG

performance

#### Colombia

Codensa conducted the satisfaction assessment through the market research agency Target Insights. This assessment calculates perceived quality customer satisfaction (ISCAL) and groups the satisfaction into dimensions of service quality, billing, customer service, information and communication, and image.

The measurement was carried out remotely in 2020, seeking to obtain the results faster and reducing the uncertainty of the execution of the study given the context of COVID-19.

The assessment is based on a survey that statistically represents the total residential customer base with a 95% confidence level and a 4% margin of error at the general level

#### **ISCAL Results Codensa**

	2020	2019	2018	2017
Cundinamarca residential energy	74.6%	58.7%	69.5%	66.5%
Bogotá residential energy	79.4%	62.7%	73.2%	77.6%

The satisfaction goals for 2020 were: 58.7% Cundinamarca residential and 62.7% Bogotá residential.

In 2020, performance in the residential sector was higher than 2019 and above the year's goal, mainly because:

- The most important factor for the customer is quality of supply, which increased satisfaction rates by +9.7 percentage points over the previous year. The customer acknowledged the Company's investments to improve the electricity grid.
- In the context of Covid-19, the customer has valued the continuity of service, which allows a lifestyle centered around the home.
- The customer acknowledged the Company's availability and closeness throughout the Covid-19 pandemic, offering options for agreements and digital payment methods that are accessible to the market it serves.
- The availability of customer service channels during the Covid-19 pandemic demonstrated the possibility of customer service assistance through new digital alternatives.

#### Peru

Generally, a residential customer satisfaction survey is conducted annually in Peru. However, due to pandemic restrictions, it was not possible to conduct the customer satisfaction survey in person. A pilot survey was conducted virtually in 2020, but the level of customer response did not reach the minimum threshold to consider the sample as representative.

## Complaint management

Enel Américas and its subsidiaries have various channels available for customers to submit a complaint or request information, such as email, a toll-free number, and website, among others. Enel constantly monitors complaints or feedback it receives to understand its customers' perceptions and the critical issues reported to implement the appropriate corrective actions.

#### **Argentina**

The back office was improved in 2020 to reduce complain resolution response times from twelve to five days.

**Launch of Salesforce Care** The Salesforce program was launched to manage the Company's customer flow and simplify the process through reduced activity management times and improved efficiencies in operator activities, attending requests, and collaborating between the users of the system.



#### Improvements in functionality of applications and digital channels.

- Implementation of Push Notifications in the App to provide the customer with information such as bill due date, scheduled outages, etc.
- Improvements in the virtual office interface to make it easier for customers to understand the different functions offered.
- · Reduction in the number of clicks for functions, shortening the execution time in procedures and complaints.
- Integration of the payment button in the virtual office and App for the public sector, allowing the invoice to be paid without creating a user in both platforms.
- New communication in messages sent through digital channels, achieving a warmer and friendlier relationship with customers.
- Continuous improvements in Ethical Hacking providing greater security to digital channels.
- Creation of advertising campaigns that visualize and explain the flow of procedures in the virtual office (together with the Communications department).
- Voice of the Customer Program: sending a relationship survey and five transactional surveys: App, Web, commercial offices, billing, call center.
- New bill design, underway by the end of 2020.
- New "customer centric" Interactive Voice Response (IVR), underway by the end of 2020.

Creation of Edesur's customer archetypes to understand their needs and unify their vision through a tool to design experiences and services according to the expectations of the different customer segments.

Salesforce is a program that helps manage the Company's customer flow and simplify the process in multiple ways:

- Reduces activity management times.
- Improves efficiency of the operator's activities.
- Improves handling of demand with increased simultaneous caseload management.
- Improves collaboration between system users.

#### Brazil

#### **Customer experience**

The customer experience area was created in 2019 to help and guide other areas in improving or innovating the relationship with consumers. This area considers—based on the continuous monitoring of processes—the performance measured through specific tools and actions to achieve maximum satisfaction and a good service experience. One example is the heatmap, which provides a geo-referenced evaluation of indicators to enable local action in the most critical concession areas. Another is the Abradee Survey

simulation, where a daily consultation is carried out in the same way as Abradee and used to define monthly improvement action plans. The distribution companies also share experiences and knowledge with each other to reduce complaints and continuously increase customer satisfaction.

#### Colombia

As a result of the pandemic and the Emergency Decrees issued by the National Government, there was an increase in the number of complaints received through the management channel. To efficiently handle the higher number of complaints, Artificial Intelligence tools were implemented to strengthen modernization and transformation of the channel.

At the communications management level during 2020, the written channel saw a 21% increase in cases over 2019. The number of requests for re-billing increased by 14%. The following milestones of the year are featured:

Business model and context

Our ESG performance

3 Appendix

- Migration from RPA (RoBotic Process Automation) to the UiPATH software platform for handling customer requests, concerns, and complaints.
- Definition of functional requirements in Salesforce written processes.
- PQR web filing process.
- Service and response to customers through email, a channel which increased by 541% compared to 2019.
- New virtual channel of the Superintendency of Residential Public Utilities.
- Implementation of PIN payment for unbanked customers located in municipalities far from urban centers.
- Continued PQR service using new technologies.

On the other hand, in 2020, the authority inspection bodies in Colombia submitted 4,352 requests to the Company because of complaints filed by customers. 99.98% of these requests were handled and answered within the legal timeframes.

The State of Social, Ecological, and Economic Emergency declared by Decree 417 of 2020 caused an increase in complaints associated with residential energy consumption, which represented the main reason for complaints at 24% of the total.

#### Peru

In 2020, the number of complaints increased exponentially over historical figures. These were mainly related to energy consumption because in-person readings were suspended during the quarantine period; consumption liquidations were settled when they resumed. Given this situation, the Company accelerated its efforts to automatize repetitive manual tasks, such as issuing informational letters and regulator rulings to respond to customers. Videos explaining how the consumption was calculated were also produced and published on social media, and Market representatives used Facebook to solve online customer inquiries about their complaints.

#### **Robotic Process Automation (RPA) of complaints**

Robotic Process Automation (RPA) was implemented in 2020 for the management of complaints, issuing informational

letters and resolving complaints. Company sought to improve its response to complaints by optimizing service times and automating the process, achieving shorter response times for legal deadlines.

Complaints increased during the pandemic, peaking at 34.6 thousand in July 2020, considerably higher than the average 3.6 thousand recorded in 2019.

Given this situation, the Company accelerated its efforts to automatize repetitive manual tasks, such as issuing informational letters and regulator rulings to respond to customers. This automation was backed by a robotic system in August 2020. Following its implementation, the effectiveness in October 2020 reached 70% for informational letters and 83% for resolutions, resulting in a more efficient and continuous process not limited by operator capacity.

#### RPA Covered customers (months August-December 2020)

- Number of customers issued RPA informational letters:52 thousand
- Number of customers issued RPA resolution letters:
   46 thousand
- Number of customers with an RPA recorded disputed balance: 5 thousand

#### **Robotic Process Automation (RPA) for billing**

RPA was also implemented to optimize the energy consumption billing process, achieving improvements such as:

- Reduced errors from manual processes and consumption calculations.
- More time available to analyze reading and billing quality and to identify and follow-up on atypical cases.
- Customers satisfied with their bills.

This application reads and verifies information to calculate consumption, reducing the time of repetitive controls through automation.

 Result: 1.5 fewer man-hours per day for a team of five billing analysts.



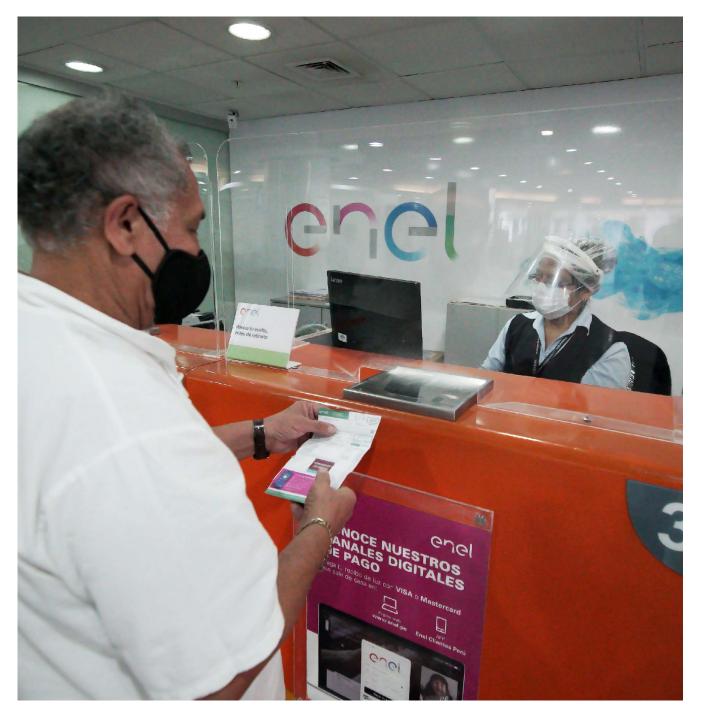


# Transparent relationship with customers

To address the challenges arising from the health emergency, the Company's communication channels were adapted to the new way of working from home, ensuring a fluid and effective relationship between Enel Américas' distribution subsidiaries and their customers. Thanks to a coordinated effort based on promoting digital channels, various measures were successfully taken to meet the growing needs of customers, in line with caring for their health and avoiding in-person contact in the commercial offices.

# Prompt and effective commercial and technical assistance

Regarding specific channels for assistance on commercial and technical needs, Enel Américas' distribution subsidiaries set up mechanisms to facilitate this process through more efficient channels with less exposure during the pandemic.



#### **Argentina**

Digital channels such as the Virtual Office, Automatic Payment, Pago Mis Cuentas, Link Pagos, Home Banking, and Mercado Pago were enhanced to improve customer access to Company information and procedures.

Additionally, several adjustments were made in this area to maintain the continuity of remote customer service, such as remote call center personnel, greater staffing for virtual channels, commercial office personnel training for the transition to virtual channels, reinforcement in the back office to reduce response times for resolving complaints (from twelve to five days), and an outbound call campaign for customers who did not make initial contact with the Company.

#### **Meter reading estimation**

Electric meter reading was categorized as non-essential because of the pandemic, and customers' bills were required to be estimated because of extraordinary circumstances. Given this, the Ente Nacional Regulador de la Electricidad (ENRE) established bill consumption estimation based on the lowest consumption reading for the same estimation period in the last three years. A campaign was developed from this for customers to measure their consumption and submit it online, avoiding a costly payment once the meter reading was normalized and avoiding a negative financial impact on households.

#### **Brazil**

The Estamos Contigo, Incluso a Distancia campaign helped to strengthen services for online payments, consumption inquiries, self-reading of consumption, automatic payment, donations, and consumption bills by e-mail, among others. Payment options also were granted to customers to settle their debts.

#### **Conta Brazil**

To avoid infections and protect the health of customers and employees, the Company encouraged customers to sign up for electricity bills via e-mail.

#### **WhatsApp Offices**

The WhatsApp channel was expanded to provide customer service through a BOT. In three months, we were able to balance service volume with a good level of customer satisfaction. The requests that had usually been made in person and were migrated to this new method were mainly requests for new connections and change of ownership.

- Number of requests received (between April and December 2020): 502,000
- Average time of 1st interaction: 5 minutes and 29 seconds
- Average service time: 46 minutes and 49 seconds

#### Scheduled services in commercial offices

To avoid crowds at the door of the commercial offices and reduce the flow of customers in the stores, they were given the option to schedule appointments at the in-person assistance offices.

- Customers assisted: 177,000
- Percentage of total assistance scheduled: 52%.
- Stores with scheduling: 42, equivalent to 69%.
- Average in-store wait time: 1 minute and 42 seconds (10 minutes less than 2019).





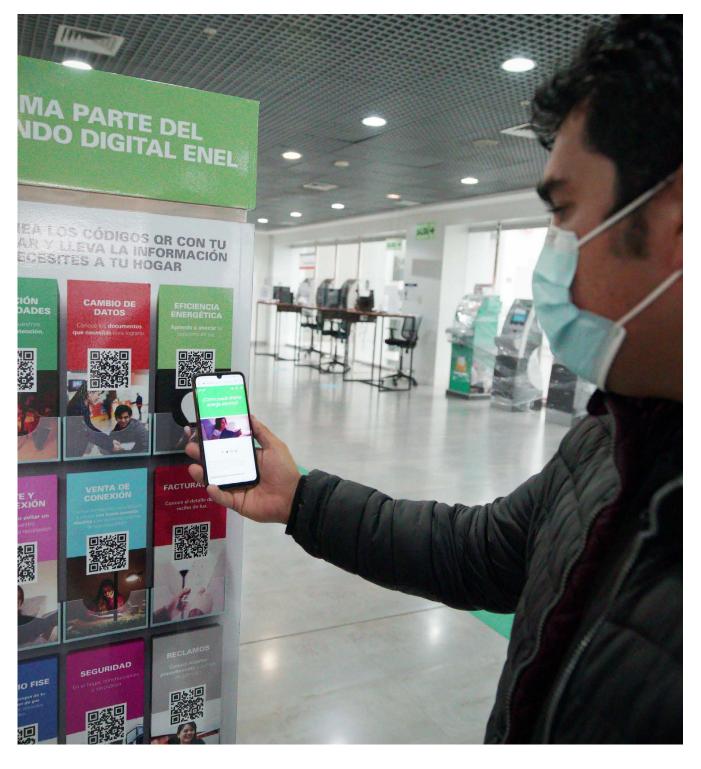
#### Colombia

#### Digital customer service through social media

To expand customer service channels, the Company provided options for how the customer would like to be assisted, avoiding travel, reducing service times, and self-managing their inquiries. The existing digital channels (App and One Hub) were strengthened and new channels (Whatsapp, Facebook Messenger and Chatweb) were implemented to enhance digital customer service.

Social media is managed under a one hundred percent omnichannel platform, which is a communicational tool that provides information on customer interactions across all social media networks, thereby strengthening the responsiveness of the Company's customer service representatives.

With more than 1,400 people from partner companies working and caring for themselves at home, Codensa resolved an average of nearly three million transactions per month through its digital channels.



#### **Digital statement**

In 2020, the Company began enrolling customers to have their invoices sent electronically, eliminating the use of paper.

- 365,000 customers receiving digital and physical statements at the end of 2020
- 1,600 customers without a physical statement since October 2020

#### **Landing page**

The pandemic made it impossible to carry out some activities, including distributing statements. In view of this, an option was designed and implemented on the website for customers to view and download their most recent statement by simply entering their customer number in a quick and straightforward manner.

Total website visitors: 4,476,189

Unique website visitors: 1,924,669

#### **Remote Call Center**

To ensure the safety of the company's call center staff, more than 300 people were allowed to work remotely, handling all the actions that were previously performed from the call center provider's site. Through this, it was possible to maintain the continuity of 24/7 customer service.

Staff continued to work in this way at the end of 2020, handling tasks such as comprehensive telephone assistance, back office management, support via social media, and complaint management, among others.

 Average 310,000 calls per month processed by the call center in 2020.

#### **Payment channels**

Customers were provided with options to pay their electricity bill through different payment channels, such as the Company's website or App via banks, or in person at places such as grocery stores and neighborhood pharmacies.

The bill collection was processed via electronic wallets that allow payments to be made from the BIM mobile application, which is different from the bank's application.

 13,000 payment points in 2020 (compared to 8,000 in 2019).

#### **Enel Business WhatsApp**

To encourage self-service and improve satisfaction within the Large Customers and Institutions segment, the Company implemented cell phone messages for direct contact with the Company or self-management of customer inquiries. This channel allows its customers to check their latest statements, debt, payment locations, and report power outages.

- 1,600 customer inquiries answered in the last four months
- 419 statement downloads.
- 128 emergencies logged.





#### A transparent relationship with customers

418-1

Fostering a transparent and quality relationship with customers is essential for their satisfaction with the service provided. In Enel Américas' various subsidiares, in accordance with its Code of Ethics, all contracts, communications, and advertising must be:

- Clear and simple, written in language that is as close as possible to that normally used by them.
- Compliant with current regulations, without resorting to illegal or unethical practices.
- Complete, without neglecting any information needed by the customer to make a decision.
- Accessible to the customer.

For communication with customers to be truly transparent and of the highest quality, the Company is committed to ensuring that any cultural, linguistic, illiteracy, or disability barriers do not affect equal access to information.

Enel Américas and its subsidiaries comply with the customer privacy regulations of each country where they operate. For this reason, the Company has appointed a Personal Data Protection Officer (DPO) for each country, in addition to the Enel Group officer, to guarantee full respect for the privacy of all individuals with whom it interacts. In addition, it is committed to ensuring that all suppliers and contractors that could use the private data of customers comply with the customer privacy regulations. For the latter, the Company includes specific clauses in its contracts with partners, requiring them to use personal data securely and respectfully.

In 2020, Enel Américas had 1 confirmed loss of customer data. Additionally, it received 388 formal complaints from customers and 45 regulatory entities.

In November, Enel Distribución Sao Paulo logged a security incident related to the personal data of some customers. The company immediately activated its security protocols and took actions to mitigate the impacts of the incident. In parallel, the company informed the competent authorities of the data breach and notified customers with personal data involved in the incident, in accordance with the Company's commitment to transparency and in line with Brazilian Personal Data Protection legislation – Law No. 13.709/18.

Enel Brasil proactively notified the two regulatory agencies responsible for the incident, ANPD (National Data Protection Authority) and Aneel (National Electric Energy Agency), who subsequently requested additional information, involving the Data Protection Office and Regulation areas. Enel is in meetings to clarify the issue.

In 2020, there are no substantiated claims records received about violations of customer privacy in Argentina, Colombia and Peru

### The duties of the Personal Data Protection Officer (DPO) for each country are to:

- 1. Monitor the evolution of privacy/data protection laws.
- 2. Ensure privacy/data protection compliance, providing related legal assistance.
- Assist in the processing of data relevant for the data protection risk assessment and related mitigation activities through appropriate technical and organizational measures.
- 4. Assist in managing National Data Protection Authority inquiries and relations.

Enel Américas and its subsidiaries strongly condemn criminal acts related to information security, therefore we always identify the causes to permanently improve our internal controls.

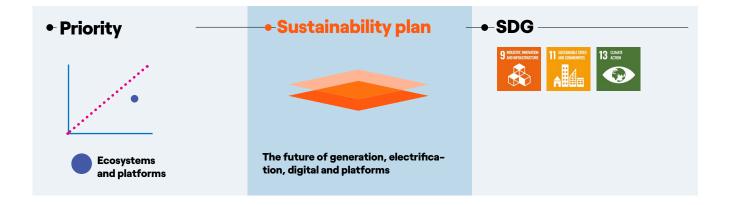
We also have a global Privacy Policy as well as internal policies regarding information security and data processing.

As preventive measures, we have a cyber emergency readiness team, responsible for preventing and managing cybersecurity incidents; we offer training conducted by our Information Security and Data Protection Office; in addition to disseminating the topic in general communications to employees and including a data protection clause in contracts with partners / suppliers, among other actions.

Customer data is used solely for business purposes. If it is decided to use the data for another purpose, the client's consent will be requested in advance.

# 5. ECOSYSTEMS AND PLATFORMS

103-1 | 103-2 | 103-3



#### **Primary material topic: Ecosystems and platforms**

#### How is it managed?

Enel Américas uses a model based on networks, retail, and platforms through Enel X to offer energy efficiency services leveraged on innovation, digitalization, and the application of the circular economy.

Enel X aspires to change consumption paradigms and energy management, aiming to meet the requirements of people, companies, and cities in their transformation process by providing flexible solutions with sustainable services in infrastructure and mobility and contributing to low-carbon economies and cities.

#### **Material topics**

- New technologies and solutions for homes.
- New technologies and solutions for cities
- New technologies and solutions for industries.
- Electric mobility.

#### Importance of good management

Progressing towards a low-carbon economy is a challenge that also presents business opportunities as consumer preferences change and technological advances enable it. Consolidating the service offerings allows addressing market-related climate change transition risks while allowing synergies by having a broad distribution customer base and renewable capacity.





### Targets and challenges

SDG		Activities/targets	2020-2022 Strategic Plan Targets	2020 Results	Targets 2021-2023
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	11 SUSTAINABLE CITIES AND COMMUNITIES	Public and private charging points	4,709	1,766	7,367
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	11 SUSTAINABLE CITIES AND COMMUNITIES	Electric buses	1,694	120	2,812
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	11 SUSTAINABLE CITIES AND COMMUNITIES	Lighting points installed (thousands)	1,141	836	1,213
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	13 CLIMATE ACTION	Demand Response (MW)	180	14	250
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	13 CLIMATE ACTION	Storage (MW)	13	0	15

Material topic and principles of the Policy on Human Rights	
Respect for community rights	E P
Privacy & communication	ذ

context

### What is Enel X?

As part of the Company's commitment to the reduction of carbon emissions, the Enel Group has integrated new products and services into its portfolio through Enel X. The goal is to satisfy the needs of cities, companies, and people, offering integrated, innovative, sustainable, and digital solutions that seek to promote conscious and efficient energy consumption in the countries where Enel Américas operates. Specifically, Enel X solutions allow clients to transform their energy use into new opportunities through

digital platforms and low-carbon services. Enel X delivers an integrated service to each client, which requires having the ability to adapt and react quickly to satisfy the needs of people, cities, and companies with simple solutions.

Enel X encourages its clients to participate by shifting its focus from offering products to offering integrated services. To do so, it has defined four strategic pillars that put this new approach into practice: e-Mobility, e-Home, e-City, e-Industries, and Financial Services, which facilitates access to financing solutions.



#### E-Home

It enables households to increase the level of comfort and efficiency of their daily activities, producing best-in-class electrification technology and having digital offerings through the provision of services. At the same time, it offers an ecosystem of home products along with installation, maintenance and support services, insurance and payment solutions. In addition, it provides affordable electric vehicle and car-to-grid integration technology for people.



#### E-Mobility

Enel X allows people, cities and companies to participate in the transformation of electric mobility. Through the development and expansion of the infrastructure for electric vehicles, and in partnership with public and private entities, an experience is provided for all drivers and complete offerings, through full access to smart charging solutions at home, office and on the road and payment flexibility and affordable electric vehicles for the people. Electric public mobility infrastructure made up of vehicle fleets and charging stations.



#### **E-Industries**

It gives companies the possibility of accessing sustainable growth, supporting them in their energy transition and development of energy infrastructure, creating new sources of income and solutions for smart companies, and promoting circularity models through an ecosystem of offers such as: services consulting and flexibility, power generation and intelligent distribution and management solutions, among others. Notable, for example, are innovation in promoting electrification, digitization and decarbonization.



#### E-City

It enables authorities to make megacities safer, more livable and sustainable, by providing an ecosystem of electrified and digitized urban infrastructure, combined with innovative solutions to reduce pollution, increase safety and improve public transport. Equally relevant are the electric public mobility systems made up of vehicle fleets and charging stations managed by the city. It also offers a big data platform, thanks to the broadest and most synergistic set of services that takes advantage of leading technologies and allows cities' strategic investments to be predictable, optimized and manageable.



#### **Financial Services**

It enables technological development and improves quality of life, radically simplifying clients' financial processes and offering monetary services to a wider audience.





### **E-Mobility**















#### Target audiences:

- Vehicle owners
- Fleet operators and owners corporate electricity companies, car dealers, owners or managers of parking lots (hotels, retailers, real estate agencies, shopping centers, etc.)
- Public transport fleet operators.

#### **Strategic Alliances:**

- Public transport operators to electrify fleets, either by delivering vehicles and / or cargo terminals.
- -Municipalities that allow the installation of charging infrastructure.
- Vehicle dealers and dealers to supply, install and maintain chargers for end customers.

#### Featured e-Mobility projects

#### **Alliances with top automakers**

Enel X has signed several agreements with major automakers, such as Volvo, Nissan, Jaguar, Land Rover, and Mercedez Benz, to provide and install charging infrastructure for electric vehicle owners and promote the Enel X business model in Argentina, Brazil, Colombia, and Peru.

#### **Smart charging systems in Latin America**

Enel X offers smart charging systems that rely on cuttingedge technology, allowing Enel X customers to manage and improve their electricity consumption and costs. They also make it possible to have better scalability in terms of the number of chargers because the equipment may be adjusted to use existing distribution infrastructure in buildings or condominiums, providing smart charging systems and equipment that can be managed remotely.

1,766 charging points (public and private) had been installed at the end of 2020, and they are equipped with digital platforms for users to manage them. The Company has

also made progress in implementing Juice Pass apps, which allow electric vehicle customers to easily find a charger, manage, and pay for their recharges.

One example of a public-private infrastructure project was the creation of the first 100% electric Pan-American highway. This was a significant challenge for the Enel Group, as chargers were installed in record time and in areas with unique characteristics, such as Ushuaia, the place with the southernmost charging station in the world, and Cuzco, the historic Inca city which now has a charging point on the road to Machu Pichu. In Chile, chargers were installed in Torres del Paine and in the Atacama desert. Thanks to the Long Way Up project, Latin America can be discovered through innovation and technology along a route that stretches from Ushuaia to North America, with a total of 220 chargers available on the JuicePass app in 13 countries.

#### **Direct current (DC) fast chargers**

The Company began rolling out the installation of JuicePump direct current (DC) fast chargers in Latin America, which can charge at up to 50kW. These fast chargers will reduce recharging times by up to six times. JuicePump fast chargers are currently being installed in Argentina and Uruguay.

#### **Argentina**

## From Ushuaia to Salta: Argentina's first 100% electric corridor

Thanks to agreements between Enel X Argentina and automakers, each user who purchases an electric car can choose to purchase one of the different types of Enel X charging stations and even request the necessary home adaptation.

An electric car can be recharged simply by connecting it to the equipment with a special connection, which has a dashboard and protection keys. The entire process can be followed and monitored from a mobile app that connects to the charging equipment via WiFi.

#### Brazil

#### First public charging network

Enel X and Estapar, the country's largest parking network, signed a strategic agreement to create the first semi-public electric vehicle charging network in Brazil. The goal of the project is to boost the development of electric mobility in the country and expand vehicle charging infrastructure.

#### **Electric vehicles**

In July 2020, electric scooters replaced traditional motorcycles to deliver meals to socially vulnerable families in the community of Paraisópolis (SP) during the Covid-19 pandemic. In addition, four electric vehicles were added, allowing the community itself to distribute the lunch boxes, making the initiative more efficient and cost-effective. Because of reduced logistical costs, more families have benefitted from the initiative, which distributed two to four thousand meals each month.

Around 15,000 lunch boxes and more than 1,000 basic food baskets were donated to local residents with the help of electric scooters, which represents 67% more deliveries than expected when the activities began.

#### Colombia

#### Bogotá special services

Due to the Covid-19 emergency, the special services pilot project was only carried out during the first quarter of 2020.

In that period, the fleet operations, made up of six BYD electric vehicles, traveled 82,000 kilometers, consumed 23,000 kWh, provided more than 5,000 services to end customers, and used 550 hours of charging.

The results are set to be evaluated in 2021 to determine the scaling and adjustments of the project in the special services segment.

#### Peru

#### Electric car pilot project in mining operation

Enel X, in partnership with BYD, launched a pilot project for the Marcobre mining company, providing two electric vehicles and their charging infrastructure for the mining operation. This pilot project will review the feasibility of using electric vehicles in the Peruvian mining industry, aiming to deploy a fleet of electric vehicles in these facilities. This electric vehicle pilot project is expected to reduce total CO2 emissions and save money in the mining operation due to the regeneration of energy from the batteries and the geographic location of the mine.





### E- Home













#### **Target audiences:**

- Residential customers
- Micro-businesses
- Local public institutions such as Municipalities, Planning Secretaries and Community Development Offices since they allow concentrating residential demand and small businesses.



#### **Strategic Alliances:**

Commercial strategies with suppliers and installers for the sale of mass products.

With partners of insurance and assistance companies.

With educational and health corporations for the implementation of air conditioning projects in various establishments that require residential type solutions.

#### Featured e-Home projects

# Launch of Enel X LatAm home assistance services

The first e-Home LATAM product, Protección Luz 360, was successfully tendered and awarded. This is a simple, comprehensive, and easy-to-understand home assistance service for the customer at a reduced cost. It includes a home emergency service, plus free unemployment and life insurance, among others; it pays present and future energy bills to the distributor and accepts past debts.

### **Argentina**

#### Delta perimeter public lighting

In 2020, Enel X was able to expand its scope and management to include the billing, charging, and collection of the public lighting tax for 1.2 million customers in 13 municipalities in EDESUR's concession area.

#### **Brazil**

#### **Negotiation with distributors**

A project was created to renegotiate the bill collection rates in the contracts with the group's four distribution companies in Brazil, which has generated savings of 55% compared to the previous rates.

#### **Smart home launch**

For the first time in Latin America, the Company rolled out the first generation of Homix Hub in Brazil, a smart home ecosystem to manage household electronic devices. This European device was nationalized and adapted to the Brazilian reality, existing today thanks to the Research and Development Program of the National Electric Energy Agency (ANEEL), so its use is regulated, personal, and non-transferable.

#### Residential solar project

Launched in January 2020 through the development of local service providers in each region (Rio de Janeiro, São Paulo, Goiás, and Ceará), the Company made the residential solar product offering available, including digital campaigns and sales conversion by the Enel X team or commercial partner. These devices allow a savings of up to 90% in the energy bill through clean and renewable generation.

#### Colombia

#### Sanitation services billing and collection

Enel X was able to negotiate and sign three joint billing contracts for sanitation services with the operators Ciudad Limpia, Urbaser Soacha, and Urbaser Facatativa. These contracts cover a total of 1.64 million customers with sanitation billing in Colombia, which represents a revenue of 5.2 million Euros/year.

#### Peru

#### **Sales digitization**

The Company digitized home appliance sales through a local e-commerce solution, establishing alliances with partners to operate digital sales of more than 170 leads per month with more than 90 products in the sales catalog.

#### **Opening of Facebook Enel X Peru**

The first digital campaign was carried out on Facebook, generating 60 leads. This new digital channel was set up to answer inquiries, resolve doubts, and provide information on campaigns.





### **E-City**











#### Target audiences:

- -Municipalities
- Different public and governmental entities



#### **Strategic Alliances:**

With collaborating companies that complement Enel X's value offer with their technical services. For example, street lighting installation companies, remote surveillance cameras, energy efficiency services, etc.

#### Featured e-City projects

#### **Argentina**

#### **LED lighting for the municipality of Lanús**

Following the signing of an agreement between Enel X, Edesur, and authorities of the municipality of Lanús, a total of 6,000 LED lights are being installed, which will improve lighting conditions, safety, and energy efficiency. The project covers different areas of the municipality that require first-time installation or replacement of obsolete fixtures. The main objective of this plan is to complete the fleet with 100% smart fixtures.

With this action, Enel X is moving towards smart lighting, contributing to energy efficiency and caring for the environment in line with the goal of being carbon neutral by 2050.

#### Pillars to power field hospitals

In a joint action between Enel X Argentina and Edesur, pillars were installed to supply energy to Prompt Attention Units (UPA) located in the suburbs of Buenos Aires, which will guarantee the electrical service to their field hospitals.

This is an infrastructure project carried out in record time to respond to the health emergency caused by Covid-19, aiming to provide field hospitals with the energy necessary to connect respirators and other medical equipment.

#### **Smart lighting**

The municipality of Godoy Cruz, in Mendoza, now has a remote management system that allows the status of its lights to be monitored in real time. The system makes it possible to activate on/off and maintenance policies to contribute to energy efficiency and savings.

Enel X Argentina also installed 3,500 lights in the towns of Tristán Suárez, Spegazzini, Ezeiza Norte, and Ezeiza Sur. Both the first time and replacement devices were installed in less than two months. This completed the fleet of 100% of smart fixtures, improving the municipality's safety conditions and energy efficiency.

# **Artistic illumination of the front of the San José Building**

On May 25, in commemoration of the May Revolution, the Company's building was illuminated with the colors of the Argentine flag and featured a performance by the singer Fabiana Cantilo. The event was shared through social media.

#### **Brazil**

# Public lighting project in the Municipality of Angra Do Reis

The project consists of modernizing 21,000 lighting points over a period of 24 months in the Municipality of Angra Do Reis. It includes the installation of services such as remote management, control center, application and web portal, higher quality architectural lighting with energy savings, reduced time without power supply, public safety improvements, and improved quality of life in the neighborhood. Additionally, this project is the gateway to a smart city featuring all the experience and technologies of Enel X, thanks to the use of innovation, digitalization, and circular economy concepts.

#### Colombia

#### **Transmilenio Project**

Transmilenio awarded Bogotá ZE, a company that is part of Enel X, a business line of Enel-Codensa, a contract to provide 401 electric buses and construct two electroterminals to charge this new fleet of the Integrated Public Transportation System (SITP). These projects are in addition to the four electricoterminals that Enel X has been building since 2019. The capital will have five electroterminals by the end of 2021 and one more by the beginning of 2022, built by the Enel Group. This will enable the operation of more than 870 electric buses of the Integrated Public Transportation System (SITP). Enel Américas is committed to providing Bogotá with new air and a sustainable future, supported by the energy transition.

#### **Bogotá Public Lighting LED Modernization**

Enel-Codensa is carrying out the Bogotá Mayor Office's public lighting modernization project through LED technology and in coordination with the Special Administrative Unit of Public Services (UAESP). As part of this project, more than 9,000 lights were installed in the districts of Bosa, Usme, Fontibón, Puente Aranda, Engativá, and Usaquén. In addition, more than 2,000 street lights on main roads were upgraded. These sites and roads now have a new public lighting system with LED technology, transforming them into well-lit spaces that offer visual comfort, traffic safety for citizens, and the renovation of these city streets.

#### Christmas Route 2020 "Bogotá Brilla."

The Christmas lighting project was adapted to the current pandemic conditions, incorporating health precautions to support the economic reactivation of the city.

For this reason, the Christmas Route avoided large central displays that could encourage crowds and put people's health at risk. In addition, the project illuminated open-air spaces in Bogotá.

In total, twelve iconic sites in the city were illuminated. In addition, twelve open-air spaces in Bogotá were illuminated, scattered throughout eleven sectors of the city. In total, more than 180,000 square meters of parks, squares, and roads were illuminated for 42 nights with highly efficient, low-energy Christmas lighting. More than 200 employees were involved in this project.

#### Peru

# First contract for the improvement of public lighting with decorative lights in the municipality of Lima

The B2G (Business to Government) business line, with the support of Enel X's global e-City line, reached an agreement with the Metropolitan Municipality of Lima, signed in November 2020, to start the project to replace conventional sodium vapor lights with 630 decorative LED lights in the main streets of the Historic Center of Lima. This project is part of the recovery program for this area. The project has a duration of ten months starting in November 2020.

### Installation of a thermographic camera on electric buses

In response to the health emergency, a thermographic camera was installed on the red corridor of the electric bus to take the temperature of all passengers boarding the bus.



### **E-Industries**





#### Target audiences:

- Commercial clients
- Industrial customers
- Multi-business companies



### Strategic alliances for the implementation of E-Industries initiatives

Private alliances with distributors, suppliers for the operation and maintenance of energy efficiency projects.

Agreements with companies to offer highly technological services, through intelligent software.

Alliances with financial entities to offer sustainable investment projects to clients.

#### **Featured E-Industries projects**

#### **Argentina**

# **Enel X will provide Carrefour with a UBM** system

Enel X Argentina signed a service contract for utility bill management (UBM) with Carrefour Argentina to analyze its energy consumption and provide advice on the optimization of its electricity supply. This first stage of the contract will cover 398 Carrefour Expresspoints or stores in the Federal Capital, Greater Buenos Aires, and different locations in the province of Córdoba. It expects to cover a larger number of establishments at a later stage. This initiative—which is part of Carrefour's sustainability policy—includes energy savings as a fundamental pillar to simultaneously reduce its environmental impact and costs.

#### **Brazil**

#### Photovoltaic plant project for Claro

In 2020, Enel X installed the largest photovoltaic plant in Pernambuco for Claro, with a capacity of 5 MW and 15,330 photovoltaic panels.

#### Colombia

# Vanti Project: Substations for Bogotá's Integrated Transportation System (SITP) sites.

The project consisted of designing and constructing five shelter-type substations as part of the project to build refueling stations that will supply over natural gas 600 buses, which will renew the SITP's fleet. The total installed capacity was 7 MVA, with a project execution time of six months to manufacture the shelters and four months to implement the solutions in each site.



#### Peru

# Electrical Infrastructure Project for the tunnel boring machine for Line 2 of the Lima Subway.

This is the Electrical Infrastructure Project for the Lima Metro Line 2 Tunnel Boring Machine, started in August 2020. This award allows the business line to enter a new area and helps promote the brand outside the company's concession area. Large-scale projects such as this one allow Enel X Peru to position itself as the main partner of companies in the use of energy, offering innovative energy efficiency solutions, highly specialized services, and products that enable its customers to generate savings and enhance their image.

#### **BESS Pamolsa**

A 750 kW battery was installed for peak shaving so that customers can save money on electricity bills and reduce their carbon footprint.

#### **UBM Euromotors**

The UBM system was implemented for 60 customer supplies, which made it possible to monitor emissions and identify possible mitigation actions.

#### PV Bélgica edificaciones

A photovoltaic system was installed in a real estate building in San Miguel, Lima. This allows for a reduction in energy consumption and in the carbon footprint.





### **E- Financial Services**

#### **Target audiences:**

- Residential customers
- Industrial customers



Strategic alliances for implementation of E-Industries initiatives:

Strategic alliance for the implementation of Financial initiatives

Alliances with financial institutions and banking

#### **Featured Financial Services projects**

#### Colombia

# Open Book Easy Credit to a new financing company

Together with ScotiaBank, a strategic partner for the credit business, we continued with the Open Book business model while the project to incorporate the financing company is processed by Colombian Superintendency of Finance. A new company dedicated to the financial business that has already secured its incorporation authorization, having been considered a viable company by the regulator. Currently, the business already has a portfolio of more than 1.2 billion Colombian pesos.

#### **Microinsurance**

In 2020, we continued to establish microinsurance as an alternative for energy customers and users, giving them access to a product that offers economic support for unforeseen events such as accidents, illnesses, deaths in the family, and natural disasters, for a monthly payment via the energy service bill.

#### Peru

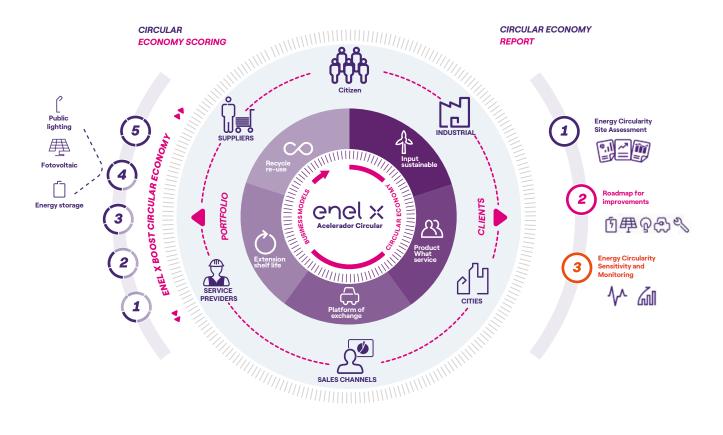
#### **Digital personal loans**

Through social media and alliances with Enel X's partners, the credit allocation was dematerialized, and customers were able to overcome technological barriers and access a loan limit to make several purchases until the entire amount was used.



# Enel X LatAm 2020 circular economy boosting program

### CIRCULAR ECONOMY OUR BOOSTING APPROACH



The objective of this program is to increase the circularity of a certain product offered by Enel X. First, an assessment is done on the level of circularity of the product. Based on the obtained circularity score, proposals are developed for actions that result in an increase in the level of circularity of the product. The assessment considers the products's alignment with the five pillars of the circular economy business models adopted by Enel: 1) sustainable inputs; 2) product as a service; 3) sharing platform; 4) useful life extension; 5) new life cycles.

The score (circularity level) is a quantitative indicator developed by experts from Enel X's Global Sustainability area, ranging from zero to 100%. The score obtained is externally certified and is based on the proportion of material from circular and non-circular sources, as well as on the effectiveness of the implementation of circular service models.

In 2020, Enel X followed up on the Circular Economy Boosting Program initiated in Colombia in 2019. The country has two projects under development that relate to new measures to increase the level of circularity for air conditioning products, residential and industrial photovoltaic (PV) panels, energy efficiency in homes, and public lighting.

Brazil began to implement this Circular Economy Boosting Program in 2020, focusing on the Industrial Photovoltaic product (offered by e-Industries). This program is projected to be completed in 2021.

In line with Enel Group guidelines, the development of new measures applied to Enel X's product and service offering in Latin America has been identified and highlighted. These adhere to additional circular economy pillars, such as:

- Brazil I e-Industries: Photovoltaic generation is distributed as a service, where Enel X leases the PV plant to the customer and is responsible for operation and maintenance. Under this model, credits from renewable energy can also be shared between the customer's facilities as long as they are in the concession area of the same energy distribution company, even if they are far from one another. (Circular economy pillars: 1) Product as a service, 2) sharing platform; plus 3) sustainable input for the customer).
- Colombia I e-City: Customer support on the logistics of recycling waste from public lighting that has been deactivated because of deterioration or obsolescence. (Circular economy pillars: 1) New life cycles).

The program is also scheduled to cover other Enel X products in Latin America in 2021, forming multidisciplinary work teams in the countries where the Group operates to promote and develop an increasingly circular business. The region's Business Growth area and Enel X's Global Sustainability area are coordinating this work plan.

The main benefit of this initiative in the region is that the products offered follow standards for continuous improvement in terms of environmental and economic sustainability.

## 6. PEOPLE

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#### Primary material topic: People management, development, and motivation

#### How is it managed?

People are central to the sustainability of Enel Américas' business. Their development and motivation are key to sustainable management in the context of the energy transition, which requires adapting to high technological demands and processes that differ from the traditional way of working.

In this context, the constant creation of professional growth opportunities is an essential part of Enel Américas' value proposition for its people. The Company fosters talent through internal promotion and the development of skills in various roles.

Enel Américas' people strategy involves resources for development activities such as mentoring, coaching, shadowing, training activities such as technical courses, certificate programs, and other opportunities, with the main focus being for people to gain new skills and reach their full potential. Under the same objective, development is driven by constantly supporting internal promotion, seeking to encourage people to build their careers within Enel Américas.

Based on principles such as respect and non-discrimination, Enel Américas seeks to create a work environment that promotes diversity and inclusion as an essential source of innovation and a collaborative work culture. A good work environment is also promoted, where wellbeing is based on work-life balance for all Enel people.

#### **Material topics**

- People development
- Quality of corporate life
- Respect for employees rights

Valorization of employees diversities

#### Importance of good management

Proper people management at Enel Américas is geared towards dynamically responding to the challenges of the future and having the right talent with the necessary competencies to achieve high performance in each duty and role and ensure innovation and adaptation to the new needs of the industry, thus reducing the risk of not having diverse employees with the required competencies.

This means that processes for people selection, talent retention, career development, climate and culture management, collective bargaining, leadership, and area management are key to achieving the Company's objectives.



### **Targets and challenges**

SDG	Activities/targets	<b>2020-2022</b> Plan targets	2020 Results	<b>2021-2023 Plan Targets</b>
8 DECENT WORK AND ECONOMIC GROWTH	% of participants in the climate survey	87	80	87
8 DECENT WORK AND ECONOMIC GROWTH	% participation in performance evaluations	100	99	100
5 GENDER EQUALITY	% of women in selection processes	50	47	50
5 GENDER EQUALITY	% increase of women in Middle Manager positions	25	25	27

Material topic and principles of the Policy on Human Rights	
Rejection of forced or compulsory labor and child labor	A &
Respect for diversity and non-discrimination	
Freedom of association and collective bargaining	\$\tag{\tag{\tag{\tag{\tag{\tag{\tag{
Fair working conditions	<b>CONTRACT</b>
Privacy & communication	<b>ॐ</b>

Our ESG

### People management and the adoption of new ways of working

Enel Américas has a team of over 16,000 people who manage, innovate, make decisions, and design and implement projects, strategies, and solutions every day for the Company to play a leading role in the Latin American energy transition

Increasingly, this work demands addressing new social, economic, and environmental trends and challenges for the electrical industry, placing the sector's people at the center.



Enel Américas aims to be the leading company in using its business to provide solutions to the new and future demands of the region. For this reason, it has united all its people under the same purpose: Open Power for a brighter future - We empower sustainable progress, convinced that energy is the key to a better future and to the sustainable progress of the countries where it operates, where nobody is left behind

This vision of Enel Américas' role in the sustainable growth of the region is the energy that motivates everyone who works in the Company. To this end, it is essential for sustainability to be the central criterion in people management. The Open Power values support a strategy that is grounded in the principles of respect, equal opportunities, and the creation of positive, inclusive, and innovative work environments where the company seeks to promote a balance between employees' professional development and quality of life.

### Pandemic management

Enel Américas and its subsidiaries took on an active role during the pandemic and health crisis, reviewing their people management processes and focuses to make the best decisions and support the work and health conditions required by employees, as well as to have the necessary conditions to maintain the Company's operational continuity. Thus, digitalization, teleworking, and physical and mental health care took precedence over other projects planned for 2020.

As a result of the health alert issued due to the Covid-19 outbreak, Enel Américas focused on promoting the digitalization of work and processes, addressing the cultural and mindset change of this new way of working, strengthening leadership, team management, and the challenges of balancing work, personal, and family life.

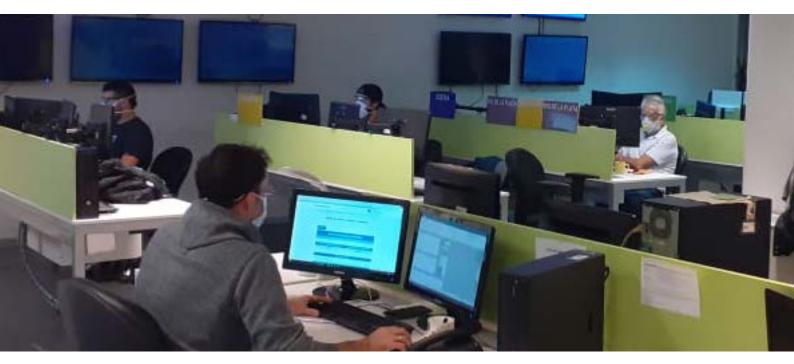
In the same area, the people management in Latin American countries included various actions aimed at supporting the physical and psychological well-being of its workers.





To face the health crisis, each country created a Task Force to define, coordinate, and report on actions related to Covid-19, lending continuous support to decision-making during the pandemic. The Task Force team is composed of the HSEQ of all business lines, P&O, Security, Communications, Services, and Procurement, which have worked alongside and in daily coordination with the Holding, following corporate guidelines and standardizing the way of doing things to make the best decisions in caring for the health and safety of all workers, contractors, and suppliers.

### Main initiatives carried out to face the pandemic



#### **Argentina**

- Employee outreach plan by the P&O team through phone calls to provide support during the emergency, assistance in setting up remote work, and information on Covid-19 safety protocols for field workers.
- Creation of the EnREd platform, a Yammer community of employees for employees. The purpose of this platform is to promote family integration and bonding.
- Implementation of a teleworking program, as operations allowed, with the required modifications for all activities that had been made remote to maintain the quality of service and work objectives.
- Adoption of prevention measures and work cells with 900 employees on standby.
- Opening of training channels to empower employees by developing digital skills to facilitate their daily tasks.
- Welcome On Board virtual induction process, focused on integrating new employees who joined the teams in the midst of the pandemic, supporting them through remote onboarding, fostering closeness and communication, and providing them with a space to meet their team and the organization as well as ask questions and obtain information and guidance to learn about and align themselves with the Open Power culture.

#### **Brazil**

- Strengthening global and local integration by using corporate platforms in people management processes, such as the redesign of the digital learning journey through the e-ducation platform.
- 100% of training sessions for the management staff were made virtual to ensure employee safety.
- Launch of the virtual Welcome Program.
- All courses that were previously in person were held through live classes with experts.
- The Virtual Journey was created, structured in three pillars: Orientation, Support, and Training. Its objective is to provide information, training, and tools for the new employee to develop the necessary skills and behaviors to integrate more effectively and become part of the team in the context of remote work.
- The Wellness Manifesto was launched to guide employees and managers on issues related to the new work model.
- The Você Channel was created and provided more than 22,000 consultations in 2020, including psychological, legal, social security, and other support.





#### Colombia

- HSEQ cross-sectional area, which aims to better respond to national and global health and safety situations (emergencies, pandemics, social protests, earthquakes, among others) by integrating HSEQ processes and initiatives at the country level and addressing HSEQ issues of the country's specific units.
- Training virtualization program that included different strategies in the creation of online courses, such as implementing digital tools like Talent Soft and OBS.
- 100% online courses which were designed by employees, allowing greater knowledge transfer.
- Online courses with suppliers, allowing an interactive, dynamic, and pedagogical design.
- **Synchronous courses** held through different platforms such as Teams or Blackboard.
- Various webinars were held to increase involvement in different strategic topics aligned with the Company's needs.
- Notifications sent through the education application and monthly follow-up on courses.

#### Peru

- Employee outreach plan by the P&O team through phone calls to find out how they were coping during the pandemic.
- Regular meetings with managers.
- Health and wellness newsletter to provide biweekly information.
- Availability of a helpline with a psychologist to help people with anxiety, stress, or any other mental health issue arising from the circumstances.
- Comprehensive nutritional program aimed at improving the body mass index of at-risk workers.
- Implementation of digital tools to maintain and improve the productivity of Energy Management employees, as well as to manage relevant business information and implement new analytical tools through various Business Intelligence software programs, striving for data accuracy.
- Finally, health and wellness webinars were held for employees and their families.
- Teleworking for Enel Generación Perú Control Center and RER Control Room personnel.



### People management strategy

The main trends point to a new world of work that responds more dynamically to the challenges of the future, making it necessary to manage people differently, leaving no one behind.

performance

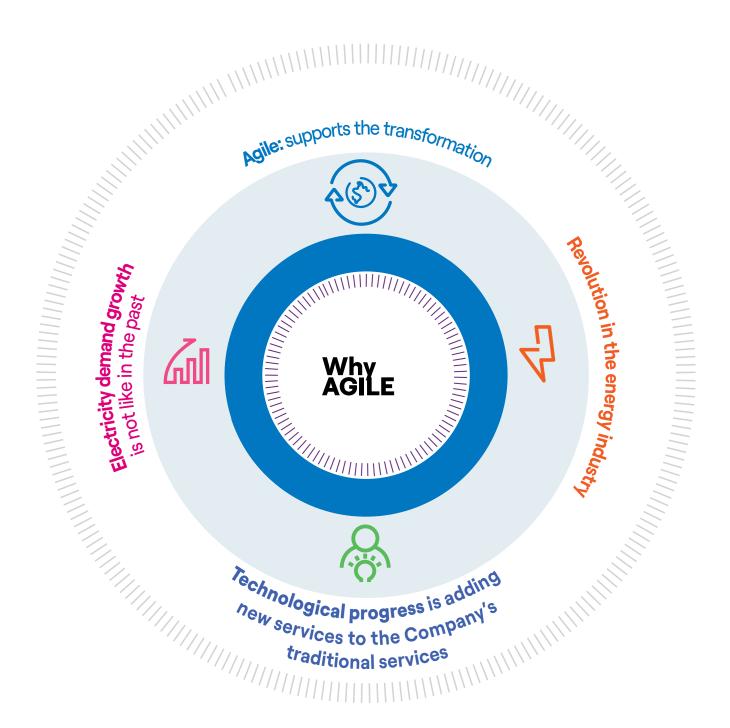
Advances in technology and digitalization are offering more and more options and flexibility, both in how tasks are performed and in how people are organized and managed. The necessary competencies are changing, and the strategies for refreshing knowledge and retraining are becoming increasingly important for the Company to be able to grow its talent from a socially responsible and sustainable approach, which goes hand in hand with the energy transition.

The main strategic work focuses were enhancing digital transformation, strengthening the development strategy within the organization, and the training and the development of strategic groups, among others.



### **Agile Methodology**

To face the challenges of managing people in times of change, the Enel Group has adopted the Agile Methodology, a collaborative method based on flexibility and openness that facilitates the task of adapting solutions, processes, and systems to new requirements.



The countries of Enel Américas continued implementing the Agile methodology in 2020.

In Argentina, the Company took on eight projects based on this methodology: programmed outages, ENRE Communications, Electricity Balance, Adding Energy, Northern Development, Transforming Roads, Oil Projects, and BOT Social Networks, with 80 participants. At the same time, several training courses were held on Agile methodologies, such as Agile talks scrum master, product owner, planning, retro, estimates, metrics, and OKR, among others, totaling 300 hours of training.

Brazil designed an Agile training program that initially consisted of 11 courses aimed at changing the mindset, culture, and Agile methodologies. Approximately 1,300 employees were trained in Enel Brazil's Agile training program in eleven months, totaling 4,411 hours of training and 2,034 participants.

The Agile methodology implementation actions were centralized with the creation of the Agile Transformation Office in 2020. The first step was to conduct a Business Agility Assessment to identify the current landscape and design an improvement plan. Actions were then implemented based on this plan, such as the Agile Governance model, the creation of the Agile Learning Path, and the formation of new agile teams in the Market area, with a new work model and new roles.

In Colombia, under the change management pillar, the digital transformation project was initiated in 2020 with the purpose of implementing a change management strategy as part of the Digital Transformation strategy, with the following pillars: Agile, data driven, and customer centricity.

The digital transformation school was continued within the corporate university, holding different training courses at basic and advanced levels, such as Agile, Data Driven, Customer Centricity, Lean and Kanban, Scrum, Artificial Intelligence, Internet of Things, smart cities, among others, with 940 employees participating and a total of 7,003 training hours.

Peru worked on webinars and workshops on agile methodologies to enhance knowledge. Regarding skills development, people's participation in projects under the agile methodology is of note. Best practices were shared in the various management areas, which were uploaded to the Education platform.





### Our people

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In 2020, Enel Américas' total workforce reached 16,731 people, a 3% decrease from the previous year. This is mainly explained by decreases in Brazil, especially in Enel São Paulo, where the Company followed the organizational optimization plan defined after the acquisition.

Number of employees	2020	2019	2018
Argentina	4,064	4,086	4,348
Brazil	9,523	10,124	10,900
Chile	51	53	57
Colombia	2,150	2,106	2,146
Peru	943	926	915
Total	16,731	17,295	18,364

Enel Américas firmly believes in gender equality and has developed policies and initiatives to promote it. Of Enel Américas' total employees, including its subsidiaries, 19% are women, with slight progress in Colombia and Perudue to the initiatives described in the Gender Diversity section later in this report.

With respect to the total number of management positions, 24.8% were held by women at the end of 2020. Those in junior management positions were 24.7% women, while those in senior/top management positions were 25.0% women.

Additionally, of the total number of management positions related to direct revenue generation, 16.6% are held by women.

Moreover, 11% of all management positions are held by women in direct revenue-generating positions.

The salary ratio, defined as the average base salary for women in relation to the average base salary for men, reaches 0.88 at the senior/top management level, 1.05 at the junior management level, and 1.04 at the non-manager level. Considering the total salary, the ratio between women and men reaches 0.84 at the senior/top management level, 1.05 at the junior management level, and 1.03 at the non-manager level.

#### **Salary equity**

		2020
Categories	Base sala	ry Total salary
Manager	88.16	% 84.35%
Middle Manager	104.72	% 105.47%
White Collar	104.01	% 102.63%

It should be noted that the percentage of workers with a fixed contract is 96% for women and 99% for men, with 98% at a consolidated level.

#### Workforce by gender

	2020 2019		.9	2018		
Country	Men	Women	Men	Women	Men	Women
Argentina	87%	13%	87%	13%	87%	13%
Brazil	82%	18%	83%	17%	83%	17%
Chile	71%	29%	64%	36%	73%	27%
Colombia	67%	33%	68%	32%	69%	31%
Peru	71%	29%	71%	29%	72%	28%
Total	81%	19%	82%	18%	82%	18%
Employees	13,524	3,207	14,101	3,194	15,058	3,306

### Labor preparation for the energy transition

Enel Américas works with a long-term vision for a more sustainable future, supporting the energy transition process with upskilling and reskilling programs focused on roles and positions that require, in the context of decarbonization, updating knowledge and skills or learning new ones, preparing employees to take part in the labor retraining necessary to meet the challenges.

Colombia has already taken action in this context, leveraging the talent and leadership of the future.



### Workplace climate and well-being surveys

In 2020, Enel Américas adapted the measurement of the climate survey to the new pandemic context. It is conducted every two years, and employees were last surveyed in 2018, with a coverage of 91% and an engagement level of 90%.

In this context, and to identify the most critical aspects, a survey was conducted to determine employees' well-being and engagement, as well as the cultural and organizational challenges of the work in the future.

In 2020, **Open Listening** was conducted for all employees in Argentina, Brazil, Colombia, and Peru, gathering their level of satisfaction regarding working conditions as well as aspects related to:

- % of activities that could be performed by employees under the new form of remote work.
- workers' value of the activities carried out during remote and in-person work
- actions for improvement in the new work environment.

		Level of well-being and
	% participation	engagement
Argentina	82.0%	93.0%
Brazil	80.0%	92.0%
Colombia	74.8%	94.8%
Peru	71.0%	95.3%
Total Enel Américas	79.3%	92.8%
Total Effet / tifleffeas	10.070	02.070



### Work-life balance

401-2

One of the pillars of the People strategy is based on employees' quality of life and the achievement of a balance between work and family life, understanding that the physical and emotional well-being of people is essential for their optimal work performance.

Enel Américas' subsidiaries offer a range of benefits and activities on sports, corporate integration, and health and wellness for their employees, some of which are extended to families.

In a 2020 marked by the pandemic and teleworking, Enel Américas countries developed a series of remote initiatives connected to personal and workplace well-being.

#### **Teleworking – Smart Working**

Given the context of the pandemic, teleworking was established as the new way of working, unlike in previous years when it was an alternative to balance personal and family responsibilities.

KPI	Unit	2020	2019	2018		
Smart Working						
Argentina	N°	1,580	150	124		
Brazil	N°	4,153	370	149		
Chile	N°	51	11	11		
Colombia	N°	1,411	505	399		
Peru	N°	827	164	127		
Enel Américas						
Total	N°	8,022	1,200	810		



#### **Main benefits**

Enel Américas offers different benefits such as the academic excellence scholarship, activities for employees' children, extended leave, birthdays, and recognition of work experience.

In 2020, employees in **Argentina** were allowed to work flexible hours to attend their children's first day of school; new employees were allowed to extend their vacations and received economic benefits such as discounts and gifts. The "Enel te cuida" ("Enel takes care of you") program was also created, with various virtual entertainment activities such as: Enel Family Week, Online Nutrition Counseling, online sports classes, mindfulness, and webinars on dealing with COVID.

Highlights in **Brazil** include the creation of the Wellness Manifesto, a program that seeks to help employees on issues related to the new working model; meditation sessions; Canal Você, an initiative that offers psychological, legal, social security, and other support, providing more than 22,000 consultations; and Healthy Pregnancy.

**Colombia** implemented Corporate Experiences such as virtual gyms, mindfulness instruction, mindfulness community, wellness lifestyle classes, informative talks on the Covid-19 recommendations, among others. Colombia also organized various virtual meetings for special occasions, gave out virtual vouchers to be enjoyed from home, sent various gifts to workers' homes to enjoy special occasions, and incorporated benefits such as internet, an insurance policy to cover Covid-19 hospitalization costs, and virtual psychological support.

**Peru** arranged talks and activities for workers and their families to better cope with the pandemic; reconsidered the flexible schedule, and worked with the leaders to avoid scheduling meetings at break times.

### Value of diversity among employees

#### **Respect for diversity and inclusion**

For Enel Américas and its subsidiaries, diversity and inclusion in all forms is essential in managing people. This is reflected in the Company's Diversity and Inclusion Policy, approved on December 20, 2016, which focuses on the pillars of gender, people with disabilities, multiculturalism, and generational diversity.

Diversity and inclusion are a core part of a sustainable business model. At Enel Américas, we are committed to this vision and translate it into initiatives aimed at encouraging women in management positions, promoting the integration of employees with disabilities, improving personnel competencies through training, and implementing policies that encourage the work-life balance.

#### **Enel Américas Diversity and Inclusion Policy**

Its objective is to define the key principles required to foster a culture that recognizes the importance of diversity and value creation. This policy must be implemented and applied according to existing legislation and the corporate governance rules and regulations of the subsidiaries in each country.





#### **Disability Inclusion**



This commitment has been adopted in different ways in Enel Américas countries. For example, an event was organized in Argentina to commemorate the International Day of Persons with Disabilities (live webinar with NGO speakers). In **Brazil**, focus groups were held with employees with disabilities to listen to their needs and develop an action plan focused on disability. In **Colombia**, the Pact for Productivity Program was carried out with experts in the implementation of the labor inclusion model for people with disabilities. By transferring knowledge to the different actors in the organizational ecosystem, this program seeks to transform the cultural and business environment regarding the concept of disability in the workplace, by implementing best practices for labor inclusion of people with disabilities.

#### The Valuable 500

The Enel Group has joined "The Valuable 500," a global initiative that calls for 500 private companies to participate in unlocking the commercial, social, and economic value of people with disabilities around the world. The Enel Group, which has already placed disability on the agenda of its Board of Directors, has made a public commitment to action on disability matters.

Enel is firmly committed to promoting human rights, non-discrimination, equal opportunity, and diversity in the countries where it is present. The Group works to replace limits and obstacles with new opportunities that harness the talents brought to the table by all employees. One of its main objectives is to make energy available to all by unlocking the potential of the Group's most valuable assets, the people it works with.

As part of Enel's sustainability plan, there is a support center in every country employing people with disabilities to address their specific needs, implementing initiatives to improve their autonomy and promote inclusion. In addition, the Group is committed to improving and expanding measures related to digital accessibility, autonomy, mobility, development, and employability of people with disabilities.

# Significant partnerships or memberships

The following are among Enel Américas' main 2020 partnerships or memberships for Brazil:

- Rede Brasil do Pacto Global: members since 2007, participating in the Human Rights, Energy and Climate, SDGs, Engagement and Communication, and Anti-Corruption working groups.
- Ethos Institute: members since 2006, participating in working groups on gender equity, human rights, and integrity.
- Sistema Firjan Industry Federation of the State of Rio de Janeiro: members since 2007, participating in the Board of Directors and the SDG working group.
- WEPS Brazil Companies Empowering Women: signatories since 2011 and recognized in the silver category by the WEPS Brazil award in 2019.











In Colombia, the following partnerships were formed:

- Government, led by the Ministry of Labor, and the United Nations Development Program. The main purpose is the cultural and emotional transformation of workplaces to build an inclusive experience in each of them. The Equipares Gold Seal recertification was achieved by demonstrating reduced gender gaps within the companies.
- Aequales: An organization that provides tools for closing the gender gaps in the Latin American labor market,

- based on measurement, consulting, and technology.
- LGBT Chamber of Commerce of Colombia: Since 2012, this private institution has sought to economically and socially empower and strengthen the LGBTI community in the country through collaborative strategies to promote the development of business, entrepreneurship, and products and innovations aimed at the LGBT segment, which is one of the most dynamic in the Colombian economy. In 2020, the Friendly Bizz seal was awarded for promoting discrimination-free spaces.









#### People with disabilities in Enel Américas

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		Employees with disabilities, 2020	)
Country	No. employees with disabilities	No. total employees	% employees with disabilities
Argentina	87	4,064	2.14%
Brazil	277	9,523	2.91%
Chile	0	51	0.00%
Colombia	3	2,150	0.14%
Peru	5	943	0.53%
Total	372	16,731	2.22%

#### **Generational diversity**



For Enel Américas, diversity and inclusion also include the important contribution of different generations, where young talent plays an important role in enriching the organization. The Company carried out initiatives intended to strengthen integration free of age discrimination in the different areas.

In **Colombia**, the Talent Silver Project was carried out with the purpose of designing and implementing a program to enhance the growth and development of people over the age of 50, creating opportunities tailored to their particular stage in life.

**Peru** carried out the Sensei knowledge transfer program, which seeks to promote the value of older people by providing them with tools to transfer their knowledge and receive recognition.

#### Parental program participants

401-3

Country	2020	2019	2018	2017
Argentina Brazil	68	9	23	44
Brazil	276	280	S/I	29
Colombia	48	65	68	22
Peru	20	0	0	0
Enel Américas	412	354	91	95

The most noteworthy initiatives carried out by country in 2020 were:

**Argentina** created the Parental Program, which supports female employees during their maternity period by offering fitness activities, interviews, health information, and guidance, among others. Breastfeeding rooms were momentarily suspended by Covid-19 but were reopened and are now ready for normal operation. This subsidiary

#### **Gender diversity**

Enel is deeply committed to a diverse and inclusive world where men and women have the same opportunities, which is why it seeks to create gender-equitable spaces with the aim of building a strong organization that is better prepared to face its challenges.

Within this context, Enel Américas' subsidiaries carried out initiatives within the STEM Program, which aims to bring women into science, technology, engineering, and mathematics.

#### **Women in STEM positions 2020**

		Enel				
2020		Américas A	Argentina	Brazil	Colombia	Peru
Total STEM positions	Ν	6,355	1,159	3,195	1,451	550
Number of STEM positions						
held by women	Ν	1,203	147	636	337	83
Percentage of STEM						
positions held by women	%	18.93%	12.68%	19.91%	23.23%	15.09%

(\*) STEM positions defined as all positions related to technical business lines (Enel X, unidades de mercado y comerciales excluidas), to global digital solutions for service functions and to some staff functions (Health & Safety and Innovation) and does not take into account their STEM related qualifications due to an ongoing standardization process on these data at global level. Data do not consider blue collars.

The parental program was also carried out, which supports female employees during their maternity period by offering fitness activities, health information, and guidance, among others.

participated in the UN Women program, taking gender-specific actions (workplace harassment policy, wage gap, protocol on violence against women, breastfeeding rooms, creation of an interdisciplinary committee to carry these out) and holding several webinars on breast cancer prevention; the international day against homophobia, biphobia, and transphobia; the elimination of violence against women; teleworking and parenting; resilience and women in technology.

The initiatives carried out in **Brazil** that aimed to achieve equality were a webinar on domestic and family violence, in which 259 employees participated; Webinars on strengthening diversity and LGBTQIA+ rights, and the fight against discrimination within the organizations. 665 employees participated. It is worth noting that women represented 49% of the shortlist processes and 48% of the succession plan. The STEM program benefited 768 women.

In **Colombia**, Codensa and Emgesa ran initiatives to hire female employees based on the Equipares Labor Equity Seal Certification and were recognized as "Iconic companies creating a better world for all" by the She Is Foundation during the second edition of the Women Economic Forum (WEF) Latin America. Over 1,000 people took part in training

sessions to address biases and stereotypes regarding sexual diversity; Pride Month was celebrated through the webinar "Breaking paradigms, opening opportunities," and a transgender person was hired; the work team was trained to facilitate the adaptation process. In addition, a STEM workshop was held for workers' children, during which they learned about programming and how to create their own video game, 94 children participated.

**Peru** worked on diversity, forming partnerships with STEM groups such as the WIN (Woman in Energy) collective, 296 women were reached as a result of this partnership. Workshops and focus groups were also held to refine the diversity plan.





#### Equal by 30 global campaign for gender equality

The Equal by 30 campaign is part of the Clean Energy Ministerial (CEM) forum and aims to enable greater gender diversity in professions in the clean energy sector. It operates under the banner of the Clean Energy Education and Empowerment (C3E) International Initiative, which works to promote policies and programs that advance clean energy technology, share lessons learned and best practices, and accelerates the transition to a global clean energy economy.

The Enel Group is among the signatories of the campaign, which reflects its strategic focus on diversity and inclusion in each of its subsidiaries.

As a signatory, Enel reinforces its commitment to gender equality, encouraging women to express their talent at all levels and throughout the energy value chain. As part of the action plan that arose from this campaign, Enel is working on various initiatives in all its countries to promote awareness, especially among girls, of the opportunities that exist in STEM (science, technology, engineering, and mathematics). As an example, "Tech Talk" is a series of informative and inspiring digital meetings for schools with women leaders in the areas of science, culture, and entrepreneurship, which encourages equal decision–making and highlights the diverse mix of skills needed for the professions of the future.

# People development and motivation

Employee development within organizations is one of the fundamental pillars of people management. Enel Américas firmly believes that each person is unique and talented, and it seeks to see these talents flourish. Enel Américas supports this pillar through the identification of talent and critical roles, training on leadership and teamwork, internal mobility, and performance evaluations.

# **Talent identification programs**

Enel Américas has various talent identification programs, which identify key Company employees to receive specific development plans that include on-the-job training and coaching, mentoring, among others, to reach their maximum potential and promote their development.

Both key people and talent cluster were identified through potential assessments or similar tools. For this purpose, Enel Américas' professional development is aimed at job development, motivation, and teams of excellence, for which the Company monitors both their technical and soft skill training needs.

# **Succession plan**

The succession plan seeks to ensure that people are available to fill possible vacancies in management positions within the Company. It is reviewed annually and is based on continuity in development projects, Talent Management, effective planning, and network sharing to expand the talent pool. This is based on the following criteria:

- Continuity in development projects: facilitating the direct link between open evaluation & feedback, e-profile, succession planning, and the management evaluation process, promoting gender mix and generational turnover.
- Talent management: supporting the talent process by focusing on successors with individual growth paths.
   These are suggested by managers and shared with the people business partner and the Development team, who manage their growth.
- **Effective planning:** making development strategies more flexible by focusing budget and action priorities.
- Network: sharing, with an Open Power perspective, the network of contacts acquired by the position holder throughout their professional career to widen the talent pool and the versatility of proposals.



An example of this is **Brazil**, where the succession plan requires each "mapped seat" to have a woman nominated. With this, 77 women were mapped in the 2020 process, representing an increase of 27% over 2019.

The new plan implemented by Colombia defines Ready and Pipeline Successors who are capable and prepared to move into management positions in the future, thus strengthening the talent and leadership pillar. This plan identified 218 successors for 40 management positions.

Peru also carried out a potential assessment to identify the talent pool, which currently corresponds to 8% of its population, and 100% are undergoing development programs. As part of the 2020 program, 100% of the management positions had successors identified.

# **Critical roles identification**

In 2020, Enel Américas initiated a process to identify roles that are more critical and strategic to achieving the Company's objectives, an initiative that had already been undertaken by Enel X, Global Power Generation, and Global Digital Solutions in the previous year.

This process involved a global collective effort to standardize positions in order to facilitate their comparison. This analysis will be performed annually, updating the information of the people holding the position and their potential successors while distinguishing between those who are able to hold the position (ready) and those who need to improve their performance (pipeline). With this, targeted growth actions can be taken to prepare the candidates for their professional growth.



In Colombia, the holding company's methodology was applied across the organization. The BPs, together with the business lines, assessed the positions on three criteria: strategic impact, retention risk, and scarcity in the market and within the organization, identifying 135 critical roles.

# **Encouraging motivation and leadership**

Career development must include various initiatives to keep employees motivated while supporting leadership development within the organization. Under this approach, Enel Américas' subsidiaries have developed different programs to enhance leadership and the role of the manager in the Open Power culture.

An example of this is **Argentina's** "Leader of the Future" Program, in partnership with the Torcuato Di Tella University and aimed at all people in a leadership position. Its objective is to develop the role of Leader 4.0 (leader of the cultural and digital transformation, leader-manager, leader-coach, and strategic leader). 1,900 people participated in the event.

**Brazil** has a corporate academy for the development of specific behavioral skills, which is divided into two pillars: short-term actions, with behavioral training and specific technical training; and the Leadership Academy, which covers essential practices and behaviors for leading people and teams to promote understanding of the critical steps which a leader must take. It also enabled the Leadership Community, which is available in the corporate education tool (Education) and aims to facilitate, engage, connect, boost, and sustain the leader's development through different tools and learning experiences.

Meanwhile, in **Colombia**, a workshop was held on coherent and resilient leadership to empower adaptive and resilient leadership at the individual and collective level, increase focus, emotional intelligence, and intuition, also reducing indicators and variables of stress and energetic fatigue. Two participant groups were formed in 2020, totaling 32 Codensa employees.

In **Peru**, the "Leader to coach" initiative was carried out, which is a series of leadership courses held through the "Lidera" leadership school. 130 Company leaders participated.

### Other initiatives of note

### **Teambuilding**

Enel Américas continued its Teambuilding programs, which were held virtually and included activities that enhanced teamwork and unity among employees.

# **Coaching Program**

This methodology aims for workers to be able to strengthen Open Power behaviors. This allows them to set more precise goals, objectively evaluate their resources, and take action by leveraging their strengths to improve their areas of work.

# **Mentoring Program**

This initiative seeks to support the development of management skills for people with high potential. Here, successors to management positions and high-potential candidates participate in a growth journey with a mentor from the Company.

# **Recognition Program**

Enel Américas values meritocracy as part of the path to professional development within its subsidiaries. In 2020, the Company continued to recognize employees who emphasize and promote values, practices, initiatives, and/ or projects that create value in the Company, seeking to influence their commitment and satisfaction.

#### **Inspire Talk**

Enel Américas began a new initiative in 2020, which sought to exchange information that would motivate, inform, and train people on the Company's areas of interest and on those trending around the world. The employees themselves discuss topics of their interest and expertise, sharing and energizing their peers.

# Internal mobility

Another important driver in people management is internal mobility, which makes it possible for employees to reach new positions and opportunities within the organization. Mobility occurs through internal competition and direct selection. In this sense, Enel Américas recorded a total of 874 internal covered vacancies (296 internal processes and a total of 172 direct selections), which covers 56.35% of the vacancies at Enel Américas.

For **Brazil**, the adaptation of the Job Shadowing program, which took place online in 2020, is noteworthy. The experience of this program represents a valuable opportunity for improving employees' skills and competencies. It is also an important opportunity to exchange opinions and enrich each other through the experiences of others.

In the case of **Colombia**, the internal mobility indicator rose to 18% in 2020, reflecting a 3% increase over 2019. From this figure, it should be noted that a total of 383 internal movements occurred in the Company, including promotions and transfers.

Furthermore, 20% of the Company in **Peru** had the opportunity to access some type of internal mobility, whether job rotation, an area change through an internal selection process, a promotion, or a process of osmosis to another area.

#### **Osmosis**

The Osmosis program is aimed at increasing the vision of the business to gain a more comprehensive perspective. It consists of rotating people from different business units for them to develop horizontally.

This cross-functional development program allows the development of transversal profiles and reactivates the Employee Journey, providing employees with a global view of the business.

13 personnel movements have taken place since the implementation of this program in **Argentina** in 2020.

In **Brazil**, approximately 112 movements were managed in the Osmosis program.

In **Colombia**, as in 2019, 30 people were cross-rotated, given that variations were experienced at the company level.

In Peru, more than 40 movements took place in 2020.

# **Internal mobility**

	2020	2019	2018	2017
Argentina	1.38%	2%	31%	16%
Brazil	2.54%	96%	1%	2%
Chile	23.20%	12%	3%	133%
Colombia	18.05%	15%	14%	10%
Peru	19.87%	13%	6%	13%
Enel Américas	5.25%	62%	10%	10%

# **Rotation 2020 (\*)**

Gender	Unit	Enel Américas
Women	%	7
Men	%	7.4
Age range	Unit	Enel Américas
Up to 30 years	%	15.2
From 30 to 50 years	%	5.9
Over 50 years	%	7.8
Total	%	7.3
Total	%	7.3

(\*) Percentage calculated based on each country's personnel of origin.

# Performance evaluation

At Enel Américas, the feedback sessions that managers hold with employees are opportunities to build a closer and more transparent relationship, align expectations, and support the professional development of employees.

Through the Open Feedback Evaluation program, which is based on the Open Power philosophy, the manager provides feedback on the behaviors associated with the four Company values. To do so, they initially consider the Open Feedback provided to their team members by the work network and then follow the defined methodology. Based on this assessment, the manager discusses the future of the employees on their team, the creation of development plans suited to employee needs, and how the individual potential of each employee be fostered.

Also, the different Enel Américas countries have a tool for objective-based evaluations called Management by Objectives (MBO), which seeks to ensure compliance with the strategic plan via the four Group objectives. This tool covers 100% of the managers evaluated and other specific groups by territory.







# Recruitment and selection

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Due to the Covid-19 circumstances, the Company reinvented itself, betting on a more accessible process in the virtual world from the digital culture pillar. Enel Américas managed 677 vacancies through external processes, interviewing 2,074 candidates.

Moreover, using the Job For You platform, 296 vacancies were managed through an internal process, with 2,274 interested candidates participating.

# Job training

404-1 | 404-2

Enel Américas seeks for its employees to grow personally and professionally. For this reason, it offers training opportunities in different areas of interest, reinforcing corporate objectives and Open Power values to lead the cultural change and prepare its employees for the new challenges, thus allowing them to effectively support the business.

In 2020, ThUS\$2,694 was invested in training for Enel Américas' workers, with an average of US\$164 invested per person.

For Enel Américas, it is important to encourage skills development in its employees. To do so, it offers a series of programs and tools that have been implemented online in 2020 due to the pandemic.

# **Internal certificates**

The Enel Américas area is responsible for providing specialized training to its businesses. Along this line, three important masterclasses were held in **Argentina** on topics related to Regulatory Framework, Electricity Market, Masterclass, and Sustainability. In **Colombia**, the Corporate University was launched in 2020. Finally, **Peru** offers a specialization program in electricity sector regulation.

# Scholarship Program for Employees (BET)

The Scholarship Program for Employees (BET) is financial support for Training, Remedial, or Advanced studies that contribute to better performance in employees' present and future work activities, particularly those that are directly linked to the Enel Group's strategic guidelines.

In **Colombia**, for example, loans and sponsorships are offered to those who plan to study postgraduate degrees or take specialized courses. Specifically, 37 workers received support to pursue graduate studies with sponsorship awards ranging from 20% to 60% of the total tuition in 2020; 15 of them were for universities outside Colombia.

The Professionalization Program was also implemented, which facilitates access to undergraduate programs for workers who do not have a professional degree by providing economic benefits and different work arrangements. To implement it, an agreement was signed with the Politécnico Grancolombiano in the Industrial Engineering program.

# Other employee training programs

### **Digital transformation**

In Argentina, large-scale use of virtual technology emerged from the "new normal," which led to strengthening employee training programs and incorporating new content and methods of learning:

- Digital Work: a program that seeks to develop Digital Competencies through new work platforms such as Teams, OneDrive, OneNote, Planner, Yammer, Sharepoint, Office 365, and Digital Pills. This initiative reached 944 employees through the eDucation platform.
- Power Bi: a course implemented through webinars, which is directed at the Global Digital Solutions (GDS) team and specialists in each business line. This initiative has a practical interactive component and dashboards to effectively display information. This program succeeded in enhancing the digital competencies of 100 participants.
- Business Analytics: a course that covered topics on the importance of Data Analytics (DA) in business, DA processes in an organization, DA stages, objectives and indicators based on data and DA tools. A total of 95 people participated in this initiative.
- Digital Transformation Masterclass: initiative carried out to provide information on the Digital Transformation process, focusing on the electricity sector. The course was aimed at all Enel Argentina personnel and was attended by 75 workers.
- Innovation Academy: course designed to promote and spread the culture, knowledge, and behaviors of Open Innovation, share methodologies to improve innovation, and promote and manage corporate entrepreneurship. A total of 820 people took part.

In Brazil, global and local integration was strengthened by using corporate platforms in people management processes, such as the redesign of the digital learning journey through the e-ducation platform, which also created a community for the development of leaders, and the extension of global processes to other audiences at the local level, such as the succession process, which involves managers as well as middle management.

Moreover, training initiatives are carried out on an ongoing basis in Colombia, such as the Digital Transformation Program that seeks to contribute to the digital transformation strategy from the digital culture pillar. In 2020, different activities were developed that contribute to the achievement of the stated objectives, such as the Digital Transformation School, Digital Experience Week, Digital Transformation Project, Leader's Guide 4.0, Training via Webinar, Digital Transformation Strategy Course, Digital Habits, and STEM Workshop.

In **Peru**, platforms were used to facilitate the exchange of information with team members as well as audited units, maintaining security standards for confidential documents and files.

Large volumes of data have been leveraged by applying data mining tools such as Power Bi and identifying unusual behaviors in tasks to focus on them.

The Company began internal training for the team in data management tools such as "R" to develop machine learning and data clustering models.

#### **Technical skills**

Argentina carried out a series of programs to develop the technical skills of its employees, such as:

- HRBPs development program: an initiative aimed at all HRBPs of Enel Argentina that seeks to strengthen and enhance the role of business leaders and strategic partners, strengthen the comprehensive approach to People Management, build and develop their capabilities to maximize their value contribution, and continue developing their capabilities to maximize the contribution of value. Sixteen people took part.
- **High Impact Presentations and Storytelling:** a course that seeks to help employees gain tools and techniques to communicate efficiently and achieve the message to be conveyed: inform, persuade, and act. This initiative reached 75 people.





To share knowledge between the business and support areas, important training webinars were held in **Brazil**, covering specific topics such as:

- Overview of the electricity sector.
- Asset regulation: return on investments.
- Trends and modernization of the electricity sector.
- Asset regulation: geographic database and its value.
- **EGP:** renewable energies and the generation chain.
- I&N NT: new technologies: initial concepts and structure.

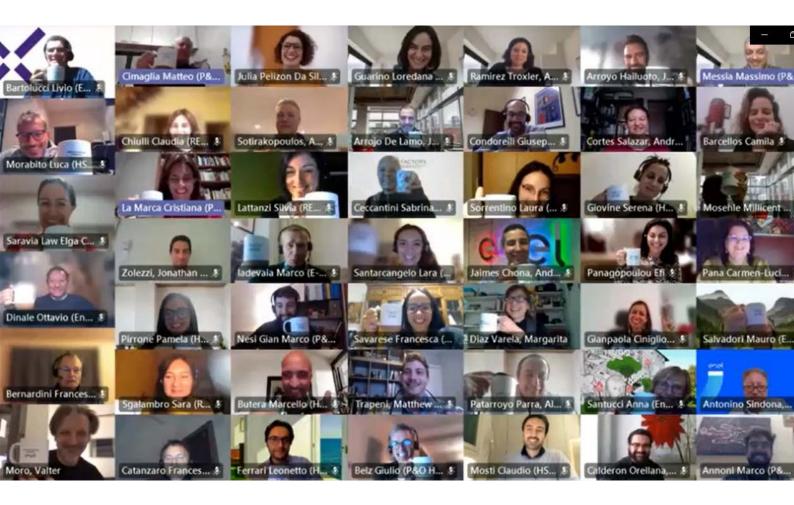
Webinars were also made available on the eDucation platform, which was widely promoted as a self-development tool for employees.

The following initiatives were developed in Colombia:

Transformation, culture, and change: In 2020, under the change management focus, the change management process is supplemented by the implementation of the cultural methodology, which consists of measuring different indicators across eight attributes: strategy, leadership, practice and human talent, cultural practices, organizational architecture, workspaces, processes, and technology. Among the projects developed are Conexión RB 2021, Drape and Billing, among others.

- Virtualization: In 2020, under the digital culture pillar, the Company transformed itself due to the Covid-19 emergency and created the training virtualization program that included several strategies, such as implementing digital tools, conducting online courses and webinars, among others.
- Development paths: under the talent and leadership pillar, this seeks to encourage employees' interest in their personal and professional growth and ultimately improve employee awareness of training and development activities.
- Development methodologies: under the talent and leadership pillar, the use of coaching and mentoring methods has been promoted. In 2020, 23 individual coaching processes and a total of 17 leadership mentoring processes were carried out virtually.

In addition, Peru carried out a series of webinars, a soft skills program, mandatory courses, and a monitoring plan to enhance its employees' skills. Professional development plans are defined once a year, which are development actions to enhance competencies that promote their growth within the organization.



#### Other initiatives

Colombia created the School of Diversity in 2020, under the pillar of diversity and caring for people with training content grouped mainly in five focus areas: Age, Gender, Sexual Orientation, Disability, Nationality, and training focused on personal and family development. This training enabled working together to become a more diverse Company that promotes equity in any of the required aspects. Nine training courses were held throughout the year with an average rating of 4.5, a total of 2,114 training hours, and 1,849 participants.

# Respect for employee rights

8 DECENT WORK AND ECONOMIC GROWTH 102-41



Enel Américas establishes fair and favorable working conditions for its employees, in line with each country's current regulations, through collective bargaining agreements. These result from the collective bargaining processes between unions and the Company and contribute to responsible management of working conditions.

For the Company and its subsidiaries, collective bargaining is an instrument endorsed by both parties that has facilitated collaborative efforts. It exerts a positive social impact on the organization and demonstrates Enel Américas' good practices in matters related to freedom of association and fair compensation.

In 2020, 92% of all employees were covered by collective bargaining agreements. The employees of Enel Américas and its subsidiaries are free to organize collectively by joining any of the existing unions in each company.

Collective bargaining agreements are defined considering the following guidelines:

- Respect and protect freedom of association and the right to organize (ILO C87).
- Respect the right to organize and collective bargaining (ILO C98).
- Respect and protect workers' representatives (ILO C135).
- Prevent discrimination of workers.
- Guarantee the effective enforcement of union rights in the workplace.

Employees are informed of their union rights by the union representatives themselves or by personnel from the People and Organization department. Any violation of labor or union rights may be reported by employees through the Ethical Channel or through other channels, such as e-mails and letters, which are confidential and dealt with in accordance with internal procedures.

The Internal Audit department investigates the reports received through the Ethical Channel and, if a violation is confirmed, corrective actions are adopted according to the





disciplinary system in place in each country. In 2020, there were no confirmed cases of discrimination or violations of union rights or labor rights reported via the <a href="Ethical Channel">Ethical Channel</a>.

Internal and external informative campaigns are conducted annually to promote the Ethical Channel and the Inquiry Channel, emphasizing the policies and protocols of the Compliance Program, Code of Ethics, Ethical Channel, Criminal Risk Prevention Model, and conflicts of interest. The Audit Unit reports quarterly on the complaints dealt with and informs the Board of Directors about any complaints considered significantly relevant.

Moreover, the Internal Regulation of Hygiene, Order and Safety and, in the case of Colombia, Internal Policy 283 include a detailed description of the procedures to follow in reporting workplace harassment, sexual harassment, as well as the action procedures in these cases. Colombia also have a Labor Coexistence Committee, which is responsible for studying the incidents reported and issuing recommendations or transferring the matter to the corresponding area for disciplinary action, if applicable. In 2020, the Committees did not find any evidence that the complaints analyzed had constituted harassment.

# 7. COMMUNITIES

103-1 | 103-2 | 103-3



# Primary material topic: Engaging local communities

#### How is it managed?

The Company considers factors linked to the regional context and the internationally defined framework to identify and define strategic guidelines in social, economic, and environmental matters.

In relation to the regional context, the main factors consist of variables such as the climate crisis, multidimensional poverty, energy poverty, the social and environmental development strategies of the countries in which Enel Américas operates, and events such as the health crisis that defined 2020.

In addition to this, the results of the materiality analysis are used to identify stakeholder priorities and include them in the definition of strategic guidelines.

In terms of the international framework, the Company includes the guidance provided by the United Nations (UN) Sustainable Development Goals (SDGs) and the UN Guiding Principles on Business and Human Rights as the main reference for the definition of its

In the energy transition process, Enel Américas has identified decarbonization, digitalization, electrification, and decentralization as the necessary areas of investment to hold the global temperature increase within the 1.5-degree limit.

This is a challenge that the Company also places at the center of its community relations strategy, working together with communities to design solutions and development initiatives aimed at sustainable progress throughout the territory where it operates.

#### **Material topics**

- Access to electricity
- Community consultation in new projects' development
- Evaluation of operations' impacts on communities
- Mitigation of operations' impacts on communities
- Protection of health and safety of communities
- Respect for community and indigenous peoples' rights
- Social and economic development of communities
- Support to local communities

#### Importance of good management

To reduce the social risks that may arise in the territory as a result of the Company's operation or matters indirectly related to it, Enel Américas has instituted ongoing dialogue with its stakeholders as a fundamental tool for providing answers and co-designing sustainable solutions to the communities' demands and needs.

Dedicated teams are present throughout the Company's sites, working to interpret a relationship based on socialization, listening, and fair dialogue, and co-designing the best solutions to the social, economic, and environmental challenges that must be addressed with the communities to ensure that the energy transition is an inclusive process. Sustainable Development Goals (SDG) 4, 7, and 8 are references that guide community projects, collaborating to achieve the targets of all the other 14 SDGs.







# Targets and challenges

SDG		Activities/targets	2020-2022 Plan targets	2020 Results*	2021-2023 Plan targets**
4 EDUCACIÓN DE CALIDAD	17 ALIANZAS PARA LOGRAR LOS OBJETIVOS	Number of beneficiaries of educational programs (in thousands).	Increase by 315 by 2022 vs. 2019	644	1,090
7 ENERGÍA ASEQUIBLI Y NO CONTAMINANT	TA ALIANZAS PARA LOGRAR LOS OBJETIVOS	Number of beneficiaries of energy access programs (in thousands).	Increase by 2,500 by 2022 vs. 2019	4,933	11,027
8 TRABAJO DECENTE Y CRECIMIENTO ECONÓMICO	17 ALIANZAS PARA LOGRAR LOS OBJETIVOS	Number of beneficiaries of decent work and economic growth programs (in thousands).	Increase by 250 by 2022 vs. 2019	978	3,044

<sup>(\*)</sup> Resultados acumulados desde 2015 (\*\*) Meta acumulada al 2030

Material topic and principles of the Policy on Human Rights	
Respect for community rights	<u> </u>
Respect for diversity and non-discrimination	
Privacy & communication	<b>1</b>

A sustainable business model that considers social, economic, environmental, and governance areas, under the vision of creating value for all stakeholders, is the driving force to surmount major challenges and achieve a new model of balanced and fair development, working hand in hand with the communities where Enel Américas operates.

While the energy transition is presented as a major opportunity to move towards sustainable development and tackle climate change, it must be managed through an inclusive approach that considers social and environmental variables as well as economic ones throughout the process. This will ensure nobody is left behind and that the benefits of the energy transition reach all stakeholders involved, placing people at the center and viewing innovation and the circular economy as its key drivers.

Active participation of the communities in this transformation is essential, requiring equitable access to both knowledge and the tools that facilitate it. Therefore, Enel América's community relations strategy has focused on accompanying local communities in a just energy transition. To achieve this goal, the Company has teams dedicated to understanding local needs and identifying points that converge with the corporate strategy. In this way, it is possible to promote joint solutions together with public, private, and civil society representatives.

The diversification of the energy matrix driven in Latin America has entailed significant incorporation of non-conventional renewable generation assets for Enel Américas. At the same time, being located in a region characterized by strong urbanization and large cities with a growing demand for electricity requires energy

development that is based on increasing clean energy supply infrastructure, as well as greater electrification.

In this context, prioritizing community relations and engagement early in the project development phases, as well as forging a trusting and virtuous relationship with communities, is fundamental to mitigate the social and environmental impacts that these new facilities may cause throughout their lifecycle. The Company is convinced that this aspect is key to ensuring that the projects can create long-term value for all its stakeholders.

The Sustainability and Community Relations Policy, available on the <u>website</u>, defines the guiding principles for moving forward in the path towards sustainable development in the territories where Enel Américas carries out its operations, ensuring permanent management at the territorial and country levels.

In 2020, Enel Américas contributed over US\$40 million to communities. Of this amount, 94.2% corresponds to direct investments in communities, 5.4% to business initiatives with social impact, and 0.4% to charity. Of the total, 89.0% was invested in cash, 7.8% in time, 3.1% in goods, and 0.1% in volunteer work.

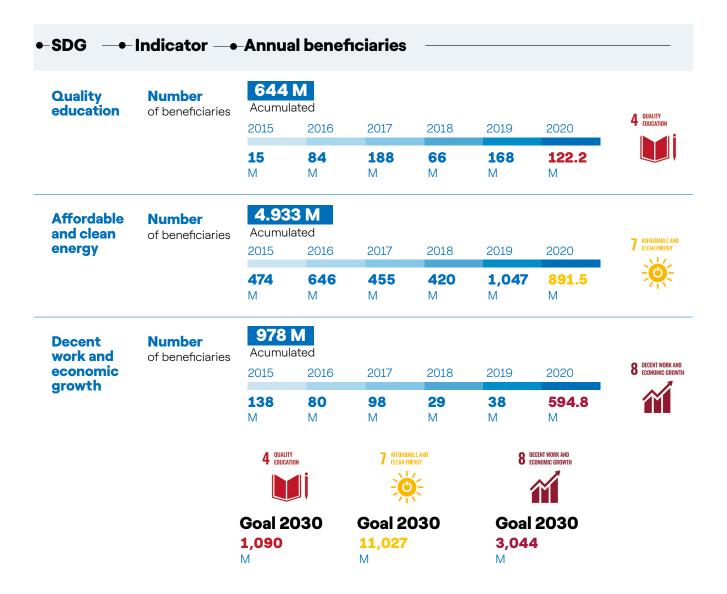


# Working together to build sustainable progress in Latin America

102-43

Enel América's commitment is embodied in its Sustainability Plan, where one of the pillars is community engagement. Enel Américas has aligned its work with three SDGs that are directly related to the company's activities and the needs of its communities.

The progress made by Enel Américas in 2020 is presented below, with respect to the people to whom it contributes in the three SDGs that guide its sustainability management.



In 2020, including the initiatives of the 17 SDG to which Enel Américas contributes, **536 projects with more than 2.6 million beneficiaries** were carried out.

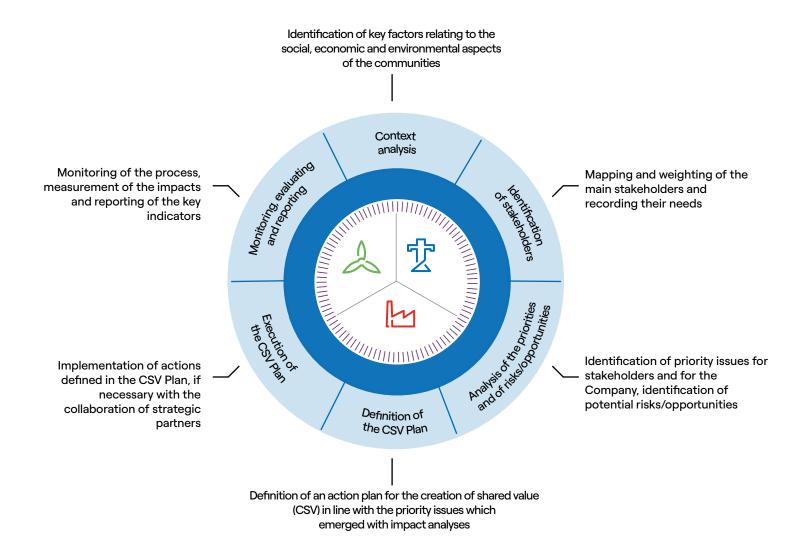
Our ESG

performance

# **Creating Shared Value (CSV)**

Embedding sustainability in the business strategy, as Enel Américas has done, entails a cultural and paradigm change within the organization as well as the design of processes and tools that enable sustainability to be truly integrated throughout the Company's value chain.

The Creating Shared Value or CSV model, launched by the Enel Group in 2015, is based on addressing socioenvironmental challenges and issues through business activities to create value for all stakeholders. This model consists of a series of tools for analysis, planning, and monitoring that are implemented throughout the various stages of asset lifecycles, such as business development, engineering and construction, operation and maintenance, and decommissioning. It enables the design and implementation of actions related to the needs of each project and territory, mitigating possible environmental impacts and maximizing social benefits.



The CSV model requires annual planning in each territory where Enel's companies operate, based on analyses of:

- Socioeconomic-environmental context of each area of influence.
- Stakeholders.
- Materiality, prioritizing the main issues of the business and the territory.

The action plan resulting from this process is co-designed and agreed upon with the communities and stakeholders.

319 applications of the CSV model were developed in 2020 to design the various social and environmental initiatives carried out throughout the value chain of the different business lines.

	Generation Thermal	Generation Renewable	Infrastructure and Networks	Total
Engineering and construction	0	0	3	3
Operation	10	8	298	316
Total	10	8	301	319

Table note: The application of a CSV process is considered to be the use of at least one CSV tool in relation to an asset or project. CSV applications in the "Business Development" or "Engineering and Construction" phase may be related to assets in operation where modernization projects are being carried out.

# Policies and procedures

Disseminating and implementing this model within Enel Américas' subsidiaries has required a process of strategic, cultural, and operational consolidation. In this last area, and in line with regulating the relationships with the various communities, Policy 211 and the organizational procedure "PPM System" have been established for all Enel companies, preventing the risk of making decisions that are inconsistent or poorly aligned.

Policy 211 CSV Process Definition and Management is a guideline for defining, executing, monitoring, and evaluating the various shared value plans at the asset and territory levels. The model incorporates tools to evaluate social, economic, and environmental needs to define projects that create value for both the Company and the local communities while mitigating any socio-environmental impacts that may arise.

Project Portfolio Management System Organizational Procedure is an operating instruction (PO 1768) that seeks to define KPIs and the methodology to calculate impact based on the characterization of the different social and environmental investment initiatives. This characterization includes CSV (creating shared value) projects, CSR (Corporate Social Responsibility) projects, and those that fall under philanthropy.

The purpose of this instruction is to highlight the relationship between the projects and the Company's assets, define a common model throughout the Group for updating the KPIs, guarantee the geolocation of each initiative and the related assets, carry out constant monitoring and measurement, and develop a uniform reporting process for outcomes and impacts.

Since 2019, the Enel Group has established sustainability roles on a global level and, subsequently, locally in all business lines, formalizing their integration throughout the value chain, which includes asset management and maintenance, business development, engineering, construction, and operational procurement, if applicable.

Furthermore, to support this coordination, various operational procedures are being developed at the territorial level to establish roles, responsibilities, and operational methods for the definition, implementation, management, and monitoring of the application of the model.

Enel's organizational structure facilitates the definition and diffusion of guidelines for CSV practices, the development and evaluation of sustainability actions, project management, and the dissemination of best practices.



# **Towards the energy transition with communities**

413-1

The energy transition entails a joint transformation of the region towards sustainable development in energy generation, distribution, and use. The Company's purpose is to pave a shared path towards sustainable progress with all stakeholders, ensuring that nobody is left behind in this important process.

Considering all aspects of each territory's reality, such as their various gaps in multidimensional poverty and energy poverty together with the vulnerability of the various countries to the climate crisis, provides the Company with a systemic and multidimensional view of the main challenges in which it can become involved, seeking out synergies between social and corporate development.

The CSV (Creating Shared Value) model allows understanding how gaps are expressed and what forms they

take at the local and territorial level, allowing Enel América's work to focus on addressing the needs and priorities of the immediate surroundings of its operations.

Based on this analysis, the Company has defined main lines of work: i) education for sustainable development; ii) economic development with local identity; and iii) energy access, quality, and equity; although in 2020, it also addressed needs arising from Covid-19 in the areas of health, food, equity, and collaboration, among others.

LINE OF WORK	TOPIC/GAP TO ADDRESS	
Education for sustainable development	Multidimensional Poverty: Education, attendance, and years of schooling	4 QUALITY EDUCATION
Energy: Access, quality, safety, and efficiency	Energy poverty: Access, quality, and equity	7 AFFORDABLE AND CLEAN ENERGY
Economic development with local identity and green jobs	Multidimensional Poverty: Work	8 DECENT WORK AND ECONOMIC GROWTH

In 2020, the projects were adapted to the isolation and quarantine requirements and carried out virtually, to the extent possible.

Our ESG

performance

# **Education for sustainable development (SDG 4)**

This line of work promotes access to education, seeking to improve attendance and schooling rates as well as share knowledge that contributes to providing a well-rounded education to young people. Among the main educational subjects promoted are science, technology, engineering, and the environment (STEM).

ENEL AMERICAS	PROJECTS BENEFICIARIES	Area
2020	65 Projects  122.2 beneficiaries	4 QUALITY EDUCATION

# **Argentina**

# **Energy transition workshop for students**

An energy transition workshop was developed jointly with Colectando Sol, aimed at students in the final years of technical schools specializing in renewable energies, electromechanics, electricity, electronics, and construction. The workshop, held virtually on a training platform, is the result of a public-private partnership with the Ministry of Education of the city of Buenos Aires and of the province of Buenos Aires.

It covered 57 technical high schools with 934 students, 108 of whom were women.

# Joint workshops with UTN

As part of the Summer Plan, the Company continued with the workshops held by the National Technological University (UTN) in 2020. These were aimed at electricians who maintain the networks in underprivileged neighborhoods and included in-person theoretical courses at Edesur's facilities for ten days each (60 hrs.). Covid-19 protocols were followed, with reduced attendance and a maximum of eight participants.

33 people were trained.

# Basic electricity courses for customers

In partnership with the Universidad Tecnológica Nacional (UTN), the Company continued to offer basic electricity courses for customers, consisting of 24 hours of virtual instruction over a six-week period. The topics include electricity and circuit operation. The partnership is intended to promote knowledge about electricity and minimize the risk of household accidents.

A total of 187 people were trained, with 30 women participating.





### Brazil

# Enel Shares Creative Schools - Niterói, Río de Janeiro

This initiative seeks to contribute to quality education in public schools by integrating culture, sustainability, and using new technologies for teaching and innovation. Its goal is to reduce energy use, improve academic performance, and increase students' self-esteem. The project promotes the exchange of experiences between educators and students throughout the schooling process and provides a new architectural environment for the classrooms, along with replacing lamps with LED technology and installing photovoltaic solar panels.

Given the Covid-19 pandemic, only a pilot project was carried out for Niterói-RJ, which focused on online activities with public school teachers through the project's website.

#### There were 93 beneficiaries in other cities in 2020.



#### SER - Network sustainability

Aiming to spread the culture of sustainability throughout the value chain, SER is an initiative that is inspired by the Sustainable Development Goals (SDGs) and divided into four fronts: Be Environmental, Be Economic, Be Social, and Be Humane. In 2020, the initiative reached a total of 5,442 people in 27 participatory activities, including seminars, contests, online training, conferences, and advice aimed at furthering the SDGs associated with the four fronts of the initiative.

#### Enel Shares Culture - Sinfonía do Amanhã

Seeks to contribute to the development of children and young people living in regions of Brazil with high social vulnerability, where Enel operates, through free training activities in music, culture, education, and civics.

The program operates through a collaborative platform between institutions and projects, developing and connecting around 30 participating schools in the country. Classes are offered in violin, classical viola, cello, double bass, guitar, flute, choir, and brass instruments. Students also receive social and academic support.

In 2020, more than 40,000 people benefited, including students and people involved in music.

# Luz e Lápis Educational Center

Since 2011, Enel Distribución São Paulo has been supporting two units of the Luz e Lápis Educational Center, a member of the National Early Childhood Network. These centers serve children in situations of social vulnerability or from low-income families, providing them with an educational, safe, and welcoming environment for their comprehensive education, supplementing the actions of the family and the community.

In 2020, 652 children benefited directly and 7,178 family members benefited indirectly, thanks to the support of Enel Distribuição São Paulo.



context

## Colombia

### **Educating with energy**

In partnership with the Organization of Ibero-American States for Education, Science, and Culture (OEI), the Company worked on strengthening socioemotional skills and providing vocational and professional guidance for young people in public educational institutions, through two initiatives:

#### (a) Implementing pedagogical strategy in schools:

This initiative benefited more than 2,000 young people, teachers, and families of the schools IED Monseñor Agustín Gutiérrez (Fómeque – 2019) x IED Ignacio Pescador (Choachí – 2019) x IED Rural Río Negro Sur (Cáqueza – 2019) x CT Benjamín Herrera IED (Bogotá – 2019) x IED Colegio Delia Zapata Olivella (Bogotá – 2020).

#### b) Teacher training certificate course:

The purpose of the fully virtual certificate course was to strengthen the strategies of public school teachers. With the Politécnico Grancolombiano as an academic partner, 106 teachers from 71 schools in Bogota and five schools in municipalities in Cundinamarca were certified.

# **Good Energy for your School**

The Good Energy for your School program contributes to quality education by reducing electrical hazards and improving infrastructure in public educational institutions.

In 2020, it benefited 1,946 children and young people in eleven educational institutions in the department of Cundinamarca.

#### **School kits**

In 2020, Enel in Colombia handed out 1,600 biosafe school kits in Cartagena, Cali, Barranquilla, and Bogotá. These kits were part of the solidarity gift initiative, benefiting 1,600 children.

The Company also provided the schools of these students with 160 tablets to strengthen the educational process, collaborating with teachers in their teaching duties and with students in their knowledge acquisition process.

### **Donation of computers**

Codensa and Emgesa supported the Donación por la Niñez, sponsored by the District Secretary of Education, by providing 250 computers that had been retired as part of the technology renewal program.

### Semilleros de energía (Energy incubators)

In 2020, 13 young people from the municipalities of Ubalá, Gachalá, Gama, Soacha, Sibaté, San Antonio del Tequendama, and El Colegio continued with their higher education studies at Universidad Minuto de Dios in professional programs such as Public Accounting, Systems Engineering, Social Communication, Social Work, Psychology, Business Administration, and Agroecological Engineering.

The young people receive funding for 70% of the total cost of their university studies, in addition to semesterly financial support and psychosocial support during their studies and professional internships.



#### Peru

### Computers for all

This program aims to provide free access to basic Microsoft Office courses (Word, Excel, and PowerPoint) for children and teenagers that seek to learn and improve their computer skills. It is also available for adults who wish to improve their level of technological education. Those who complete the course with a passing grade and have 90% attendance receive an official certificate. The course also includes materials, the computer room, and specialized teachers.

To date, this program has benefited more than 2,564 people, including children, young adults, and adults from the San Ramón and Chanchamayo communities in the department of Junín. 65% of the participants are women and girls.

#### **Enel Core**

This program was launched in 2012 to promote music education for children and teenagers within the concession area and strengthen their artistic skills through classical music while developing values such as confidence, innovation, proactivity, personal development, self-esteem, responsibility, and social integration. 12 of them have special needs (autism, Asperger's, Marfan syndrome, ADD, ADHD, epilepsy, language disorder, mild intellectual disability).

The program benefits an average of 406 children per year, of which 42% are girls and 58% are boys. To date, more than 1,528 children and teenagers from Lima have taken part in the project.

Through an alliance with the Sinfonía por el Perú, 3 concerts were held in 2020 and the participating children have shown improvements in their school grades.



Our ESG

performance

# Energy – access, quality, and equity (SDG 7)

The main objective of this Enel Américas line of work is to tackle energy poverty and reduce the gaps causing it for families by addressing the dimensions of access, quality, and equity, along with promoting energy-related knowledge.

ENEL AMERICAS	PROJECTS BENEFICIARIES	Area
2020	176 Projects  891.5 beneficiaries	7 AFFORDABLE AND CLEAN ENERGY

# **Argentina**

# **Los Ceibos Neighborhood Leadership Network**

Seeks to build a relationship between formal and informal organizations and neighborhood leaders who represent the interests of the community, regarding issues related to the public electricity service and other matters related to the impact on the shared environment.

In 2020, the Company activated the network in the Los Ceibos neighborhood in the municipality of Lanús, supporting service normalization for 540 new customers. The process was carried out by raising awareness, providing advice, and resolving occasional complaints. As a result of this action, workshops were offered to the community on energy efficiency and electric safety, and four LED lamps were provided to each family to contribute to changing their consumption patterns.

This network has benefited 2,812 residents of the Los Ceibos neighborhood and continues to operate through ongoing interaction on commercial and technical issues.





# Normalization of installations for electrodependent customers

The purpose of this project is to provide the necessary safety to the home installations of electro-dependent customers, offering support in obtaining the DCI (document that certifies the installation) and then installing an FAE (Alternative Energy Source) that provides backup power in the event of a service outage.

The electrical installations of 13 homes were normalized in 2020, benefiting 52 people.

# Somos Energía - Normalization in neighborhood clubs

Consists of visiting neighborhood clubs to assess the possibility of replacing lights and installing alternative energy sources, as well as adapting installations to make them safe. Together with the contractor Omexom and as part of compliance with the sustainability K, the company adapted the electrical installations of the Villa Miraflores Club to ensure greater efficiency in its energy consumption.

The action will benefit around 2,000 people, not only the 400 members, who are mostly children and teenagers, but also the residents of the neighborhood, as the institution serves the community.



# **Inspiring public policies**

The Argentine Secretariat of Energy has decided to turn this support project for vulnerable families with electrodependent members into public policy, authorizing the creation of a solidarity account for home adaptations for electro-dependent people that will finance the work required to guarantee electricity access. This account will be financed by the Secretariat and by fines imposed on companies for the quality of service.

# Accident prevention in working-class neighborhoods

The aim is to raise awareness in the working-class neighborhoods of the concession area. The initiative covered topics on preventing third-party accidents with electricity and accidents on public roads, with activities carried out at community kitchens and dining rooms in the targeted neighborhoods, with the help of related leaflets. In 2020, due to the health crisis, the activity also included giving out food.

More than 3,290 people benefited from this initiative in 2020.

# "Energía que suma"

Facilitates the regularization of residents during the process of becoming Enel customers. In partnership with the NGO Gestión Educativa y Social, families are made aware of the benefits of regularized connection. In 2020, this was carried out virtually by community representatives from the neighborhood itself to gather information on future customers and provide them with relevant information on responsible and efficient energy consumption, among others.

This initiative was carried out in municipalities of the province of Buenos Aires and the city of Buenos Aires, contacting 4,234 people in person and 809 over the telephone with community representatives.

6,660 new customers were registered under this program in 2020.

Appendix

#### **Brazil**

#### **Enel shares**

Enel Brasil's Sustainability Program, which is aimed at communities and customers and encompasses several projects, including energy efficiency ones. The following stand out in 2020:

# **Enel Shares Efficiency to replace** refrigerators in the Quilombola Kalunga community, Brazil.

Its objective is to provide new, certified energyefficient refrigerators to help solve energy poverty in this community, which is located in an area with low accessibility that is supplied with electricity by Enel Brasil. The project was developed based on a detailed study of the region and its local needs, considering the community's quality of life.

34,548 people benefited from this initiative in 2020.

# **Enel Shares Efficiency - Commercial and Public Buildings**

It focuses on encouraging energy efficiency through the improvement of customers' electrical installations and also through promotional actions.

An open call process is held to select energy efficiency projects for customers of the public and private sectors, such as schools, hospitals, universities, public safety institutions, and business customers, resulting in lower energy consumption.

# 73,160 people, 66 public buildings, and three commercial buildings benefited in 2020.

In addition to the Enel Comparte program, two other innovative initiatives are being developed in Brazil (Ecoenel and Luz Solidaria) with highly important benefits for customers, the company, and society.

# **Solidary Light**

It allows Enel's customers to access new and efficient appliances, which contributes to the domestic economy and the environment. Projects centered on human rights and income generation also benefit.

The objective of the project, as part of the Energy Efficiency program of ANEEL (Brazilian Electricity Regulatory Agency), is to provide customers with past due electricity bills the opportunity to exchange appliances with a 50% discount, and it donates 5% of the sales to support social organizations. It also contributes to creating shared value by encouraging the public to support and participate in social projects. To take part, customers must deliver their inefficient and old appliances to be disposed of appropriately.

In 2020, special discounts were given to customers for efficient home appliance purchases in Río de Janeiro, Ceará, Goiás, and São Paulo, benefiting 25,321 people..









#### **Ecoenel**

This initiative brings together innovation and sustainability to encourage the selective collection of waste and increase awareness on environmental care in communities, in addition to reducing environmental impacts through solid waste management. To participate, customers must bring recyclable materials to the program's collection points, and in exchange, they receive discounts on their electricity bills or on the electricity bills of a social organization of their choice. Ecoenel was recognized by the Ministry of the Environment as an exemplary project to tackle the challenges of implementing the National Waste Policy.

In 2020, 6,067 tons of waste were recycled at 246 collection points across the states of Rio de Janeiro, Ceará, Goiás, and São Paulo, generating discounts of more than US\$ 290 thousand on customers' electricity bills and benefiting 52,935 customers.



## Colombia

#### Plan semilla

Training activities were carried out in 2020 in the technical program for the construction and maintenance of overhead networks. 47 young people participated, 30% of whom were women. The participants completed their training with the National Apprenticeship Service (SENA) and completed their internships in collaborating companies.

Plan Semilla is an initiative that seeks to create development opportunities for young people from vulnerable communities by increasing their employability through comprehensive training in the electricity sector.

# Lighting of public spaces

In 2020, in partnership with Fundación Un Litro de Luz Colombia, the Company continued monitoring and maintaining the solar lights installed the previous year in places such as sports fields, parks, and rural trails, for the community of the municipalities of San Antonio del Tequendama, El Colegio, Sibaté, Soacha, and Ubalá (Mambita), Through solar energy, this initiative aims to illuminate community spaces that are far from public lighting.

### World of energy

In 2020, 14,210 children had the opportunity to learn about the electricity generation, distribution, and commercialization processes through recreational and educational activities held at the Divercity theme park.

#### Peru

# Pachacútec Institute

In collaboration with the Pachacútec Institute, this initiative aims to provide professional technical training in industrial electrical engineering to young people from vulnerable communities. The program lasts six academic semesters and includes supplemental training, tutoring, workshops, visits to power plants and distribution sites, and a job placement program. The aim is to train professional technicians, of which 90% are hired by contractors of Enel Distribución Perú.

In 2020, 153 young people (12% women) from Pachacútec, ranging from 17 to 33 years old, have benefited from virtual classes, reaching a total of 846 young people since the program began in 2006.



# Economic development with local identity and green jobs (SDG 8)

This line of action Enel Américas seeks to foster entrepreneurship and develop skills that enhance the quality of work in local communities, valuing the knowledge and resources present in each territory and collaborating in the growth of micro, small, and medium-sized enterprises (MSMEs) by financing supplies, machinery, certifications, and hiring services, in addition to skills development programs.

This line of work is particularly important due to the consequences of the current health crisis, related to work and decreased income. Enel has targeted its response

to the needs of the communities, under the premise of a sustainable and resilient reactivation.

In 2020, aiming to seize the opportunities presented by the energy transition and bring about a sustainable recovery in both social and environmental terms, the Company designed programs to develop technical knowledge in relevant trades within the electricity generation and distribution value chain or to develop and implement sustainable energy solutions.

ENEL AMERICAS	PROJECTS BENEFICIARIES	AREA
2020	134 projects 594.8 beneficiaries	8 DECENT WORK AND ECONOMIC GROWTH

# **Argentina**

# Working together with the Nueva Generación Textile Cooperative

In 2020, Enel Argentina began working with the Nueva Generación Textile Cooperative to install electricity in a warehouse located in the neighborhood of Barracas to enable the operation of the cooperative's machines. This initiative will directly benefit 23 families.

# "Somos Actitud Verde" - Agroecological Vegetables

Enel Generación Costanera, in partnership with Universidad de Quilmes, Aramark, and Despierta Voces Cooperative, carried out a collaborative effort to promote agroecological agriculture (without chemical pesticides) in 2020. This enabled the agroecological producers (represented by the Despierta Voces Cooperative) to become Aramark suppliers after undergoing product quality evaluations and submitting legal documents. Enel, in turn, was Aramark's first client, making the project possible by entrusting Aramark with the plant's cafeteria as the first recipient of the vegetables produced, while also benefiting its workers' health by providing a quality and chemical-free product.

# "Somos Turismo Sostenible" - Villa El Chocón Tourist Corridor

The initiative consisted of designing a technical project for the development of tourism in Villa El Chocón, which was achieved through a diagnosis of the area's current situation, the identification of three tourism circuits, and the design and creation of four levels of informative/educational signage for these three circuits and the reopening of tours of the power plant.

Enel Generación El Chocón contributed to this project by designing the circuits and the signage, which was developed in partnership with the community of Villa El Chocón, the municipality of Villa El Chocón, and the Ministry of Tourism of Neuquén.

The scope of the project is aimed at developing the tourist attraction of Villa El Chocón, integrating the power plant as part of the attraction and developing its link to the community, among other aspects.

## **Brazil**

### **Enel Shares Entrepreneurship**

Enel Shares Entrepreneurship aims to support communities where the Company operates, contributing to the socio-economic development of the population through principles of the Circular Economy.

The initiative fosters networking and the creation of community production associations, supporting participants in the evaluation of their products, in the creation of sales channels, in business management, and in the possible contribution of structure and materials, without overlooking matters related to the environment and society. This initiative is significantly helpful to people who live in highly vulnerable areas, where the lack of education and professional skills prevent them from entering the formal job market and having dignified working conditions.

The project stands out for its creation of operating groups, mostly composed of women, that work under the concept of the circular economy. Bags, wallets, accessories, and laptop cases are produced from canvas of banners or uniforms from operating teams, cables, and copper wires that would otherwise be discarded.

# 14,756 people benefited from this initiative in 2020.



# **Enel Shares Entrepreneurship - Network Gardens**

Network Gardens is an Enel Distribuição São Paulo pilot project, in partnership with the NGO Cidades sem Fome, that aims to use the strips of land under the transmission lines for planting and growing urban vegetable gardens. Moreover, it helps to reduce malnutrition and improve the quality of life of the communities, as it provides access to healthy and nutritious food, in addition to bringing environmental benefits to the community.

A piece of land belonging to Enel is selected and checked for soil decontamination, and the area must be large enough for production and have access to water. The project works only with people who live near the facilities to reduce logistical costs and the identified area must represent an internal cost to the company (encroachment, degradation, and illegal uses, for example). After clearing the area, a partner is looked for to develop and manage the project.

The vegetable gardens provide communities with vocational training, employment opportunities, and income generation through the sale of products grown by project participants. Likewise, it is possible to mitigate the risks associated with vulnerable land, facilitate and reduce land maintenance costs, improve the quality of management and encourage innovative use of assets, and improve the Company's reputation, image, and community relations.

16,498 people benefited in 2020.



#### **Enel Shares Opportunity**

The project aims to train young people for the labor market through professional technical training to enable them to work for Enel associate companies, which reduces employee rotation and creates shared value. This is a professional training and guidance program that contributes to young people entering the job market.

In addition to workshops for general job market preparation, this project covers technical aspects, such as guidelines for efficient use of energy and electricity grid safety, as well as sustainability and SDGs. The project also provides technical courses for electricians. Enel has partnerships with companies and institutions for training courses and the employability of these young people.

16,038 young people benefited in 2020.

#### Colombia

# Coffee production chain

In 2020, the Company continued to carry out the productive project for the development and strengthening of the coffee production chain in the municipalities of Viotá, El Colegio, Gachetá, and Gachalá, progressing in three lines of action:

- Strengthening of businesses and associations
- Standardization of the process flow of equipment operation.
- Development of markets for micro-lots of dried parchment coffee.

This project also contributes to the overall empowerment of women producers by promoting a concrete gender equity policy, which has led to greater involvement of women in decision-making processes on the boards of directors of the associations.

This process involves 119 coffee-growing families who are users and associated with the coffee processing plants. The development of this project strengthens the competitiveness of the rural sector in the regions and encourages the association of more producers in the area of influence.

By 2020, the four associations had gathered about 62,000 kg of cherry coffee and processed 12,500 kg of dry parchment coffee.

# Juntos por las Juntas (Together for the Boards)

This program, which was adapted to be held virtually, is a space for dialogue and training between community-based organizations—Community Action Boards (Juntas de Acción Comunal, JAL), civil society organizations, organizations that promote social development, and Enel Group companies in Colombia—through their sustainability and creating shared value line.

The objective of the initiative is to provide training on matters of citizenship, public policy, development projects, and legislation in the electricity sector. This process of community political and educational training, entrepreneurship, and project development, evaluation, and management, seeks to influence the development of initiatives and projects for the communities.

This program benefited more than 511 people, 406 of whom are leaders of 115 Community Action Boards and 25 community organizations. Of the participants, 105 are young people from the municipalities of El Colegio, San Antonio, Sibaté, Soacha, Ubalá, Gachalá, and Gama in Cundinamarca. Of the total, 272 are women and 239 are men.

context

# **Entrepreneurship and business** facilitation

Through the business facilitation methodology, this initiative seeks to activate cooperative networks for collective support and growth, where the community becomes a driver of support and development for the community itself. By activating their networks, they themselves facilitate the growth process of entrepreneurs and strengthen the social fabric.

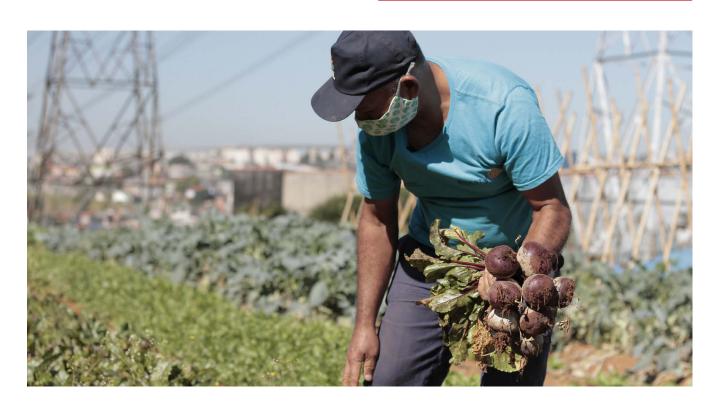
Developing this initiative made it possible to support and facilitate the creation of sustainable businesses in the municipality of Soacha. Its main achievements are improved quality of life of the people and the creation and strengthening of local businesses, where 71 entrepreneurs were assisted and given advice on strengthening their businesses or projects. 17 teams were created, of which eight reached the end of the process to be launched as businesses.

Furthermore, by applying this methodology, several businesses achieved sales growth of about 400% and many showed growth in the number of their customers of about 100%. Finally, of the businesses established through the business facilitation methodology, twelve jobs were created and 23 jobs were retained.

# Solid waste transformation and the beautification of surroundings

Started in 2019 and implemented in 2020, it aims to transform the solid waste generated during the construction of substations into useful components. The Company worked on beautifying the surroundings with the municipality of Soacha, achieving positive environmental impact and community involvement. The implementation of this initiative resulted in:

- The transformation of more than 2,500 kg of wood, 350 kg of tires, 20 kg of plastic, and 120 kg of cardboard into 743 pieces of furniture for community use, such as bookshelves, tables, chairs, coat racks, planters, among others, with around 400 people participating from the area of influence of the Compartir project.
- The creation of 18 artistic murals with recycled material such as lids and tires, which embellished the exterior wall of the substation and represented part of the culture of the Soachuna community.
- The development of 14 training sessions on topics related to solid waste management, sorting, and transformation.





#### Peru

# Protein substitution through guinea pig breeding

This program aims to increase the protein intake of families-in this case, guinea pig meat-and drive economic growth by adding family income. As of 2020, participants have received 60 training sessions focused on guinea pig breeding and stew preparation techniques, more than 1200 personalized technical visits, materials to improve breeding spaces, three internships to share successful experiences, and have participated in local fairs. Also, guinea pig guano is sold as natural, organic fertilizer for coffee production.

The consumption of guinea pig meat among participating families has increased by an average of over 400% from 2014 to 2020, and income from the sale of guinea pigs has increased by up to 300% in the most successful producers. As a result, there is evidence of an increase in guinea pig production per capita (in 2014: 10 guinea pigs - today: approx. 30 guinea pigs), an increase in guinea pig consumption per family (in 2014: 4 guinea pigs - today: approx. 26 guinea pigs), and an increase in guinea pig breeding revenue for women (in 2014: US\$ 43 - today: approx. US\$ 172).

# Christmas campaign "Que la esperanza nunca se detenga" ("May hope never stop")

This initiative seeks to reactivate the economy in response to the Covid-19 pandemic. In 2020, following the commitment to support the most vulnerable communities in Peru, the Christmas campaign was adapted to support the country's economic reactivation with the help of NGO EcoSwell, NGO Tejiendo Sonrisas, and NGO Caritas de Perú. Christmas baskets of food products purchased from local businesses were also delivered.

This nationwide campaign benefited 19,700 people with an investment of US\$175,000.

# Rural agriculture development project in Callahuanca and Barba Blanca

Through the international fundraising campaign "Enel for Peru" and the partnership with the NGO Caritas del Perú, over US\$ 400,000 was donated by Enel Group employees. The construction of three irrigation canals to increase irrigation system efficiency, along with training sessions and technical visits to farms, has improved the farming practices used in over 45 hectares of avocado, cherimoya, and vegetables, which increased production and sales.

Over three years, the project has been able to benefit more than 80 agricultural producers (70% women) from Callahuanca and Barba Blanca, which were affected by the Coastal El Niño Phenomenon in March 2017.

The first year of the project saw the creation of the Empresa de Productores de Callahuanca S.A.C. and the Empresa Agrícola Barba Blanca S.A.C., both SMEs currently helmed by women, with 45 members. These SMEs operate four business initiatives: a) fruit tree farm, dedicated to growing and selling avocado and cherimoya trees, b) communal zucchini plot, created on the land of five affected Barba Blanca residents, c) Tambo Agrícola, a store that sells produce at affordable prices, and d) cherimoya pulp processing plants at each company.

Two value-added products have also been created: cherimoya nectar and pulp. This project was chosen as the winner of the 2018 PROCOMPITE competition, a socio-economic development initiative of the Ministry of Production.

Through a partnership with the NGO Helvetas Swiss Intercooperation and Tostaduría Bisetti, this project aims to increase entrepreneurs' productivity and competitiveness. Training and materials are provided by the Company, allowing coffee growers to produce a greater quantity of high-quality coffee and pursue new, larger markets. All this is achieved while implementing sustainable, environmentally friendly production practices.

To date, the project has held more than 290 training sessions and made 6,000 technical visits to the farms. Farmers have participated in five internships to share successful experiences and have participated in several fairs to promote their products. In 2017, the Cooperativa Agraria de Cafés Especiales Curibamba (Curibamba Special Coffee Agricultural Cooperative) was founded by 45 partners, of which 11 are women. In five years, the project has managed to increase coffee sales revenue by 77% and increase coffee production per hectare from 4 quintals to 10 quintals, a 150% increase.

In 2020, the project benefited 35 farmers (26% women) from the communities of the Tulumayo River valley in Junín. The cooperative organized itself during the year to fill an important order and, with the support of two partners trained by the project in coffee cupping and roasting, produced 3,700 bags of coffee, generating economic income for the cooperative.

# Other projects





















# **Argentina**

# **Edesur Biodiversity Program**

The "Laguna de Rocha" integral and mixed nature reserve is located in the district of Esteban Echeverría, province of Buenos Aires, within Edesur's concession area.

Together with the Nature Reserve authorities, Edesur supported the restoration of the reserve with specimens of Celtis ehrenbergiana Gillies ex Planch "Tala." This is an arboreal or shrubby plant native to the Americas and is one of the main thorny plants of the grasslands and mountains of Gran Chaco and certain areas of the Pampas plains.

It is a tree with high tolerance to drought and excellent benefits, such as balancing the ecological system of the entire area, regulating the water cycle, decreasing carbon concentration, improving soils, and serving as a haven for native species of insects, birds, and flora and fauna of the soil.

Using native species from near the restored area helps to preserve the genetic material of the entire area.

Restoration is also important in terms of CO<sub>2</sub>e capture. It is estimated that the actions of Edesur and the authorities of the nature reserve have the capacity to capture two tons of carbon per plant over a period of 45 years, equivalent to 1 m³ of forest biomass. The net carbon stock added to the reserve after 45 years is estimated to be around 450 tons of CO<sub>2</sub> equivalent.





#### Brazil

### **Enel shares sports and recreation**

Peripheral regions lack social, recreational, and sporting activities. By encouraging sports, the Company contributes to promoting social inclusion, youth leadership, and sustainable development in urban areas.

The main objective of the program is to strengthen youth leadership through sports and cultural activities, which are used as an educational tool in addition to promoting access to recreational spaces and activities in the cities.

Through incentives, Enel promotes the construction and maintenance of these spaces, such as multipurpose courts in regions with a high volume of foot traffic. It also supports sports inclusion and other incentive projects, such as the Craque do Amanhã sports program, which combines soccer and psychosocial practices to create a positive environment for comprehensive development. Craque do Amanhã has the support of major Brazilian soccer stars and artists, giving great visibility to the project and encouragement to the children. 5,822 people benefited from this initiative in 2020.

#### **Enel shares network leadership**

The most vulnerable peripheral regions require social and infrastructure measures that offer greater safety for the population and facilitate access to payment terms and the negotiation of commercial debts. This initiative promotes access to energy through relationships with customers living in communities in peripheral regions, which are based on partnerships with community leaders who share information related to the safety of the population and act as facilitators of community relations with the Company.

This has a positive impact on negotiation processes and facilitates access for operational teams in risk areas for construction works and network maintenance. The project includes a set of activities focused on the safety of the population and energy access.

This initiative is part of a new relationship strategy between Enel and its customers. 750 community leaders and 94,771 people benefited from this initiative in 2020.

### Colombia

# Bosque Renace (Codensa-Emgesa Natural Reserve)

Bosque Renace was born as a sustainability initiative for the conservation and protection of 690 hectares of high Andean forest. It is located in the municipality of Soacha and contributes to the recovery and connectivity of the ecosystems located in the middle and lower basins of the Bogotá River. Since 2012, around 44,000 trees have been planted to offset the companies' activities, and about 5,000 individual epiphytes have been relocated, which play a very important role in biodiversity dynamics and offer a wide variety of niches and resources that are used by various groups of animals. With the support of specialized organizations, more than 200 fauna and flora species have been protected, including species internationally classified as vulnerable or critically endangered.

One of the most recent commitments made by the companies as part of their contribution to forest restoration was to join the National Government's initiative "#SembrarNosUne," which aims to plant 180 million trees over the next three years, starting in 2020. Enel-Codensa contributed to the initiative by planting 5,000 native plants, which will contribute to the recovery of ecosystems and the protection of the environment.

During the months of August and September, Codensa was involved in the voluntary planting, initially of 1,400 species of native flora, as part of its commitment to avoid the use of paper and aiming to promote the importance of using the "Virtual Bill" among its customers. Finally, in December, 1,000 trees were voluntarily planted again, totaling 7,400 new native trees in 2020.

#### Wildlife rescue

Aware that there is a risk of wild animals interacting with its distribution infrastructure, Codensa has formed a partnership with the Santa Cruz Zoo to guarantee technical assistance for the handling, rescue, relocation, transfer, or release of wildlife specimens in the company's facilities. These will be carried out initially in the province of Soacha, which includes the municipalities of Sibaté, Soacha, La Mesa, Anapoima, Anolaima, Apulo, Cachipay, El Colegio, Quipile, San Antonio del Tequendama, Tena, and Viotá.

Our ESG performance

3 Appendix

Working jointly with the Zoo, the Company will strengthen its existing action protocol, provide training to partner company personnel to mitigate and prevent harm to the animals found, and relocate or care for them under the best conditions, depending on the case.

# Response to winter storm crisis - Hurricane lota

Through Enel's foundation, its Colombian companies donated US\$86,000 to San Andres and Providencia, which was earmarked to contribute to the recovery of infrastructure and provide innovative energy solutions to meet the basic need of electricity.

The donated materials, amounting to US\$ 54,000, included cables and electrical tapes, lightning rods, reconnectors, thimbles, and voltammetric clamps. These are essential elements for reestablishing the energy distribution service on the archipelago that arrived on the island through coordination with the Ministry of Mines and Energy and the National Unit for Disaster Risk Management (UNGRD).

These contributions are in addition to the 200 solar kits delivered to the UNGRD through Andesco. With an investment of US\$ 19,700, each 10-watt (W) kit included a solar panel, two LED bulbs, a storage battery, two USB ports for charging cell phones, four ports for light bulbs, a radio, a flashlight, a multi-socket, among other tools that made it easier for residents to meet their essential energy needs.

In addition, US\$24,300 was donated to the "Ayudar nos hace bien" campaign of Fundación Solidaridad por Colombia. A total of 364 employees from Enel companies in Colombia participated in this contribution, which, through their contributions, raised US\$12,000, an amount that was matched by the Enel Colombia Foundation.

#### Vital

In partnership with the Siemens Colombia Foundation, the Company installed two water purification filters that benefit more than 150 students of the Kennedy Educational Institution in San Pedro de Jagua and 100 residents of the municipality of San Antonio del Tequendama, where, for the first time, these solutions were installed in a community aqueduct. According to the United Nations, unsafe water and poor sanitation are the leading causes of child mortality. The filters installed in the educational institutions will eliminate 99.9% of viruses and bacteria, which is expected to improve the quality of life of the student community in the Company's areas of influence.

# Sustainable parks

Thanks to a partnership between the community, the Municipal Institute for Recreation and Sports in Soacha, and the Secretary of Social Development and Community Participation of the same municipality, six sustainable parks were designed and built in the neighborhoods of El Altico and San Bernardino in the municipality of Soacha.

It is worth noting that the community was involved in all of the stages that brought the parks to life (from their planning, design, naming, and administration).

These parks have the civil modification of the ground, walls, and reinforced enclosure of the area of each park, and fitness equipment that promotes physical activity for the adult population. They also have children's playgrounds for recreation, sculptures designed by children and members of the community of El Altico and San Bernardino neighborhoods, and beautification of the walls with artificial foliage such as vertical gardens.



### Sustainable mobility

"Movernos" is the sustainable mobility plan that promotes cycling, walking, and carpooling among all employees of Enel companies in Colombia.

192 people participated in this initiative in 2020, recording their trips on the mobility platform. Various related activities were also included, such as a bicycle maintenance day, a road safety workshop, and a caravan for the car-free day.

In total, 26,013 km were traveled by bicycle or walking. In February 2020, as part of the program's incentives and the records associated with the No Car Day, 200 tree species were planted in the RENACE Forest, a Codensa-Emgesa Nature Reserve.

# Progress on the El Quimbo Hydroelectric Power Plant Management Plan

The area of direct influence of the plant, located in Colombia, includes the municipalities of Gigante, Garzón, Altamira, El Agrado, Paicol, and Tesalia. A plan of environmental interventions was defined for the local population of this area, specifically for the families who own the area of influence of the project, as well as for those who work or have business activities and services in this territory.

In 2020, several projects were carried out in the area of influence of the El Quimbo hydroelectric power plant. These were managed by the Enel Colombia Foundation. Among the initiatives carried out, the following stand out:

- Environmental education in municipalities
- The Company carried out 324 activities to promote environmental awareness, with the following standing out:
- Training on the electricity sector in each municipality
- Environmental activities with communities and public and private institutions
- Visits to promote environmental practices for resettled families
- Group trainings for resettled families
- Coordination between environmental groups and institutions
- Consulting and support in project development for environmental groups
- Strengthening of social and community organizations

Through its foundation, the Company carried out 96 activities focused on strengthening the organizations, which were related to the plant's operations and included technical assistance and training.

Technical assistance

- To provide follow-up and assistance on technical issues related to the processes and streamlining them, 366 visits were made to owners of productive projects. 94.8% of the visits were to monitor and support the agricultural production system, while the other 5.2% sought to strengthen processes through technology transfers.
- Supported associations in the irrigation district with ADR and DIAN legal procedures.
- Supported the election of the associations' boards of directors for the 2020-2022 period.
- Assessed and followed-up on the Organizational Capacity Index (ICO) with the associations.
- Provided advice on amending the associations' bylaws.
- Supported the water concession process of Aso Fundadores.
- Provided advisory services to boards of directors on applying internal regulations to users in the irrigation district.
- Assisted 578 people in the Garzón and Gigante offices on requests, complaints, and grievances. 96% of the people
  were satisfied with the work of the hydroelectric dam management staff.



# **Training**

Ten training sessions were held for resettled families about self-sustaining production economies, under three fundamental pillars to generate efficiency in productive projects:

- Rational water use and management for consumption and irrigation: training for resettled families and beneficiaries
  in the municipality of Gigante on the proper management of the elements of the irrigation system to make rational
  use of water.
- Production, commercialization, and agroindustrial technology: seven training sessions, four in El Agrado and three
  in Gigante, which were focused on topics such as fermentation, bean drying, and pruning of the cocoa crop; insect
  pest management using chromatic traps; demonstration of methods for planting pineapple; preparation of chemical
  bait for ant control; cocoa crop propagation using the aerial layering technique; as well as training in the preparation
  of nutritional blocks for livestock.
- Management and organization of producers for production and commercialization: two training sessions on commercialization and entrepreneurship were held in Gigante and Garzón on the following topics: organization for the management of fruit commercialization in El Agrado and actions to improve the conditions and characteristics of cocoa quality, through different stages to obtain a good product, in coordination with FEDECACAO.
- Cooperative agreements with municipalities and organizations

### **Municipality of Garzón**

En 2020, finalizó la ejecución de los convenios que se habían suscrito con el municipio en relación con:

- Remodeling and improvement of the sports arena and construction of the roof for the Ramón Alvarado Sánchez Educational Institution, Brisas.
- Improvement of approximately 12 kilometers of rural roads.
- These agreements involved an investment of US\$374,500 and benefited 13,738 families.

### **Municipality of Gigante**

After signing five agreements that benefited the municipality of Gigante, three of these remained active in the operational and budgetary phase. In 2020, two agreements were closed, which corresponded to:

- Strengthening avocado-producing families.
- Construction of footpaths and a bio-healthy park.

The municipality also submitted a project to address food insecurity for 300 families affected by Covid-19, which is expected to be funded in 2021 with a contribution of US\$23,820.

These agreements involved an investment of US\$461,800 and benefited 2,183 families.





## **Municipality of Tesalia**

The project was approved for the "Strengthening of cherry tomato production and commercialization" using protected crop technology in three associations in the municipality of Tesalia, department of Huila, and is projected to begin in 2021.

The investment for this project includes the municipal government of Tesalia, the three beneficiary associations, and the hydrocarbon company Hocol.

These agreements involved an investment of US\$58,600 and benefited 267 people.

### **Municipality of Paicol**

The project for the "bovine genetic improvement to strengthen the productive capacities of 100 small and medium livestock farmers through science, technology, and agricultural innovation for peace program in the municipality of Paicol-Huila" was approved and is projected to begin in the first half of 2021.

The initiative seeks to strengthen the productive capacities of 100 small and medium-sized cattle breeders through genetic improvement and cattle restocking by delivering pregnant recipients through bovine embryo transfer, which will be delivered to the 100 confirmed users with F1 Girolando (Gyr X Holstein) pregnancies, obtained through embryo transfer technology.

The Company will also provide technical support to manage the cows and the genetically improved offspring.

These agreements involved an investment of US\$54,100 and benefited 100 people.

## Strengthening of environmental participation

324 actions were carried out to foster environmental awareness in the regions influenced by the El Quimbo hydroelectric power plant, among which the following stand out:

<ul><li>11 trainings on electricity sector transfers in each municipality.</li><li>32 people participated.</li></ul>	59 environmental activities with communities and public and/or private institutions of the Al 185 people participated.	<b>121</b> visits to promote good environmental practices for resettled families.
<ul><li>19 group trainings for resettled families from the four collective settlements.</li><li>349 people participated.</li></ul>	<ul> <li>7 environmental groups strengthened.</li> <li>31 coordinated efforts between environmental groups and institutions or organizations.</li> <li>69 advisory services and support in the development of environmental group projects.</li> </ul>	<ul> <li>7 actions focused on sustainable tourism with public and private institutions or organizations belonging to the ADI.</li> <li>69 people participated</li> </ul>

## Volunteering

The Company encourages corporate volunteer programs in all the areas where it operates, involving its employees in different projects with a social focus. Its objective is the integration and collaboration between different stakeholders, seeking mutual benefit and the development of social actions together with the community. The topics addressed are aligned with the Enel Group's commitments to the Sustainable Development Goals, with emphasis on goals 4, 7, and 8.

Our ESG

performance

## **Argentina**

## Corporate volunteering

In 2020, various internal announcements were made to publicize activities requiring volunteer participation and thus create an internal network to help the community. As part of this program, employees are invited to join this support network, which is also aimed at members of the Enel Argentina community. This assistance includes school support for employees' children, the sharing of knowledge by employees, and support for senior citizens.



### **Brazil**

#### Rede do Bem (Network for Good)

Rede do Bem (Network for Good) is Enel's corporate volunteering program, created to stimulate citizenship and a culture of social commitment.

Some campaigns are carried out in partnership with institutions that are part of the Enel Shares Leadership Network project and partners in sustainability projects. Partnerships are also formed with external institutions, such as Citizen Action (Ação da Cidadania), which was the Company's main partner in the 2020 Christmas initiative.

#### 20,545 people benefited in 2020

### Colombia

Volunteering actions in 2020 involved 954 company employees, who supported the following activities:

- Installation of two parks at the San Mauricio Foundation in Bogota, which provides comprehensive care to children and young people in vulnerable conditions.
- Virtual training in the use of digital tools for 133 teachers from public institutions.
- Participation in Adopta Un Angelito, an initiative of company employees to give a Christmas gift to children, young people, and the elderly in vulnerable conditions. A total of 1,175 people benefited, assisted by foundations and social organizations in Bogotá and the municipalities of El Colegio, Ubaté, Cajicá, La Calera (Cundinamarca), Maicao (Guajira), Altamira, Garzón, Gigante, El Agrado, Paicol and Yaguará (Huila), and El Paso (César).



#### Peru

### Leading by example

This Corporate Volunteer Program aims to promote initiatives involving social value, environmental protection, and the promotion of education and culture.

In 2020, the Company partnered with the Salva Playas campaign promoted by the Ministry of the Environment, where 20 volunteers visited one of the busiest beaches in Lima to raise awareness among visitors and merchants about the importance of avoiding single-use plastic, technopor, and other difficult-to-degrade materials, as well as the proper recycling of these materials.

During the pandemic, 21 Enel professionals shared their knowledge and experience by offering classes and virtual lectures to the students of IST Pachacutec, with the aim of supplementing their academic training with topics related to Industrial Electrical Engineering while motivating them to continue studying despite the economic crisis caused by COVID-19. A total of 713 people participated in 11 different topics.

In addition, through an internal fundraising campaign, more than 300 employees donated basic staples to the most vulnerable families in our areas of influence. (Detailed in the COVID 19 Emergency Plan).

1,713 people benefited in 2020

## Solidarity during the pandemic

The health emergency, particularly during its first months, demanded solidarity actions to provide an immediate response to the needs of the most at-risk and vulnerable communities that would enable them to face the pandemic and observe quarantine restrictions. In this sense, Enel Américas collaborated with multiple stakeholders to alleviate the impacts of the pandemic.

## **Argentina**

**Delivery of electricity generators:** in coordination with the authorities, additional generators were delivered to health centers in the concession area. Equipment with a total power of 2,389 kVA was installed to support health services.

**Field hospital:** Enel Argentina, through its distribution subsidiary Edesur and in collaboration with the municipality of Ezeiza, set up a field hospital on company property to strengthen the response capacity of the public health system, given the pressure of the pandemic on hospitals.

**Solidarity shelter:** In collaboration with the Saint Egidio community, this initiative involved donating 200 blankets, food, and toiletries to homeless people.



**Donations to community kitchens and dining rooms:** Enel Argentina made donations to support community kitchens located in the company's concession area and collaborate with kitchens and institutions that provide basic needs assistance. More than 1,000 kilos of food and 500 school supplies were delivered. The benefiting organizations were:

- Semillitas, a center for comprehensive assistance to children and their families.
- Nuestra Señora de Itatí Community Center.
- Cielos Abiertos Community Kitchen and Dining Room.
- Asociación Civil Luchemos por ellos.
- Pequeños Gigantes Community Dining Room.
- Los Piletones Neighborhood Dining Room.

### Donation of six coveralls to the municipality of El Chocón:

Donation of six coveralls to the bromatology personnel of the municipality of El Chocón, who are in charge of disinfecting and providing access to plant suppliers at the entrance of Villa El Chocón.

**Donation to Villa El Chocón Hospital:** Delivery of a water and bleach sprayer for the vehicles that arrive at the hospital from Neuquén and/or other nearby areas. The Villa El Chocón Hospital is the only health institution in Villa El Chocón and did not have this essential resource for disinfection. This action benefited 300 people.

Logistical support for the distribution of 3D masks: The Company provided logistical support to distribute 3D masks to medical personnel, which were produced by a local company.

#### Brazil

**Adopt a community:** Due to the effect of the pandemic, the Company encouraged donations and community-focused programs. Through the #JuntosNaMesmaEnergia campaign, initiatives were carried out that allowed US\$ 4.53 million to be allocated to various actions on several fronts in the country, including:

- Distribution of 9,500 baskets of food staples and toiletries to the communities in the areas where the company operates, including 25,000 bars of soap
- Donation of 10,860 Personal Protective Equipment (PPE) items to health professionals, equipment for 10 ICU beds, 26,000 surgical masks to hospitals, and 10,400 rapid tests to detect Covid-19
- Allocation of US\$ 2.1 million for energy efficiency works in 14 hospitals that receive Covid-19 patients in the states of Rio de Janeiro, São Paulo, Goiás, and Ceará
- Distribution of 11 tons of vegetables and 700 kits with organic food from the Hortas em Rede project, which aims to provide opportunities to vulnerable communities, such as training, work, and income, by cultivating vegetables in underused spaces, such as those under transmission lines
- Donation of US\$ 581,100 to produce rapid tests performed by Fiocruz, in partnership with other companies in the Brazilian electricity sector
- Support, through the Enel Shares Entrepreneurship project, to small production groups to manufacture and donate 25,800 protective masks and blankets for the community.

In addition, the regular sustainability projects were adapted to assist communities during the period of social isolation, holding various workshops and online activities. Through the volunteer portal Rede do Bem, campaigns were run to encourage employees and customers to make donations. In total, the volunteering involved more than 1,000 employees and benefited 11,512 people. Volunteers raised US\$ 21,100.



## Colombia

Through the Enel Colombia Foundation, approximately 1.709 billion pesos were donated to contribute to food security (SDG 2) for the country's most vulnerable populations. In addition, 1.693 billion pesos were allocated to health (SDG 3) to increase available beds in intensive care units, have more equipment for Covid-19 diagnostic test analysis, and increase the number of rapid diagnostic tests.

#### Food:

- Cundinamarca supports you: delivery of 10,600 boxes of groceries in 31 municipalities.
- Uni2para cooperar: delivery of 2,600 boxes of groceries to families working in the informal economy in the department of Huila, benefiting 15,600 people, members of 2,600 families.
- Fundación JuanFE: support for the delivery of food aid and continuity of programs that benefit thousands of vulnerable young people in the Cartagena Plant operation's area of influence.
- With the support of Colectivo TRASO / ANDI "Entre todos nos protegemos," the Company made donations that were used to deliver groceries to vulnerable populations in the city of Cartagena.





## Hospital infrastructure and protective elements for medical personnel in various institutions:

- Resources were contributed through ProBogotá, which made it possible to expand the Intensive Care Unit (ICU) of Hospital Universitario la Samaritana, Méderi, and Clínica Shaio.
- The organization made contributions that helped the Fundación Cardio Infantil to expand its ICU capacity for highly complex Covid-19 patients with underlying conditions.
- It also contributed to the installation of backup equipment for the temporary hospital at Corferias to support the hospital units.
- It contributed to the financing of Hamilton, a high-tech robot that allowed Universidad del Rosario to boost the number of diagnostic Covid-19 tests.
- The Company and its subsidiaries joined the campaign coordinated by the National Business Association (ANDI), which provided the San José de Maicao Hospital with four new ICU units and rapid diagnostic tests that benefited 500,000 people.
- Enel contributed in the department of Huila by delivering 515 protection kits (more than 10,700 items) to the medical personnel of 12 health centers, including the María Auxiliadora Hospital in Garzón, the Santa Rosa de Lima Hospital in Paicol, and the Hernando Moncaleano Perdono University Hospital.
- As part of an internal employee campaign, more than 100 million pesos were donated to support the Mederi Hospital, in the Health Front of the Colombia Cares for Colombia strategy, through Fundación Saldarriaga Concha (FSC).

#### **Support for Quality Education**

 As part of the Donatón campaign sponsored by the Secretary of Education, 188 Enel employees in Colombia raised US\$4.46 million to purchase new equipment for children from vulnerable communities to continue their education virtually as a result of Covid-19.

#### Peru

**Increased electricity supply capacity:** Works were carried out to supply greater electricity to four hospitals and support healthcare services, in some cases doubling their capacity.

#### Donations of medical equipment and materials:

contributions were made in the regions where Enel Perú has generation plants, as part of the campaign "Que nuestra energía nunca se detenga" ("May our energy never stop"). The Company also donated medical supplies and materials to three hospitals, totaling over 40 thousand PPE items for more than seven thousand medical professionals.

**Food:** the partnership between Enel Perú and the Pachacútec Foundation made it possible to deliver 300 nutritious lunches in Ventanilla each day, benefiting 75 families in vulnerable situations in Callao. The Company has also delivered roughly one thousand food baskets with basic necessities to families in the community of Piedritas in Talara.

Enel workers in Peru raised 100 thousand soles as part of an internal voluntary fundraiser to strengthen the activities being carried out by the Company. As a result, they delivered 1,500 baskets that benefited more than six thousand people affected by the pandemic nationwide.

Comprehensive health program: addresses health comprehensively to contribute to the reduction of anemia and malnutrition in children and improve the health of the residents in the hydroelectric power plants' communities of influence. It provides a comprehensive preventive medical service that includes periodic monitoring of hemoglobin levels, anthropometric measurements for children, and periodic care and treatment.

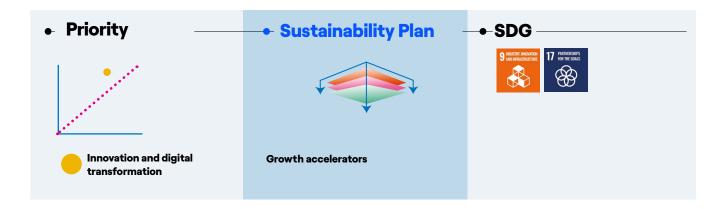
2,840 people in the province of Chanchamayo benefited in 2020.

**School breakfasts:** children from low-income families located in remote areas around the Yanango hydroelectric power plants regularly receive milk, cereals, fish protein, and guinea pig meat to prepare their school breakfast, thus improving their nutrition and reducing anemia.

150 children from the province of Chanchamayo benefited in 2020.

## 8. INNOVATION AND DIGITAL TRANSFORMATION

103-1 | 103-2 | 103-3



## Primary material topic: Innovation and digital transformation

#### How is it managed?

Innovation, digitalization, cybersecurity, and the circular economy are accelerators of transformation processes in organizations, as they encourage looking at business models from a holistic perspective of the value chain, responding to the emerging demands of customers and current regulations, decoupling growth from the use of finite resources, and building the future on the basis of sustainability. In this way, digital transformation helps to improve performance in an ever–evolving technological environment, where cybersecurity becomes more relevant. Meanwhile, the circular economy allows business models to be rethought, where innovation and digitalization are key to moving towards more sustainable and less polluted economies with rational use of resources that contribute to fighting climate change.

#### **Material topics**

- Innovation
- Digitalization and cybersecurity
- Circular economy

## Importance of good management

Agility, flexibility, and adaptation are key elements in the energy transition, in which innovation, digitalization, cybersecurity, and the circular economy are key to accelerating solutions to the transformations demanded by the planet and society. At the same time, they contribute to guaranteeing the ability to anticipate customer needs, increasing security and continuity of service, and making rational use of resources, consequently contributing to operational efficiency.

Poor management of this issue could set back the energy transition process by hindering the digitalization of assets, electrification, and progress towards greater decentralization of energy in which the consumer becomes a prosumer. Similarly, failure to incorporate the circular economy may mean continuing to design products, services, and projects that generate waste, industrial materials that do not find other uses in production cycles, as well as residual material that is not recovered when it is time to migrate to digital technologies, replace electric cars, or the end of the useful life of the panels, and, even worse, an excessive accumulation of waste. There is also a risk of limiting the company's competitiveness by slowly adapting to change, which would cause it to concede ground to the competition.





## Targets and challenges

SDG	Activities/targets	2020-2022 Plan targets	2020 Results	<b>2021-2023 Plan targets</b>
17 PARTNERSHIPS FOR THE GOALS	Number of global cybersecurity knowledge-sharing events per year.	15	15	15
17 PARTNERSHIPS FOR THE GOALS	Verification of information security (global annual checks).	800	+ 750	800

Material topic and principles of the Policy on Human Rights	
Privacy & communication	<b>S</b>

## Innovation ecosystem















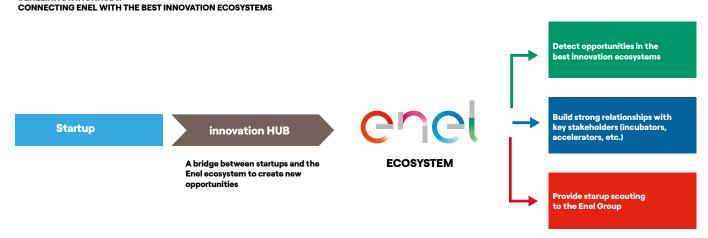


Enel Américas has two main lines of work related to innovation ecosystems through the Open Innovability model, brought to life by the Innovation Hub, and the culture of innovation through the Ideas Hub.

Enel Américas, with its Open Innovability model, creates the best solutions, products, and services with the aim of continuously transforming the current energy model.

To do so, the Company seeks to facilitate collaboration through the Innovation Hub, connecting Enel Américas and its employees with external stakeholders, such as startups, academic institutions, and business partners, among others, to find and develop innovative solutions to global challenges. This concept embraces openness, innovation, and sustainability, linking it directly to the Company's strategic vision, "Open Power for a brighter future." The model allows Enel Américas to build relationships with its surroundings, with sustainability and the creation of shared value as the common objective forming the basis of its business.

## #ENELINNOVATIONHUBS:

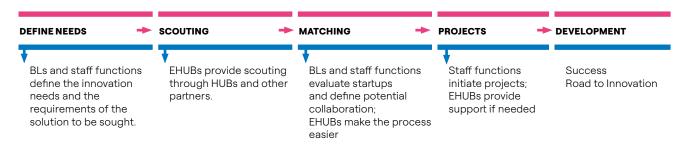




Innovation Hub, through a network of institutional partners, organizations, and venture capital funds, was conceived to support startups that contribute to the development of innovative solutions for the sustainability of Enel Américas' business. The Company implements them and, if feasible, scales them globally. Enel Américas uses scouting to explore areas of innovation in terms of technologies and attractive business models.

#### **BOOTCAMP METHODOLOGY**

How can I solve my challenges?



In 2020, more than 100 startups from all over Latin America were assessed, and a proof of concept was carried out with one of them.

## ENEL INNOVATION HUB COLLABORATES WITH STARTUPS THROUGHOUT THEIR DEVELOPMENT CYCLE

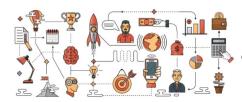
DEVELOPMENT	FINANCING	INDUSTRIALIZATION
Improve start-ups solutions to customer needs.	Assurance that start-ups have the right and fi¬nancing	Provide start-ups will all necessary ingredients to scale.



#### **#ENELINNOVATIONHUBS SUPPORTS START-UPS** THROUGHOUT THEIR DEVELOPMENT PROCESS

#### DEVELOPMENT

Improve start-ups solutions to customer needs.



- Access to our knowledge, databases, laboratories, and experts.
- If necessary, we include our valuable partners: accelerators, incubators, company builders, mentors.

#### **→** FINANCING

Assurance that start-ups have the right and financing

### INDUSTRIALIZATION

Provide start-ups will all necessary ingredients to scale.



AL > Israel Inn

- Support in subsidy and grant applications.
- Introduction to VC and banks within our network.













Support from our suppliers regarding manufacturing and software and service development.

Promote success stories to increase startup traction.

(\*) Enel does not invest directly in the equity of startups.

In this process, each business line bears the final responsibility for selecting the startups with which it wishes to work. This can be done through the direct approval of the requesting area or by presenting the project to the corresponding innovation committees of the areas involved.

## Global engagement

In addition, Enel Américas provides its partner startups with access to its global facilities for testing solutions, as well as access to more than 70 million customers worldwide and over 46 GW of installed renewable energy capacity that corresponds to the Enel Group.

At the Group level, Innovation hubs are interconnected at different levels, such as:

solutions together.



these ecosystems to quickly identify

the best opportunities for Enel.



knowledge) for trial and development new technologies and



growing economies).





## Activities that drive innovation

Enel Américas developed different activities in 2020 with the objective of promoting collaborative innovation, internally as well as externally, through partnerships with various organizations in the countries where the Company operates. Activities such as webinars and bootcamps were held over the year to foster the innovation culture and ecosystem.

## **Argentina**

- Webinar on open innovationa: in partnership with ASEA (Association of Entrepreneurs in Argentina), Enel Argentina developed an open innovation event to promote this focus among entrepreneurs in the country.
- ASEA is an NGO that looks to promote entrepreneurship in Argentina by influencing public policies and supporting entrepreneurs throughout the country.

## Brazil

- Innovation Week: A period reserved to discuss innovation, digitalization, and business sustainability. The area responsible for Enel Brasil participated in a workshop on "Digitalization and the future of business," presenting the innovations being worked on, with the "Urban Futurability" project standing out.
- Bootcamps: In 2020, Enel Brasil ran online bootcamps focused on finding creative solutions that would allow the operation to continue safely while meeting the challenges imposed by the Covid-19 pandemic, using innovation as a tool to face and find solutions to any type of challenges. In the second half of the year, the bootcamps focused on day-to-day operational needs, such as operational efficiency. Having achieved good results, Enel Brasil will use this format as the standard.
- Innovation Day: In 2020, the main topic was innovation for recovery. This event was a venue to launch the "Open Call on Circularity" program and present the various partnerships and actions that each of the business lines is developing in this area. Murilo Gun, a leader in creativity and innovation in Brazil, also participated in the activity as a guest. Notably, the activity was conducted 100% online through an interactive platform and, for the first time, was attended by Enel employees and people from the Company's external innovation ecosystem.

Ambassador Day: The Innovation Ambassador Day was held 100% online and was attended by ambassadors from different countries where Enel has operations. The objective was to encourage the exchange of ideas, knowledge, and best practices. The event, which was held through an interactive platform, involved all of Enel's Idea Hubs and included talks and training sessions in five different languages by members of these innovation centers. Brazil contributed by sharing innovative knowledge, such as "Creating environments through immersive experiences."

## Colombia

• International workshops and events: In 2020, the Colombia team hosted training courses for colleagues from other countries, as well as carrying out joint activities with other holding companies in Italy, Spain, Guatemala, Panama, Costa Rica, Brazil, Colombia, Chile, Peru, and Argentina. This allowed it to strengthen its work teams, discover global opportunities, share best practices of emerging technologies, and bring the practices implemented in other Group companies to Colombia.

- Participation in Connect Bogotá DemoDay: the Company participated in DemoDay, organized by Connect Bogota. This event sought out innovative solutions from universities, entrepreneurs, and startups for challenges in customer experience and information as well as service quality.
- Sponsor of the FISE Power Startup event: sponsored the event held by the Colombian electrical industry hub. The objective of the event was to create an ecosystem of specialized entrepreneurship in the industry, a space that would bring together the supply and demand of products and services to strengthen the relationship between companies in the Colombian energy industry. Twelve startups were presented at the event, ten of them from Enel.

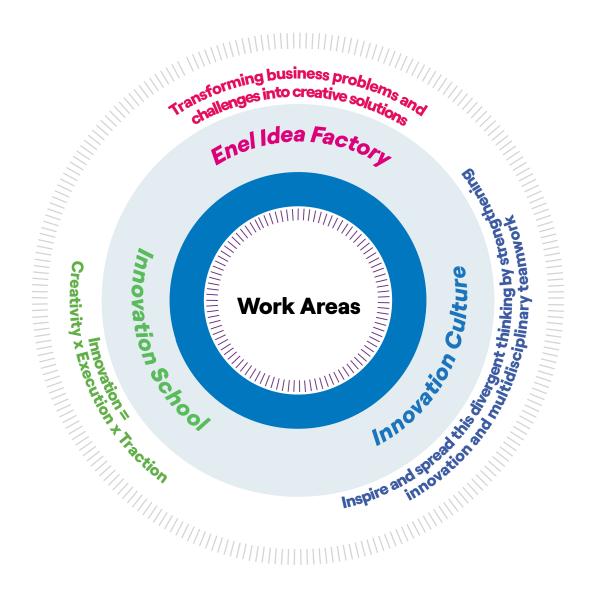
#### Peru

First global innovation meeting in Generation: Enel Perú
managed to organize the first global innovation meeting
in the field of Generation, which was attended by teams
from Chile, Argentina, Colombia, and Costa Rica. During
this, each participating country shared ground-breaking
projects and initiatives to create work synergies and
improve their own generation processes.



## **Culture of innovation**

In an effort to promote and spread a culture of innovation, the Company established Idea Hub, which seeks to generate knowledge and behaviors in innovation and intrapreneurship by integrating the businesses and engaging all employees, fostering creativity in technical and professional teams, and providing them with tools to develop their capabilities.



## **Enel Idea Hub Lands in Argentina**

In 2020, Idea Hub was launched in Argentina, joining the network of Idea Hubs in Italy, Spain, Romania, Colombia, Chile, Brazil, and Peru. With this launch, Idea Hub is now present throughout Enel LatAm's network. This is aimed at spurring and fostering innovation in each of the countries where Enel Américas operates.

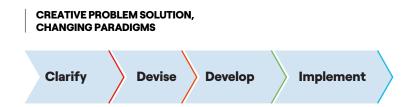
## **Enel Idea Factory**

Through Enel Idea Factory, the Company seeks to expand the use of technologies and methodologies that help Enel employees think outside the box, offering them support in analyzing, selecting, and implementing the best solutions to their problems and/or challenges, transforming workspaces into innovation laboratories..

## What are these methodologies?

## 1. Creative problem solving, changing paradigms

With the aim of creating value to help people find innovative solutions to the challenges they face, this methodology is based on the natural way of thinking, which emerges as a four-step process:

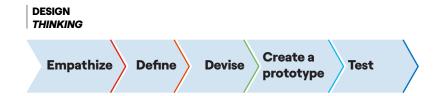


As a result, problems become challenges, and the resolution process generates creative ideas to meet them.

## 2. Design Thinking, understanding, and co-creating with the user

Among the most well-known methodologies in the field of innovation, Design Thinking is a "human-centric" approach, meaning that it places the customer at the center of the equation, using different tools acquired from the design to co-create their desired product or service, thus changing their habits and improving their experience.

The steps of Design Thinking are:





## 3. Lean Startup Methodology, the value of experimentation

At Idea Hub, the Company uses the Lean Startup methodology for business and product development to accelerate the cycles of each process, adopting a combination of hypothesis-driven experimentation to measure progress, iterative product launches to gain meaningful customer feedback, and validated learning processes to measure how much has been achieved.

## **Innovation Academy**

Enel Américas set up the Innovation Academy, which is dedicated to innovators but open to all those involved or interested in innovation and digital transformation and would like to incorporate new methodologies and knowledge into their work. Among the key elements of this school are the learning-by-doing approach and a customercentric, creative, and agile way of working.

In 2020, Innovation Academy trained more than 276 people in Argentina, 79 people in Brazil, 309 people in Colombia, and 100 people in Peru on methodologies for innovation and creativity, fostering creative thinking through Design Thinking, Lean Startup, Creative Problem Solving, and Effective Presentations, among others.

### **Innovation Culture**

To foster a culture of innovation, several initiatives are being carried out, among which the following stand out:

#### **Innovation Ambassadors**

The key to building a culture of innovation is to have employees who apply it daily in their work. For this reason, Enel Américas is developing the Innovation Ambassadors project, where a team of people from different areas of the Company work to influence, expand, and develop the culture of innovation at different levels of the organization. This project seeks to improve voluntary and cross-functional collaboration, as well as to actively participate in all areas.



## Make it Happen

This is a corporate entrepreneurship program unveiled in March 2019, which seeks to encourage employees to participate in presenting original ideas that solve commercial needs (new business) and the operation's derivatives (improvement ideas). The aim is to develop the propositional and experimental capabilities of all Enel employees around the world, given that each one of them can play a decisive role in accelerating the organization's process of innovation and transformation. This initiative is supported by experts in each step of the process, with venture capital and time dedicated to developing the projects.

In 2020, due to the pandemic, the Company adapted its way of working while digitalizing its creative processes. This has led to an exponential increase in the demand for creative sessions and activities that inspire and teach methodologies for divergent thinking. More than 85 creative sessions were held in Colombia and 21 ideas were recorded in Brazil, all online and through digital platforms such as Microsoft Teams, Mural, Kahoot, and Mentimeter, among others.

## **Innovability Week**

The second edition of Innovability Week was held in 2020 and included workshops, conferences, contests, and a project fair. The topics were centered on innovation and the circular economy, and participants had the opportunity to learn, live innovative experiences, and spark their creativity. This second version was developed jointly by Enel Chile and Enel Colombia and was held virtually, given the restrictions imposed by the pandemic.

Notably, this event was attended by renowned speakers Vito Di Bari and Petar Ostojic, both world leaders in innovation and the circular economy. Vito Di Bari is an inspirational guru who forecasts business innovation trends based on new technologies, and Petar Ostojic is a High Impact Entrepreneur and Board Member of Endeavor with more than 27 awards, recognized as the first promoter of the circular economy in Latin America by the World Economic Forum and Highly Commended for Circular Economy Leadership.

The event was a resounding success and was attended by 1,194 people from Colombia, Chile, and other countries throughout the week.

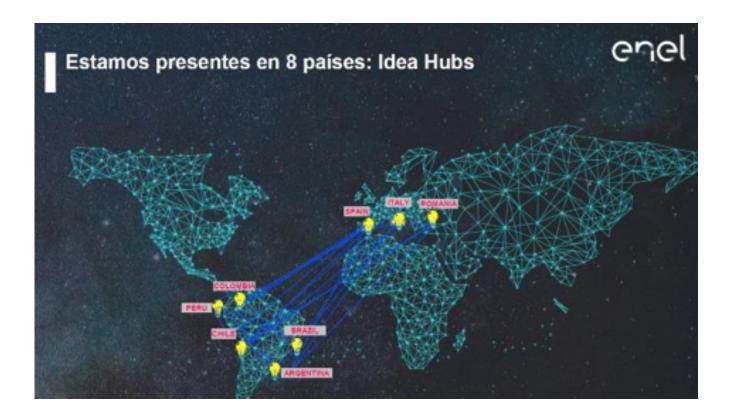






## Global Presence Idea Hub

Global team for exchanging practices and knowledge, creating spaces for learning and synergies enriched by the diversity in thought and experiences.



## Innovation during the pandemic

The Covid-19 health emergency has challenged the limits of human capacity to be able respond to an unprecedented situation. It is in these moments that innovation and creativity emerge as essential elements to generate innovative ideas of exceptional value.

The following are each country's responses to the challenges posed by the pandemic:

## **Argentina**

- Adaptation of Innovation Academy content: The
  content of the Innovation Academy was redesigned to
  switch from a classroom format to a webinar format. The
  content was converted into short innovation capsules
  (two hours), thus maintaining the participation of Enel's
  employees in the Innovation Academy.
- Use of virtual collaborative platforms: Virtual cocreation methodologies were used, such as Mural and other specific tools and content to maximize the experience under teleworking.

• Covid-19 Innovation Challenge: Enel Brasil carried out this challenge with the objective of developing new ways to perform daily activities, both in the plants and in customer service, and avoid the risks posed by the pandemic. Ninety-two employees from different business lines and regions of the country took part in the challenge. A total of 14 ideas were prioritized, of which 6 were implemented in 2020 and 5 are in progress..

### Colombia

- Enel for Colombia: This program, which is promoted by the Company at a global level, invites employees to propose initiatives on how Enel could help its employees and customers to face and overcome the emergency.
- Enel Colombia recorded 56 initiatives, which were classified into 5 categories. Afterward, the best proposal in each category was recognized by the Country Innovation Committee,
- For commercial support: Enel on your cell phone.
- Economic management: Virtual Showcase.
- Enel protection and mitigation: Fever detector.
- External protection and mitigation: inspection drones for Covid
- For communication channels: Enel bill prevention.

14 initiatives were implemented in 2020, 5 are in the development phase and 9 are in feasibility studies.



## **Peru**

• Launch of products to prevent Covid-19: through its Enel X business line, Enel Perú responded to the Covid-19 pandemic by launching products designed to prevent its spread, such as thermal cameras and sterilization of rooms through air conditioning. It also provided advice and protocols on the disease to customers who requested it.

## Innovation in generation

## Innovating in the energy transition process

Enel América's objective has been to seek out new technologies that support the energy transition process through advances in robotics and digitalization.

With a long-term view, the Company has driven the development of new ways of generating energy through the benefits of marine energy and the hybridization of energy production, among others.

The organization has also focused on adapting to constant change by implementing internal and external innovation. Internally, the organization is more horizontal and structured, which facilitates communication. Externally, Enel Américas works with startups and open call processes available to anyone who wants to present a solution.



## **Power G Program**

Enel has promoted a methodology that encourages employees of Enel Power Generation to propose innovative ideas, where everyone can contribute with their initiatives, which are reviewed by a committee. After a selection process, the winners are selected, and the applicants receive an award. In this way, Power G recognizes efforts that are aligned with Open Power values, emphasizes the value of innovative ideas and best practices, and applies new digital tools.



A total of 364 initiatives were received between Argentina, Brazil, Colombia, and Peru thanks to the support of Idea Hub.

## 2020 Featured projects

### **Argentina**

PI Platform: This platform allows real-time monitoring of assets and investigations for early problem resolution. Pl collects data to compare the performance of different plants and share the information across all functions. It improves operational intelligence by feeding all the processes involved. Pl is a part of digital applications and is required by other systems such as Digital Reporting, GOS, Predictive, or Heat Margins. All these systems work by improving asset health, availability, energy efficiency, and risk management. The platform provides relevant and accurate information for predictive maintenance.

#### **Brazil**

 BlueROV - Underwater Inspections: An initiative that implemented underwater inspections using a BlueROV submarine. This initiative replaced diving at hydroelectric power plants and made it possible to inspect areas that previously could not be inspected, reducing the risks involved and the costs associated with performing inspections through diving companies. Our ESG

## **Applied robotics**

## **Global programs**

## **Robotization Strategy**

- Along with Policy 1063, Enel globally published its robotization strategy in September 2020, which establishes a common line of work for the planning, management, and improvement of the activities performed by robots (unmanned aerial vehicles, drones, underwater or land rovers, climbers, smart glasses, etc.) within Global Power Generation (construction projects, power plants, facilities, etc.) to inspect, supervise, and monitor assets, aiming to increase safety, efficiency, and data availability while reducing hazards and operational costs.
- Organizational Procedure 1687 establishes that the operational and maintenance areas must validate the Robotization Plan. The associated KPIs will also be monitored, ensuring the training of its workers, compliance with regulations, and any activity that facilitates and boosts the use of robotics in operational and maintenance activities, such as contract authorization, insurance, among others.
- The robotization strategy is not only for internal use at Enel; it is also being adopted by its contractors.
- RoBoost: Program aimed at integrating and distributing robotics in the operation and maintenance activities of power plants, focusing on creating added value and increasing operational safety and efficiency to generate cost savings. Robots (drones and Remotely Operated Vehicles (ROVs)) are used to inspect, supervise, and monitor Power Generation's assets that are located overhead, in confined spaces, or underwater. Its implementation is in line with Enel's robotization strategy (Global Power Generation Robotization Strategy 1063) and Organizational Procedure 1687, which applies to all Power Generation employees.
- Smart Glasses: During the pandemic, the aim was to optimize processes to reduce exposure and contact between people. For this reason, to minimize the number of in-person visits to the plants, drones and Smart Glasses were implemented, which allow remote inspections of the plants. This project, implemented throughout the different technologies that require it, included the purchase of augmented reality glasses and a software system for communication between the technicians in the plant and the specialist in the office. In 2020, they were used during the scheduled outage between April and June 2020 at the Dock Sud power plant and at the power plants in Peru.

**Use of drones for inspection:** As part of the initiatives related to the Company's global robotization plan, using drones for aerial and underwater inspections was encouraged, thus minimizing diagnostic times through aerial inspections, achieving cost efficiency, and obtaining relevant and timely information.

The plants in Argentina purchased devices for internal and external inspections to reduce risks for personnel during visual inspections at heights and in confined areas. Personnel were trained and certified in its proper use in accordance with local regulations issued by the National Civil Aviation Agency (ANAC).

In Colombia, as part of the inspection program for structures and civil works in hydraulic plants, 54 aerial inspections were performed using drones.

Meanwhile, Peru inspected the chimney of the TG8 unit of the Santa Rosa Thermal Power Plant in 2020 and quickly identified structural faults, which allowed the respective actions to be taken.

In addition to operational improvements, drone use makes it possible to track reforestation, map water resources and bodies of water, monitor erosion processes, monitor flora and fauna, and perform modeling on various platforms to establish action plans.





## Innovation in Distribution

## **I&Nnovability Challenge**

The Global Infrastructure & Networks business line has focused on finding innovative solutions to improve the quality of work, grid efficiency, and service. Through smart proposals that tap into high value-added technologies, such as virtual reality, wearables, robotics, artificial intelligence, and others, workers address previously identified actual challenges, thus promoting new technologies and sustainable processes.

The problem-solvers compete in terms of benefits and viability to be the solution selected for implementation in the short term.

## 2020 Featured projects

## **Argentina**

Innovative projects were proposed in Argentina but not developed in 2020. However, the Market Challenge was held, with Argentina participating in its design and serving as an evaluator. An Argentine team was among the winners.

## **Brazil**

- Enel Brasil manufactured the first Smart Meters with proprietary technology in Latin America. The manufactured model is entirely Enel technology and was developed for the Brazilian market and approved by Inmetro (National Metrology Institute). The development also involved constructing the manufacturing line. The first phase of the project includes the installation of 150,000 Smart Meters for customers in Sao Paulo.
- Toplock 2: this Enel Brasil project seeks to prevent electricity losses through a security system consisting of special screws and an electronic key. The technology seeks to counter fraud and electricity theft, prevent accidents, reduce energy costs to the community due to theft, and reduce losses caused by non-technical reasons.

launched "Urban Futurability: at the end of 2019, Enel Brasil launched "Urban Futurability São Paulo," an innovative project that engages local stakeholders and communities in a living laboratory where the electricity grid acts as a platform to create, enable, and develop new urban services and sustainable living. The living lab is located in Vila Olimpia, a major neighborhood where thousands of people live and work every day. The project is based on three main pillars: 1) Innovative resilience, 2) Digital twin network, and 3) Living laboratory for the future of urban sustainability. The project includes 33 innovative and integrated initiatives, which will allow more than 40 technologies to be included, many of them for the first time in Brazil. In 2020, five of these initiatives were completed.

## Colombia

Telecommunications remote control project: The
telecommunications infrastructure investment plan
was carried out during 2020 to guarantee the capacity
and availability required for the remote control of
approximately 7,900 devices installed on the medium
voltage network, which enable remote operation from
Codensa's control center.

### Peru

- High voltage network operations simulator:
  - Consisted of implementing a virtual reality application for the evaluation, training, and education of operating personnel in executing operations in high voltage networks at an Enel Distribución Perú transmission substation. In the first stage, simulations were performed of technical operations in connection/disconnection processes in 60kV High Voltage cells; in a later second stage, it will be deployed to other maintenance activities.
- Virtual tour of high voltage substations: The project was carried out at the 60/20/10kV Filadelfia High Voltage substation and consists of digitalizing the infrastructure and its components to enable a virtual tour of the substation and obtain current technical information on its equipment.

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## 9. DIGITAL SUPPORTS AND **CYBERSECURITY**

Digitalization can lead to economic, social, and environmental sustainability by encouraging a more conscious approach to energy consumption, providing energy access-especially to vulnerable populations-and enabling an environmentally conscious use of energy.

Digital transformation is a key aspect of the energy transition, which is why Enel Américas has incorporated it throughout its entire value chain by optimizing its assets, managing distribution networks, and offering personalized services for customers and its employees.

The Company's digitalization strategy is based on two pillars:

- Digital Impact, related to customers, assets, and people.
- Data Driven, connected to Cyber Security, Platforms, and Cloud.

## **Digitalization**

Digitalization provides customers with new ways of interacting with the Company through applications, such as Smart Invoice, and virtual assistance, simplifying customer contacts with Unique ID. Additionally, Enel X recharge and platforms such as Salesforce and Smart meters have been developed, which simplify the relationship between the Company and its customers, optimizing response times to outages, data management, and related costs.

The Company has continued developing tools for customer relations, including applications such as WhatsApp or RPA solutions, which have made it possible to incorporate changes in customer processes.

Regarding Energy Management, payment collection processes have been improved to facilitate the management of each customer's debt, which enables progress in the development of strategies that make it easier for customers to pay what they owe. Support systems are also introduced to reduce the manual burden of managing contribution margin by providing a single database that offers an overview of the process and access to reports and dashboards.

We have made internal progress in important programs such as:

**E4E - Evolution for Energy:** is a Global Program that aims to radically improve processes in Core Business Lines and Administration, Finance, Control, and Procurement Processes, driving change through the exchange of best practices, standardization of models, and reduction of fragmentation and complexity in SAP systems. The E4E landscape is based on the "Value Chain" and represents a significant step towards the implementation of a global corporate model and a single system across business functions and the countries where Enel Américas operates, placing data at the center of the operation. With Go live in Brazil and Central America, the entire region has been covered.

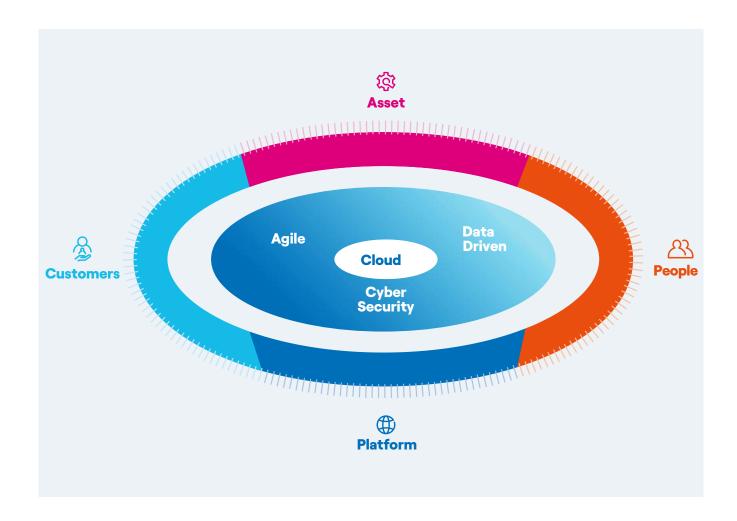
Enterprise BI Platform: During 2020, in line with the digital transformation and as part of the Data Driven Company evolution, various Dashboards have been deployed for high-level monitoring of the Company's performance, such as E-Retail, E-DIM, E-Report, E-Real Time, and Covid Dashboard, all under the umbrella of the Next Level Reporting platform, an application directed mainly at the organization's top management.

RPA Administration: based on GDS Enel's RPA (Robotic Process Automation) platform, virtual colleagues have been made available in the region's different countries for the administration team to handle processes that involved a considerable effort to meet the time and quality requirements. These include municipal tax payments in Brazil and bank reconciliation processes in Argentina, among others.





People are critical to the Company's digital strategy, which is why Enel Américas has introduced the Agile methodology in IT project development. The Agile methodology is based on collaboration, openness, and flexibility in which interdisciplinary teams develop projects through an iterative process that includes the participation of the end customer. In 2020, considerable work continued to be put into change management, including employee awareness, motivation, and training to promote the use of this methodology.



# Prevention and monitoring of cyber-attacks

As digitalization increases, cyber threats are becoming more frequent and sophisticated, transforming cybersecurity into a global issue and one of the pillars on which the Group's digitalization strategy has been built. Cybersecurity is coordinated between the Personal Data Protection and Information Security divisions.

## **Data protection**

The EU General Data Protection Regulation (GDPR) imposes compliance obligations on the Enel Group, requiring the appointment of a Data Protection Office with professional autonomy and independence requirements. Thus, in 2020, Enel Américas began working on the implementation of a compliance model that includes a Data Protection Officer (DPO) who reports directly to and works in coordination with the Group's DPO office.

The Personal Data Protection governance model assigns privacy roles and responsibilities to the first and second

Our ESG

performance

lines to securely manage data and applications that process data, as well as to monitor the registry of all data processing carried out by the Group.

The DPO supports the Company's businesses so that processes and operations may comply with "privacy by design" and is responsible for contractual compliance, including privacy and cookie regulations; defining policies and operational instructions for the protection of personal data; promoting the establishment of codes of conduct and security measures for third parties that manage personal data for Enel Américas; and managing personal data security incidents, along with cybersecurity and information security duties.

## **Information security**

In terms of information security, there were limited risks in 2020, which were addressed digitally as a result of the prevailing global health situation. In this area, work was put into the design and implementation of new control tools, as well as strengthening the information classification and protection policy. This involved a countrywide assessment conducted by the Cybersecurity Unit and Data Protection Office, which allowed addressing the risks of information processing for the different business lines.

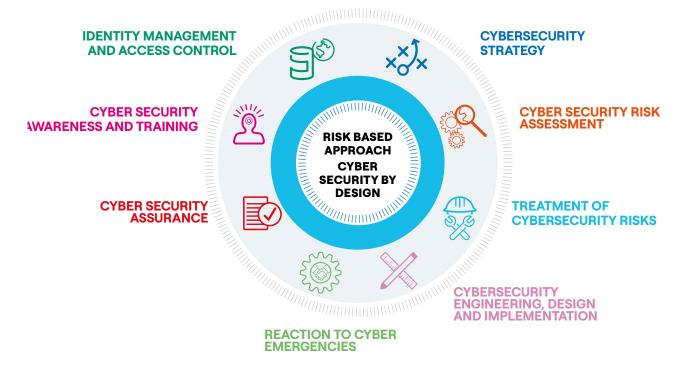
Likewise, in terms of handling personal data, a local plan was designed in every country with Enel Américas' policies and in line with international standards for GDPR compliance.

## **Cybersecurity**

The Enel Group has a holistic and systemic action and management model for cybersecurity that applies to all its companies, including Enel Américas. This is promoted by Senior Management and actively involves all corporate business areas as well as the areas responsible for the design, management, and operation of the IT systems.

Incorporating the operations of Enel Américas, Enel Group has set up a Global Cybersecurity Unit that reports directly to the CIO (Chief Information Officer) through the CISO (Chief Information Security Officer) to streamline the decision–making process at a global level, in a context where response time is essential.

Senior management and global strategic management are committed to the cybersecurity governance model, which has established the need to use world-class technologies, design ad hoc business processes, increase people's cyber awareness, and implement cyber regulatory requirements.





To monitor and prevent possible threats, the Company relies on its Cyber Emergency Response Team (CERT), a group of experts in charge of managing cyber security incidents. The CERT establishes a strategy to prevent cyber-attacks that target Enel Group's industrial and digital assets and critical infrastructure. This strategy places a team in each territory that works in a collaborative and synergic way to respond to digital security threats. CERT is present in eight

countries and has more than 20 cybersecurity analysts who constantly monitor risks of cyber-attacks from the control room, ready to coordinate response activities collaboratively with all territories to tackle any incident.

Enel Américas also has a Security Operation Center (SOC) in operation 24/7 to monitor IT systems and communications network traffic.

The main activities carried out by the Enel Group's cybersecurity area in 2020 are:

- CERT: In 2020, CERT reinforced the Enel Group's perimeter protection methods, both through the improvement of technological solutions in the field (Machine Learning) and by continuously providing training courses for employees of industrial sites (cyber exercises) in all Enel Group countries, including Enel Argentina.
- Awards and participations: In 2020, the Cyber Security Unit participated in the drafting of three WEF (World Economic Forum) reports on cyber resilience:
  - "Cyber Resilience in the Electricity Ecosystem: Playbook for Boards and Cybersecurity Officers."
  - "Cyber resilience in the electricity Industry: Analysis and recommendations on Regulatory Practices for the Public and Private Sectors."
  - · "Cyber resilience in the electricity ecosystem: securing the value chain."
- Cybersecurity education, training, and awareness: In 2020, the Cyber Security Unit began preparing cybersecurity
  courses aimed at all Enel Group people. In addition, during the emergency period of the Covid-19 pandemic management,
  newsletters and bulletins were distributed through several communication channels (mainly via the Intranet) aimed at
  the entire Enel Group. In 2020, 16 cybersecurity awareness activities were carried out globally.

## 10. CIRCULAR ECONOMY

## **Enel Américas' vision**

The circular economy is a new paradigm based on rethinking the entire economic model with a view to decoupling economic activities from the consumption of non-renewable natural resources.

The implementation of this approach in Enel's business represents a fundamental choice at the strategic level of the Company that seeks to achieve competitiveness objectives in both economic terms and risk reduction terms while contributing to solving global challenges by prioritizing the environment.

Rethinking the development model from a circular perspective is, above all, an innovation challenge and involves ever-closer collaboration with the ecosystem. This awareness has led to innovations not only in terms of technology, processes, and business models, but also in broader terms of synergies between business areas within the Group and collaboration with all external counterparts.

For the result to be effectively transformative, the circular approach must inevitably span the entire value chain. To reduce the consumption of energy and non-renewable materials, it is necessary to take action on the resources used as inputs by shifting from non-renewable sources to renewable sources or recycled inputs. This also applies to reuse, exchange, or product-as-a-service models.

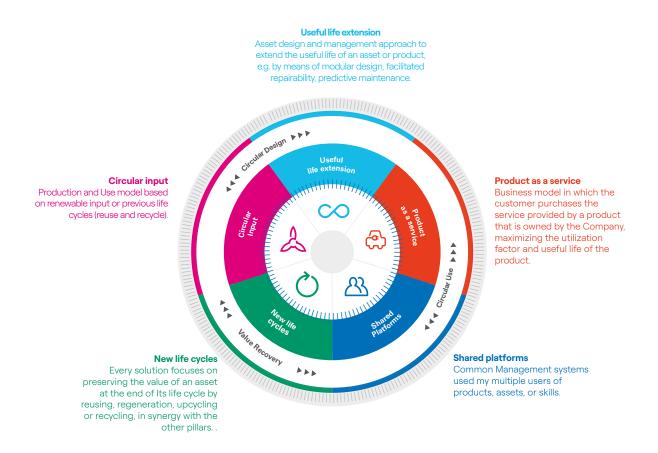
Enel's strategy is comprised of five pillars:

- Circular inputs: increase the use of energy from renewable sources and the use of renewable, reusable, or recycled raw materials.
- Useful life extension: to extend the useful life of assets, this pillar focuses on preventive or predictive maintenance actions and incorporating modular designs to facilitate assembly, reorganization, and disassembly, allowing easy repairs or replacement of parts in case of failure or allowing components to be reused at the end of their useful life.
- Product as a service: where the sale of a product is linked to a service. This product is designed for longevity, with characteristics such as high quality, durability, modularity, and repairability. This concept seeks to maximize the utilization factor and extend the useful life of products.
- Sharing platforms: by using information technologies, an underutilized asset is shared among multiple users, contributing to a collaborative economy and maximizing the use of the goods produced.
- New life cycles: incorporating new solutions such as reuse, repair, upcycling, remanufacturing, and recycling once the useful life of the goods is over, creating new opportunities to recover and recirculate materials.







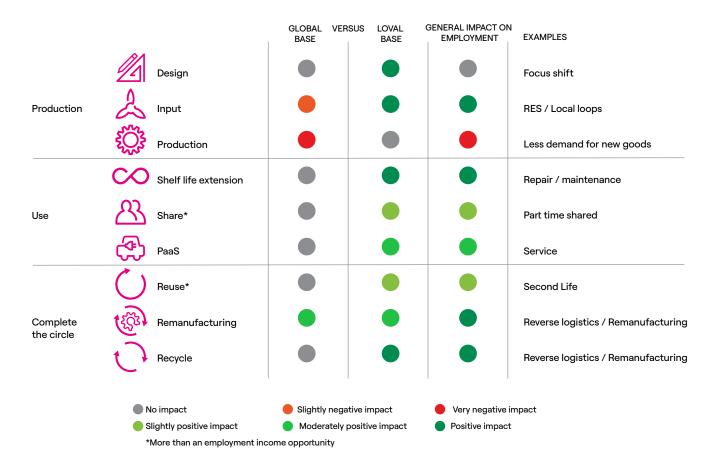


## Social impacts of the circular economy

The circular economy presents a paradigm shift in relation to the current linear economic system based on "extraction, production, consumption, and disposal" and proposes a transformation of the economic system by decoupling growth from the extraction of finite natural resources and eliminating the generation of waste, starting with product design.

The circular economy is considered an accelerator of Enel's sustainability strategy. With innovation, competitiveness, and environmental care, it is redesigning all processes along the value chain, from working with suppliers, with the Circular Procurement program, to offering value to its customers with new, cleaner, and more efficient technologies.

To achieve this change, new professionals and skills are required to drive the transition, which is expected to significantly impact the labor market.



- Employment: creation of new professionals in all sectors of the production chain, thanks to the transition to a circular economy model. At the same time, new opportunities arise related to professional recycling, the exchange of skills, the creation of new, more crossdisciplinary profiles, and the recovery of more "artisanal" skills, among others.
- Economic: with the benefits provided by the new circular solutions in terms of lower-cost products and services thanks to solutions such as reuse, recycling, sharing, and thinking of products as a service.

## Circular economy and decarbonization

Circular economy started with an initial limited approach to waste management without any connection to the decarbonization problem.

As circular economy developed, its application to the entire value chain was expanded and, consequently, its close connection with decarbonization became apparent. It is not a circular economy if the new business models

contribute higher emissions than the current model, as roughly 70% of fuel-related emissions are associated with material extraction and processing, goods production, and the disposal phases.

According to some recent studies (EmA; WRI, EC), the circular economy can play an important role in achieving the overall decarbonization targets, contributing up to 45%. To achieve a sustainable model, it is clear that it is necessary to pursue both decarbonization and circularity, which are not independent variables.

## Training/internal culture

A transformation to a circular economy model requires deep rethinking in terms of technical knowledge, skills, ways of working, collaboration, and integration.

In 2020, the Group's countries in Latin America came together and co-organized the First Edition of the Enel LatAm Circular Economy School. For eight weeks, 100 colleagues from different business lines met with national and international experts to learn about the circular economy, addressing strategies, business models, circular

design, customer value creation, governance, and circular cities during the process. In addition to learning about the subjects most relevant to the circular economy, ten multidisciplinary work teams were formed to design circular projects for the Company and put their acquired knowledge into practice. This program will be held annually to continue promoting knowledge and collaboration in circular economy matters.

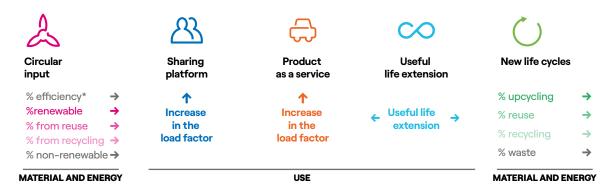
Another relevant element was the launch of the e-circular platform, the Company's internal platform that aims to support the development of people's "circular" behavior, thus projecting what the Group is implementing in its business ventures to a personal level. The platform makes it possible for Enel people to offer goods, search for items, and provide their skills. In addition, the platform represents a "focal point" of all "circular culture" initiatives promoted

in Enel through information, news, and multimedia content about circular economies.

## The metrics of the main initiatives:

One of the most important challenges in incorporating Circular Economy is the quantification and valorization of business circularity, therefore, the Company has developed a measurement model called the CirculAbility Model. The model makes it possible to create a circularity baseline related to the "Business as Usual" model and quantify the benefits created by the application of one or more strategic pillars of Circular Economy, using a number of sub-indicators:

## ESTIMATION OF THE IMPACT OF THE CIRCULAR ECONOMY ON EMPLOYMENT



Circular economy projects were developed in each country within each business line. The main results are presented in the following table.

					IM	PACT
Country	ACTION	CIRCULARITY PILLAR APPLIED	BUSINESS LINE	KPI	Environmental	Economic
Argentina	Network Mining	New life cycle	Global	Recovered material	317 tons recovered	Increased sales revenue
Brazil	Circularity of transformer oil	New life cycle	I&N	Liters of oil	658 thousand L	Savings> EBITDA
Colombia	Sale of materials and components of decommissioned equipment	New life cycle	Thermal	Recovered copper	180 tons	Higher EBITDA
Peru	Increased life cycle of scrap parts	Useful life extension	GPG	Waste prevented	366 kg per year	Annual savings

Our ESG

performance

## 11. SUSTAINABLE SUPPLY CHAIN

103-1 | 103-2 | 103-3



## Primary material topic: Sustainable supply chain

#### How is it managed?

To spread the value of good ESG performance throughout its entire value chain, Enel Américas promotes a culture focused on environmental, social, and economic sustainability, with values based on innovation, ethics, transparency, safeguarding health and safety, anti-corruption, and full respect for human rights.

For the Company, suppliers and contractors are strategic business partners who also contribute to strengthening the country's industry, with responsible and transparent purchasing and contract management being key.

From the first meeting with suppliers, Enel Américas shares their needs, expressing its readiness to receive value proposals that are in line with the Company's sustainability. This translates into a sustainable supply chain in ESG matters, based on working in line with the Sustainable Development Goals (SDGs).

These principles are based on three fundamental pillars: ESG sustainability criteria in supplier selection (environment, health and safety, human rights, among other aspects), boosting the circular economy, and promoting good practices among suppliers.

#### **Material topics**

- Clarity and transparency in contractual relations
- Clear means of access to procurement processes
- Independence in relations with suppliers
- Promoting safety culture among contractors and suppliers
- Timeliness and reliability of payments to suppliers
- Integration of environmental criteria.
- Integration of safety criteria.
- Integration of human and labor rights criteria.



#### Importance of good management

Proper supply chain management makes it possible to integrate sustainability throughout the entire value chain. At the same time, risks related to contracting and performing services are minimized, which may have an impact on reputation as well as on compliance with the execution times of projects, services, or consultancies.

From the point of view of transparency, the greatest risks identified by possible mismanagement of purchasing processes could be bribery without consideration, incompatible negotiation, and corruption between private parties. Aiming to act preventively, detect, and remedy these scenarios, Enel Américas has implemented policies and procedures such as the Code of Ethics, Enel Global Compliance Program, Policy on Human Rights, among others, which are part of contractual processes from the very start of the relationship with suppliers.

Similarly, inadequately managing supplier selection, performance evaluations, remuneration policies, payment for services received, or the implementation of development and growth policies for these stakeholders, among other aspects, could lead to a shortage of suppliers (qualified labor in terms of quality and quantity), risking the growth and development of Enel Américas' business. Therefore, the Company constantly reviews and applies standards, processes, regulations, selection rules, incentives, among others, to encourage including new players and stimulate healthy competition, in addition to sharing the company's values to progress together towards a just energy transition.

In a more ecosystemic view, properly managing suppliers and contractors in accordance with ESG standards allows the company to positively affect the market, raising the performance standards of all its suppliers.

## **Targets and challenges**

SDG	Activities/targets	2020-2022 Plan targets	2020 Results	2021-2023 Plan targets
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	% Qualified suppliers in Human Rights aspects.	100	100	100
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	% Qualified suppliers in Health and Safety aspects.	100	100	100
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	% Qualified Suppliers in environ- mental aspects.	100	100	100

Material topic and principles of the Policy on Human Rights	
Rejection of forced or compulsory labor and child labor	S
Occupational health and safety	[ [ ]
Fair working conditions	<b>CONTRACT</b>
Integrity: zero tolerance of corruption	راآلي.
Privacy & communication	<b>⇔</b>

## Sustainable Global Procurement Strategy

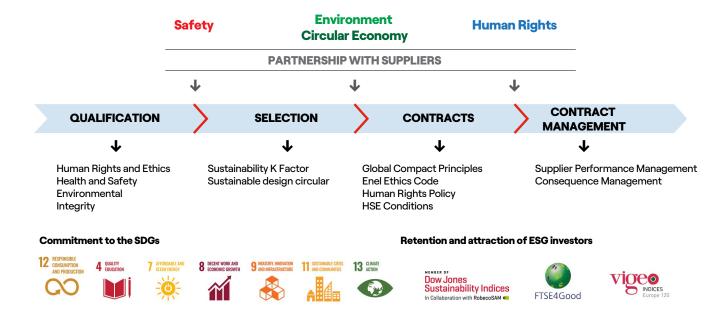
102-9 | 102-10



The Sustainable Global Procurement area seeks to create value through the incorporation of the circular economy, digital innovation, and the willingness to share Enel Américas' values and objectives with suppliers for them to adopt them as their own.

The core objective is to maximize value creation in all its forms (safety, savings, time, quality, performance, revenue, flexibility, cash flow, risk management) and improve the end-to-end buying experience for those who are involved in the supply chain: buyers, suppliers, and internal customers, providing increasingly effective solutions for businesses.

## PROMOTING SUSTAINABILITY IN PROCUREMENT



The area is also inspired by the Open Power vision to provide new solutions for building a sustainable future, as well as by the Sustainable Development Goals (SDGs) and three pillars of action: social sustainability, circularity, and innovation. In parallel, Enel Américas has developed and implemented a series of initiatives that promote the creation of a sustainable supply chain that involves suppliers, contractors, and subcontractors, enabling a virtuous two-way relationship with those with whom it interacts.

A total of 2,572 Tier 1<sup>52</sup> supplier companies were under contract by Enel Américas in 2020.

Payments to suppliers for the procurement of goods and services amounted to US\$ 8.1 billion in 2020, compared to US\$ 9.3 billion in 2019.

52 Tier 1 companies are those with contracts of more than 25,000 euros



#### PAYMENTS TO SUPPLIERS (THOUSANDS OF DOLLARS)

Country	Generation	Distribution	Total 2020	<b>Total 2019</b>	Total 2018
Argentina	169,094	438,224	607,317	940,226	865,871
Brazil	442,899	5,021,853	5,464,753	6,273,407	5,209,548
Colombia	358,889	655,899	1,014,788	1,048,795	1,390,720
Peru	447,113	587,839	1,034,952	1,034,632	1,117,907

#### Total number of tier 1 suppliers

Country	Generation	Distribution	Total 2020	Total 2019	Total 2018
Argentina	184	23	286	286	201
Brazil	239	425	1,114	1,182	1,070
Colombia	322	349	671	687	638
Peru	244	140	501	530	476

Contractor companies' employees	Total 2020	Total 2019	Total 2018
Argentina	4,127	3,776	5,101
Brazil	46,084	49,143	30,848
Colombia	14,267	13,719	13,674
Peru	7,320	5,712	6,895
Total	71,798	72,350	56,518

## Responsible and transparent procurement management

#### 308-1 | 412-1 | 414-1

Several phases are considered to ensure Enel Américas selects the best suited suppliers and contractors, whose services must meet the strictest sustainability standards. To achieve the objectives at each stage, it is essential to ensure that the relationship between the Company, suppliers, and contractors is grounded in ethics, transparency, and collaboration, aiming to generate trusting relationships in the long term.

# Implementation of the WeBuy platform for cloud-based tenders

In 2020, Enel Américas implemented WeBuy, which is a new Enel Group purchasing platform with cloud technology that increases transparency and accessibility in the purchasing process, providing the following benefits:

- Unique access point for suppliers interested in offering their supplies or services to Enel.
- It offers various tools and applications connected to the purchasing process, starting with supplier qualification, through the bidding process, contracting, and performance evaluation.

- Traceability of the purchasing process.
- Creation of digital contracts with a built-in electronic signature.
- Integration of information with suppliers.

A total of 1,681 tendering processes were carried out through this platform in 2020.

Number of We Buy				
tendering processes	Argentina	Brazil	Colombia	Peru
Total no. completed				
procedures	280	417	170	117

## Promotion of the circular economy

For Enel Américas, the circular economy is a business model that generates competitiveness by combining innovation and sustainability. In this regard, the Company has defined the Circular Procurement strategy, which focuses on the suppliers themselves procuring goods or services that reduce the environmental impact and waste generation during their life cycle. The suppliers align themselves with the principles of Enel Américas, incorporating sustainability and the circular economy as drivers of valuation and decision–making in corporate purchasing processes, for which five categories were defined: social, environmental, health and safety, circular economy, and certifications.

Regarding certifications, suppliers may choose to implement initiatives as part of their service portfolio, for example, calculating their carbon footprint and the respective mitigation actions, using low-emission vehicles, committing to the development of social projects, encouraging the recruitment of local labor, or expressing willingness to obtain certain certifications.



Purchase works, goods and services with the aim of reducing environmental impacts and waste creation during their life-cycle





Our ESG

performance









## Suppliers engagement

Tender phase: Rewarding suppliers for their commitment in transition toward the Circular Economy.

#### **Definition of metrics and Impacts**

EDP program: Quantify, assess and validate environmental impacts deriving from the manufacturing cycle.

## Co-innovation

Circular by design Packaging: Re-examine design, production processes and packaging

Less impacts

**Cost saving** 

**Risk reduction** 

Local supply chain

## **Continuous** improvement

Regarding the efficiency of the purchasing processes, the Company's indicators are continuously improved. To achieve this, Enel Américas has implemented the following measures:

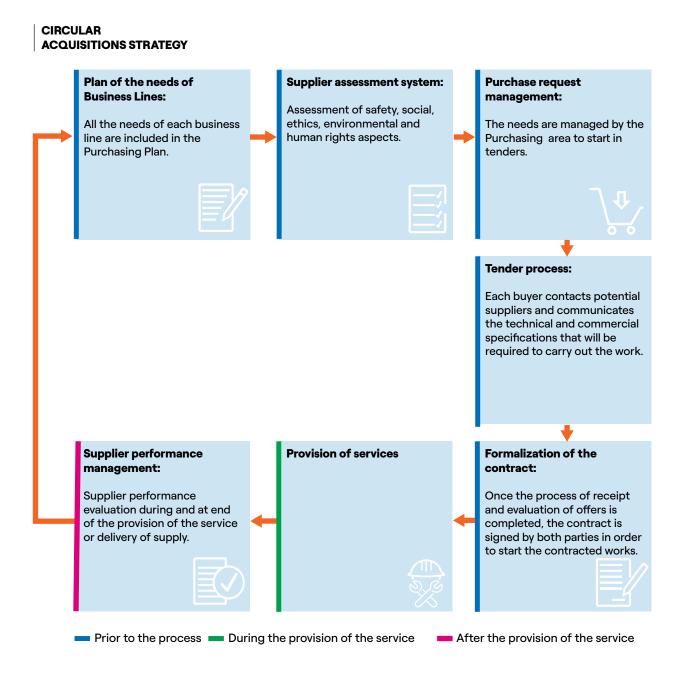
- Appointment of focal points to represent the different purchasing portfolios, who share and circulate the best practices within their portfolios.
- Generation of reports for Procurement Américas' key performance indicators on a monthly pre-closing basis to generate preventive alerts.
- Implementation of the Tender Monitor 2.0 tool, which has reduced the lead time for contracting through daily monitoring, providing insight on the time it takes to complete the procurement process and data quality.



## Stages of the procurement process

To promote responsible management within the Supply Chain, Enel Américas has an integrated purchasing process that starts with the different business lines planning their needs. This process requires all supplies to be qualified—not only the supplier to be contracted, but also all those who are invited to the corresponding tendering process. It is worth mentioning that the procurement processes incorporate sustainability as part of purchasing management.

Integrated purchasing or contracting process at Enel Américas



## **Supplier qualification**

A preliminary selection of suppliers is carried out during the qualification stage to evaluate their potential compliance with the standards required by Enel Américas, in matters such as safety, the environment, respect for human rights, and ethics. In particular, it verifies that the supplier company has a management system that ensures its commitment to these areas, for which supporting documentation is requested.

In 2020, Enel Américas' supplier qualification activity increased by 91.5% compared to 2019, reaching 1,655 qualified companies.

## **Supplier qualification**

Number of qualified suppliers	Argentina	Brazil	Colombia	Peru	Total
2020	305	569	487	294	1,655
2019	99	315	355	94	863

For the first time, it became mandatory to award tender processes to suppliers qualified in the purchasing areas in which they are assigned, requiring this to be met with at least 86% of the volume of purchases by value. This new qualification method coincided with new technical support tools that have been enabled on the WeBuy purchasing platform.

In 2020, 93.9% of the total annual amount awarded by Enel Américas was qualified, 7.9 percentage points above the target (86%).

Enel Américas' objective is to select the best contractors in terms of health and safety, environment, and human rights management. To do so, Enel Américas uses the "Global Assessment Model for Sustainability Requirements," identifying sustainability risk factors in the supply chain through risk maps on the various purchasing groups. This model defines a precise operational framework to be globally implemented for assessing the fulfillment of sustainability requirements for contractors of projects, services, and supplies wishing to qualify for registration or renew their qualification. This assessment includes several control categories and quality standards, such as ISO 45.001 or ISO 14.001 certification.

Therefore, as part of the qualification process to access the Enel Américas' supplier registry, the supplier must undergo a specific and mandatory assessment on environmental, health and safety, and human rights requirements. The supplier is also requested to complete questionnaires and submit appropriate supporting documentation for assessment. In the case of activities considered high risk for safety or the environment, an on-site audit is required to verify satisfaction of these aspects.

Suppliers can only be added to the Supplier Register (or remain on it if previously qualified) and be invited to participate in the Group's procurement procedures if they receive an overall positive assessment.

If exclusion from the Enel Register follows an adverse assessment, for example, of sustainability requirements, the supplier may submit evidence of the adopted Improvement Plan and present a new qualification request.





Percentage of newly qualified suppliers that were assessed according to sustainability criteria:

Assessment aspect	2018	2019	2020	2023 Target
Health and safety	100%	100%	100%	100%
Environment	100%	100%	100%	100%
Human Rights	100%	100%	100%	100%

## Supplier selection, sustainability Ks

In Enel Américas' selection stage, the suppliers' bids are assessed from technical and economic standpoints according to service requirements. Thus, the proposals that meet the established requirements may qualify for a higher score if they are committed to and aligned with the

"Sustainability K-Factors" disclosed in the tender invitation term sheet. These are related to suppliers' sustainable practices, which give them additional weight if they comply with these factors and initiatives, offering an advantage over other contractors.

The supplier that is awarded the tender by including the indicated K-factor, in addition to complying with the required technical aspects, will have a maximum term of compliance set forth in the contract conditions.

In 2020, a total of 441 indicators or KPIs related to sustainability (certifications, health and safety, social aspects, circular economy, environment) have been included in Enel Américas, affecting a total of 536 contracts and an amount of approximately US\$ 1.037 billion (59% of the amount contracted). These indicators show different commitments that suppliers make when they are contracted by Enel Américas.

2020	Argentina	Brazil	Colombia	Peru
Total K-factors included	130	261	128	50
No. contracts with K-factors	145	256	87	48
Approximate amount of the contracts with K-factor in US\$	61,214,509	667,578,773	211,233,000	96,507,329
Total amount contracted in US\$	69,080,001	1,134,134,214	367,659,600	160,973,453
% of total amount contracted	89%	59%	57%	60%

## Sustainability in the contract execution

In the contracting phase, the selected supplier must declare that it is aware of and will apply the principles set forth in the United Nations Global Compact, Enel's Code of Ethics, and the Health, Safety, and Environmental Terms, which are some of the documents required by the Company. In addition, during this period the supplier is required to adhere and fully commit to the Health, Safety, and Environmental terms (HSE TERMS), which contain tools for collaboration that allow the supplier to identify areas of improvement in safety performance.

### Sustainability in supplier performance management

### **Supplier Performance Management (SPM)**

At Enel Américas, supplier performance management (SPM) is measured and monitored through the Supplier Performance Index (SPI), which is calculated on the basis of six categories: quality, punctuality, safety, environment, Human Rights & correctness, and innovation & collaboration.

2020 SUSTAINABILITY REPORT ENEL AMÉRICAS

- a) Data collection and standardization.
- b) KPI calculation and internal reporting.
- c) Consequence management.

This resource enables a periodic assessment of contractors' performance, and the results will be used to take actions with respect to suppliers, either to recognize those with good performance or to request mitigation plans for those with substandard performance through **Consequence Management**.

Consequence Management involves providing support and motivation to suppliers and contractors who have obtained unsatisfactory evaluations by sending a letter to notify them of the nonconformities and invite them to take corrective actions. If this evaluation persists, the supplier will receive a request to implement an action plan that will be guided and monitored by the Company.

Should the supplier's performance not improve despite the actions, Enel Américas' qualification committee must determine whether the company will continue providing services, according to the contract terms.

The Company worked on supplier assessment to increase SPM coverage during 2020, achieving 1,335 measurements out of a total of 1,538 suppliers under active contract (amount greater than \$158M) and a coverage of 87%.



# Suppliers and contractors as strategic partners

414-1

Enel Américas considers its suppliers and contractors to be strategic partners, as they supply materials and/or carry out fundamental work in the Company's generation and distribution operations. Given their importance, Enel Américas hosted several activities for its suppliers and contractors this year to develop their competencies and skills as well as strengthen their relationship with the Company.

Various events were held with suppliers and contractors in 2020, aiming to be a concrete contribution to developing their competencies and skills while fostering a closer bond between the parties.

## Supplier training and development

Enel Américas and its subsidiaries are actively committed to health and safety throughout the value chain. Therefore, in each country where the Company operates, programs were carried out to train suppliers in this area, including the following:

### **Argentina**

**Supplier Webinar:** this activity, which was attended by more than 100 of Enel Argentina's suppliers, included presentations on progress, changes, and improvements with respect to Covid-19, as well as topics on HSEQ (Health, Safety, Environment, and Quality), compliance, and sustainability.

**Supplier Journey, Supplier Performance Management:** the new SPM system has been disclosed to suppliers for them to be prepared for consequence management to be carried out according to the results obtained

**Supplier training, new tools, and guidelines:** training sessions were held for suppliers to learn about the following topics:



- Operational changes in terms of access to the new registration and assessment tools.
- New guidelines for the sustainability, environment, safety, and human rights assessment.
- Three training sessions were held with qualification specialists and approximately 20 companies participating in each session.

### Brazil

### **Supplier Journey**

The Supplier Journey survey was conducted with suppliers under active contract in Brazil to assess their perception of their relationship with Enel. As a result, the supplier development program in Brazil began to be designed, aiming to create conditions for current suppliers to grow in a financially sustainable way and in terms of their capacity while complying with high safety standards. The program will be developed in 2021.

### Parceiro Responsable

The Parceiro Responsable program aims to promote the sustainable development of the supply chain and contribute to achieving the goals of the UN 2030 Agenda. Six webinars were held as part of the initiative, with 364 companies and around 1,206 people participating.

At the last meeting, the Responsible Partner awards were presented for Best Performance in Sustainability (one winner) and Best Sustainability Practices, recognizing five practices of the 92 registered by 60 companies in the areas of Human Rights, Circular Economy, Supplier Development, Innovation in Sustainability and Safety.

### Colombia

The "**Proveernos**" forum was continued in 2020, which seeks to provide an opportunity to share difficulties, problems and solutions, important information, concerns, and priorities with suppliers. To achieve greater integration, facilitate

the work, and promote better results, problems were raised during these activities to find solutions together, clarifications were made, and information was provided on the qualification to participate in the tender processes. This year, nearly 400 suppliers participated in 18 activities.

In 2020, the project "**Talent Swap Grupo ENEL + Grupo Éxito**" concluded, in which several experiences were shared on supplier service. This resulted in the management of a new project for Colombia called "Supplier Service Office," which was created to improve suppliers' relationships and experience with the Enel Group in Colombia.

The first Supplier Day was also held online, which was a space for supplier relations attended by 167 companies. The focus of this event was the creation of sustainable relationships, in which topics of interest and updates were presented, such as the companies' strategy, procurement projects and regulations, sustainability, compliance, security, investments, and purchasing plans.

### Peru

Enel Perú carried out "Juntos por un crecimiento sostenible" ("Together for sustainable growth"), an event that was attended by approximately 85 suppliers and held online due to the restrictions of the pandemic.

The Company also provided training on the Circular Economy, with more than 40 companies participating as part of the launch of circular economy projects. Information was provided on the subject and the Company's pillars in this area

In coordination with the GRI, we train our suppliers to prepare their sustainability reports and improve their gaps to become sustainable companies recognized by the GRI. This allows them to be more competitive while also contributing to fulfilling our Sustainable Development commitments and respecting human rights throughout the value chain.

We have been running this program since 2018, with 17 suppliers of different industries participating.

### **Suppliers Day 2020**

In December, Enel Américas held Suppliers Day 2020, a virtual event where the Company's suppliers and contractors learned about the procurement assessment methods, the procurement model for a sustainable supply chain, and the levers for value creation that Enel Américas has introduced to better manage purchases. During the event, the heads of each area gave updates on the topics of sustainability and circular economy, integrity and compliance, and occupational health and safety.

More than 100 suppliers participated in the event held in Argentina.

In Brazil, approximately 380 people from more than 140 companies participated in the event. The event recognized suppliers in 8 categories: Best Market Supplier, Infrastructure and Networks, Generation, Materials, Global Digital Solutions, Enel X, Innovation, and Sustainability. In Colombia, 167 companies attended this event, which focused on creating sustainable relationships. The Company's different areas participated in topics such as procurement projects and regulations, sustainability, compliance, safety, investments, and purchasing plans. In Peru, more than 80 companies participated in the event, which in 2020 was called Sustainability and Circular Economy. The main challenges for all businesses were presented, including matters of safety, sustainability, and ethical conduct.

## Suppliers and Human Rights

412-1

In line with the Enel Group's global guidelines, Enel Américas has a Policy on Human Rights that seeks to promote respect for these assurances in all its business relationships, as well as to ensure that its contractors, suppliers, and business partners adhere to them, paying close attention to high-risk or conflict situations such as child labor or the existence of forced labor among the workers of the company supplying goods and services.

When a potential supplier applies for a tender process, the Company's procedure requires it to answer a human rights questionnaire based on international human rights standards, such as the United Nations "Guiding Principles on Business and Human Rights." If the answers are unsatisfactory or are not aligned with the Company's Policy on Human Rights, the supplier may not participate in any Enel Américas tender process during that period.

To ensure compliance with the principles of the Policy on Human Rights, the Company monitors suppliers and contractors during the term of contracts.

### Supporting small and medium-sized enterprises and local workers

204-1

8 TRABAJO DECEN Y CRECIMIENTO ECONÓMICO



Through Global Procurement, Enel Américas has created spaces for local suppliers and entrepreneurs to participate in its purchasing processes. The Company has established different qualification requirements for suppliers depending on the safety and integrity risk levels associated with the type of supply or service required, with higher requirements for more complex services.

Also, through the "Sustainability K-Factors," Enel Américas creates incentives in the tender processes for companies bidding directly to hire local labor for their operational support services.



### **New Innovative Firms**

For Enel Américas, startups—as the leaders of the future—are ideal partners to properly read the market and face it with fast and dynamic tools that empower the company through ideas with concrete possibilities for development. For this reason, the Company has developed a special selection process for startups, offering them a simplified way to collaborate. This formula was extended to the qualification process, defining tailor—made agreement models for the relationship.



### Colombia

In 2020, Enel's companies in Colombia awarded contracts amounting to US\$ 454.9 million. Of the contracts signed for the purchase of goods and services, 87% were contracted with local suppliers to boost the country's development and promote the local economy. The local suppliers contracted were located in the companies' area of influence. At the end of 2020, there were 604 local suppliers under contract.

#### Peru

US\$158.71 million was awarded to 192 local suppliers in 2020, with 94% of the value in euros pertaining to local suppliers.

### **Pandemic actions**

- In 2020, the Company continuously monitored the performance and availability of global suppliers on supplies of critical
  materials, equipment, and services for its projects under development, checking for possible delays in deliveries and
  seeking alternative plans for mitigation, if necessary.
- Together with the Business Lines, Enel Américas had to adjust to the circumstances, monitoring, redefining, negotiating, and adjusting, if appropriate, the scope of the contracts required to ensure proper operation of the different businesses and preserve their financial health.
- Additionally, the Company included a clause in the contracts to prevent their unilateral termination, since the parties must exhaust the discussions to find common ground for the continuity of the relationship.
- Together with the Business Lines, Enel Américas expressed its willingness to study the specific situations that may
  arise with suppliers, especially with respect to possible requests for advance payments.
- In cases where the pandemic could have adversely affected suppliers' compliance with some of their contractual obligations, these requirements were deferred to avoid suppliers incurring fines.
- Enel Américas adopted financial measures that made it possible to offer all suppliers the possibility of acquiring personal protection equipment for their workers at similar prices to those obtained by Enel on world markets.

### 12. OCCUPATIONAL HEALTH AND SAFET

103-1 | 103-2 | 103-3



### Primary material topic: Health and safety

#### How is it managed?

Promoting a safety culture allows the Company to achieve the "Zero Accidents" goal for the Company's workers as well as those of its contractors. In 2020, to accomplish this, progress was made in operational control, training, and education to achieve behavioral changes where self-care is key, while also monitoring and analyzing accidents and their statistics.

Likewise, by preventively managing illnesses, Enel Américas permanently safeguards the health of its employees, focusing on preventing or minimizing risks associated with occupational health and safety.

### **Material topics**

- Employees' health promotion and well-being
- Employees' safety
- Safety of contractors' employees operating at Enel's sites

#### Importance of good management

Safeguarding people's lives and health is the core principle that underpins the "people" pillar of the sustainability plan. In Enel's vision, no business is sustainable without analyzing, preventing, and mitigating risks to people's safety. This vision challenges the Company with objectives that require going beyond legal compliance. Although safety risks are undoubtedly related to operational continuity, which is a key indicator for a successful business, we are also prioritizing human rights, given that work is a fundamental and essential right for the fulfillment of other human rights. Its impacts are reflected in the well-being and development of workers' families, resulting in a positive impact on society as a whole. The main risks are those arising from operational activities in the Company's plants and infrastructure and, over the last year, those of Covid-19 infection. Noncompliance with applicable laws, regulations, and procedures in health and safety, workplaces, management of structures, assets, and administrative processes may negatively impact the health conditions of employees, contractors, and stakeholders.



### Targets and challenges

SDG	Activities/targets	2020-2022 Plan targets	2020 Results	2021-2023 Plan targets
3 SALUD SHENESTAR	Accidents of Company employ- ees	Reduce compared to the previous year	34% reduction	Reduce compared to the previous year
3 SALUD Y BIENESTAR	Accidents among contractor workers	Reduce compared to the previous year	21% reduction	Reduce compared to the previous year
3 SALUD Y BIENESTAR	Extra Checkings on Site per year	52	64	66

Material topic and principles of the Policy on Human Rights	
Rejection of forced or compulsory labor and child labor	\$3
Occupational health and safety	Time
Fair working conditions	

### **Strategy**



Enel Américas is aligned with the Enel Group's Statement of Commitment to Health and Safety, which includes the following principles:

Our ESG performance

- Adoption of the best safety norms and standards, in addition to regulatory compliance.
- Ongoing commitment of senior management to promote a robust culture of leadership in relation to
- Continuous improvement of the Health and Safety Management System in accordance with ISO 45.001 and OHSAS 18001 standards.
- Reduction of accidents and occupational diseases by implementing measures and programs, as well as checking their effectiveness.

- Assessment of health and safety risks through a systematic approach to eliminate them at their source, if possible, or to minimize them.
- Implementation of quality-based work methods through training that reinforces technical and safety issues.
- Promotion of informative initiatives to spread and consolidate the health and safety culture.
- Encourage safe and responsible behavior within all levels of the organization.
- Design workplaces and supply suitable equipment and tools that guarantee better security, comfort, and wellbeing while carrying out tasks.
- Selection and management of suppliers and contractors, encouraging their involvement in continual health and safety improvement programs.
- Constant attention towards communities and all those who work or come into contact with Enel Américas' activities by sharing a culture that protects health and safety.
- Annual definition of specific and measurable objectives and continual monitoring.





### Strategic management pillars

403-1

As people are the most important aspect of the Company's business, occupational health and safety is aimed at ensuring the psychophysical integrity of its employees through four management pillars, which include the following actions:

Operational control	Digitalization and process analysis	Training	Safety culture
Through the implementation of:	<ul> <li>Application of process improvements (End to End).</li> </ul>	Definition and implementation of a people training model.	Strengthening the commitment to safety culture for all levels of
<ul> <li>Audits and inspections.</li> </ul>	<ul> <li>Application of preventive tools</li> </ul>		the Company by defining the
<ul> <li>Follow-up on indicators,</li> </ul>	for risk identification and		standard of behavior required by
permitting, nonconformity, and	assessment.		all people working at or for Enel
action plans.	· Implementation and development		Américas.
	of the set of IT tools that will		<ul> <li>Actions to eradicate unsafe</li> </ul>
The main activities implemented	support the full HSEQ (Health,		behavior, consistent with the
are	Safety, Environment, and Quality)		Company's global programs.
	cycle.		Ongoing communication with
Safety inspections.			partner companies, working
• Environmental inspections.			together to collect concerns and
Assessment of contractors.			share best practices.
• Extra Checking on Site (ECoS).			Promoting self-care through
Analysis of accidents-incidents			health and safety guidelines and
and performance evaluations for			campaigns.
contractor companies.			<ul> <li>Integration of safety in business</li> </ul>
•			processes.

In 2020, the work in occupational health and safety focused on:

- Development of action plans and risk management plans associated with Covid-19.
- Training based on the Pillars of Safety and HSEQ.
- Attention to behaviors through self-care programs, increased Near Miss reporting, and Safety Observations.
- Attention to people, focused on training and developing competencies: "Yo me cuido. ¿Y tú me cuidas?" Health and Medical Surveillance Program ("I take care of myself. Will you take care of me?").
- Attention to facilities and contractors: Safety Moving Pool Program, Enel Index Asbestos Program, Safety Assessment
  Plan, digital accreditation of contractors, work permit management, risk assessment on the E4E platform, global power
  generation intrinsic safety project, HSEQ 4U safety inspection entry platform.

### context

### **Occupational Safety** and Health Governance

403-8

From an organizational standpoint, the Health, Safety, Environment, and Quality (HSEQ) department of Enel Américas and its subsidiaries leads the management at a corporate level, with an additional department for each business unit, which reports directly to the Company's Board of Directors. HSEQ is the area responsible for the Occupational Health and Safety Management System in each country and is also part of Enel Américas' Integrated Management System, which includes the management of the ISO 45001 and OHSAS 18001 standards under which 100% of the Company is certified. The area also promotes programs and best practices to generate opportunities for improvement and ensure continual commitment to risk reduction and care for the environment

In line with this commitment, the Stop Work Policy is in place and was extended to Covid-19 in 2020. It promotes caution when facing situations of health, safety, and environmental risks. In this sense, all workers-Company employees and contractors-can intervene and stop any activity that may pose a risk to people's health and safety. In addition, any unsafe behavior, omission, or situation that could potentially lead to an accident must be reported to their immediate superior as soon as possible. Stop Work reports do not lead to sanctions for those submitting a report, as they are intended to encourage people to raise alerts to focus on health, safety, and environmental conservation in operations.

### Occupational health and safety risk management

403-1 | 403-2

Enel Américas has a specific accident management policy (Policy 106 "Classification, communication, analysis, and reporting of incidents"), which defines roles and protocols for the prompt communication of accidents, the cause analysis process, and defines improvement plans and their follow-up, according to the incident type. To comply with this, a group of experts was assembled to analyze events that could have caused major damage or affected employees, and to investigate all serious accidents and fatalities, as well as events considered significant.

The risks that jeopardize the integrity of workers are previously identified in the corresponding risk matrices for each activity to be carried out. These matrices set out the controls to be implemented for mitigating such risks, as well as the training, courses, or education required to perform more complex or high-risk tasks.

The correct implementation of the control measures is permanently monitored through inspections of the works in progress. Other specific projects are also being developed to verify risk control.

In terms of risk types, the most common high risks arise in electrical installation activities, whether in confined spaces or overhead networks, and in activities that require working at heights, mainly in public lighting and closed-circuit television (CCTV) installation activities.

Additionally, with the current circumstances, there is an increased risk of Covid-19 infection due to the exposure of workers supervising and performing the work in the field. For this reason, full compliance with global and local pandemic policies and procedures has been established.









Poor HSEQ management could pose a risk to the integrity of people and the environment and lead to potential occupational illnesses due to inadequate control of people's working conditions, in addition to impacting the operational continuity of plants and construction sites. An integrated approach must consider the potential impact on the Company's reputation and, in an extreme case, the damage to its value if the management is not aligned with Enel Américas' material topics, which are directly linked to the Sustainable Development Goals (SDGs) promoted by the United Nations.

### Promoting health, well-being, and safety

403-3 | 403-6 | 403-7

In a 2020 marked by the pandemic and teleworking, Enel Américas and its companies continued to develop programs to support people's health and safety. Given the context of 2020, a series of remote initiatives were implemented for caring for the physical and mental health of its employees and their families.

### Promoting the health of employees and their families

### **Argentina**

The promotion of workers' health was carried out through medical exams (pre-occupational, periodic, and new work assignments), follow-up of medical leave and control of absenteeism due to illness, monitoring and controlling occupational accidents, training sessions on health and first aid, prevention campaigns, hazard identification and risk assessment, medical interview, psychosocial interview, periodic communications, prevention of problematic use (legal and illegal drugs, tobacco, alcohol, food, gambling, etc.) and by encouraging healthy habits.

### 2020 highlighted initiatives:

- On-site flu vaccination.
- Program on workplace violence with a gender perspective.
- Program to address problematic drug use in the workplace: In 2020, 52 virtual interviews were conducted.
- Valuable 500 Disability: Conducted mapping and interviews with workers with disabilities, gathering accessibility proposals.
- Tobacco Cessation: Introductory Webinar on the subject and techniques to quit smoking.
- Online nutritional advice to promote healthy habits.
- Virtual talk on preventing breast cancer.
- Renewal of ISO 45.001 Certification.
- Analysis, follow-up, and containment of work-related accidents of Edesur's personnel: During the 2020 period, 40% were commuting accidents and 60% were work-related accidents. As for their classification, 50% corresponded to trauma.
- Follow-up and investigation of mental health medical
- Follow-up and investigation of family illness medical leave.
- Management of employee and applicant health exams.
- Audit of health exams of contractor companies. In addition to monthly check-ups, the occupational health department offered contractors advice and a matrix specifying the medical tests they must present, for which a chart was developed with a classification of tests by job position.

#### Brazil

In Brazil, the "Enel a la medida" ("Tailor-made Enel") initiative was implemented for employees and their families. In this regard, food education activities, incentives for physical activity, outdoor races, family activities, an indoor gymnasium and themed conferences were carried out.

Under the "Enel Emotional Health" program, emotional Shiatsu activities were held, as well as weekly sessions with a psychologist and thematic health conferences. In addition, the Anti-smoking Program, psychological assistance, medical help when necessary, and the Covid-19 Plan were carried out

### Colombia

The Company has implemented monitoring activities to evaluate its occupational health management and the implementation of its surveillance systems to prevent occupational illnesses.

### 2020 highlighted initiatives:

- 316 occupational medical exams with cardiovascular risk classification.
- Two checkups for executives.
- 520 workplace inspections.
- Eight workstation-specific studies.
- 364 vaccinations against influenza.
- 438 lipid profile tests (total cholesterol, HDL, LDL, Glycemia).
- 80 attendees at the Prostate Antigen Day.
- 101 attendees at the breast cancer workshop.
- 75 attendees at a conference on healthy habits and prevention of cigarette smoking.
- 329 participants in home ergonomics course. Healthy Home Office.

In addition, Emgesa and Codensa carried out programs on healthy eating, preparation for cardiovascular events, and the prevention of cardiovascular risk, musculoskeletal disorders, and psychosocial risks.

#### Peru

To protect and improve the health of workers while generating healthy work environments, the Annual Occupational Health Plan was established to promote a healthy lifestyle among workers. Health activities such as active breaks, nutritional healthcare, and health activities are carried out on a regular basis.

### 2020 highlighted initiatives:

- 1,680 molecular tests performed for personnel.
- 678 vaccinations for personnel to prevent pneumococcal disease and influenza.
- 48 active breaks for in-person staff and smart working.





- 17 action protocols to address Covid-19.
- 27 health and wellness newsletters to address Covid-19.
- 122 workers in the comprehensive nutritional program.

### **Promoting safety**

To ensure compliance with safety protocols in Enel Américas and its subsidiaries, initiatives were carried out to maintain risk control while performing different activities.

### **Transversal programs**

### **Extra Checking on Site - ECOs**

The purpose of this program is to assess the adequacy of the organization and processes implemented in a specific operational area by performing an "additional check," ECOs, by a team of experts in which the correct application of procedures is very fied, the condition of safety equipment, behavior, risk management, and emergency support teams. The program aims to identify observations in seven analysis clusters and detect good practices, opportunities for improvement, and establish action plans to correct the detected gaps. During the evaluation, any findings in task execution are raised and action plans are designed to close the identified gaps.

In 2020, 64 ECOs were conducted both remotely and onsite, given the pandemic.

Country	ECOs
Argentina	9
Brazil	21
Colombia	21
Peru	13

Several initiatives were carried out to promote safety in 2020 for each country where Enel Américas operates, as detailed below.

### **Argentina**

In 2020, the Company worked on ISO standard certifications, taking another step forward in the verification of process quality, replacing the OHSAS certification. The management system was certified under ISO 9001–2015, ISO 14001–2015, and ISO 45001:2018, ensuring that the company adopts an updated and certified system to manage the Health and Safety of its workers. This new regulation changes the way safety is managed within the Company, with one of the most significant changes being the involvement of all employees in safety management.

In particular, regarding risk management, Enel Generación Costanera manages its hazards and risks through a matrix that is updated periodically. Its management system applies to all plant processes and therefore includes all the activities carried out by Company personnel and contractors.

In accordance with each company's management and respective certifications, work audits were conducted to verify compliance with regulations and the correct performance of employees and contractors, using the IPAL (Occupational Accident Prevention Indicator) methodology and control parameters.

Enel Generación Costanera began using the application HSEQ4U in August to record inspections, near misses, first aid, and events related to health and safety.

The El Chocón plant also used this application. Field controls are applied each day at the worksites using the HSEQ4U tool. Four assessments were carried out in 2020, which focused on safety issues under a previously established guideline and allowed contractors to be advised and supported in their need to improve health and safety.

- 1,654 labor inspections:
- 872 IPAL and HSEQ4U.
- 782 related to Covid-19 (campaign for the use of masks and protective measures).
- 15 inspections through safety walks at Enel Generación Costanera.
- ISO 45001 certification of Enel Generación Costanera.
- An external ISO 45001 certification audit.

Regarding certifications at El Chocón plant, an external certification audit was carried out under ISO 9001, 14001, and 45001 standards in June 2020, aimed at the O&M and HSEQ areas to evaluate the implementation of the IMS in accordance with these standards. The result was favorable, obtaining recertification under the audited standards.

At Edesur, the Integrated Management System (ISO9001, ISO14001, ISO45001, ISO37001, ISO5001) was renewed.

At Dock Sud, the maintenance audit of the integrated management system was carried out in December 2020, including the ISO 14001:2015 and ISO 9001:2015 standards and the migration of the OSHAS 18001 standard to ISO 45001:2018, resulting in the recommendation to maintain the certificate and the issuance of the new ISO 45001 standard certification.

#### **Brazil**

Internal and external audits of the Management System are carried out to maintain the ISO45001, ISO9001, ISO14001, ISO37001, and ISO50001 certifications, recording and managing the identified non-conformities.

Safety indicators are monitored weekly, with monthly reports. The Company carries out field inspections, Bliz (vehicle partner audit, EPI, EPC, legal requirements), Counseling, ECOs, SHE Day, among other safety promotion initiatives.

#### Colombia

Since 2019, to promote safety and prevent risks associated with the services provided, the Company has had an Integrated Management System in all service lines, covering 100% of the workers. This system is certified under ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018 technical standards, as well as with the participation of the respective Joint Occupational Health and Safety Committees (COPASST). Emgesa has COPASST subcommittees at the Cartagena, Termozipa, Río Bogotá, Guavio, Betania, and El Quimbo plants.

Similarly, Codensa has action guidelines and objectives that respond to its needs and priorities, as well as to the nature of its business lines:

### Codensa (I&N)

- Risk management.
- · Contract assurance management.
- Training and competencies.
- Innovation and technology
- Safety Culture.

### **Codensa (Enel X and Market)**

- Involved leadership and high-performance culture in HSEQ.
- Preventive medicine and occupational health.
- Health and safety risk management.
- Management of environmental factors
- Operational control of contractors.
- Quality management, processes, and operational excellence.

Emgesa has the HSEQ Integrated System Planning, which must be done at least once a year and is led by the manager of the Thermal Generation line, together with the manager of the Renewable Energy Generation line and/or the management representative. This planning assigns the parties responsible for the Occupational Health and Safety, Environment, and Quality Units.

Furthermore, the principles of the Integrated HSEQ Policy, the Corporate strategic plan, and the results of monitoring the health and safety indicators in compliance with legal obligations are included, regularly monitoring the Management Systems and updating them if necessary.





### **Peru**

The 2020 management system focused on ensuring the prevention and the protection of employees in spite of the challenges arising from Covid-19 from them through the commitment of senior management to maintain the continuity and quality of supply.

The 2020 safety strategy focused on SHE: Our way of working in Safety, Health, and Environment, a global HSE strategy. Its main areas of work were as follows.

- Contractor Partnership "Contractor Commitment to a Safer Workplace."
- SHE Factory "Chain of commitment, exponential growth in safety, health, and environment."

- HSE without borders "Inter-business line organization, way of working, and synergy with the outside."
- SHE Intrinsic Safety "Intrinsic safety, safety standard for tools, equipment, and processes."

Enel and collaborating companies implemented the campaign "Ahora más que nunca #TodosCuidamosDeTodos" ("Now more than ever, we all care for everyone") to empower workers to work safely, as well as the HSE program for contractors to raise the safety standards of associated companies and other initiatives focusing on preventing accidents.

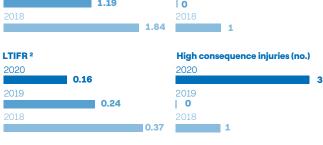
The challenge of safety management is to achieve 0 accidents. There has been a sustained reduction in labor and third-party indices over recent years.

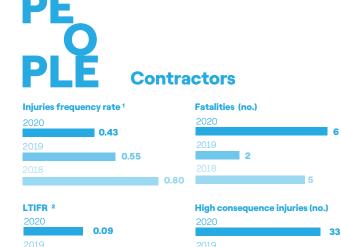
### **Safety Statistics**

403-9

### **SAFETY RATES**







3

0.11

- 1. This index is calculated by establishing the ratio between the number of injuries with at least 1 day of absence / hours worked\*1,000,000.
- 2. The Lost Time Injury Frequency Rate is calculated by relating the number of injuries with hours worked \* 200,000.

### **Developing a safety** culture: training and information

403-5

To achieve a thorough safety culture, Enel Américas and its subsidiaries carried out the following noteworthy programs.

### **Argentina**

Central Costanera provided online and in-person training over the year, reaching a total of 532 attendees and 1,338 hours of training.

The most noteworthy initiatives were as follows:

- Fire brigade.
- Self-protection Plan (Emergency Plan + Evacuation Plan), Risk of fire and use of fire extinguishers + Risk of explosion + Risks derived from explosive/toxic atmospheres.
- First aid and Cardiopulmonary Resuscitation (CPR). Use of Automated External Defibrillator (AED).
- Bridge Crane Operation.
- Slinging loads, Periodic inspection of hoisting elements and equipment.
- Occupational Safety.
- Authorization of technical personnel for Low Voltage Work, Resolution 3068.
- Electrical risk for the operator.
- Ergonomics.
- Operational Instruction No. 716 Work Permit.
- Auto-lift operator.

In addition to the training provided on safety issues, the "Safety Induction at the Enel Generación Costanera plant" course was held for 1,546 workers from contractor companies.

For Infrastructure and Networks, training sessions were held on the Integrated Management System to make all personnel aware of the importance of management systems for continuous process improvement, one session for senior management and another for middle management and analysts. Both were designed virtually with a format that allowed participants to interact via chat, interactive games,

and case studies. Each point discussed was related to the values of the Enel Group, and the sessions were widely attended.

For El Chocón, the training was on topics such as the use of fire extinguishers, defensive driving, healthy living and eating, working at heights, the integrated system, environmental management, first aid, electrical risk, among others, with a total of 324 participants and 712 training hours.

### **Brazil**

The Company continuously invests in strengthening safety culture among internal teams and external workers. Its challenge is to strengthen the values in activities carried out by thousands of people in territories with different levels of training and professional backgrounds. For this reason, resources were allocated for training on the topic and the use of protective technologies. For example, a voltage detector was acquired in 2020, which sounds an alarm when approaching energized areas. In addition, the five golden rules for creating networks were automated and integrated into an application where electricians must take photographs to record their activities and verify compliance with the required safety procedures.

In Goiás, the Advanced Training Center of Excellence was inaugurated and expanded to train new electricians and recertify working professionals, emphasizing safety procedures. In addition, the number of inspections on this matter will be increased, especially among contractors, focusing on instructing and never on sanctioning. In this regard, the Company also used video tutorials to share safety information, such as the correct use of Personal Protective Equipment (PPE), and to encourage refusing activities that could cause incidents

In addition, Enel Distribución Ceará follows the legal requirements based on ISO 45001 and Regulatory Standard 7, identifying the health risks to which employees are exposed and implementing actions aimed at promoting health and preventing accidents and occupational illnesses. Enel Cien is certified under ISO 45001, and its management is carried out through the Integrated Management System and an IMS Committee, which was created to ensure continuous improvement, hold monthly meetings, discuss





relevant matters, and manage the identified opportunities for improvement.

At Enel Generación Fortaleza, the Occupational Health and Safety Management System was implemented based on the IMS guidelines. The provisions are directly connected to the monitoring and compliance with legal and institutional requirements associated with the business and/or the risk exposure of each activity. Medical exams are performed periodically to provide guidance on the levels of risk factors to which employees are exposed in their work environments, whether physical, chemical, biological, or ergonomic risks.

### Colombia

Initiatives have been developed to reduce operational risks. Initiatives were carried out such as implementing technological tools to improve the monitoring and development of contractor companies, certificate courses seeking to strengthen the technical competencies and soft skills of employees, along with technological initiatives and the Sprint Plan that aim to promote a safety culture.

The most noteworthy initiatives were as follows:

- 27 Contractor Assessments and 207 improvement actions
- 7 Safety Support and 69 improvement actions
- 3 ECoS and 8 improvement actions
- 102 CEO meetings
- Seed Plan, AMI (advanced measurement infrastructure) project group began with 30 people and concluded with 90 people enrolled by January 2021, with 71% of graduates working in their field.
- Certification of training centers, with final review by the Ministry of Labor and certification by the Labor Risk Management Company
- SHE Factory, virtualization of 15 Enel process modules
- Training of Company personnel:
  - 4,167 people trained with 10,266 person-hours of training
  - Covid 1,203 people trained with 3,945 person-hours of training
  - Contractor Personnel 5,618 people trained with 2,137 person-hours of training

### Peru

Several initiatives were developed to strengthen the safety and accident prevention culture. Among the most noteworthy initiatives are the Sprint Plan, the "Ahora más que nunca" #TodosCuidamosdetodos" ("Now more than ever, we all care for everyone") Safety Campaign, and the Contractors HSE program. The most important milestones and results of this year are:

- 12 Contractor Safety Assessments
- 4 Supplier Safety Assessments
- 8 ECoS "Extra Checking on Site" virtual on-site safety.
- 35 CEO meetings
- 64 Webinars held, reinforcing the chain of commitment to safety
- 4 Webinars held to deal with Covid-19
- More than 5,000 people from Enel and contractor companies committed to the campaign "Ahora más que nunca, Todos Cuidamos de Todos"
- More than 5,000 people from Enel and contractor companies received cascading communications from Enel Committees.

## Human Rights Due Diligence

Human rights due diligence is a tool used to identify impacts or risks in the protection of people's right to work in a safe work environment with robust risk prevention procedures.

Enel Américas and its subsidiaries carry out due diligence in all labor areas to prevent and mitigate possible risks that could impact the right to occupational health and safety. The results are converted into action plans dedicated to preventing or mitigating the identified risks.

## Occupational health and safety

Enel Américas commits to ensuring that the best occupational health and safety conditions are respected in the workplace. Enel Américas promotes sharing and reinforcing a safety culture, raising awareness of risks, and fosters responsible behavior among its employees through informational and training sessions, among other activities. Enel Américas works to protect the health and safety of its workers, particularly through preventive measures.



## Safety in the supply chain

### **Contractor management tools**

A key aspect of the health and safety strategy is the relationship with the contractor companies; therefore, health and safety aspects are integrated right from the tender process.

Since 2018, the Health Safety and Environment (HSE) Agreement has been attached to the Global Contract Conditions (GCC) that companies providing services must sign when they are awarded the contract. The document contains a set of health, safety, and environmental clauses with which suppliers must comply according to the business line, country, and contract type. It also outlines penalties for non-compliance that may lead to the termination of the agreement and suspension of qualification.

The safety performance of contractors is monitored at a preliminary level in the qualification system as well as during the entire contract through exhaustive and extensive controls reported in the <u>Supplier Performance Management</u> (SPM) tool.

Contractor Safety Index (	CSI)

An indicator that enables classifying contractors based on their safety performance, considering the number of accidents and their severity. With this indicator, it is possible to detect operational safety deficiencies in contractors to target actions and prevent accidents.

### Supplier Safety Assessment (SSA)

Specific audits performed at suppliers' facilities. Audits are carried out during the first stage of qualification for each new supplier, or in cases of critical issues, such as severe and/or fatal accidents during the contract period.

The purpose of the assessments is to ensure that appropriate security standards are in place and that commitments are made through action plans to address any gaps, if necessary.

#### Contractor Safety Assessment (CSA)

This global initiative seeks to thoroughly evaluate contractors identified as high-risk<sup>58</sup> to verify compliance with the occupational health and safety management system. This qualification is based on a mathematical calculation to obtain the partner company's level of occupational health and safety.

The process is carried out through Enel's WeBuy platform, where several areas interact in the assessment, seeking a uniform and balanced measurement. This assessment, called CSA, is a preliminary qualification is used by the procurement area in tenders of works or services. Afterward, the contractor is assessed on its performance in facilities through safety inspections.

### Safety Support Team

This is a support team of experts employed by Enel which aims to help contractors that have submitted a low CSI assessment. It helps to conduct an analysis of their occupational health and safety management, action plans, follow-up meetings, and a final assessment to measure results.

58. Market Group (GM): Product categories (materials, labor, services) of interest to Enel and subject to qualification/registration process.





All these tools allow the Company to support suppliers and contractors in identifying opportunities for improvement in the areas of Safety, Environment, and Quality, seeking continuous improvement and optimization of their performance.

Country	Safety Supplier Assessment
Argentina	27
Brazil	23
Colombia	89
Peru	4

	Contractor Safety Assessment
Country	(CSA)
Argentina	11
Brazil	23
Colombia	151
Peru	12

### **Argentina**

With regard to safety controls for contractors, field controls are applied daily through the HSEQ4U tool, and unfavorable results are reported to Enel's contract manager for a prompt response.

In 2020, four assessments were conducted at the El Chocón plant and 11 Contractor Safety Assessments were conducted at the Costanera plant. As for Covid-19, all contractors adapted to the Company's protocols and were audited periodically at the plant. For those who did not comply with the protocols, the Stop Work Policy was applied, and the company was notified to correct the situation. The specific deviations detected arose from the use of homemade facemasks instead of certified masks, which are required by the protocols.

Specifically, in Edesur, 23 assessments were carried out for contractors, which consisted of a complete audit of safety management. This was followed by on-site inspections and audits to evaluate workers' performance. In 2020, due to Covid-19, the assessments were conducted virtually through the Teams platform, while field inspections were conducted in person.

This results in a complete assessment and, depending on the score obtained, a specific Action Plan is developed to align safety standards with those required by Enel.



### **Brazil**

### **HSEQ4U Fast Inspections**

This application enables measuring and monitoring the performance of contractors according to the different types of activities performed. The contractor who is selected in the HSEQ4U application is informed of the type of activity to be inspected. From this, a questionnaire is preselected and administered to the contractor. The result of the inspections creates the Contractor Safety Index (CSI), and these figures are monitored by Enel's holding company. Therefore, carrying out more inspections leads to a greater ability to monitor the contractor's health and safety performance.

### Colombia

5RO App: This tool allows documenting and tracking the execution of the 5RO application to prevent accidents. The APP5RO tool must be used whenever work is carried out on a high, medium, or low-voltage overhead or underground electrical installation, equipment, or part of it, under safe electrical conditions, to perform de-energized work on it.

Safety Learn: It is a tool to collect information related to training processes for contractor personnel in the areas of Occupational Health and Safety. With this tool, we seek to have real-time information on all training activities of contractor workers.

Safety Report: The Safety Report Information Management System includes 4 modules.

- Accident Management Modules
- Ipal Safety Inspections Module
- Mini Ecos Module
- Dashboard

Co-pilots: This is a technical program for the purpose of reducing the probability of work accidents and boosting productivity in the operation. It increases the level of supervision through video recordings of the activities performed by our partners.

Drone Operations: Implementing special Drone technology to improve safety conditions in Cundinamarca.

- Firefly Drone: Its main objective is to identify and preemptively detect faults in night conditions according to the geographical features of Cundinamarca. It is also capable of uploading photographs online, which allows our technicians to immediately solve the anomalies found.
- Dragon Drone: Use of this technology as a design tool for the burning or disposal of waste in MV and LV networks.
- Hercules Drone: Use of a cargo drone to carry out and facilitate the transfer of materials and equipment for the execution of works in difficult terrain, thus reducing the risk in terms of ergonomics and mechanics, while increasing operational efficiency.

### Peru

### Contractor Performance evaluation - Contract Safety Index

In 2020, the most prominent companies of the group underwent an evaluation of their performance, based on inspections, non-conformities detected, and accidents reported. The results of this evaluation, with variations below the standard, lead to action plans and continuous monitoring of the contractor companies to improve their safety management and accident prevention.

### "Ahora más que nunca #TodosCuidamosdeTodos" ("Now more than ever, we all care for everyone") Campaign

This safety campaign was launched in Peru to strengthen Enel's safety culture and promote the empowerment and autonomy of the collaborating companies by minimizing accidents. This project reached more than 5,000 employees and contractors, reinforcing the chain of commitment to safety.

### **Contractor HSE Program**

As a strategy to prevent accidents and injuries, this program aims to encourage contractors to take part in the HSE commitment as strategic partners in the promotion of policies and best practices.



## Digitalization of safety management

Enel Américas recognizes technological innovation as a crucial tool for improving Health and Safety procedures. For this reason, it has digitalized certain security risk management procedures, among which the following stand out:

### **Argentina**

As part of digitalization, the HSEQ4U application began to be used in 2020 for recording inspections, near misses, first aid, and events related to health and safety.

In Edesur, the e-Round project began, which consists of implementing a pilot test of the system to strengthen preventive and protective measures for the Company's workers. The project facilitates and supports social distancing and controlled contacts, the two main and complementary measures necessary for the performance of safety activities. The e-Round is developed for people working in the field, primarily to comply with the necessary social distancing (two meters) within work teams.

The digitalization program of the Integrated Management System involves implementing a computer system that allows the Integrated Management of the fully digital Audit Process. A computer system has also been acquired to administer, control, verify, and monitor the matrices of legal requirements in relation to the IMS, which is in the implementation stage.

### Brazil

### **APR Digital / Easy checklist inspections**

It is a platform that allows routine inspections to be carried out through checklists, as well as providing access to other documents required for inspection activities in a simple and digital way. This tool digitizes documents and forms to create users for Enel personnel and contractors, improves the risk identification and management process, and provides better tracking of the necessary documentation.

### **Intrinsic Safety**

A project that consists of assessing the intrinsic safety of the tools, machinery, equipment, and processes to improve their safety reliability. Assessments are carried out based on predefined requirements. The groups evaluated in 2020

- Electrical frames and panels.
- Fire suppression systems.
- ATEX (potentially explosive zones).
- Moving and rotating parts.
- Lifting equipment.
- Offices.

### **Fast Inspections/Contractor safety Index**

Assessment process of Enel's suppliers and contractors through inspections and the HSEQ4U App records.

One of the main results was the reduced number of deviations and risk situations by implementing action plans focused on compliance with health and safety requirements and the elimination of accident risks. This was implemented in all of Enel's construction sites in Brazil, including more than 20 major contractors.

### Colombia

The transformative projects implemented under the umbrella of innovation and technology are:

- EasyHole: Facilitates the drilling of holes to reduce physical strain, minimize lower back injuries, and increase performance in maintenance work.
- GroundBox: Taking advantage of the fact that the junction boxes are already open, this grounds the lowvoltage networks without drilling into the insulation, installing Temporary Grounding Systems (TGS), or climbing the poles. In prototypes and tests.
- Monosafe: It works on a clamp placed on the SPTTs
  to detect the flow of electrical currents. Through the
  SPTT and according to the parameterization, it will give
  off a sound and light alert. Reading is possible with a
  Bluetooth connection. It is currently in the prototype
  development process with the supplier.

- Levansafe: Makes it easier to lift the concrete covers of underground electrical inspection boxes with the least contact and risk for workers, while improving operational performance.
- Locking: To fully comply with the second golden rule when working on de-energized networks. Mechanical lock of mechanical and automatic circuit breakers using a locking cord. This is under prototype design.

In this line, Emgesa also develops preventive programs on a multi-annual basis with activities that reduce the chance of incidents from risks classified as priorities. The main achievements and significant developments in 2020 include:

### Digitalization of the work permit

In 2020, version 2 of E4E-MIS (Mezza in Sicurezza) for work permit management was launched as an upgrade. The work permit is the quintessential definition of safety measures for all work carried out in the plant, including operational guidelines, the risk matrix, and, in particular, maintenance work.

Within a single and comprehensive management framework, this platform contains the maintenance activities performed and issues work permits for Emgesa's generation plants, managing the development of the activities carried out at the generation plants within the framework of occupational health and safety, operational risk management, and compliance with the operational and maintenance programs.

The digitalization project focused on the control of the approval, flow, and documentation of these permits in SAP.

### Preventing electrical risks with virtual reality

Considering that one of the main activities carried out at the generation plants has to do with the extraction and safety of low and medium voltage modules in electrical panels and cells, virtual reality training applications were developed, ensuring that personnel could perform operations in a safe environment. The main objective of the activity is to strengthen the competencies of operational and maintenance personnel who carry out activities involving electrical risk in a safe environment, using new technologies as partners in preventing accidents.

### Measurement of toxicity and explosivity in confined spaces with an instrumented robot

When performing the first verification of the conditions for carrying out work in a confined space, a rescuer usually enters to measure the levels of gas concentration in the air.

To solve this risk, the Company carried out the research and development process for an amphibious robot that can be remotely operated and is equipped with a camera, communication system, and toxic and explosive gas sensors. This aimed to:

- Eliminate the risk for the worker performing the first measurement in a confined space.
- Decrease and provide total control of the risk when entering this type of space and ease the transport of self-contained equipment, gas meters, and other rescue equipment.
- Reduce work time by eliminating the delays in setting up emergency response equipment and systems at the time of the first entry.
- Accurately measure gas levels and tracing when analyzing atmospheres within the scope of hard-toreach locations.





### Peru

#### **Delfos**

This is the platform used to record safety inspections through checklists that ensure compliance with safety processes in the field. This tool makes it possible to digitize documents and forms, improves the process of identifying and managing risks in the activities, and facilitates better oversight of best practices and opportunities for improvement.

49,038 safety inspections were recorded in 2020, focused on accident prevention. These were analyzed and managed with partner companies as part of continuous improvement.

#### APP5RO

Tool promoted by HSE Global in fieldwork activities, network operations, works, and maintenance. Its objective is to prevent electrical risks from works carried out in electrical circuits that involve disconnecting high, medium, and low voltage electrical networks by controlling compliance with the Five Golden Rules. It also includes a web platform for managers and contractors to monitor activities.

In 2020, 6,726 operations were recorded on APP5RO. Sample reviews of these actions were done to ensure quality and compliance with the rules. In cases of non-compliance, action plans have been established to improve safety.

Monitoring of activities with video cameras

This has enabled continuous and supplemental monitoring of safety inspections, preventively detecting risk situations, implementing action plans, and reinforcing controls in the field to prevent accidents.

By 2020, there were 180 video cameras operational and ready to support field supervision.

### Community and thirdparty safety

Enel Américas' generation plants and substations are built in accordance with legal requirements and the highest technical standards. The plants, machinery, and equipment are subject to systematic and periodic maintenance controls to ensure their proper functioning. To guarantee health and safety and reduce the impact of industrial activities on the surrounding environment, Enel Américas and its subsidiaries carry out periodic measurements of noise, vibration, and dust produced by machines in power plants and distribution and processing cabins. The following environmental conditions are also monitored: emissions and air quality, level of electromagnetic fields created by electricity distribution plants, and discharges into surface waters, in addition to water quality; waste production, recycling, reuse, and disposal; soil quality; and possible impacts on biodiversity.

These periodic measurement programs allow the Company to keep risks under control and within legal limits, aiming to safeguard and guarantee the safety of the communities neighboring the Enel Américas' operations.

### Managing emergencies

Enel Américas uses the Enel Group's crisis management system, which has proven its effectiveness during the pandemic. This global management system evaluates the impact of a critical event through a standard three-tier reference scale. High-impact crises are centrally managed, while those with a medium or low impact level are managed within the specific organization of each country.

Moreover, the Crisis Committee defines strategies and actions to address critical events and coordinates all activities to mitigate the damage to Enel Américas' property, profitability, and reputation.

Every country where Enel Américas operates has a safety unit within the People and Organization area, which aims to define safety strategies and guidelines, inform senior management, and promote the exchange of best practices. A safety procedure has also been established to protect personnel traveling abroad. It provides information and notices on the countries of destination, indicates conditions that may pose risks to the health and safety of travelers (political turmoil, terrorist attacks, crimes, health threats, etc.), provides guidelines and suggested conduct, and activates the safety measures considered appropriate for the level of risk identified in the country of destination.

### Pandemic management

2020 was a particularly difficult year for health management because of the pandemic, which radically changed the way of working and interacting with others.

To prevent the possible spread of the virus, policies and procedures were crafted and distributed both globally and locally, and the HSEQ and the business lines of each country where Enel Américas operates verified their correct application in the field through regular and random inspections. Examples of these are the Global Policy PL1031 "Coronavirus operational and emergency indications for Enel Group" and the operating instruction IO3420 Access Control, which is implemented at a country level and requires prior self-diagnosis through an App designed for this purpose. Protocols have also been prepared to be implemented by business lines, such as in Power Generation and IO3184 "HSEQ – Use of PPE and CPE for Covid-19 Cases."

These documents include the main preventative measures for Covid-19, which are social distancing, use of personal protective equipment, sanitization of workstations and common areas, separation of workstations in time and space, hand washing, among others.

In addition, an important measure adopted was teleworking. Teleworking has required implementing actions and measures such as providing equipment for ergonomic support at the workstation (ergonomic chair, footrest, keyboard wrist support, mouse pad, etc.), training on ergonomics and safety in teleworking, self-assessment of the remote workstation conditions, technology, updating employment contracts, and providing a document with the risks at the workstation and control measures, etc. At the end of 2020, approximately 74% of Enel Américas personnel were teleworking.

One of the key measures implemented in Enel Américas' operations was separation in the organization of work, which is defined as a "work cell." The workforce at the Company's various facilities was organized into "cells," which are teams with the smallest number of people to perform a given task without interacting at any time with another cell.

Measures were adopted to protect the health of employees and guarantee operational continuity without infected personnel in all the activities carried out over the year. These included increased office cleaning, reduced personnel at the plants, and work shifts for operations in case of an infection within the work cells.

Before contractors could start work, each company had to prepare a Covid Action Plan in line with the protocols and procedures implemented by Enel Américas, which Company personnel monitored throughout the year. This was in addition to the standard protocols and safety measures that must be used to carry out activities.

With the extensive preventative and control measures implemented at all the Company's facilities and construction sites, the objective of operational continuity was achieved, demonstrating the Company's capacity for adaptation and resilience in the face of an adverse situation, including the generation plants, customer service centers, fieldwork of the distribution companies, and Enel X. This made it possible to ensure both residential and industrial supply of energy while caring for the health of all workers involved.



Similarly, since the Stop Work policy covers Covid-19 aspects, contractor activities were stopped in 2020 when they did not have appropriate protective equipment such as enough masks and alcohol-based hand sanitizer on site.

### COVID-19 operating protocol for work in the field and in facilities

- Daily self-diagnosis
- Mandatory use of Personal Protective Equipment (PPE)
- Temperature control at designated locations
- Weekly sanitization of corporate vehicles
- Sanitization of common spaces (Sanitizing Robot)
- Installation of partitions in vehicles transporting passengers
- Prohibition of in-person training and meetings, except in specific cases
- Daily monitoring of active and suspected infections in external companies and Enel Américas.
- Special protocol for customer service in commercial offices.
- Marking of areas, entry and exit flows, and separation of spaces in company facilities.
- Containers for disposal of Covid-19 PPE in company facilities.
- Creation of shifts and organization of work teams into cells to reduce the possibility of infection.
- Creation of workstations in company facilities.
- Lunch protocol in the cafeteria for personnel with on-site work contracts.
- Closure of meeting rooms.
- Self-examination room.
- Ongoing communications plan to raise awareness and provide information on COVID-19 transmission, measures, and protocols.
- Face shields in helmets and partitions in dining halls, bathrooms, and common spaces.
- Handwashing stations and alcohol-based hand sanitizer dispensers.
- Audits of the Covid-19 programs of contractor companies.
- Statistical monitoring of new and closed infections (Daily Covid-19 report)



### **Argentina**

Enel Argentina quickly responded to the management needs arising from the Covid-19 pandemic. In this regard, the Company provided personnel with notebooks and designed an attendance plan for the different plants as needed, minimizing the number of employees working in the facilities. The company provided training in the use of digital tools and reinforced communications aimed at the comfort and well-being of its personnel. The Operations and Maintenance area continued with plant activities, creating work cells, changing work schedules, and adapting transportation and working hours, which ensured less interaction between employees.

In addition, for those who had to report to the plant to maintain the essential electricity service, the Company established social distancing measures in offices and common areas, installed sanitizer dispensers, and provided masks. Furthermore, containers for potentially contaminated material were installed and action procedures were established as part of the pandemic management. Similarly, plant personnel periodically took PCR tests for virus detection on a preventive basis. In case of any suspected case, preventive swabs and isolations were implemented.

For positive cases, a PCR test was taken for members of their work group or close work contacts whenever appropriate, with negative results in all cases. This led to the conclusion that the protocols established to prevent the spread of Covid-19 in work environments were successful.

With the emergence of Covid-19, different preventative protocols and health measures related to the use of Personal Protective Equipment (PPE) were adopted within the plant to prevent the spread of Coronavirus.

### Covid-19 protocols and health measures

Access procedure for plants and corporate office buildings: Entry

- 1. Self-diagnosis statement.
- 2. Spatial separation.
- 3. Hygiene.
- 4. Temperature check.
- 5. Use of PPE and CPE (Collective Protective Equipment).

Staying at the plants and corporate office buildings: Use of common spaces

- 1. Time separation.
- 2. Spatial separation.
- 3. Increased cleaning in common areas.
- 4. Use of PPE.

Process of staying in the plant: Activities in workplaces (offices, workshops, control rooms, etc.).

- 1. Time separation.
- 2. Spatial separation.
- 3. Cleaning of the workspace and common areas.
- 4. Strengthening information.
- 5. Control rooms.
- 6. Workshops.
- 7. Offices.



### **Brazil**

Enel Brazil has adopted risk mitigation and control measures for Covid-19 since the onset of the pandemic. In February 2020, Task Force Brazil was created to monitor the spread of the disease and propose actions to continuously fight its spread and care for the health and safety of employees and contractors.

For those whose duties must be performed in the field (construction sites and operational plants), actions to prevent infection were implemented, such as:

- Body temperature control and restricted access to all facilities.
- Availability of alcohol-based hand sanitizer in all workplaces.
- Intensified cleaning and sanitization of the premises.
- Installation of self-monitoring systems.
- Daily preparation of self-analysis.
- Adoption and implementation of the use of PFF2 masks.
- Use of partitions to physically separate spaces.
- Implementation of "work cells" to separate employees into small groups of up to five workers for all activities.
- Increased number of work shifts and marking circulation areas and paths to separate work cells.

One measure implemented is the development of the e-Round mobile app, which supports the physical distance of employees and the tracking of contacts in case of a confirmed Covid-19 infection.

In addition to the actions aimed at the work area, measures were taken to reduce the risks involved in employee transportation. A protocol was established with guidelines for cleaning vehicles. For employees in the same work cell, carpooling was also implemented to facilitate transportation and limit contact with other people on the way home. The capacity for people in the vehicles was set at a maximum of 50%.

To manage all personnel and contractors of the Company, daily monitoring of confirmed and suspected Covid-19 cases was conducted, in addition to the implementation of preventive quarantine. Molecular RT-PCR and antibody tests were performed to confirm cases, which were monitored by the Health area. To return to work following a confirmed Covid-19 case, the employee must take new RT-PCR molecular tests and obtain negative results after the quarantine and medical recovery period. All Enel Group measures were also directed at contractors, aiming to share best practices and robust protocols.

### **Key milestones**

- Creation of an internal committee to address Covid-19 in each plant.
- Development of a plan to prevent Covid-19 with obligatory rules.
- Mass testing of workers every 15 days at the plants (IgG/IgM rapid antibody test).
- Separation of workers by "cells" (small numbers of workers in each work cell).
- 50% reduction of personnel to avoid crowds.
- Teleworking for all administrative work.
- 50% reduction in the use of vehicles.
- Monitoring of symptoms at plant entrances (temperature checks).
- Mandatory use of PFF2/N95 masks.



### Colombia

The preventive and health surveillance program for workers was implemented within the Covid-19 health emergency in 2020, through which workers were classified, monitored, and protected to guarantee the control of the disease and the continuity of generation processes.

To properly manage the pandemic in the workplace, the Company designed and implemented monitoring and control tools related to the health status of all employees and contractors. This was based on developing awareness and communicational activities for all guidelines to prevent Covid-19 infection during in-person and remote work activities through:

- Outreach and awareness of the need to perform the daily self-assessment of health status during the pandemic.
- The promotion of a culture of self-care through constant communication and training of personnel in their work, family, and community environments.
- Conducting Covid-19 tests for ongoing population screening.
- Strict and constant medical control and monitoring of employees who have tested positive, have suspected or potentially suspected cases, or are in the post-infection stage.

At-risk employees were identified and assigned activities in their homes, with periodic medical follow-up to monitor their condition.

### **Peru**

To protect and promote the health of employees and create healthy work environments in the midst of the Covid-19 pandemic, biosecurity protocols of the highest standard were implemented throughout 2020. These included reducing the staff capacity to 30% at the facilities, conducting molecular tests for people who work in-person and partially in-person, social distancing of two meters, new work methods through work cells, implementing an App that tracks contacts and time that people may have interacted with one another, temperature checks using thermographic cameras, among other measures. To

confirm the effectiveness of these protocols, the Company underwent an audit and certification process by an external company and obtained the "Covid-19 Protocol Certification" for all operations.

In addition, in 2020, Power Generation developed a system to analyze information on cases and actions to control the spread of Covid-19, which provides a global overview of statistics and reports by country for active, suspected, and recovered cases, both for the line's personnel and its contractors.

This report, managed in Power BI, allows the Company to model and analyze different data and provides easy-to-use interactive displays. Statistics related to administrative management are gathered using this, including the follow-up of reports related to the safety and health of work teams.

# Labor relations regarding health and safety

403-1 | 403-4

Enel Américas encourages social dialogue and the involvement of employee representatives to consolidate the safety culture and promote behavior that is consistent with the principles inspiring the Company's policies.

To this end, committees have been created with the participation of executives from the People and Organization Unit, which are responsible for following up on initiatives and projects related to employee health and safety in all the countries where Enel Américas operates. The committee reviews major projects to improve safety standards, training programs, and prevention initiatives.

### **Argentina**

To convey and resolve the concerns of its employees, Enel Generación Costanera has a collaborative space instituted in a Safety Committee that meets monthly and is made up of representatives from the unions associated with Enel's activity, representatives of the Company, and members of the occupational health and safety team.





Enel Generación El Chocón also has an operational instruction for the process of consulting and involving workers. Through it, workers' representatives have been identified and are responsible for informing workers of new developments in occupational health and safety. Likewise, employees communicate their needs through their representatives, who have a direct channel for communicating with the HSEQ area by e-mail or WhatsApp, thus managing the needs and providing answers to the workers.

At Edesur, committees meet monthly in each zone and are divided into two types: Edesur's own personnel committees and contractor company committees. Both committees are led by Zone Managers, Unit Managers, Supervisors, personnel from different levels of the organization, and the Safety Focal Points. Middle management and operational field personnel also participate in the Committees of the Company's own personnel.

Additionally, monthly Evaluation Group meetings are held with the participation of the Zone Managers, different Business Lines, General Manager, and the Global E-Gl&N HSE. Monthly Safety Committees are also held to address KPIs such as Accident Frequency Index, IPAL progress, 5RO, dissemination of Lessons Learned, assessment, and ECoS, among others.

### **Brazil**

In 2020, weekly meetings led by the Company's senior management were held virtually, during which local managers discussed accident prevention indicators and initiatives as well as the Daily Safety Dialogues (DDS) and safety meetings with partner companies. In addition, to guarantee the health and safety of all employees, Rio de Janeiro has a Central Safety Committee composed of leaders from all business lines, which integrates global actions with local development and monitoring of indicators. The committee also coordinates the initiatives developed by all the companies, supported by the Internal Commissions for Accident Prevention (Cipas), which are active in all operations and offices and are responsible for drafting an annual safety plan, carrying out inspections, and recommending improvements. As a result, 100% of workers were represented by formal safety and health committees in 2020.

### Colombia

As part of the tools for employee participation, Emgesa manages the continuous improvement with the continuous involvement of the Joint Occupational Health and Safety Committee (Copasst), which meets monthly and is responsible for monitoring compliance with occupational health and safety rules and regulations. The active members of this body receive annual training in current occupational health and safety legislation, management systems, occupational accident analysis, and auditing. The committee's work is shared with all employees through the following format:

- Plant Joint Occupational Safety and Health Committee
- Cartagena Plant SubCopasst
- Termozipa Plant SubCopasst
- Río Bogotá Plants SubCopasst
- Guavio Plant SubCopasst
- Betania Plant El Quimbo SubCopasst

### **Peru**

During the pandemic, senior management promoted the implementation of the different Covid-19 action protocols through webinars, without neglecting safety aspects. They also participated in Safety Committees to monitor and control preventive measures within the organization and partner companies, as well as establish action plans and standardization of different health and safety practices.

To address the pandemic, a Task Force and a Covid-19 Emergency Committee were created to effectively face the consequences of the pandemic.

### 13. ENVIRONMENTAL SUSTAINABILITY

103-1 | 103-2 | 103-3



### Primary material topic: Environmental management

#### How is it managed?

The environment is a cornerstone of Enel Américas' strategic sustainability plan that underlies all business pillars. Its management consists of environmental governance and policies that push to exceed compliance with reference standards, encouraging the search for innovative and sustainable solutions throughout the entire value chain.

The Company has defined standards and procedures to facilitate proper identification and evaluation of impacts, applying protection, reduction, and mitigation plans, if necessary. Additionally, it promotes the sharing and exchange of best practices, fostering continuous improvement in line with its commitment to natural resource conservation and nature-based solutions.

#### **Material topics**

- Emissions
- Energy
- Water Resources
- Waste
- Soil
- Biodiversity

#### Importance of good management

Good management ensures an operation based on nature and natural resource conservation. Enel Américas' environmental management includes the integrated management system, which is already firmly established within the company's processes, as well as various environmental standards that are applied and audited annually. At the same time, the Company is integrating the life cycle assessment of assets, services, and products into the different business lines to identify which industrial processes require intervention to avoid environmental impacts at different stages and throughout the company's value chain. With these actions, Enel Américas adds more elements to environmental risk management in the interest of preventing impacts.





### **Targets and challenges**

SDG	Activities/targets	Enel Group targets 2020–2022 Plan	Enel Group targets 2021–2023 Plan	Enel Américas 2020 Results
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Reduction of specific SO <sub>2</sub> emissions	-85% in 2030 (vs 2017)	-94% in 2030 (vs 2017)	0.14 g/kWheq
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Reduction of specific NOx emissions	-50% in 2030 (vs 2017)	-70% in 2030 (vs 2017)	0.26 g/kWheq
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Reduction of specific dust emissions	-95% in 2030 (vs 2017)	-98% in 2030 (vs 2017)	0.0078 g/kWheq
6 CLEAN WATER AND SANITATION 12 RESPONSIBLE CONSUMPRIA AND PRODU	Reduction of specific water needs	-50% in 2030 (vs 2017)	-65% in 2030 (vs 2017)	0.13 l/kWheq
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Reduction of waste products	-40% in 2030 (vs 2017)	-87% in 2030 (vs 2017)	231 thousand tons

Material topic and principles of the Policy on Human Rights	
Respect for community rights	<u> </u>

## Environmental governance

Strategic factors in the planning, implementation, and development of Enel Américas' operations include protecting the environment and natural resources. These factors focus on ensuring that all activities related to the environment are carried out through a determined structure in each business unit, promptly handling any environmental compliance and oversight process.

Enel Américas has two formal policies approved by the Board in 2018, which strengthen its commitment to natural resource conservation and caring for the environment: the Environmental Policy and Biodiversity Policy.

The Environmental Policy\* of Enel Group and its subsidiaries is based on four fundamental principles:

- 1. Protecting the environmental by preventing impacts.
- 2. Improving and promoting the environmental sustainability of products and services.
- 3. Creating shared value for the Company and its stakeholders.
- 4. Adopting and meeting voluntary commitments, advancing ambitious environmental management practices throughout the entire value chain.

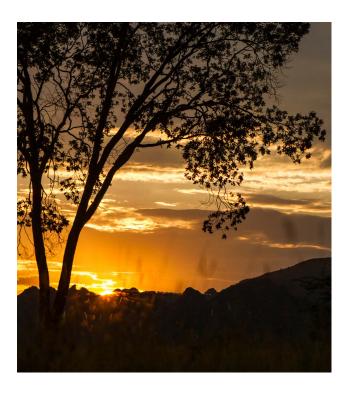
This Policy sets ten strategic goals for the operation, among which "going beyond legal compliance obligations" is noteworthy. Enel Américas is committed to voluntary actions and behavior that protect the environment even though such actions and behavior are not required by domestic law.

To access the complete Policy of Enel Américas, go to: <a href="https://www.enelamericas.com/content/dam/enel-americas/about\_us/sostenibilidad/POLITICA%20">https://www.enelamericas.com/content/dam/enel-americas/about\_us/sostenibilidad/POLITICA%20</a>
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Through an Integrated Management System (IMS), the company's policies are properly implemented using procedures and tools to identify, monitor, and continuously improve the environmental variables of operations, which are updated and communicated to all interested parties through available communication channels (Intranet & TV, mail, social media, IMS portal, HSEQ portal (Health, Safety, Environment, and Quality), and website <a href="https://www.enel.com">www.enel.com</a>; among others).

In 2020, each business line's environmental area is responsible for and manages compliance with environmental legal obligations and voluntary commitments undertaken by Enel Américas. This applies to energy generation and distribution as well as to commitments made by subsidiaries when developing new projects.

In addition to these policies, Enel Américas has two management tools for monitoring and managing environmental variables of the Company's operations: Integrated Management System (IMS) and Life Cycle Assessment (LCA).



<sup>\*</sup> Enel Group's environmental policy extends throughout the entire value chain and applies to all production phases of every product and service, including distribution and logistics, as well as the related waste management; to each site and building; all relationships with external stakeholders; all mergers and acquisitions; every key business partner (including partners related to non-managed operations, joint ventures, outsourcing, or third-party producers); every supplier, including service and contractor suppliers; all due diligence processes as well as and Merger and Acquisition processes.





As a company of Enel Group, Enel Américas has committed to

- Supporting the Energy Transition strategy and the Group's commitment towards decarbonization;
- Respecting and caring for the environment and protecting biodiversity;
- Adopting an Integrated Management System in compliance with international standards ISO 9001, ISO 14001, ISO 50001, and ISO 45001;
- Implementing, managing, and maintaining installations in accordance with the best available practices and technologies; in compliance with established timelines, costs, and energy efficiency; integrating matters of occupational health and safety and environmental protection into decision making and activity management, taking the life cycle assessment into consideration and circular economy;
- Implementing any necessary measures to mitigate or eliminate occupational health and safety risks and

- to avoid or reduce environmental impacts through continuous risk assessment, in compliance with defined operating procedures; and
- Carefully selecting suppliers and contractors, encouraging their involvement in the Group's quality, safety, health, environmental, and energy goals in a synergistic and shared way, including design-related information as part of feedback and collaboration, and considering purchasing energy-efficient products and services that impact energy performance.

### **Environmental management strategy**

The environmental management strategy consists of controlling any possible impact on the processes and protecting all environmental components in the territory (people, water, soil, air, and biodiversity, among others), thus guaranteeing compliance with applicable regulations and rational use of available natural resources. The four pillars are summarized below:

#### **Policies**

- · Enel Group's environmental policy,
- Biodiversity Policy, Stop Work Policy, and Integrated Management System (IMS).

#### Operational control

- Environmental audits and inspections,
- Assessments and Extra Checks on Site (ECOs) to control environmental risk and minimize impacts caused by activities. Environmental risk management is based on the evaluation of operational aspects (noise, waste, hazardous substances, contractor management, archaeological finds, etc.),
- Governance aspects (Company guidelines framework, policies, environmental procedures, stakeholder relationships, internal and external reporting) and,
- Compliance (compliance with regulations, voluntary agreements, and management system objectives).

#### Process analysis and digitalization

Monitoring the management and KPI results for:

- Atmospheric emissions:
   Reduction of atmospheric emissions
- Water Management:
- Carry out effective wastewater treatment;
- Reduce water requirements;
- Manage water scarcity.

#### Waste Management:

- Reduction of hazardous and nonhazardous waste.
- Recover waste for reuse.

#### Soil Management:

- Protection, monitoring, and recovery of soils.
- Biodiversity
- Conservation of local natural heritage;
- Mitigation of impacts on ecosystem services:
- Mitigation of proposed operations' impacts on biodiversity.
- Sustainable management of living natural resources.Sustainable management of other

operational impacts.

#### Training and culture

- · Training Plan for employees
- Circular Economy School,Education 4 All program
- Raising contractor awareness of the Integrated Management System.
- Environmental awareness campaigns at hydroelectric power plants.
- Training Plan: standardizing environmental knowledge across employees.
- Circular Design Workshop for business developers about the circular economy model.

Additionally, as stated in Enel's Policy, the Company is strongly committed to decarbonization and supporting the Energy Transition strategy. Efforts aim for zero environmental accidents and focus on implementing the best available practices and technologies, incorporating life cycle and circular economy concepts into management. The work philosophy for each of Enel Américas' subsidiaries seeks for environmental control matters to be inherent in all activities, as are the concepts of quality, safety, and health. Enel is also a signatory of different agreements that include environmental commitments, such as the Global Compact.

All this makes it possible to identify opportunities for improvement to implement projects that foster innovation, digitalization, and corporate sustainability.

### Integrated management system

### 102-11

Enel Américas uses the Integrated Management System (IMS) as a tool for organizing, documenting, and improving Company procedures, activities, and operations, improving both the Company's business systems and the performance of all its subsidiaries, measuring performance indicators on health, occupational safety, quality, and environment. The ISO Standards adopted by Enel's Integrated Management System are the following:

#### ISO CERTIFICATIONS **BY COUNTRY**

	Certifications obtained by company			
	Argentina	Brazil	Colombia	Peru
ISO 9001:2015 Quality Management System	•	•	•	•
ISO 14001:2015 vironmental Management System				
ISO 45001:2018 Occupational Health and Safety Management System Replaces OHSAS 18.001 certification	•	•	•	
ISO 50001:2011 Energy Management System			• •	

Certified 100% CT. Ventanilla CT. Termozipa CT. Cartagena

### **Highlighted actions in environmental** governance

### **Argentina**

Enel Generación El Chocón started work to better identify and evaluate environmental legal requirements applicable to the power plants. The Company contracted a specific service for this process, which provides support specialists and an online platform that facilitates follow-up.

#### **Brazil**

Environmental permits are available / open to public consultation with full transparency. Inquiries on permits in environmental processing may be submitted to the environmental agency, and these permits are published in the State's official bulletin when finalized.

The information is available via the following link: <a href="https://">https://</a> www.enel.com.br/pt/Corporativo\_e\_Go- verno/Geracao\_ Distribuida.html /menú lateral/número9:Licencias Ambientales.

### Colombia

The information in Environmental Compliance Reports (ICA) is publicly available, either at the environmental authority's website <a href="http://vital.anla.gov.co/SILPA/TESTSILPA/Security/">http://vital.anla.gov.co/SILPA/TESTSILPA/Security/</a> Login.aspx or at the relevant authorities' offices. These authorities are in charge of periodically following up on the Environmental Management Plans (PMA), permits, and environmental management actions. Emgesa Environmental Compliance Reports are also published and available to the community.

### **Environmental compliance at El Quimbo**

Emgesa continued implementing the activities defined in the environmental license for the El Quimbo power plant, as well as the environmental management plans for the Cadena Pagua, Cadena Antigua, Cartagena, Betania, and Guavio power plants that were approved by the National Environmental Licensing Authority (ANLA), bringing more than 616 obligations to a definitive close.

For El Quimbo specifically, the environmental license has imposed 2,687 total obligations, of which 1,497 (55.7%) were fulfilled by the end of 2020. Documents were also prepared, and the necessary steps were taken with the regional environmental authorities to renew and secure permits that will guarantee the operation within the framework of sustainable development.

### **Peru**

In 2020, Peru continued implementing the environmental commitments set in the environmental management instruments. To improve environmental compliance management, the AMATIA digital tool was implemented. All environmental commitments for hydroelectric and thermal power plants were uploaded into this tool, as well as proof of compliance. This tool organizes, systematizes, and facilitates the verification of compliance as well as oversight and audits by authorities.

### **Emissions management**

305-1 | 305-2 | 305-3

13 ACCIÓN POR EL CLIMA



Emissions are the continuous or discontinuous discharge of matter, substances, or forms of energy into the atmosphere from any source capable of producing atmospheric pollution, either directly or indirectly. Current local and global legislation requires controlling and reducing atmospheric emissions, whether they are acoustic, electromagnetic, gaseous, or particulate matter, among others.

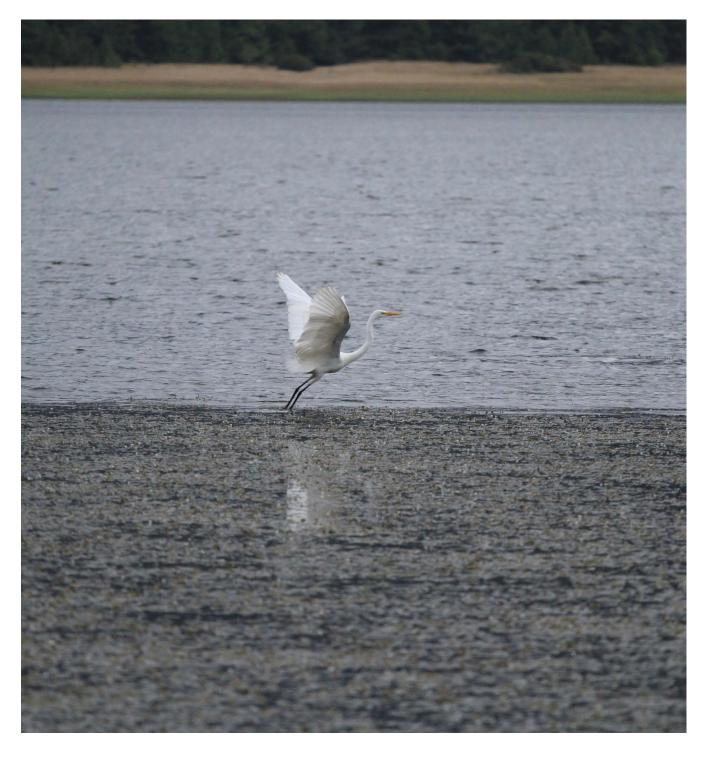
Given Enel's activities, the Company faces permanent challenges in reducing emissions such as CO<sub>2</sub>, SO<sub>2</sub>, NOX, SF<sub>6</sub>, and PM (Particulate Matter). For this reason, steadily reducing environmental impacts from operating its assets is a strategic objective met by applying the best available international technologies and practices.



### **Greenhouse gas emissions**

Greenhouse gases from Enel's industrial activities can be mainly traced back to carbon dioxide (CO2) emissions from thermoelectric generation using fossil fuels, and to a lesser extent to sulfur hexafluoride (SF6) losses across the distribution network.

CO<sub>2</sub> emissions intensity amounted to 170.45 g/kWheq in 2020, in line with Enel Américas' reduction target that contributes to the Enel Group's targets certified by the Science Based Targets initiative. For further details on greenhouse gas emissions, refer to the chapter "Commitment to the fight against climate change."



### **Argentina**

Enel Generación Costanera finalized the CEMS (Continuous Emissions Monitoring System) replacement project to improve the quantification of gaseous emissions. Together with the supervisory authority ENRE (Ente Nacional Regulador de la Electricidad), the Company carried out the corresponding performance tests established for equipment validation.

### **Brazil**

Power Generation moved forward on the project to replace diesel and gasoline with ethanol in the rental car fleet. This initiative led to a 9.4 ton reduction in CO<sub>2</sub> between March and September 2020.

A 100% electric vehicle was also purchased, which reduced greenhouse gas (GHG) emissions released into the atmosphere and fossil fuel costs. The electric vehicle traveled approximately 1,031 km in 2020. The GHG tool was used to quantify the amount of CO2 mitigated, which corresponded to approximately 0.147 metric tons of CO2. Likewise, Enel Distribución São Paulo's Offsetting Greenhouse Gas Emissions project aimed to offset part of the direct greenhouse gas emissions that cannot be reduced with current technologies. This project is part of the work being done by the Climate Change Task Force, which has upheld the 2019 strategy to offset greenhouse gas emissions through a proposal adequate to the context at hand, aiming to maximize the positive impacts of the Company's performance. This initiative allowed 3,000 equivalent tons of CO2 to be offset through the purchase of carbon credits from two projects:



- REDD+ Jari-Pará project to preserve the Amazon Rainforest through partner company Biophilic (REDD+: reduce emissions from deforestation and forest degradation, and foster conservation, sustainable forest management, and enhancement of forest carbon stocks). Through this project, the Company contributed to the preservation of 700,000 hectares of native Amazon rainforest and its biodiversity, while promoting local socioeconomic development.
- Bandeirantes Landfill Gas to Energy Project, capturing and burning methane to generate power at the Bandeirantes landfill, through the partner company Way Carbon. The company received the Company Friendly for Climate label for offsetting through Way Carbon

### Colombia

For Codensa and Emgesa, it is essential to control, mitigate, and offset the greenhouse gases generated from their activities.

Regarding Codensa, the release of CO2 into the atmosphere in 2020 was mainly due to transportation, energy consumption, and fugitive emissions. Among the Company's actions aimed at reducing emissions related to electricity consumption is the upgrading to LED lighting, which progressed in the substations La Paz, Bolivia, Chicala, Gorgonzola, Aranjuez, Circo, El Sol, Veraguas, and Mosquera.

Meanwhile, Emgesa generated 918 kg of CO2 for each MWh of energy produced in 2020, achieving a 4% decrease in this efficiency indicator when compared to the figure from the previous period.

Similarly, the Company monitors emissions effecting air quality (NOx, SOx, and particulate matter), which are generated by the operation of its thermal power plants. The Company always guarantees environmental compliance through projects such as:

- Monitoring of H2S emissions caused by low water quality at Paraíso Power Plant on the Bogotá River.
- Study with a specialized international firm to identify and develop detailed engineering of odor-reducing alternatives, which resulted in an emission control system that reduces H2S emissions through a fourchamber biofilter.

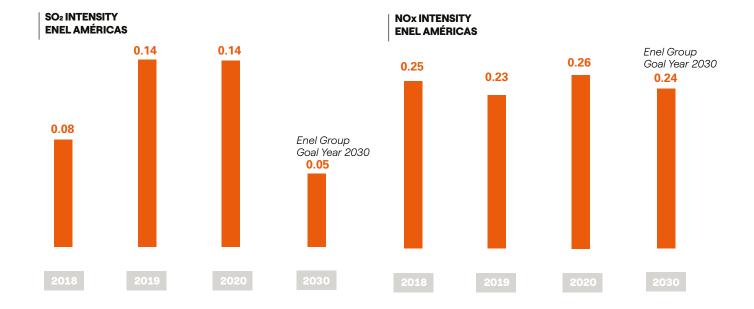
 Additional measures were implemented at the Termozipa Power Plant to control particulate matter emissions in the coal ash pits.

### SO<sub>2</sub>, NOx, and Particulate Matter

The Enel Group has made investments in technological optimizations and tested best practices to improve the environmental performance of thermoelectric plants in terms of emissions, taking into consideration factors such as each country's local context, priorities, and regulatory framework, as well as operating conditions to ensure the plants' operation and configuration. The Company monitors emissions and performance, paying close attention to emissions of the main atmospheric pollutants associated with thermoelectric production: sulfur oxides (SO2), nitrogen oxides (NOx), and particulate matter (PM).

It is important to note that the plants have continuous measurement systems capable of verifying compliance with the limits in real time. Their reliability is guaranteed by accredited certifying bodies and through assessments carried out jointly with the inspection authorities of each country.

With 3.6MW operational renewable assets added in April 2021 and the renewable plants coming into operation, Enel Américas' emissions intensity is expected to be reduced, actively contributing to the Enel Group's 2030 reduction targets of -90% for SO<sub>2</sub>, -70% for NOx, and -97% for particulate matter, all compared to 2017. The performance of these emissions in 2020 is mainly explained by higher coal-fired generation, which reached 650 MWh (1.6% of total generation) vs. 590 MWh (1.4% of total generation) in 2019.



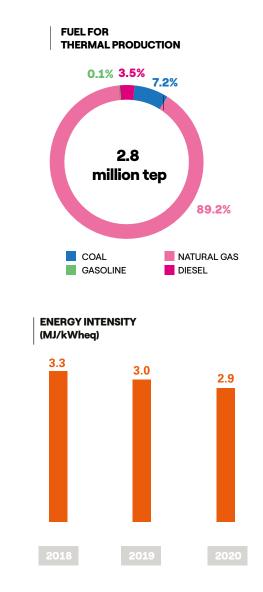
### PM INTENSITY ENEL AMÉRICAS

# 0.0083 0.0079 0.0078 Enel Group Goal Year 2030 0.005

# **Energy management**

302-1 | 302-3

Technological improvements in thermal power plants are reflected in the atmospheric emissions data presented above. This does not always result in decreased fossil fuel consumption, but it does imply improved energy efficiency in thermal power plants. Efficiently using energy means, on one hand, maximizing the output of mixed sources (thermal and renewable) and, on the other, constantly improving the grid's efficiency. Fuel consumption for thermoelectricity from non-renewable sources:



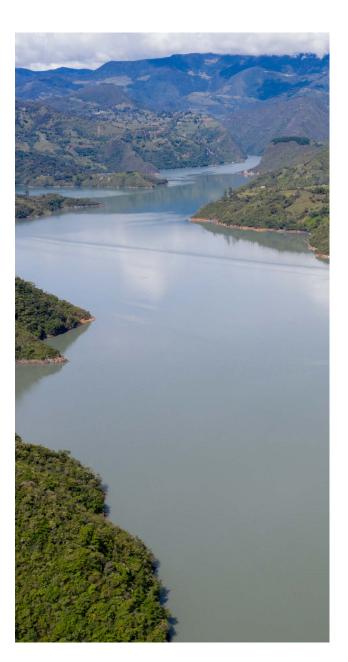
One way of evaluating the performance of the Company's power plants is through the operational efficiency indicator, which measures the ratio between net energy produced in the form of electricity and energy used in the form of fuel. For Enel Américas, the average efficiency of thermoelectric power plants was 46.7% in 2020.

### Water management

303-1 | 303-3



Water is a limited, non-renewable natural resource that should be used efficiently and in such a way that water needs are balanced with environmental care and other natural resources. Water availability is critical to the operations of hydroelectric power plants, and therefore represents a risk due to precipitation variability and changes in water flow, which have increased due to climate change. Enel Américas' geographical diversity and use of technology have been essential in mitigating this risk.

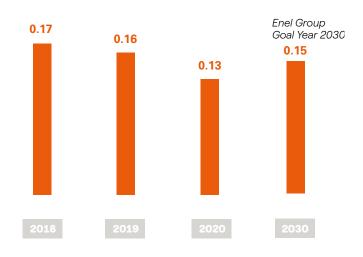


The main use comes from thermal generation, which provides flexibility to the energy matrix and helps mitigate water risk by only using water for cooling purposes. Therefore, the Integrated Management System's controls and policies are key in optimizing and reducing water consumption, as well as in preventing its pollution.

Although water is used less in the energy distribution business, measures to reduce consumption and avoid contamination have been implemented following the guidelines of the Integrated Management System and the Company's Policies.

Responsible use of water resources is one the goals of Enel Group's environmental policy, which aims for a 65% reduction by 2030 vs. 2017.

### **INTENSITY OF WATER** REQUIREMENT (L/KWH)



The specific water consumption results for each country are attributable to several 2020 initiatives that achieved the expected success by adopting an integrated approach based on optimizing thermal plants to reduce water requirements.



### **Highlighted initiatives**

### **Argentina**

A new water plant began operating, which will allow significant savings in chemical reagents used to produce demineralized water needed for the Costanera plant's production processes. Progress also continued on the Wastewater Treatment (WWT) project to improve rainwater treatment prior to discharge and to implement the first rainwater collection. The work is scheduled to be completed in the first four months of 2021.

Additionally, a new Osmosis plant has been incorporated, allowing greater efficiency in managing water demineralization and optimizing water use. An Electrodeionization (EDI) plant has also been installed to increase the capacity for generating demineralized water without the use of reagents for treatment.

The Dock Sud power plant was installed and the Mistras System began operating, which aims to achieve a continuous acoustic monitoring system, detect incipient faults in steam generator pressure systems, and save demineralized water.

### **Brazil**

The Fortaleza thermal power plant is Enel Américas' only plant located in an area with water stress according to the GRI 303 (2018) definition, with reference to the World Resources Institute "Aqueduct Water Risk Atlas." This plant's generation in an area with water stress represents 0.5% of total generation and 5% of total water withdrawal in 2020.

To obtain water, Fortaleza has contracts with COGERH, the company responsible for managing water for Ceará State which is also part of the Hydrologic Basin Committee of Fortaleza's Metropolitan Region. Historically, Enel Generación Fortaleza's water use has not significantly impacted water availability, as it represents less than 5% of the reservoir's capacity, and all consumption and reservoir level requirements are met, especially in the Puerto de Pecém industrial complex.

### Colombia

To control water consumption in the power generation facilities, the Company has taken the following actions:

- Periodic monitoring of collected water;
- Training generation plant personnel on water savings and its efficient use;
- Rainwater collection and use at the Guaca Plant;
- Installation of water-saving fixtures at the Guavio Plant;
- Installation of the MAGALDI system in all units, which eliminates the use of water to extract ashes and its subsequent discharge.
- Reuse of paraflow discharge at the Bogotá river power plants, Central Paraíso and Central Guaca.
- Creation of programs to optimize and reduce industrial water use in the process at the Termozipa and Cartagena plants.

### **Discharge quality**

In 2020, in line with the Group's environmental policy, Colombia promoted the use of technologies to optimize the discharge quality from the Termozipa power plant, which already reuses most of the industrial wastewater from its operation (346,839 m3 for watering the ash pit in 2020). This water receives primary treatment consisting of grease traps, settling tanks, aeration and disinfection systems, cooling towers, as well as aeration and sedimentation channels. Thanks to this technology, a wastewater discharge permit was granted by the Autonomous Regional Corporation of Cundinamarca.

Furthermore, projects to optimize the plant's cooling tower system and aeration channel were completed in 2020, as well as the implementation of an industrial wastewater treatment system at the Cartagena plant, starting with the construction of the drainage neutralization system for its boiler.

### Peru

In 2020, Enel Peru focused mainly on definitively resolving the current disputes with Sedapal (Lima Potable Water and Sewage Service).

The dispute is due to the status of the water transfer from the Huascacocha system, which has been suspended since 2017

Fortunately, both parties reached an agreement in 2020 regarding the transfers not executed during the 2017 to 2020 period, as well as the transfer operation during the remaining period of validity. The objective is to guarantee a greater volume of water to boost energy generation, as well as to ensure better drinking water supply for the city of Lima. Although most of water consumption comes from thermal generation, Enel Américas has the following lines of work.

- Efficient use of water resources to reduce water requirements operating facilities. Among the initiatives that the company has implemented in Colombia, there has been proper water management, which represents 89% of the energy produced by Emgesa. This has resulted in a 15% decrease in the specific water requirement over the previous year.
- Responsible and integrated management of the hydrographic basins where the power plants are located to preserve land and water quality for multiple uses, not only for energy.

### Waste management

306-1 | 306-2 | 306-3

Strengthening its commitment to continuous improvement, Enel Américas implemented Group Guideline for Waste Management in 2020, which had been introduced in December 2019 for proper waste management. The best Company practices deemed fundamental for optimal waste management, both for waste produced directly or in subcontractors' activities, were implemented and shared across the Group.

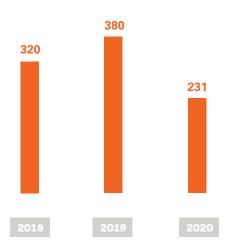
Rather than simply managing waste, preventing waste generation (particularly hazardous waste) makes any production process more efficient. For this reason, Enel encourages maximizing reuse, recycling, or recovery as byproducts, converting them into secondary raw materials or using them as energy sources. Disposing of waste in landfills should be a last resort.

The Enel Group seeks to reduce waste generated by the Company (Zero Waste) with a 2021 Plan reduction target of 65% by 2030, compared to the baseline year 2017. In 2020, Enel Américas generated 223,430 tons of waste (6,818 hazardous waste and 216,430 non-hazardous waste), 40% less than what was generated in 2019. This has been possible thanks to improved process management, the reuse of resources, and the implementation of a circular economy that values them and never categorizes them as mere waste. In this way, Enel Américas has implemented initiatives that demonstrate employees' effort and motivation to be part of a change that can mean taking small actions to care for the planet. It is worth noting that Enel Américas does not handle any radioactive waste.

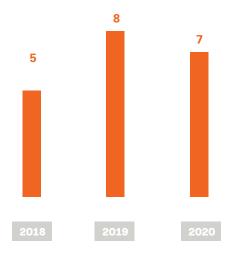




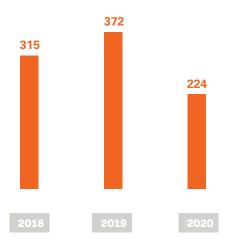
### WASTE GENERATION (THOUSANDS OF TONS) ENEL AMÉRICAS



### HAZARDOUS WASTE (THOUSANDS OF TONS) ENEL AMÉRICAS



### NON-HAZARDOUS WASTE (THOUSANDS OF TONS) ENEL AMÉRICAS



### **Argentina**

In 2020, Enel Generación Costanera launched a global initiative called Zero Waste, which seeks to minimize the amount of waste sent to landfills and simultaneously increase the share of waste reused and recycled.

Similarly, Enel Argentina adhered to the corporate initiative to reduce single-use plastics, while also continuing within the existing recycling framework (paper, wood, scrap metal) and revaluing recyclable waste from administrative areas.

Enel's El Chocón subsidiary regularly sends material to be recycled. In 2020, this subsidiary signed a collaboration agreement with NEU-COR, a company that manufactures cardboard packaging for various industries.

Plastic waste and waste electrical and electronic equipment (WEEE) are managed through a cooperation agreement with the municipality of Villa El Chocón, effective since 2019, which allows for this waste to be recovered on a regular basis.

### **Brazil**

### **Process digitalization**

This initiative seeks to reduce the use of paper and streamline administrative processes, such as the evaluation of contracted companies, access control for partner companies' employees, inspection records, among others. More than 11,000 virtual inspections were carried out in 2020, entailing a reduction of nearly 24 reams of virgin paper.

# Reusing organic waste in composting and vegetable garden process

The pilot project used worm composting to recycle organic waste. Organic fertilizer was generated from just 10% of food preparation waste recycled from the cafeteria, and this was used in a vegetable garden to supply the cafeteria once again, achieving a circular effect.

The result was lower costs for waste collection, transportation, and disposal in a sanitary landfill, which also reduced greenhouse gases released into the atmosphere through transportation. This initiative is expected to be expanded to at least 19 plants in the country in the immediate future, achieving an average cost reduction of USD 550/month for the collection and final disposal of organic waste, and a reduction of 0.31 tons of CO<sub>2</sub> emissions/year.

### Colombia

### **Digital Waste System**

The Company implemented the Digital Waste System in the thermal generation plants, which improves waste management at the plants. It aims to reduce the risk of noncompliance with local regulations and ensure adherence to thermal generation standards by introducing a global platform to support operations.

### **Compost for community crops**

Emgesa continued with the environmental education program at the El Guavio hydroelectric power plant, which makes use of organic solid waste generated by turning it into compost to be used by nearby communities as fertilizer for crops and gardens. 11,196 kg of waste was transformed in 2020, which produced 1,530 kg of solid compost and 20 L of liquid fertilizer.

### Management of its waste

Resources and materials used in the plant by both internal and external employees are tracked to ensure that the necessary facilities are always available to manage and control this environmental concern.

At a corporate level, the company continued its corporate campaign to separate and deliver waste to Fundación Sanar. The company generated 90.15 kg of waste electrical and electronic equipment (WEEE), which was redeemed through the "Puntos Verdes de la Fundación Lito" program, bringing goods to 85 families located in the El Codito sector in 2020.

It is important to note that a high percentage of the non-hazardous waste generated in Colombia is ash from the Termozipa power plant, which undergoes a valorization and reuse process<sup>59</sup>.

Emgesa recognizes its role as a company responsible for integrated waste management, for which it ensures that the managers of waste storage, disposal/treatment, and transportation have the respective environmental licenses and authorizations from the corresponding environmental entity.

59 Colombia's national circular economy strategy defines the ashes from the Termozipa power plant as a by-product, and they are reused by local industries.





### **Management of PCB-contaminated equipment**

#### **CODENSA**

Within the framework of environmental legal compliance and in accordance with internal policies, Codensa is continuing with the identification activities (marking and sampling) of insulating fluids in equipment with oil content and their disposal, advancing in the national goals of integrated management of equipment and waste contaminated with PCB (Established by Resolution 222 of 2011, partially modified by Resolution 1741 of 2016 of the Ministry of Environment and Sustainable Development).

By the end of 2020, progress was recorded at 62% in identifying PCBs in equipment in Use, Disuse, and Waste, surpassing the standard's previously established goal of 60%. This process resulted in the identification of 109 PCB-contaminated pieces of equipment that were in service, of which 62 were replaced by PCB-free transformers.

3,029 transformers and pieces of oil-containing equipment were removed due to obsolescence in 2020, of which 72 units were contaminated with concentrations higher than 50 ppm of PCBs.

Regarding the integrated management of contaminated equipment and waste, 20.06 tons of casings generated in 2019 and 2020 were decontaminated through the ultrasound technique. Thanks to this, the disposal costs of these wastes has been reduced up to 45% on the value incurred if treated conventionally (exporting) in the country.

62% progress has been made in the process of identifying and marking equipment.

Of the 3029 pieces of equipment in oils removed due to obsolescence or failures, 72 were found to be contaminated with PCBs.

20 tons of casings were decontaminated through the ultrasound technique implemented by the company LITO SAS.

### **EMGESA**

Emgesa carried out follow-up activities at the Guavio, Betania, El Quimbo, Darío Valencia Samper, Guaca, Paraíso, and Termozipa power plants, reaching 80% progress in the integrated management of equipment contaminated with polychlorinated biphenyls (PCBs).

### Peru

### **Digital Waste System**

The Company is in the process of implementing the Digital Waste System in the thermal generation plants, which improves waste management and traceability at the plants. It aims to reduce the risk of non-compliance with local regulations and ensure adherence to thermal generation standards by introducing a global platform to support operations.

### Recycling

The Company continued its strategic alliance with Aldeas Infantiles in 2020, donating all recyclable material (plastic and paper) to this NGO that focuses its social work on improving the quality of life of children in vulnerable situations.

### **Composting Project**

In 2020, the Company worked on the design and costbenefit analysis of a composting plant for the Huampaní power plant. This plant will receive 100% of the compostable organic waste from the dining halls at Lima's five hydroelectric power plants, as well as 100% of the green waste from grass clippings and tree pruning. The project will also have a greenhouse, which will be fed by the compost produced at the composting plant. Its seedlings will be used to make the plant's green areas more beautiful, as well as to revegetate the access roads to our plant's facilities, improving erosion control.

This project seeks to repurpose waste by transforming it into compost and avoiding landfill disposal.

Our ESG

# Circular economy and life cycle assessment





As a strategic accelerator, Enel Américas has challenged itself to incorporate the Circular Economy into the value chains of each one of its business lines, transforming the business model through innovation and allowing economic development to flow away from the exploitation of natural resources, thereby rethinking the very design of its processes and products and contributing to the regeneration of natural ecosystems.

The Circular Economy will significantly change the way we interact within society, and its main objective is to boost the sustainable development of the planet, creating value in the economic, social, and environmental dimensions. Enel views this as a strategic topic for the Company's operations in its diverse areas. The circular business models (Circular Inputs, Useful Life Extension, Product as a Service, Shared Platforms, and End of Useful Life) are seen by the Group as pillars for transforming processes and generating new opportunities in an increasingly competitive market.

### **Argentina**

### **Continued Involvement**

The Company participated in various roundtables at a national level in 2020:

- Circular Economy Committee, which is working to define the group's strategy at a national level, receiving training and participating in intersectoral roundtables.
- Argentine Business Council for Sustainable Development (CEADS) roundtable that seeks to identify business case studies on the circular economy, resource efficiency, and efficient and low-carbon solutions, which can illustrate circular economy strategies and practices across different economic sectors in the country by understanding their connection to the NDCs and SDG targets.

Development of the international Circular Economy standard, ISO/TC 323 "Circular Economy," to develop standards in this field that provide requirements, guidance, and supporting tools linked to the implementation of projects in this field. This technical group is coordinated in the country by IRAM (Argentine Standardization and Certification Institute) and is structured in four ad hoc groups to develop the first formal proposals of work items: Principles, framework, terminology, management system standards; Guidance for implementation and sectoral applications; Measuring circularity; Specific issues and case studies.

In addition to participating in both groups and with Enel's ecosystem vision, a joint roundtable was proposed between CEADS and IRAM, where the private sector, represented by CEADS, can be informed of the standard's developments and participate in the voting process.

### **Textile research**

Research project with INTI / UBA / CONICET to analyze the condition of uniforms and map CE possibilities - 15 beneficiaries.

More than 75% of discarded clothing ends up in landfills, mainly because it is still designed, manufactured, and consumed according to linear models. As a way of reducing the environmental impacts of personal protective clothing, the Company sought to incorporate circularity in the technical uniforms that protect workers from potential electrical and mechanical hazards. An inter-institutional management model was developed to trace and improve multi-purposed environmental, social, and productive performance, in addition to developing applicable sustainable technological innovations.

As a result, technical specifications for new tenders were expanded to include environmental and social sustainability criteria linked to the different stages of the garments' life cycle: design, raw materials, production, use, and end of life. This Company also stressed the importance of having components that can be easily reused in other production cycles, separable materials, low environmental impact logistics, locally produced inputs, recommendations for efficient washing, and reintroduction as an input once they complete their life cycle, among others.



Social criteria were proposed to strengthen integrated actions in health, safety, and labor, aiming to progressively improve equal conditions when bidding in tenders while also strengthening local production. This is just the first step, as the ultimate goal is to apply sustainability throughout the value chain, starting with design and encouraging reuse until materials are repurposed and recycled, Circularity by design.

### Masks for social use made from scrap textile

Working to reduce the environmental impact of personal protective equipment (PPE), the original project was reshaped to manufacture face masks for social use. The initial and main challenge was to make the unused garments safe and fit for reuse.

As a result, six thousand washable masks were made for social use. They are made with 100% recovered materials from the textile industry: an outer layer with safety clothing fabric, an inner layer with cotton fabric from shirts, elastic, and a filter pocket and separate storage bag made with nylon stockings. A total of 5,250 masks were donated to the community and 750 are for the company's internal employees.

To close the loop and effectively reach the neighborhoods of these municipalities, these masks were donated to the Argentine Red Cross, collaborating with their outreach programs in targeted neighborhoods.



### **Brazil**

### **Smart meters**

Flex, a partner company in São Paulo, is manufacturing the first smart meters with Enel technology in Latin America. These are specially designed for Brazil and approved by the National Metrology Institute (Inmetro), and the meters' plastics have been evaluated so that they can be recycled and used to produce new meters.

### **Urban Futurability**

This integrates several aspects of the Circular Economy in its initiatives, such as the use of circular inputs, in which plastic electrical manholes are manufactured with 70% recycled material. The project also focuses on materials' end of useful life, for example, recycling excavated material and reusing it to fill holes from extracting posts and implementing new technologies that will conserve resources, such as water.

### **Inspire Deu Certo Program**

Circularity indicators, as well as Sustainable Development Goals, are included in the metrics of the <u>Inspire Deu Certo Program</u>, which seeks to share company innovation through circular economy culture webinars for partners, aiming to create more circular and resilient communities.

### Colombia

Ninety-eight initiatives involving the circular economy pillars were identified, with the following standing out for their results in 2020:

- Use of industrial and organic waste in new life cycles.
- Reuse of biomass withdrawn from reservoirs.
- Remanufacturing and reuse of transformers.

- Digitalization of distribution infrastructure.
- Smart metering.
- Digital transformation.
- Photovoltaic solutions in energy contract model.
- Electronic billing.

### Peru

The new version of the HSE Terms included greater detail on selecting suppliers with proposals that do not impact the environment of the concession areas. For contracts over 200 thousand euros, we requested that suppliers propose sustainability projects, specifically in the circular economy. This year, we also launched a circular economy contest for projects that can be executed during the term of the contracts.

Two workshops with suppliers were held this year. The first was called "Together for sustainable growth," held in August with approximately 85 participants, and the other was the annual supplier event Sustainability and circular economy with over 90 participants. In comparison to 2019, this year's workshops placed a relatively strong focus on sustainability issues. Both events were 100% digital due to the pandemic, inviting suppliers to approach this as an opportunity to also achieve digitalization.

A circular economy training session was held as part of the circular economy contest, and three suppliers were awarded for their circular economy proposals in three categories (circular design, optimal use, and value recovery).

In 2020, the Energy Management team participated in concept meetings on circular economy issues which apply to Enel's business. Afterward, sessions were held to identify circular economy initiatives that could be implemented in the future, gathering a portfolio of over 30 potential projects.





# Soil management









Enel Américas remains committed to using the most advanced technologies available and applying best practices during the construction, operation, and decommissioning of its plants to minimize any potential environmental impact caused by its activities.

Protection and safety measures will be used to prevent any possible form of uncontrolled or accidental contact of polluting substances (fuels, reagents, liquids, and waste flows) with soil and groundwater. At the same time, during plant operations, every process will undergo compliance controls, as well as ongoing upgrades as required by the Environmental Management Systems to prevent and minimize the risks of any potential environmental contamination. In the event of an accident, the Stop Work and Emergency Management Policies are applied and aimed at eliminating any possible environmental impact, rigorously complying with the legal provisions and obligations of the various countries.

### Colombia

### **Emgesa**

In 2020, the Company worked on preventing the risk of oil spills by implementing the Oír Riso Thermo Prevention Plan, which aims to identify equipment that contains used oil and is at risk of spills at the plants, to establish action plans to prevent and mitigate environmental incidents. The identification methodology included aspects such as equipment analysis by protected perimeter and classification by level of environmental risk during operation. The first identification found 193 pieces of equipment that use this component. A subsequent distinction was made between equipment, noting that although they do not have leaks, they must be monitored to prevent the risk from arising. Some of the measures implemented included periodic equipment inspections at each plant, training of HSEQ and O&M personnel, preventive and corrective equipment maintenance, and action and mitigation plans in the protected perimeter. By implementing this program, Emgesa demonstrates its commitment to preventing environmental risks and protecting the environment, specifically the soil.

### Balseadero Yard - disposal of wood and **biomass**

EMGESA finished disposing of wood and biomass from the Balseadero stockpile in 2020, totaling 205,160 m<sup>3</sup> of wood and 119,904 m<sup>3</sup> of biomass. This wood was donated as wood chips to the region's brick makers' guild (143,620 m<sup>3</sup>) and to beneficiaries who used the vegetal input to improve soils (61,544 m³). All biomass was reintegrated into the Balseadero stockpile's soil.

# **Biodiversity** management 13 CLIMATE



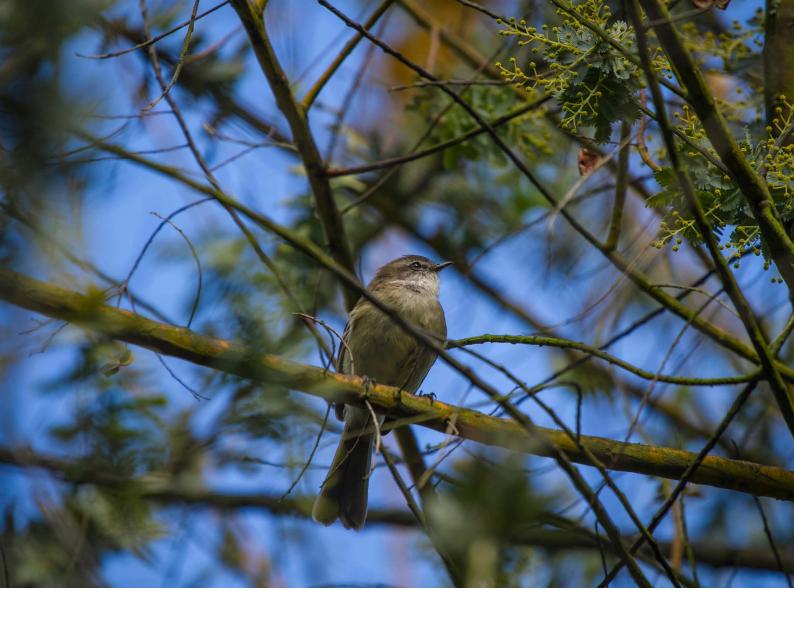
304-1 | 304-3 | 304-4

Enel Américas follows the Enel Group Biodiversity Policy, approved by the Board of Directors, which identifies six practices to be implemented in its activities. These practices contribute to and are aligned with the standards and international principles of the UN Convention on Biological Diversity (CBD), the 2011 - 2020 Strategic Plan for Biodiversity, and the Aichi Biodiversity Targets included in the CBD, as well as other national and international biodiversity strategies.

With this policy, the Company promotes respect for the "no net loss" principle of biodiversity through sound project planning and preventive environmental assessment, avoiding, reducing and/or compensating for negative impacts on natural species and habitats that are significant due to their protection category, representativeness indices, and/or ecosystem value. The Company identifies and assesses biodiversity and ecosystem services in the areas where it operates in conjunction with local communities, academic institutions, and NGOs. From this, restoration, conservation, and monitoring projects are proposed and developed.

Enel Américas is committed to maintaining biodiversity management aligned with the best practices in the country where it operates. Therefore, prior to any environmental intervention necessary to expand, renovate, or maintain the energy distribution system, authorization is requested from the relevant environmental agency in every country.

	PROJECTS		TYPE OF PROJEC	стѕ		INTERESTED SPECIES	ECOSYSTEM
Country	Number of projects	Of which volunteer	Monitoring	Restoration (habitat)	Conservation (species)	Classe	Туре
Argentina	1	0%	0	1	0	Ø	<u>Φ</u>
Brazil	72	14%	52	16	4		φ
Colombia	12	25%	3	5	4	TR D D	<u>\$</u> \$\delta\$ :
Peru	3	0%	3	0	0	TR DQ	φ
TOTAL	88	15%	58	22	8		



Ecosystems

Terrestrial AMA Coastal marine cosystems Coastal marine

Aquatic ecosystems

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

In danger critical (CR)

In danger (EN)

Vulnerable (VU)

Almost threatened (NT)

Worry less (LC)

Species concerned













		NUMBER OF EN	DANGERED SPEC	IES			
		CR) critically endangered	(EN) In danger	(VU) Vulnerable	(NT) Near threatened	(LC) Least Concern	TOTAL
	Forest	0	0	0	0	0	0
٥	Forest, Shrub, Desert, Prairie Inland wetland/ freshwater rivers and lakes	0	6	20	14	1,169	1,209
M M	Forest, Savannah, uncultivated area Inland wetland/freshwater rivers and lakes	3	5	29	11	534	582
٥	Forest, Shrub, Desert, Prairie Inland wetland/freshwater rivers and lakes	0	0	0	1	1	2
		3	11	49	26	1,704	1,793

### **Biodiversity Policy**

With the Biodiversity Policy, Enel Américas wishes to contribute to the fulfillment of the United Nations Convention on Biological Diversity, the 2011-2020 Strategic Plan for Biodiversity, and the Aichi biodiversity targets, as well as the national biodiversity strategies of the various countries in which the Group performs its activities.

Specifically, Enel Américas:

- 1. Manages activities while respecting the principle of "mitigation hierarchy," by means of which is a priority is given, first, to prevent or avoid negative impacts; second, if the impacts cannot be avoided, to reduce or remediate their effects; and, finally, to offset negative residual impacts;
- 2. In case of residual impacts, it implements compensatory measures that respect the principle of "no net loss" of biodiversity, and with a positive net balance, when applicable;
- 3. Performs impact studies for each new plant, including a systematic assessment of the effects on ecosystems, their biotopes, and fauna and vegetation species, to avoid operating in areas with high conservation value in terms of biodiversity, adopting the best possible solutions to reduce pressures and impacts on biodiversity everywhere;
- 4. Collaborates with local communities, academic institutions, and NGOs to identify the biodiversity value and develops studies and projects for its conservation and ecosystem restoration;
- 5. Monitors the effectiveness of the measures taken;
- 6. Reports regularly on its biodiversity performance.

To access the complete Policy, go to:

https://www.enelamericas.com/es/conocenos/a201903-politica-de-biodiversidad.html

### **Argentina**

# Agreement with the Costanera Ecological Reserve

Enel Generación Costanera is located near the Costanera Ecological Reserve, which hosts the largest amount of biodiversity in the city of Buenos Aires and extends over 350 hectares. The Buenos Aires Secretariat of the Environment, which is responsible for the reserve, signed an agreement with the plant at end of 2020 to jointly develop biodiversity projects.

As part of this agreement, a section of the Central Costanera Plant will be planted with native species to control the undermining of the La Plata river along the coast where the plant is located. This action is expected to be included in the reserve's species inventory.

### **Brazil**

Two field campaigns around the Fortaleza Thermal Generating Plant (CGTF) began in 2020, one during the rainy season and the other during the dry season, to study the species that inhabit the area surrounding the plant. This survey identified potentially threatened or highly valuable species in the caatinga ecosystem, and it will be used to design specific projects for biodiversity conservation and enrichment in the near future. The results of the projects were as follows:

- Understanding and disclosure of the results of a survey conducted among employees and the surrounding community;
- Technical analysis to assess potential wildlife projects;
- Biodiversity enrichment;
- Conservation of the Caatinga ecosystem;
- Expected savings of USD 700 for each accident avoided with poisonous animals.







### Colombia

### **Launch of the Biodiversity Policy**

The Enel Group's Biodiversity Policy was launched with 158 people in attendance. Here, I&N virtually shared the guidelines on protecting the environment and the key principles that are now recognized as leading practices in Biodiversity management.

### Signing of an agreement with the Santa Cruz Zoo Foundation for wildlife management and rescue

As part of Codensa's ongoing commitment to biodiversity conservation in the regions where it operates, the company has implemented the wildlife management protocol, and, on November 17, signed an agreement with the SANTACRUZ ZOOLOGICAL FOUNDATION to build technical capacity that will provide the operation with specialized support in wildlife management in the provinces of Soacha and Tequendama. Under this agreement, the company will have the Zoo's expertise in training, rescue, transfer, or relocation of species that may require it, and in return, I&N will contribute the sum of USD 4,000 dollars.

### **Programs focused on biodiversity**

- Together possible: The Company has an alliance with the World Wide Fund for Nature (WWF), an NGO that works for the planet and whose mission is to stop the degradation of the Earth's natural environment. As part of this alliance, the interactive virtual course "Together Possible" was launched for all company employees and contractors, teaching and promoting conservation of the world's biological diversity to ensure the use of renewable natural resources, the reduction of pollution, and the rational consumption of resources.
- Workshops for wildlife management: Similarly, to keep personnel trained in dealing with wildlife, four workshops were held in 2020 with experts in managing each of the faunal groups most frequently found in the plant's area of influence, with 399 people taking part.

### **Artificial beehives project**

This project was carried out with the collective "Seamos Abejas," specialists in bee rescue and relocation, to build artificial beehives using wooden cable reels. These used items were transformed into homes for these vital insects, which allow pollination and contribute to soil restoration. This initiative took place in a sector located in Suesca-Cundinamarca, and 15 artificial beehives had been made by the end of 2020.

### "Sembrar nos Une" Project

As a Company, Enel Colombia joined the National Government's major initiative "#SembrarNosUne," which aims to plant 180 million trees over the next 3 years. This initiative is led by the Ministry of Environment and Sustainable Development, local governments, environmental authorities, private companies, and civil society.

Enel has supported the achievement of the National Government's goal by voluntarily planting 1,000 trees in the RENACE Forest reserve and planted an additional 1,000 species to voluntarily offset the Company's use of paper in administrative tasks.

Since 2007, Enel has planted over 77,000 native tree species through voluntary initiatives, contributing to the water and environmental sustainability of the communities and the area where the plants operate.

# Status assessment of forest offsets using remote sensing and multi-temporal analysis

An exploratory study was carried out with the Universidad Libre de Colombia to assess the status of Codensa's forest offsets executed between 2012 and 2018. A remote sensing project was developed to allow a multi-temporal analysis of vegetation cover for the study areas in the municipalities of Soacha, Suesca, and Pacho in the department of Cundinamarca.

Data obtained from drone flights and satellite images were geoprocessed to provide geospatial indicators and

vegetation indices, which showed the gain of vegetation cover in the 4 areas under study, where over 93 thousand trees had been planted through voluntary and mandatory offsets.

### **Recovering the Tropical Dry Forest**

Emgesa has a plan to restore the Tropical Dry Forest at the El Quimbo power plant, since less than 8% of this highly threatened ecosystem is left. Thanks to the execution of this plan, a science book was published on the propagation of Tropical Dry Forest species, and active and passive interventions are being carried out across 11,079 hectares.

### **Emgesa**

Among 2020 publications is the launch of the book "Betania Ecosistemas" (Betania Ecosystems), which seeks to build knowledge and ownership within the communities and municipal authorities of the different ecosystems in the reservoir's area of influence. This book was prepared in association with the region's university.

Similarly, a book on propagating native species in the tropical dry forest ecosystem was launched for the Quimbo project through a webinar, which presented progress on the restoration plan and research in the dry forest of the Magdalena River Valley.

Finally, "Guía para la identificación de aves" (Guide for the identification of birds) was created with the community to encourage bird watching in the municipalities around the generation plants, associated with CASALACO.



### **Central Termozipa**

- Sabana Ecopark Project, which seeks to recover approximately 60 hectares of Arrieros wetland in Tocancipá and the surrounding municipalities to protect endangered species such as the diving duck, the Canadian duck and the green-billed tingua.
- In addition, the project seeks to support connectivity between the Chingaza National Natural Park and the Bogotá river basin.
- The recovery of the ecological path of the plant continued.

### **Central Cartagena**

Design and implementation of an environmental improvement and care program, carrying out a connectivity analysis in the 8.84 hectares around the lagoon and the identification of three biological corridors. In this way, a balance is achieved between the activities of the plant and wildlife, as it is the only remaining fragment of the lagoon surrounded by mangroves.

### **Central Guavio**

- Diagnosis of flora and fauna in order to identify emblematic and endemic species that allow to leverage ecological tourism processes with the communities.
- In this study, more than 500 species of birds, 6 species of snakes, 7 species of amphibians and more than 40 species of trees were identified.

### Centrals of Río Bogotá

 Consolidation of the group of bird watchers, in which methodological knowledge about this activity was shared and the sighting and reporting of different species began.

### **Muña Reservoir**

Register of 51 species of terrestrial fauna, of which 8 are included in appendix II of CITES, among which are: collared hawk, common warbler, comet hummingbird, Mulsant hummingbird and sensitive species such as: aquatic warbler, red piranga, sabanera cock and gray cock along with fish like the captain of the savannah and guapucha in the tails of the reservoir.

### Tominé reservoir

Emgesa has a concession for this source. The water mirror was cleaned, as well as the control of invasive forest species, monitoring to monitor water quality, among other activities.

### Fish restocking in the Magdalena River

In 2020, Emgesa received approval from the National Authority of Aquaculture and Fisheries (AUNAP) to begin stocking fry of native species (bocachico, pataló, capaz, and dorada) in two sectors of the Betania reservoir: the Yaguará Santa Helena (SH) and Pacandé (PA) sub-embayments.

The fry are grown at the SurColombiana Experimental Station of Hydrobiological Resources, which was built and commissioned by Emgesa and is operated by Universidad SurColombiana. This station was the first to be certified as

a biosecure aquaculture site for native species from the Colombian Agricultural Institute (ICA). In compliance with the ICA, the quarantine area was finalized, which will have ichthyopathology and molecular microbiology laboratories that will strengthen health research and disease diagnosis for native fish species in the Upper Magdalena.

In 2020, AUNAP granted authorization to restock 1,1964,340 fry of native species in the reservoir area of the Betania Hydroelectric Power Plant. The fry were stocked in September and November 2020, as shown below:

September	November
Restocking of 320,000 fry of three species: 200,000 of capaz, 50,000 of dorada, and 70,000 of bocahico	Restocking of 150,000 fry of the species: 75,000 in Santa Helena and 75,000 in Pacandé

### Partnerships with universities/NGOs to develop biodiversity projects

In 2017, a cooperation agreement was signed with the Ingenial Foundation, a non-governmental organization whose primary objectives are research, promoting informal education programs, environmental sustainability, and the social protection of native and/or foreign flora and fauna. This agreement highlights the work that has been put into the ecological characterization and the functional connectivity model of Enel-Emgesa's area of influence in Tequendama. The area of influence includes Cubsio (San Antonio of Tequendama), Peñas Blancas (El Colegio and San Antonio de Tequendama), and Bosque Renace (Soacha). The corridor made it possible to learn about, strengthen, expand, and connect the protected areas of the corridor, and it also encourages low-impact uses, such as forestry or agroforestry systems, and discourages high-impact uses, such as large-scale deforestation. The success of this process is attributable to the cooperation between institutions and interested parties, which transformed it into a more inclusive, participative, and decentralized scenario, in favor of the biological diversity conservation of the Tequendama region. Two ecological connectivity models, one structural and a one functional, based on biological and forestry studies, were built for 5 municipalities in the Tequendama region. The models included the Bosque Renace region, which is considered significant for the conservation of strategic high-altitude Andean ecosystems. Studies were conducted using umbrella species and successional conditions of the forest and identified more than 1,000 hectares that are projected as an ecological corridor for the conservation of local flora and fauna.

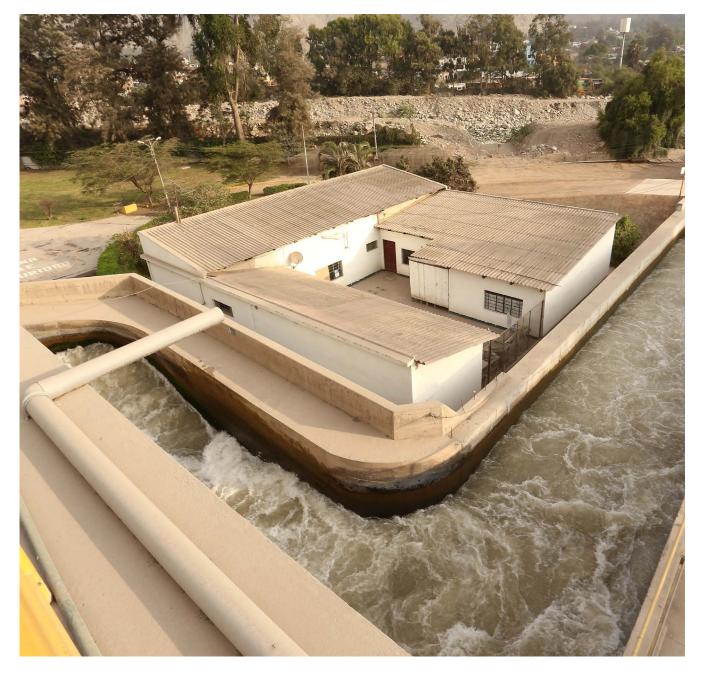


### Peru

### **Caring for biodiversity**

Peru has the second-highest wooded surface area in South America, covering approximately 57% of its territory. This represents one of its main renewable natural resources, and it also produces environmental services such as maintenance of water sources, habitat for biological diversity, and climate regulation for carbon capture. Regarding thermal generation, none of the Company's power plants are located within protected areas or in places inhabited by species listed on the International Union for Conservation of Nature's (IUCN) Red List of Threatened Species.

As part of the Company's environmental commitments, maintenance work is being carried out in wooded areas that contain native trees and fruit trees within the Malacas thermal power plant's area of influence. The Company's hydroelectric power plants are not located within protected areas; however, the Chimay hydroelectric power plant is in a dense forest area that is home to a wide variety of vegetation and animals that must be preserved. To do so, environmental parameters, such as water flow rate and macrobenthos and nekton populations, are monitored monthly to conserve their population.



# **Environmental Legal Proceedings**

The relevant environmental legal proceedings currently underway are those described below. They do not represent material environmental crimes. Further information is available in the annual report at <a href="https://www.enelamericas.com">www.enelamericas.com</a>

### El Quimbo (Enel-Emgesa)

### 1) Reason for litigation

- A class-action lawsuit was filed by artisanal fishermen against El Quimbo in 2015, claiming that the operation of the hydroelectric power plant may cause massive fish mortality.
- Lawsuit for nullity of the fine imposed by the environmental authority (ANLA) because the wood and biomass in the field were not collected before the reservoir filling stage (2015).
- This investigation began in 2012 due to the potential environmental damage caused by the construction and operation of the Quimbo dam.

### 2) Current status

- Class action: The first instance judgment was issued, which, although recognized that the oxygenation system implemented by Emgesa mitigated the risks associated with the protection of fauna in the Betania basin, imposed a number of obligations on the environmental authorities involved, as well as on Emgesa itself. In particular, the latter is required to implement a decontamination project aimed at ensuring that the water in the basin does not generate risks for the river's flora and fauna, which will be subject to verification by ANLA, as well as to permanently ensure the operation of the oxygenation system already implemented, adapting it to the parameters required by ANLA.
- Annulment of the penalty: Currently in the evidentiary phase.
- Criminal investigation: Under investigation by the Attorney General's Office.

### 3) Enel's Position

- Class action: The Company will file an appeal on the decision once the Court has defined certain requests for clarification and integration of the judgment. It will be proven that Emgesa is not polluting and that the measures taken comply with the oxygen level compatible with aquatic life.
- Annulment of the penalty: The fine has not been paid.
   Emgesa argues that the environmental license states that the wood and biomass collection may take place during the filling stage.
- Criminal investigation: Emgesa is performing the tests required by the environmental authorities to establish potential impact or damage to natural resources. Once the testing concludes, the Prosecutor's Office will be informed and it is hoped they will close the case.

### El Muña (Enel-Emgesa)

### 1) Reason for litigation

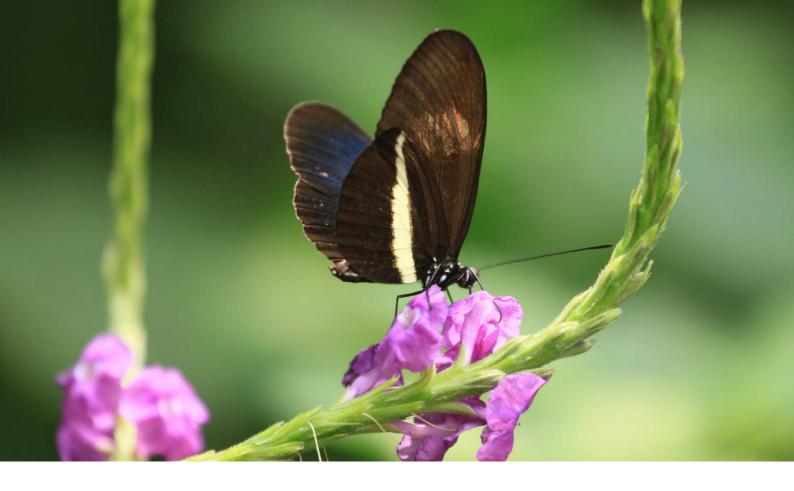
- A class action to obtain compensation for the damage caused by pumping contaminated water from the Bogotá River to the Muña reservoir, used to generate electricity.
- Class action for the Contamination and Sanitation of the Bogotá River and Muña Reservoir cause by industries and municipalities in the river basin.
- Three annulment actions against decisions issued by the environmental authority (CAR) that imposed obligations on the Company to ensure the decontamination of the river.

### 2) Current status

 Group action: in the initial phase because a growing number of companies and municipalities that discharge their waters into the river have been linked as defendants, meaning that appeals will be filed by these companies against those decisions.







- Class action: In 2014, the Cundinamarca Council of State Administrative Court ruled in favor of the collective right to a healthy environment and declared the industries and the municipalities in the basin to be responsible for the pollution in the Bogotá River for discharging polluted water, also declaring several Government offices, CAR, Empresa de Acueducto y Alcantarillado de Bogotá, municipalities in the basin, and others to be responsible for not monitoring the polluted discharges. The judgement is currently being complied with.
- Lawsuits for nullity: Two are pending a second instance ruling and one is pending a first instance ruling.

### 3) Enel's Position

 Group action: Emgesa submits evidence that the operation is not polluting and that the water is already polluted when it flows into the reservoir.

- Class action: Pursuant to the ruling, Emgesa is fulfilling its obligations to: (1) subscribe to Convenio Interinstitucional 9-07-10200-0688-2011 issued in 2011 to build, operate, and perform maintenance to the "Canoas" Lift Station for as long as the water concession is in force for electricity generation; (2) coordinate with Empresa de Energía de Bogotá and CAR to implement necessary activities for operation and maintenance of the Muña Reservoir. An Environmental Management Plan is being drafted for the Muña reservoir with Empresa de Energía de Bogotá (GEB) and with the assistance of CAR to comply with this requirement.
- Lawsuits for nullity: An appeal has been filed against two of the rulings. Nevertheless, an Environmental Management Plan is being drafted for the Muña reservoir with Empresa de Energía de Bogotá (GEB) and the assistance of CAR in order to incorporate some measures that may be useful for the decontamination of these waters.

# 14. GOVERNANCE

103-1 | 103-2 | 103-3



### Primary material topic: Sound governance and transparent conduct

### How is it managed?

Enel Américas has a strong corporate governance structure that operates under principles of transparency and ethical conduct, allowing it to achieve its ambitious goals while mitigating the risks related to the Company's governance. Enel Américas acts in accordance with the most demanding international practices and standards as well as national regulations, managing potential risks.

The governance structure is designed to oversee the impact of operations, aiming to create value for all stakeholders. The Board of Directors is the main governance body, leading the company's strategy and decision-making.

Integrity in the Company's operations is supported by Enel's Global Compliance Model and Criminal Risk Prevention Model, in addition to policies that promote conduct that meets high standards of transparency.

### **Material topics**

- Anti-corruption
- Board and top Management structure
- Fair competition
- Fairness and transparency
- Fairness in management conduct
- Sound organizational model and compliance programs
- Transparency in relationship with institutions
  - Legal affairs management

### Importance of good management

Corporate governance is a backbone of sustainability and is one of the four founding pillars in Enel Américas' sustainability plan to ensure efficient and reliable management that accounts for excellent risk management, aiming to create long-term value for shareholders and ensuring business continuity.

Sound governance is the cornerstone of proper decision-making processes that integrate environmental and social aspects. The risk of not having a strong governance structure in place could result in non-compliance with legal regulations and potentially lead to misconduct, impacting the Company's reputation and results. All this would trigger a loss of stakeholder trust in the Company, namely from investors and shareholders, in addition to the destruction of value.



### Targets and challenges

SDG		Activities/targets	2020-2022 Plan targets	2020 Results	<b>2021-2023</b> Plan targets
16 PEACE, JUSTICE AND STRONG INSTITUTIONS		Structured induction plan and training for Directors, including topics on compliance, the Criminal Risk Prevention Model (CRPM), and antibribery.	Five talks per year	Eight talks	Five talks per year
16 PEACE, JUSTICE AND STRONG INSTITUTIONS		Maintain ISO 37001 anti- corruption certification	Maintain certifications for Enel Américas and its main subsidiaries	100% of companies planned, anticipated certification of 4 additional companies in Brazil and 3 in Peru.	Maintain existing certifications. Recertify Brazil and Peru (partial)
16 PEACE, JUSTICE AND STRONG INSTITUTIONS		Ongoing improvement of Compliance Programs/CRPM.	Ongoing improvement of risk and control matrices	Done	Update risk and control matrices in accordance with Law 20.393. Implement the Compliance Road Map
PEACE, JUSTICE AND STRONG INSTITUTIONS		Training on the Criminal Risk Prevention Model and the Enel Global Compliance Program	15% of workers	74% of workers, mainly with virtual training sessions	16% of workers
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTMERSHIPS FOR THE GOALS	Complete Human Rights due diligence	Every three years	Completed	Every three years

Material topic and principles of the Policy on Human Rights	
Integrity: Zero tolerance of corruption	
Privacy & communication	<b>S</b>

### Sound governance

Enel Américas is a publicly traded corporation listed on stock exchanges in Chile and in the United States (New York) as American Depositary Receipts (ADS). The Company's capital is divided into 76,086,311,036 shares distributed among 23,255 shareholders, which include institutional investors and both domestic and international individuals. The investor base includes pension funds, mutual funds, insurance companies, and local and foreign investment funds, through which Enel Américas has adopted best practices in transparency and corporate governance.

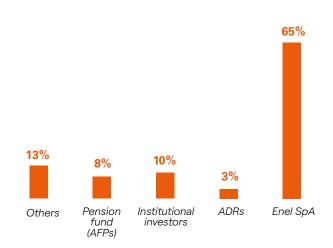
# Relations with shareholders and the financial community

Since the listing of its shares on the Stock Exchange in both Chile and the United States, Enel Américas has deemed it appropriate to set up corporate structures dedicated to dialogue with institutional investors and with the broader category of shareholders.

Therefore, the Company set up the Investor Relations Unit, currently within the Administration, Finance, and Control Function. In this context, Enel Américas maintains dialogue with investors based on principles of fairness and transparency, in compliance with Chilean Financial Market Commission (CMF) and regulations on market abuse, as well as in line with international best practices.

The Investor Relations Unit is in charge of providing transparent, timely, and quality information to the market on the Company's main financial, strategic, operational, and ESG matters. This Unit is authorized to respond to shareholder and investor inquiries. Among other matters, the Investor Relations area drafts Enel's equity story

### SHAREHOLDERS ENEL AMÉRICAS



and organizes meetings between the Enel América's management, institutional investors, and financial analysts. It also oversees the documentation to be submitted to the latter when disclosing periodic financial data to the market and in updating the Strategic Plan.

This is accompanied by ordinary activities, which include group or one-on-one meetings, conference calls, and interaction with financial analysts, with the aim of supporting them in their analysis and ultimately facilitating the correct assessment of the Company by the financial community. With the support of the Sustainability Unit, the Investor Relations Unit also discusses environmental, social, and governance (ESG) issues with investors. Also, Enel Américas' website (<a href="https://www.enelamericas.com">www.enelamericas.com</a>, "Investors" section) provides access to economic, financial, environmental, social, and governance information and updated data and documents of particular interest, providing a multidisciplinary and integrated vision.

The main communication channels with the market include the website, Investor Relations app, conference calls, emails, face-to-face meetings, video conferences, and participation in local and international conferences.



### Adapting to the pandemic

Enel Américas held around 300 meetings in 2020, including both one-on-one meetings requested by investors as well as roadshows and conferences. All activities were held virtually as a result of the COVID-19 pandemic.

On April 30, the Company held its Annual Shareholders' Meeting via the Internet for the first time. At the Meeting, the Chairman thanked the shareholders for their participation in the assembly despite the prevailing circumstances of the COVID-19 pandemic. The Meeting was held through live broadcasting systems and through a remote voting and assistance method.

The Company's Board of Directors approved the possibility of participating as well as voting remotely in the Ordinary Shareholders' Meeting, as set out in General Standard No. 435 issued by the Financial Market Commission on March 18, 2020, which authorized companies to hold Shareholders' Meetings through technology-based systems that would permit remote participation of shareholders and remote mechanisms of intervention and voting. Pursuant to Circular Letter No.1. 141 issued by the FMC on 18 March 2020, said public authority ratified the use of technological means for remote participation and voting in shareholder assemblies and the remote participation of other persons who, by law and valid statutory and contractual regulations, are required to do so.

### **Governance structure**

102-18 | 102-22

Enel Américas' corporate governance structure complies with the principles set forth in the Corporate Governance Code for listed companies, in its latest amendment (July 2018 edition), which is globally adopted by the Company, drawing inspiration from international best practices. The corporate governance system adopted by Enel Américas aims to create value for shareholders over the long term, and it includes safeguards for ethical and transparent conduct to regulate the behavior of those who are part of Enel Américas, creating value for stakeholders, thanks to the compliance system in place throughout the Company.

To ensure that the established principles are adopted and implemented, the Company has designed a Global Compliance model consisting of documents and tools, such as the Code of Ethics, the Zero Tolerance of Corruption Plan, protocols, the Enel Compliance Program, the Criminal Risk Prevention Model, the Anti-Bribery Management System and a reporting system (Ethical Channel), which guarantees the confidentiality of the person filing the complaint.

This model lays the compliance foundation for the bodies that make up the internal structure, as well as for those related to the Company, who are informed and must commit to these guiding principles.

Additionally, there are a series of procedures that ensure adherence to these policies, whether in procurement, acquisitions, hiring, or quotation processes, among others.

# **Enel Américas' Board of Directors**

The highest governance body of Enel Américas is its Board of Directors, which is responsible for establishing the guidelines that define the Company's strategy, approving the Company's mission, corporate values, code of conduct, policies, business strategy, and risk management.

It is comprised of seven professionals with experience in the electricity sector from previously held board positions or executive positions in the industry. They are elected by the Shareholders meeting for a three-year period and may be reelected.

### **Procedure**

Regarding the directors' attendance at the ordinary and extraordinary Board meetings that are held, the Board of Directors has agreed to an average minimum attendance of 75%, either in person or online. In 2020, the average attendance of all directors reached 88%.

In the event of the death, resignation, bankruptcy, incompatibilities or limitations or other impossibility that

disqualifies a director from performing their functions or makes them cease to hold office, the total renewal of the Board will occur at the next Ordinary Shareholders' Meeting to be held. Until such time, the Board may appoint a replacement.

Given that it is the main body of the Company, and to ensure its high level of performance, an external and independent expert analyzes and evaluates the management of the Board of Directors each year.

### Mr. Francisco, de Borja Acha Besga

#### Chairman

Date of appointment: as of April 28, 2016 (1)

Profession: Law Degree, Universidad Complutense de Madrid.

### Mr. José Antonio Vargas Lleras

#### **Director**

Date of appointment: as of April 28, 2016.

Profession: Law Degree, Universidad Colegio Mayor del Rosario (Colombia).

### Mr. Enrico Viale

### **Director**

Profession: Engineer, Universidad Politécnica de Turín; Other Studies: MBA Business School, Santa Clara University

### Mr. Livio Gallo (\*)

### Director

Date of appointment: as of April 28, 2016.

End date: November 9, 2020

Profession: Electronic Engineer, Universidad Politécnica de Milán

\*: Mr. Livio Gallo submitted his resignation at the Extraordinary Board Meeting held on November 9, 2020.

#### Mr. Hernán Somerville Senn

#### Director

Profession: Law Degree, Universidad de Chile.

Other studies: Master of Comparative Jurisprudence, New York University

Date of appointment: as of April 28, 2016 (2) Chairman of the Directors' Committee

### Mr. Domingo Cruzat Amunátegui

### **Director**

Profession: Industrial Civil Engineer, Universidad de Chile. Other studies: MBA, The Wharton School of the University of Pennsylvania.

Date of appointment: as of April 28, 2016. Member of the Directors' Committee

### Mr. Patricio Gómez Sabaini

### **Director**

Profession: Bachelor's Degree in Business Administration; George Mason University, Virginia Other Studies: Master's in Business Administration, George Washington University, Washington DC

Date of appointment: as of April 28, 2016

(1) Initially elected on June 30, 2015, as Director of Enersis Américas S.A., predecessor of Enel Américas S.A. (2) Initially elected on July 29, 1999, as Director of Enersis S.A., predecessor of Enel Américas S.A.





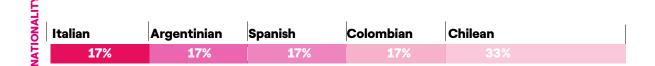


# Board Diversity

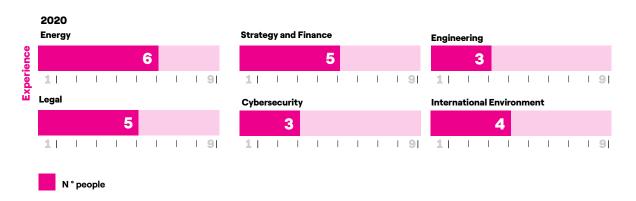


	Between 51 and 60 years	Between 61 and 70 years	Over 70 years
AGE	50%	33%	17%

IQUITY	Between 3 and 6 years	OVER 12 YEARS
ANT	17%	83%



# Years of experience





# Information for directors and shareholders

102-27

### **Induction procedure for new directors**

Consists of meetings with the Chairman of the Board and the different units of Enel Américas to be informed on the mission, vision, and strategic goals. Each new board member is given a copy of the Policy on Human Rights, sustainability reports, Code of Ethics, Zero Tolerance of Corruption Plan, and the Diversity Policy.

### **Ongoing Board training procedure**

The training covers regulatory and organizational changes and other relevant events. It provides the tools to strengthen the necessary competencies for the Board to perform and achieve the Company's objectives. The training program for directors is available on the website <a href="https://www.enelamericas.cl">www.enelamericas.cl</a>.

### Information for shareholders

Sets the timing and the content of information about the candidates for the Board to be disclosed to shareholders, such as their experience and professional profile, among other relevant information.



### **Approval of contract with external auditors**

At an extraordinary session held on May 28, 2020, the Directors' Committee agreed to approve the contract with the external auditors KPMG Auditors Consultores SpA.

Regarding the change of auditors, there is no Chilean regulation that requires a change of external auditor every certain number of years, and the appointment of the external auditor is the responsibility of the Ordinary Shareholders' Meeting each year. However, the Public Company Accounting Oversight Board (PCAOB) and the Financial Market Commission (CMF) require a change of audit partner every five years, which is provided for in the Partner Rotation Policy of the appointed auditing firm.

This is in line with the internal controls required by the Securities and Exchange Commission (SEC) for listing on the U.S. Securities and Exchange Commission under the Sarbanes-Oxley Act (SOX), which contributes to good Company governance.

# Roles and duties of the Board of Directors

102-19

The Board delegates its power for the administration and management of Enel Américas to the General Manager and the executives, who are appointed according to the needs of the business. Although it is the body responsible for economic, environmental, and social decisions that involve the Company, it transfers some of its duties through a power structure that establishes protocols for the competences required for different matters, which is validated by the Board.

The Board holds monthly meetings to monitor the performance of the Enel Américas, as reported by the General Manager and his executive team, in business matters that include sustainability issues, such as environmental management, climate change, diversity and inclusion, health and safety, community relations, and Human Rights, among others. The Board also analyzes one,

previously selected, significant risk every meeting according to a specific calendar until completing the yearly review of the Company's maps of risks related to the processes and activities affecting the Company, as well as the business and its industry.

In accordance with the requirements of General Rule No. 385 of the Financial Market Commission (CMF), the Sustainability Unit presents the results of the different indicators that measure the Company's sustainability performance on a quarterly basis. These indicators are determined based on the three-year Sustainability Plan, which considers business objectives and targets focused on energy transition, social goals for employees and communities in the area in which it operates, and finally, indicators related to the four pillars that underpin Enel Américas' sustainable business: sustainable supply chain, environmental sustainability, occupational health and safety, and sound governance. Management's performance regarding stakeholder relations is informed by other areas, such as Institutional Relations, Investor Relations, Communications, Market among others.

In a meeting on June 25, 2020, the Board of Directors of Enel Américas agreed to delegate duties related to sustainability, including climate change, to the Directors' Committee.





The Board also monitors and oversees the Compliance Program, the operation of the Criminal Risk Prevention Model and the performance of the Ethical Channel, process risks, and the overall execution of all duties of the Internal Audit Unit, which reports to the Board at least once every quarter.

# Independence of Directors

**Chilean legislation:** Article 50a of Law No. 18.046: Those who, at any time, within the last 18 months have been in any of the following circumstances shall not be considered independent:

- 1) Those who have maintained any connection, interest, or economic, professional, credit or commercial dependence, of a relevant nature and volume, with the company, the other companies of the group of which it is part, its controller, or with the chief executives of any of the above, or those who have been directors, managers, administrators, chief executives, or advisors thereof.
- 2) Those who have maintained a relationship of kinship of up to the second degree of consanguinity or affinity, with the persons indicated in number 1) above.
- 3) Those who have been directors, managers, administrators, or executives of non-profit organizations that have received relevant contributions, assistance, or donations from the persons listed in number 1).
- 4) Those who have been partners or shareholders who have owned or controlled, directly or otherwise, 10% or more of the capital; directors; managers; administrators or chief executives of entities that have provided legal or consulting services, in relevant amounts, or external audit services, to the persons referred to in number 1).
- 5) Those who have been partners or shareholders who have owned or controlled, directly or otherwise, 10% or more of the capital; directors; managers; administrators or chief executives of the company's main competitors, suppliers, or customers.

Under this criteria, Mr. Hernán Somerville Senn, Mr. Patricio Gómez Sabaini, and Mr. Domingo Cruzat are Independent Directors of Enel Américas. **International Criteria:** The members of Enel Américas' Directors' Committee are considered independent directors in accordance with the requirements of the Sarbanes-Oxley Act and NYSE standards.

The NYSE listing standards state that a member of the directors' committee is not independent if any of the following apply:

- 1. The director is, or has been within the last three years, an employee, or an immediate family member is, or has been within the last three years, an executive officer.
- 2. The director has received, or has an immediate family member who has received, during any twelve-month period within the last three years, more than \$120,000 in direct compensation, except for directors fees and other permissible payments.
- 3. The director is a current partner or employee of the company's internal or external auditor; the director has an immediate family member who is a current partner of such a firm; the director has an immediate family member who is a current employee of such a firm and personally works on the listed company's audit; the director or an immediate family member was within the last three years a partner or employee of such a firm and personally worked on the listed company's audit within that time.
- 4. The director is a current employee, or an immediate family member is a current executive officer, of a company that has made payments to, or received payments from, the listed company for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of \$1 million or two percent of such other company's consolidated gross revenues.

Under this criteria, Mr. Hernán Somerville Senn, Mr. Patricio Gómez Sabaini, and Mr. Domingo Cruzat are Independent Directors.

Pursuant to the criteria established by the Dow Jones Sustainability Index, an independent director is one who meets the following conditions:

 The director must not have been employed by the company in an executive capacity within the last five years.

- The director must not be a "family member of an individual who is, or during the past three years was employed by the company or by any parent or subsidiary of the company as an executive officer."
- The director must not be (and must not be affiliated with a company that is) an adviser or consultant to the company or a member of the company's senior management.
- The director must not be affiliated with a significant customer or supplier of the company.
- The director must not be affiliated with a not-for-profit

- entity that receives significant contributions from the company.
- The director must not have been a partner or employee of the company's outside auditor during the past three years.
- The director must not have any other conflict of interest that the board itself determines to mean they cannot be considered independent.

Under this criteria, Mr. Hernán Somerville Senn, Enrico Viale, Patricio Gómez Sabaini, and Domingo Cruzat are independent directors.

### **Main executives**

### **General Manager**

### Mr. Maurizio Bezzeccheri

Profession: Doctor Cum Laude degree in Chemical Engineering Università di Napoli; R+D Development of Steam Generators; Official Professional Qualification for Engineering Practice.

Appointment date: as of August 1, 2018.

### **Internal Audit Officer**

### Mr. Raffaele Cutrignelli

Profession: Bachelor's degree in International Business.

Nottingham Trent University (UK).

Master's Degree in Auditing and Internal Controls.

University of Pisa (Italy).

Certificates in Strategy, Innovation, Management, and

Leadership.

Massachusetts Institute of Technology (MIT).

Appointment date: as of October 1, 2016.

### **Administration, Finance, and Control Officer**

### Mr. Aurelio Bustilho de Oliveira

Profession: Business Administration.

University of Brasilia.

MBA from Universidad Federal Rio Janeiro/ COPPEAD.

Appointment date: as of October 1, 2018.

### **Legal Counsel and Secretary of the Board**

### Mr. Domingo Valdés Prieto (1)

Profession: Lawyer, Universidad de Chile.

Master of Laws, The University of Chicago (USA).

Appointment date: as of April 30, 1999.

### **Planning and Control Officer**

### Mr. Francisco Javier Miqueles Ruz (2)

Profession: Commercial Engineer

Universidad Central

Appointment date: as of February 26, 2020

### **Enel X South America Officer**

### Mr. Simone Tripepi

Profession: Engineer

Universita Degli studi di Roma "Tor Vergata" Appointment date: as of August 29, 2019.

(1) They also hold the same positions in Enel Chile.

(2) Francisco Miqueles took over on 26 February 2020, replacing Paolo Pescarmona.

### Risk management

102-30

### **Risk Management Policy**

Enel Américas follows the guidelines provided by the Risk Management Control System (SCGR) defined and approved by the Board of its parent company, Enel SpA, which establishes a set of risk management guidelines through standards, procedures, systems, etc. to be applied at the Company's different levels in their identification, analysis, evaluation, treatment, and communication processes for risks that the business must continuously face.

Each company of the Group, including Enel Américas, defines its own Risk Control and Management Policy, which its respective Board reviews and approves at the beginning of each year, identifying and applying local requirements in terms of risk culture. The Risk Control and Management Policy is developed and supplemented by the following specific policies that are established for certain risks, corporate functions, or group businesses, and include limits and indicators that are subsequently monitored.

The Risk Control area has the ISO31000:2018 (G31000) International Certification and manages the Company's risk according to the current guidelines of this international norm. The main objective is to preemptively identify risks (endogenous and exogenous), and analyze, evaluate, and quantify their probability of occurrence and impact, as well as treat them by establishing mitigation measures and their respective action plans together with the areas and Risk Owners responsible for the different risks. The risk treatment phase considers all necessary actions that are consistent with the Company's policies and internal procedures, strictly following international standards (ISO and OSHAS) and government provisions that require

risk management in an evidenced and sustained way to guarantee good governance practices and ensure business continuity.

Each quarter, the Risk Control area presents a risk map to the Board of Directors that includes sustainability and change risks to inform on the Company's risk management, evidencing the identification of new risks and the development and monitoring of those that were previously identified.

Complying with the global commitments in terms of Sustainability, the Risk Control area, together with the Sustainability area, has developed the methodological basis to define the risk identification process for those affecting the fulfillment of Company sustainability commitments, directly involving all the responsible units and raising awareness of this issue's importance for the Company and for the world in general, resulting in the sustainability risk matrix.

The Company has set up a Crisis Committee which aims to guarantee decision-making and internal/external communication clarity, speed, and efficiency to manage any event that may compromise people's safety, public and business service continuity, the environment, asset protection, the Company's and management's image and reputation, as well as to minimize impacts on stakeholders to guarantee rapid restoration of normal operating conditions.

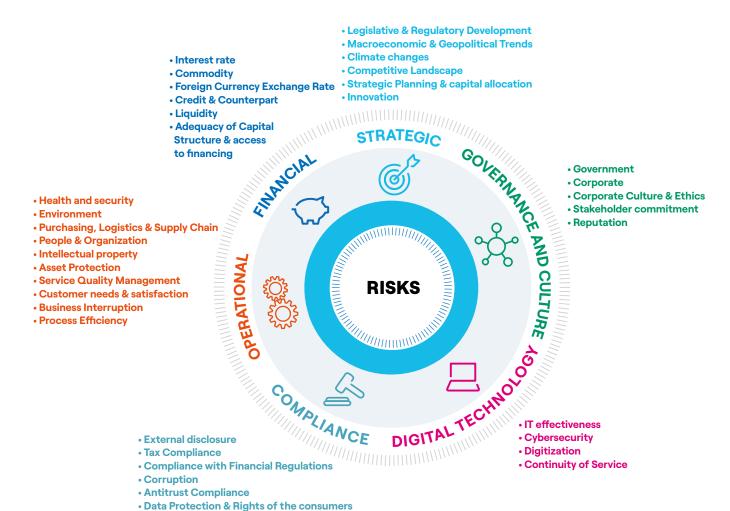
Apart from the Crisis Committees, the Company has set up a Critical Event Monitoring Office (OMEC) in each country, which monitors and manages crises in real time, 24 hours a day, 365 days a year. These offices were actively involved in the internal management of the Covid-19 crisis in 2020, with daily dispatches of alert bulletins informing of the coronavirus situation since March.

Compliance with other laws & regulations

### Main risks

### 102-29

The Company seeks protection from all risks that may affect its ability to accomplish its business objectives. A new risk taxonomy for the entire Enel Group was approved in January 2020, which considers six macro categories and 37 subcategories, as follows:





**Strategic Risks:** are risks that can significantly affect the Company's strategic objectives, both in the short and long term, such as risks arising from climate change.

Financial Risk: refers to the probability of an event which may have negative financial consequences for the Company, in relation to: (i) financial market risks, (ii) risks arising from any restrictions on access to the financial market, and (iii) commodity risks, including energy commodities such as gas, oil, coal, or variability of external factors that may affect the prices or volumes of commodities, such as hydrology, considering local peculiarities and market restrictions.

Operational Risks: represent the risks related to the operation, resulting from inadequate internal processes, systemic network failures, and other events with external causes, which may affect the quality of energy supply and performance indicators in the main identified aspects. Compliance Risks: represent risks of non-compliance with a regulation or standard. Therefore, risk management in compliance requires knowing and clearly establishing the laws and regulations governing the Company.

**Digital Technology:** these are risks inherently related to vulnerability to cyber attacks, which can take many forms, from data theft and ransomware to system invasions with potentially harmful consequences on a large scale, including service interruptions and loss of personal data.

Governance & Culture: these are risks of incurring judicial or administrative sanctions, economic or financial losses, and reputational damage as a result of the inability to meet stakeholders' expectations, ineffective exercise of oversight functions, and/or the absence of integrity and transparency in decision-making processes, and/or a consequence of unauthorized attitudes and conduct of employees and senior management, in violation of the Company's ethical values.

The risk taxonomy and its management cover the complete risk assessment process (identification, analysis, and valuation) pursuant to ISO31000:2018, clearly reflecting the risks assessed, highlighting the probabilities and impacts thereof, quantified before and after mitigating actions. Once the risk assessment process is complete, each responsible area works together with the risk management area in continuous risk treatment, aiming to reduce risk levels through preventive management and always seeking to reduce the probability and impact of each one, which is presented to the Board of Directors and the Company's senior management every month.

Enel Américas' corporate governance is a fundamental instrument to guarantee efficient and reliable risk management, aiming to create shareholder value and business continuity.

#### **SOX** internal control

The Sarbanes-Oxley Act states that the Company's management is responsible for establishing and maintaining adequate internal control over financial reporting. Enel Américas' internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

This internal control can provide reasonable assurance regarding the preparation and presentation of the financial statements. Additionally, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate over time. On a semi-annual basis, the controls established in the Company are self-assessed by each control officer and may be modified due to changes in the Company's processes. The results of these self-assessments and the independent testing of internal control are presented to the Board of Directors on a semi-annual basis.

The assessment of internal control is based on the criteria established in "Internal Control - Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO 2013 framework).

Our ESG performance

## Internal audit

The Internal Control and Risk Control System and the alignment of this system with the Company's business model is one of Enel Américas' critical success factors.

The Internal Audit Unit is responsible for objectively and independently ensuring the efficiency and effectiveness of the internal control and risk management system. Given the nature of the Internal Audit Unit, it reports directly to the Board of Directors at least once every quarter, including any serious deficiencies that have been detected or possible irregularities that must be reported to the auditing bodies or other competent entities, as well as events that may affect the Company's judicial standing.

This department carries out audits to periodically evaluate the performance of the Company's operations under a risk-based approach, identifying the areas of improvement and facilitating, together with the process owners, action plans to strengthen the Internal Control System to minimize irregularities or cases of potential fraud that may affect the company. The results of each audit and the follow-up on the implementation of the action plans are periodically reported to the Board, which directly supervises the execution of improvement actions.

Each audit includes control activities linked to the Criminal Risk Prevention Model (CRPM), which contains the requirements of the Crime Prevention Model of Law 20.393 and promotes international best practices to prevent and detect potential risks of illegal behavior, fraud, and any other action that may be in conflict with the Enel Group's ethical principles.

This work methodology is also applied by Enel Américas' subsidiaries, considering the specific context of each country where the Company operates.

In 2020, the Audit Manager and Compliance Officer reported to the Board of Directors in sessions held in January, February, March, July, August, and September all the issues indicated above, in addition to the management of the Ethical Channel.

In 2020, aiming to continue innovating and improving auditing practices, the Company strengthened the Agile methodology applied throughout Enel Américas' Audit Plan in Chile, also carrying out 13 audits under this methodology in the countries where the region's subsidiaries operate. This way of working, which will be further leveraged in 2021, is in line with the Agile practices implemented in Enel and seeks to improve the expertise, efficiency, and timeliness of the results, strengthening the commitment and collaboration with the process owners.

Moreover, knowledge acquisition and the implementation of big data analytics techniques, "Data Analytics," in auditing activities have been strengthened since 2019. These allow more robust and effective conclusions to be obtained, as well as a greater risk assurance for those reported to the governance bodies in cases of large magnitude data universes (millions). In 2020, significant auditing work was done in Enel Américas' subsidiaries, applying tools such as ACL, Power BI, and SQL, which added greater value and strengthened the control system for processes such as Billing, Credit Management, Metering, and Collection.

The use of these methodologies will continue to be intensified in 2021, consistent with the digitalization strategy of Enel Américas and its subsidiaries. The Company aims to implement a growing number of work tools in auditing activities related to data analysis and artificial intelligence, which will then enable greater efficiency and added value in the Company's risk assurance activities.

# Norms and Ethical Conduct

102-16 | 102-17

Enel Américas is fully committed to complying with its ethical standards and conduct as well as with the current legislation of each sector where it operates regarding both internal and external relationships with other stakeholders. Transparency and ethical behavior are values that build trust and responsibility with all stakeholders.





The Company and its subsidiaries rely on a Code of Ethics, approved by the Board of Directors, to guide the behavior of directors, executives, employees, and contractors. The Code outlines the commitments and ethical responsibilities to be followed in managing the business and performing entrepreneurial activities.

The Code of Ethics consists of 16 principles that define values such as impartiality, honesty, integrity, and correct behavior when facing potential conflicts of interest, information confidentiality, fair competition, etc.

The Code of Ethics and other documents that provide the framework for Enel Américas' ethical culture, such as the Zero Tolerance of Corruption Plan and the Global Compliance Program, are handed to employees, directors, suppliers, and contractors, in addition to being posted on the website to offer easy access to all stakeholders.

The Board of Directors is responsible for the Company's compliance with ethical norms and criminal risk prevention measures, and it delegates follow-up and management to the Internal Audit Unit.

The Company strictly abides to the Chilean Corporations Law, which establishes independence criteria to avoid conflicts of interest. Also, the Board of Directors has voluntarily adopted General Norm 385 enacted by the Superintendence of Securities and Insurance (SVS), today the Financial Market Commission (CMF), which refers to relying on an independent outside expert to detect and implement potential improvements or areas of improvement, as is performed annually by the external auditing firm who issues a report that is submitted every year to the Board of Directors. The Internal Audit department also directly informs the Board on compliance with NCG 385.

# **Criminal Risk Prevention Model**

Enel Américas actively opposes any type of unethical behavior, illicit activity, and corruption, either direct or indirect, within the scope of any value chain process, operation site, or with any stakeholder.

Enel Américas has a Criminal Risk Prevention Model (MPRP), which is a system to control and prevent criminal activity within the organization, mitigate Criminal Liability of Legal Entities, compliance risk, and reputational risk in the activities of all companies in which Enel Américas holds a majority stake, controls the administration, or is responsible for its management. The Model mainly responds to Chilean Law 20.393 and the Penal Code.

# Law 20.393 and its amendments during the pandemic

Law 20.393 and its amendments establish criminal liability of legal entities for offenses in asset laundering, terrorism financing, bribery, concealment, corruption between individuals, misappropriation, incompatible negotiation, unfair administration, water pollution, illegal fishing, activities with banned products, and activities with scarce fishery resources without legal accreditation. Under the context of the Covid–19 pandemic, Law 20.393 was amended in 2020, adding an offense related to the protection of workers' health.

This MPRP model is comprised of a set of controls and norms, risk assessment, control activities, monitoring and evaluation, training and communication, a disciplinary system, among others that cover legal requirements. The Model applies to all activities and conduct of Board members, managers and officers, employees, suppliers, public officials, communities, and all other stakeholders that interact with Enel Américas.

The MPRP and the Enel Global Compliance Program comply with local regulation, namely Law 20,393, and the highest international standards, such as ISO 37001, Foreign Corrupt Practices Act (USA), and Bribery Act (United Kingdom). The Company also has included the definitions of the Global Compact and the Sustainable Development Goals, both developed by the United Nations.

This model is conceived as the backbone of Enel Américas' operations and is therefore a guide to conduct and risk prevention for the entire Company. Consequently, all employees sign a commitment to comply with the Company's ethical norms when they are hired, and their employment contract has an appendix that refers to these matters.

The model includes a disciplinary and sanctions procedure based on internal order and hygiene rules that is overseen by the People and Organization department and Legal Counsel to ensure that punishments are applied when rules are disobeyed and involve the corresponding authorities, if required.

The Board approves all documents involved in the compliance system, including the Criminal Risk Prevention Model, and relies on the Crime Prevention Officer for its implementation.

The Crime Prevention Officer has the autonomy, power, and resources required to properly execute their duties. The Board regularly evaluates and monitors the implementation and improvement of the Company's procedures in this area by meeting with the Crime Prevention Officer, who reports on the main activities related to their execution and correct operation.

Enel Américas continued updating the Criminal Risk Prevention Model to include the amendments to Chilean Law 20,393 in late 2018 and early 2019, which added criminal liability of legal entities for offenses in corruption between individuals, unfair administration, incompatible negotiation, misappropriation, illegal fishing, water pollution, activities with banned products, and activities with scarce fishery resources without legal accreditation. These crimes are added to asset laundering, financing terrorism, concealment, and bribery, which is considered an extraterritorial crime.

Additionally, under the context of the Covid-19 pandemic, Law 20,393 was amended, adding an offense related to the protection of workers' health. Enel Américas has already worked on updating the risks and specific controls of the Criminal Risk Prevention Model with all areas and processes of the Company and the support of outside experts.

The Criminal Risk Prevention Model operated normally throughout 2020, despite the change in the labor and global context due to the Covid-19 pandemic. It is important to mention that compliance provided support to those responsible for processes to ensure the mitigation of operational compliance risks without affecting the continuity of the company.

All Enel Américas subsidiaries also have a compliance program that is aligned with their respective business practices and includes the specific regulations established by each country. In companies that are not directly controlled by Enel Américas, joint ventures, related companies, or suppliers and contractors, the Company promotes the implementation of independent codes, aligned with local legislation and Enel Américas' standards.

In 2020, Enel Américas recertified its Criminal Risk Prevention Model in accordance with Law No. 20,393, which establishes criminal liability of legal entities for offenses in asset laundering, terrorism financing, bribery, corruption between individuals, among others. The certification was granted for two years, which is the maximum term provided by law, and the evaluation covered the new offenses included in the Law between 2018 and 2019, including corruption between private parties, unfair administration, and water pollution.





#### **Current legislation governing subsidiaries**



#### Criminal liability for legal persons Law 27,401 in force

Establishes criminal liability of legal persons for corruption, extortion, among others. In October 2018, the anticorruption office published detailed guidelines to comply with this law.



#### Anticorruption Law 12,846/2013 in force

Establishes civil and criminal liability of legal entities for committing acts against national or foreign public administration.



#### Law 1.778 of 2016 in force

Establishes norms regarding legal entities' liability for transnational corruption and others. Complements Law 1,474 of 2011, Anticorruption Statute.



#### Legislative Decree 1,352 of 2017 in force

Establishes criminal liability of legal persons for corruption, money laundering, and financing terrorism.

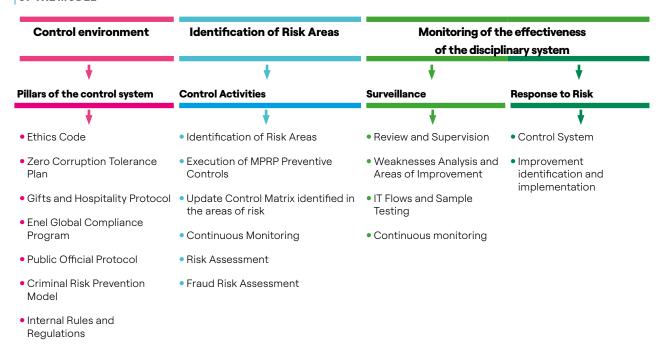
The Peruvian government established a new decree that determines the minimum elements and concepts of the Prevention Model.

The supervision and evaluation of the internal and external implementation of these programs is an ongoing task planned and developed annually as part of the "Compliance Road Map."

Main documents that form the Criminal Risk Prevention Model

- · Code of Ethics.
- Enel Global Compliance Program.
- Zero tolerance of corruption plan.
- Protocol in dealing with public officials and authorities.
- Gifts and hospitality policy.
- Internal Rules of Order, Hygiene, and Safety
- Conflicts of Interest Management Policy.
- Policies for hiring consultancies and professional services.
- Donations policy.
- Tenders and procurement policy
- Sponsorship policy.

#### ELEMENTS OF THE MODEL



#### **Certifications**

Enel Américas has been a leader in implementing voluntary practices for ethics and transparency in business, becoming the first multinational company in South America to certify its Anti-Bribery Management System under the international standard ISO37001 at the close of 2018.

In 2020, the main Brazilian subsidiaries (Enel Brasil, ED Ceará, ED Río de Janeiro, ED Goiás, ED Sao Paulo, Enel X Brasil, CIEN, and CGTF) and those in Peru (Enel Generación Piura, Chinango S.A.C, and Enel X Perú S.A.C) obtained the ISO 37001 Anti-Bribery Management System certification for the first time. In this same period, Enel Américas, together with its subsidiaries Edesur (Argentina), Enel-Codensa and Enel-Emgesa (Colombia), Enel Distribución Perú, Enel Generación Perú, and Chinango S.A.C (Peru), maintained their Anti-Bribery Management System certification under the international ISO 37001:2016 standard.

# ISO 37001 Anti-Bribery Management System

Under the tenth principle of the Global Compact, companies commit to fighting corruption in all its forms, including extortion and bribery. To contribute to this commitment, Enel Américas applies and maintains the pillars of its ISO 37.001 Anti-Bribery Management System.

The ISO 37001 standard specifies a series of measures and best practices to aid organizations in preventing, detecting, and confronting bribery, working alongside the Company's fulfillment of its voluntary commitments. In Enel Américas, this system is focused on identifying risks and designing, executing, and improving behavior controls and standards in operations deemed risky, such as negotiations and any type of contract or commercial relationship with third parties, public and private tender participation, financial

resource management, gifts and hospitalities management, employee selection processes, management incentive mechanisms, among others.

The Anti-Bribery Management System is part of Enel Américas' compliance program. The Board of Directors is its maximum authority, and together with the Company's Senior Management, they promote bribery prevention in Company activities and operations.

Enel Américas has participated in numerous national events, sharing its experience in implementing this important certification in the Company and transferring it to its subsidiaries.

# Supply Chain Compliance System

Enel Américas' compliance program extends to suppliers and contractors, who adhere to the Company's compliance provisions by agreeing to the General Contract Conditions, which include the Code of Ethics, the Zero Tolerance of Corruption Plan, and additional documents that are part of the Company's compliance plan. Enel Américas promotes crime prevention and fights corruption through training programs specifically designed for supply chain activities, in addition to the Company's permanent monitoring system.

The Board of Directors of Enel Américas is responsible for approving operations with Politically Exposed Persons (PEP) and Persons Connected to PEP (PEPCO), and all suppliers are verified once a year as required by internal policies. The Board is informed on the results of such verification process.

Regarding the hiring of consultancies and professional services, the Enel Group has specific procedures to verify their integrity.

As part of the compliance activities, the Company communicates with suppliers and provides training to disclose the initiatives being promoted by Enel Américas and its subsidiaries and strengthen suppliers' commitment to integrity, in line with the Company's Open Power values.





#### **Supplier Training and Communication**

205-2

In 2020, various training sessions were held for all suppliers of Enel Américas and its subsidiaries, during which the ethical channel and the principles of transparency applicable to business relationships were reinforced.

These communication and training activities shared tools and useful information for implementing compliance programs.

Highlights include Supplier Day events that were held in Enel Américas and in all countries where the subsidiaries operate in South America.

In Brazil, the "Parceiro Responsável" Program continues to be in place, which holds training regarding practices and conduct guidelines for all suppliers on ethical, sustainability, safety, and health matters, among others.

In Argentina, a webinar was organized to strengthen knowledge of Enel's ethical standards and a communication channel was set up with suppliers to promote the implementation of their own compliance programs.

## **Compliance Road Map**

102-25 | 205-1 | 205-2

#### **Enel Américas**



Planning activities in the medium-term for the years 2019-2020 seek to strengthen the Company's Compliance Model and System and develop specific initiatives with relevant stakeholders with an Open Power perspective.



COMMUNITY & CUSTOMERS

Transmit the commitment of the Enel Group to its compliance programs to the community and customers.



SUPPLIERS & CONTRACTORS

Transfer our culture, values, and commitment to ethics and compliance to our stakeholders by working together to implement and strengthen best practices.



INSTITUTIONS & NGO

Develop and share ethical and anticorruption best practices with government and civil society.



**OUR PAIRS** 

Identify electricity industry and other markets' best practices and promote the implementation of Enel Group standards in the Company.

These same activities are registered in Chile where the parent company is.

Our ESG

In 2020, compliance activities focused on the early identification and mitigation of corruption, bribery, and other criminal risks covered by Enel Américas' Compliance Model, with a focus on potential conflicts of interest or unethical behavior within all company processes and also considering the current context of the pandemic and remote work, using the following tools:

- Fraud Risk Assessment Matrix (FRA): this tool updates the corruption risk assessment within the Company, including the main operations that are performed by contractors. The tool identifies and assesses all types of fraudulent events that could take place within the organization and is in line with the Risk Assessment performed by the Internal Audit Department.
- **Criminal Risk Prevention Model's Risk Matrix** Assessment: this assessment consisted of verifying the specific risks that Enel Américas and its subsidiaries are exposed to, as required by Law 20.393 and local legislation of each country. Enel Américas updated all documents, risks, and controls considering the broader scope of Law 20.393, which makes legal entities criminally liable for eight additional crimes. This matrix includes the evaluation and controls of main operations performed by contractors.
- Risk Matrix Assessment: this tool assesses the risks within all processes carried out by Enel Américas using the C.O.S.O<sup>62</sup> methodology, which is currently the main international risk assessment standard. In 2020, the knowledge on risk types included in this model was strengthened to align with the Company's strategy and operational context.
- Ethical Channel: Enel kept this channel open to all stakeholders. It guarantees confidentiality, no retaliation, and anonymity, and it is managed by an external and independent entity.

Enel Américas also kept its communications plan and training programs operational in 2020. They focus on disclosing the main aspects of the compliance program and strengthening the corporate culture among employees and suppliers. These plans include internal and external activities, including new employee induction programs that provide specific training on Enel Américas and its subsidiaries' compliance system.

In 2020, over 182 training programs were provided by Enel Américas and its subsidiaries, with over 12,200 participants, which focused on corruption prevention, unethical behavior, use of the ethical channel, ISO 37.001 Anti-Bribery Management System, and on the Company's compliance system.

100% of the Board members of Enel Américas and its subsidiaries have been invited to trainings and informed on the relevant matters from the Enel Group Compliance Program, updated Law 20.393, among others.

In 2020, Ethics Week in Chile stood out in the communication plan, organized and carried out completely online. The event highlighted the commitment of employees, managers, suppliers, and directors to transparency and focused specifically on the relationship of compliance programs with Corporate Governance and Sustainability. The week's events featured renowned external guests in Chile and the region. Furthermore, each country in the region held a local Ethics Week with training events, communication activities, and specific sessions aimed at reinforcing values, transparency, and the ISO37001 Anti-Bribery Management System. The events were available to all employees, managers, directors, and suppliers.

Enel Américas was invited to share its practices and experience in settings such as webinars and podcasts with international actors such as Transparency International UK, where it was represented by its compliance officer and Audit Manager Mr. Raffaele Cutrignelli.

In 2020, Enel Américas and its subsidiaries also participated and collaborated with stakeholders and various civil organizations, such as Chile Transparente, Fundación Generación Empresarial, Alliance for Integrity, Ethos Institute in Brazil, Colombian Secretary of Transparency, and the Argentine Association of Ethics and Compliance, among others, to share experiences and promote best practices in and outside of the company on matters of integrity, organizational culture, and ethical and transparent business conduct.

<sup>62</sup> Committee of Sponsoring Organizations of the Treadway Commission.

Finally, Enel Américas also implemented the Barometer of Corporate Values and Integrity this year and was recognized as one of the companies assessed by Fundación Generación Empresarial under its Generación Empresarial 2020 Recognition program.

#### **Training**

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Training related to anti-corruption topics begins when an employee joins Enel Américas, and it is also part of the induction program for new Directors. Additionally, the Company requests new business partners to sign contract annexes that include all documents of the Company's compliance system.

A training and communication plan is permanently in place. This is executed annually, focusing on the areas and activities associated with these issues.

In 2020, Enel Américas and its subsidiaries held 182 training sessions for more than 12,200 people. The training focused on:

- Preventing corruption and unethical conduct.
- Use of the ethical channel.
- ISO 37.001 Anti-Bribery Management System
- Knowledge of the Company's compliance system, including Enel's current policies and procedures.

Additionally, an online course is available to all employees, which covers the content of the Criminal Risk Prevention Model.

Furthermore, each country in the region held the Ethics Week at a local level, with training events, communication activities and specific sessions aimed at reinforcing values, transparency, and the ISO 37.001 Anti-Bribery Management System. The events were available to all employees, managers, directors, and suppliers.

### **Ethical Channel**

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The channel that receives reports or complaints, called Ethical Channel, is managed by the Internal Audit Unit but operated externally to ensure confidentiality. It allows anonymous reports on any irregular conduct contrary to the principles of the Criminal Risk Prevention Model or the Code of Ethics, as well as other concerns related to accounting, control, internal audit, or crimes such as asset laundering, terrorism financing, bribery, corruption between individuals, misappropriation, incompatible negotiation, environmental crimes, among others.

This channel is governed by the Global Policy 107 Whistleblowing Policy, which guarantees anonymity, whistleblower protection against retaliation, and protection against complaints in bad faith. The channel guarantees whistleblower protection for anonymous and non-anonymous reports and transparency in managing reports.

It is available to employees, contractors, suppliers, customers, communities, and other stakeholders, and is reachable through the telephone, in person, and digitally on the Company's website. The whistleblower may communicate through the channel to deliver more information related to the reported situation, as well as to receive feedback and questions from the team investigating the case.

and report to Board of Directors



At least semi-annually, Enel Américas' Audit Manager and Compliance Officer reports the status of the ethical channel and statistics on its management to the Directors' Committee, which is composed of members of the Board of Directors of Enel Américas.

In 2020, part of the Company's training and communications plans focused on promoting the use of the Ethical Channel through publications and training, where its benefits and use was shown to employees. The company also raised suppliers' awareness of the channel through events, digital channels, and talks in Enel Américas and the countries where its subsidiaries operate.

In 2020, the Ethical Channel received a total of 93 complaints in all of Enel Américas and its subsidiaries. Of these reports, 21 were not significant violations of the Company's Ethical Code in matters of contract management and conflicts of interest, and all were managed adequately. Enel Américas has not have any confirmed corruption and bribery cases against the company in the past four years.

During 2020, the Company was involved in 1 legal action for the alleged performance of unfair competition, which has been declared inadmissible without imposition of any sanction, in a resolution issued on June 3, 2021.

	UM	2020	2019	2018	2017	2019-2020	%
Reports received(1)	n.	93	110	93	68	-17	-15.5%
Violations related to incidents of	n.	21	25	13	21	-4	-16.0%
Conflict of interest/Corruption (2)	n.	2	4	3	3	-2	-50.0%
Misappropriation of assets	n.	12	7	6	12	5	71.4%
Workplace climate	n.	7	11	3	5	-4	-36.4%
Community and society	n.	0	0	0	0	0	0.0%
Other reasons (3)	n.	0	3	1	1	-3	-100.0%

<sup>(1)</sup> In 2020, there was a slight reduction in reports related to potential breaches of the code of ethics.

<sup>(2)</sup> Corruption is defined as abuse of power to obtain personal gain and may be performed by public or private sector individuals. It includes practices such as bribery, extortion, collusion, conflicts of interest, and asset laundering. In terms of non-compliance, two employees of Enel Américas' subsidiaries were sanctioned, and disciplinary actions were taken against them, as determined by the internal rules of each company.

<sup>(3)</sup> Other reasons refer to control weaknesses in technical processes or noncompliance related to contractors

None of the violations identified through the Ethical Channel for Enel Américas and its subsidiaries have been related to cases of bribery with public authorities or discrimination.

#### Where to report concern? Complaint mechanisms

Corporate website: Right menu/ Ethical Channel www.enelamericas.cl

#### Internet

#### **Directly to Ethical Channel**

https://secure.ethicspoint.eu/domain/media/es/gui/102504/index.html

#### In person or in writing

Enel Américas Internal Audit Department, Santiago, 76 Santa Rosa Ave, Floor 9.

# Institutional Relations and participation in associations

Relationships with local, national, and international institutions allow Enel Américas to represent its interests, promoting its position and good practices concerning sustainable development of the energy sector in addition to annually contributing resources for its management.

Enel Américas and its subsidiaries also participate and collaborate with stakeholders and civil society to share practices on matters of transparency and integrity, promoting the region's sustainable growth with important actors in the field, such as Chile Transparente, Alliance for Integrity, Fundación Generación Empresarial, Ethos Institute in Brazil, Colombian Secretary of Transparency, the Argentine Association of Ethics and Compliance, among others.

The Company's ties are governed by the Compliance Program and all components of the Criminal Risk Prevention Model, providing complete and transparent information for all institutions to have the best conditions for decision making. Activities with institutions in Chile are registered and controlled according to the provisions of Chilean Law 20,730, which regulates lobbying and representations of private interests before authorities and officials. For this, employees, managers, and potential contractors must

comply with established internal procedures and manuals when interacting with public officials or members of state institutions on a regular basis.

Enel Américas and its subsidiaries commit to providing transparent information to the organizations with which they interact by abiding by the Compliance Program. As stated by the Company's Code of Ethics, which includes the requirements of Law 20,915, the Company does not finance political parties or representatives and does not sponsor conventions or events related to political propaganda, abstaining from any type of direct or indirect pressure on any political exponent, for instance through public concessions awarded to Enel Américas, accepting suggestions to contract certain services, consultancies, etc., and not contributing to any lobbying or election activity.

Enel Américas and its subsidiaries have policies in place that establish the guidelines, approval levels, and transparency criteria to contract consultancies, advisory services, or any service by politically exposed people or people related to politically exposed people.

Additionally, Enel Américas and its subsidiaries have continued to be part of numerous trade and employer associations. It has also developed a management model to monitor and ensure transparency in meetings with the authorities, as well as a procedure that regulates the relationship with these entities and another one that frames the relationship with the authority.





Through participatory events, Enel Américas' institutional relations in 2020 focused on positioning activities regarding the challenges addressed by the Company, as well as on strengthening engagement plans with the authorities in the territories where it operates.

#### 415-1

#### CONTRIBUTIONS OVER THE LAST FIVE YEARS (1) (2)

2016	2017	2018	2019	2020
US\$ 968,656	US\$1,144,895	US\$1,172,089	US\$ 949,581	US\$1,223,198

<sup>(1)</sup> Coverage corresponds to 100% as a percentage of income.

Specifically, the three most relevant monetary contributions made were to: Colombian Electricity Distributors Association (US\$ 156,307), Brazilian Association of Electricity Distributors, (US\$ 155,639) and Foundation for the Progress of the Capital Region (ProBogota) in Colombia (US\$ 78,954).

The institutional dialogue with trade and employer associations in which Enel Américas or any of its subsidiaries took part in 2020 concerned the support of regulatory and consultation processes on the following main subjects:

- Development of energy policies: includes perspectives on energy strategy, energy efficiency, renewable energy growth, smart grid development, and energy costs, among other energy issues. Contributions of US\$719,654 were made for this reason in 2020.
- Increase in business competitiveness: includes, but is not limited to, tax and labor regulations and environmental policies. Contributions of US\$ 503,544 were made for this reason in 2020.



<sup>(2)</sup> Enel Américas and its subsidiaries have only made contributions to associations have not made any contributions related to lobbying, interest representation or similar, political campaigns, support to organizations, contributions to local, regional, or national candidates, or other (e.g., spending related to ballot measures or referendums) in compliance with Law 20900 as well as internal Group policies.

#### **Participation in associations**

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#### **Argentina**

- Argentine Ethics, Compliance, and Control Association
- Argentine Electricity Generators Association (AGEERA)
- Argentine Electricity Distributors Association (ADEERA)
- Argentine Electronics Association (AEA)
- Argentine Chamber of Commerce (CAC)
- Italian Chamber of Commerce in Argentina
- Chamber of Corporations (CSA)
- World Energy Council, Argentine Committee (CACME)
- Argentine Committee of the Regional Energy Integration Commission (CACIER)
- Argentine Business Council for Sustainable Development (CEADS)
- Institute of Internal Auditors of Argentina (IAIA)
- "General Mosconi" Argentine Institute of Energy (IAE General Mosconi)
- Argentine Standardization and Certification Institute
- Argentine Business Development Institute (IDEA)
- United Nations Global Compact Network Argentina

#### **Brazil**

- Abring
- **ABQV**
- Abrasce
- AB Solar
- Brazilian Energy Traders Association (ABRACEEL)
- Brazilian Financial Industry for Development Association (ABDE)
- Brazilian Electricity Distributors Association (ABRADEE)
- Brazilian Electricity Generators Association (ABRAGE)
- Brazilian Thermal Electricity Generators Association (ABRAGET)

- Brazilian Independent Power Producers Association (APINE)
- Brazilian Electric Vehicle Association (ABVE)
- Italian Chamber
- Brazilian Global Compact Committee
- Instituto Acende
- Instituto ETHOS
- Meters & More
- **GEI Brasile**

#### Colombia

- Colombian Electricity Distributors Association
- Colombian National Business Association of Colombia (ANDI)
- Colombian Public Services Companies Association (ANDESCO)
- Colombian Association of Power Generators (ACOLGEN)
- Colombian National Business Association of Colombia
- Colombian Association of Renewable Energies (SER)
- Regional Energy Integration Commission (CIER)
- Colombian CIER Committee (COCIER)
- Transmission Planning Advisory Committee (CAPT)
- National Operations Council (CNO)
- Technological Research and Development Center Corporation (CIDET)
- Commercialization Advisory Committee (CAC)
- National Operations Council (CNO)

#### Peru

- National Mining, Oil, and Energy Society
- Official Spanish Chamber of Commerce in Peru
- Italian Chamber of Commerce in Peru
- Association for Management Progress





# **Voluntary initiatives**

102-13

Enel Américas and its subsidiaries voluntarily participate in various initiatives to evaluate the effectiveness of their compliance programs, measure their performance, and apply best corporate governance and sustainable management practices, which in 2020 included:

#### **Enel Américas (Headquarter in Chile)**

- Crime Prevention Model Certification in accordance with Law 20,393.
- ISO 37001 Anti-Bribery Management System Certification for Enel Américas.
- Collaborative actions with Chile Transparente and Transparency International to define and promote best practices in company-government-civil society relations, including the promotion of the initiative "Red de Empresas por la Transparencia."
- Members of the LatAm Regional Working Group Allies for Integrity (Alliance for Integrity).
- Barometer of Corporate Values and Integrity and participation in the 2020 Generación Empresarial Recognition led by Fundación Generación Empresarial.

#### **Argentina**

- ISO 19600 Certification.
- ISO 37001 Anti-Bribery Management System Certification for Edesur and Chocón.
- Participation in the Argentine Association of Ethics and Compliance, in which, among others, it has sponsored the V International Compliance Congress 2020.

#### Brazil

- ISO 37001 Anti-Bribery Management System Certification for Enel Brasil, ED Ceará, ED Rio de Janeiro, ED Goiás, ED Sao Paulo, Enel X Brasil, CIEN, and CGTF.
- Pro-ethics initiative.

#### **Colombia**

- ISO 37001 Certification for Enel Codensa and Enel Emgesa.
- Promoters of the "No eXcuses" initiative, led by the Alliance for Integrity and Global Compact Colombia, which defines the 10 most frequent excuses used by employees to justify illegal acts. In 2020, the Company worked on spreading tips on how to respond to and manage these excuses in the energy sector.
- Collective Action for Ethics and Transparency of the Electricity Sector, an initiative established in 2015 that promotes healthy competition, trust, and sustainability of companies and the sector, considering best practices in transparency, anti-corruption, and regulatory compliance.
- Members of the network of Compliance officers and ongoing work in anti-corruption roundtables together with the Global Compact, United Nations Office on Drugs and Crime (UNODC), Transparency for Colombia, and the Transparency Secretary of the Presidency of the Republic.

#### Peru

 ISO 37001 Certification for Enel Distribución Perú, Enel Generación Perú, Enel Generación Piura, Chinango S.A.C, and Enel X Perú S.A.C.

## **Human Rights**

407-1 | 408-1 | 409-1 | 412-1

In 2013, the Company adopted a policy dedicated to human rights, approved by the Board of Directors of Enel Group and of each of its subsidiaries, representing a commitment that strengthens and deepens the values and pillars of Enel Américas' corporate ethics based on the <u>Code of Ethics</u>,

on the <u>Zero Tolerance of Corruption Plan</u>, and on the <u>Enel Global Compliance Program</u>.

The policy is also aligned with the main international reference standards. The document references the UN Guiding Principles for Business and Human Rights (UNGP) approach— "Protect, Respect, and Remedy"—and the principles outlined by the OECD Guidelines for multinational enterprises, designed to promote sustainable management of the business model.

PROTECT	RESPECT	REMEDY
Protect Human Rights through appropriate norms and policies	Acknowledge and reveal impacts on Human Rights, and mitigation and corrective measures	Provide remedy through judicial or non- judicial systems

#### **Protect**

The Policy identifies eight principles that all Enel Américas' employees and those of its subsidiaries must respect in the pursuit of their activities. The Company also promotes respect for these principles in the context of all its business relations and compliance with the same standards by its contractors, suppliers, and commercial partners, paying special attention to high-risk or conflict-affected contexts.

The eight principles of the policy, available on Enel Américas' website, <u>www.enelamericas.com</u>, are classified in two macro-issues: labor practices and community relations.

#### **Labor practices:**

- 1. Rejection of forced or compulsory labor and child labor.
- 2. Respect for diversity and non-discrimination.
- 3. Freedom of association and collective bargaining.
- 4. Health and safety.
- 5. Fair working conditions.

#### **Community and society relations:**

- 1. Respect community rights.
- 2. Integrity: zero tolerance of corruption.
- 3. Privacy & communication.

The principles expressed in the policy are inspired by the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, and the Declaration of the International Labour Organization on Fundamental Principles and Rights at Work.

The Policy also outlines a governance system which is entrusted with the tasks of implementing and monitoring the activities defined by the Group for the protection and respect of human rights. The tasks include the adoption of a process of due diligence on human rights.<sup>64</sup>

In particular, the Sustainability Unit of each company is entrusted with the following tasks: planning and coordinating the adoption of the due diligence process together with the other areas, as it pertains to them; informing the Control and Risk Committee on progress in implementing the due diligence process; annually reporting Enel Américas'

64 In the context of the Guiding Principles on Business and Human Rights (Principles 17-21), this term refers to a continuously evolving management system implemented by a company, adapting it to the peculiarities of its supply chain and in accordance with the sector in which it works, its operating contexts, and its organizational structure to ensure it is not involved in human rights violations, either directly or indirectly. This implies "identifying, preventing, mitigating, and reporting" potential negative impacts deriving from the Company's business activities.





performance with respect to the commitments assumed in relation to human rights in the Group Sustainability Report. In addition, it must manage the positioning on human rights and internal and external communication activities concerning the actions taken, as well as integrate the policy on human rights into corporate processes and guarantee the execution of due diligence activities.

#### Respect

#### The due diligence process

As required by the UN guidelines and based on the principles of the policy, Enel Américas has implemented a specific process of due diligence of human rights across the entire value chain in the different countries in which it operates.

In line with the international reference standards, the process is broken down into four phases:

- Assessment of risk perceived by stakeholders at a country level, with regard to labor, local community, and environmental rights. Some of the stakeholders covered in this due diligence process are local communities, indigenous people, women, our people, among others.
- 2. Gap analysis aimed at identifying and analyzing the organizational and risk control systems.
- 3. Development of action plans to cover any areas of improvement that emerged in the previous phase.
- 4. Monitoring of action plans and remedies.

In 2020, a new due diligence process was carried out in accordance with the previously described phases, concluding with specific improvement plans with action to be adopted in 2021 and 2022. The first two phases of the due diligence process are shown below, while the other two phases are described in the next section "Remedy: Improvement plans."

#### Assessment of the perceived risk

By consulting significant stakeholders and experts in the various sectors, namely civil society, and academic institutions, originating from the various contexts in which the Company operates, Enel Américas has conducted a context analysis to better identify the issues concerning human rights and the most significant connected risks. The topics included in the Policy on Human Rights were then classified based on the perceived risk level, calculated by taking into consideration the seriousness and probability of an effective violation. The risks are classified based on the assessment scale: acceptable risk (minimum level), risk to control, high-priority risk, high risk (maximum level).

The data collected in each country led to the following conclusions:

- Issues relating to corruption and environmental impacts have a "high-priority risk" score, requiring companies to implement advanced control and monitoring mechanisms.
- Issues strictly connected to labor practices (freedom
  of association and collective bargaining, rejection of
  forced labor and child labor, dissemination of just and
  favorable working conditions, health and safety in the
  workplace, issues of diversity and inclusion) and to the
  mitigation of impacts on local communities are assessed
  as "risk to control."

Protecting local communities is a more relevant issue in South American countries, consistent with the results of the previous assessment cycle. Additionally, the topic of health and safety in the workplace continues to be perceived as a critical area to monitor in all Enel Américas countries.

# Gap analysis aimed at identifying and analyzing the organizational and risk control systems

Enel Américas performed gap analysis through a risk-based approach in the first phase of the due diligence process, aimed at evaluating the practices and policies adopted to protect human rights in all countries where it operates. Through this second phase, it has been possible to identify action plans and possible areas of improvement. In particular, interviews were conducted with top management to analyze the level of respect for human rights integrated in the Company's process management, identifying potential risks and opportunities for growth. At the same time, the Company's policies, procedures, systems, and practices in each area of the value chain were analyzed in relation to more than 100 indicators. The assessment considered

the four parameters of the operative principles defined by the UN Guiding Principles on Business and Human Rights:

- Public commitment to protect human rights;
- Adoption of a human rights due diligence process;
- Preparation of action plans to remedy any impact identified by the due diligence process;
- Adaptation to match local context and regulations.

The analysis shows that Enel Américas has a robust set of mechanisms and management systems to monitor possible human rights violations, allowing the identified risks to be adequately managed. The integration of the principles expressed in the policy on human rights in relation to contextual risk was also evaluated, as reported in step 3, Remedy.

Principle	Average perceived risk	System to protect human rights	Main policies and procedures to protect human rights
Prácticas de trabajo			
Freedom of association and collective bargaining	Medium risk to control	Robust	Enel Américas has committed to respecting its employees' freedom of association and collective bargaining. In particular, Enel recognizes their right to set up or join organizations formed to defend and promote their interests; it recognizes that they are represented by union organizations or other forms of representation, opposing any action of discrimination in the exercise of this right; it recognizes the value of collective bargaining as the preferred tool to determine contractual conditions and to regulate relations between company management and unions.
Rejection of forced labor	Medium risk to control	Robust	The contracts regulate all labor conditions, clearly defining
Fair and favorable working conditions	Medium risk to control	Robust	workers' rights on working hours, pay, overtime, benefits. Each worker is guaranteed a translated employment contract
Rejection of child labor	Medium risk to control	Robust	in their native language. Human resources management
Diversity and inclusion	Medium risk to control	Robust	<ul> <li>systems and procedures guarantee the absence of minors in the workforce. Apprenticeship projects and school-work experience projects are also carried out.</li> </ul>
Health and safety	Medium risk to control	Robust	For more information, see the chapter "Employees."
Health and safety	Medium risk to control	Robust	For more information, see the chapter on occupational health and safety.
Communities and societies	3		
Community relations	Medium risk to control	Robust	For more information, see the chapter "Communities."
Environmental impacts	Medium risk to control	Robust	For further details, see the chapter "Environmental sustainability."
Corruption	Medium risk to control	Robust	For more information, see the section "ISO 37001 Anti- Bribery Management System."

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**Average perceived risk:** average perceived risk levels identified in the countries under analysis.

**Risk scale:** 1. High risk; 2. High priority risk; 3. Medium risk to control; 4. Acceptable risk.

**Reference scale of performance values:** Robust (75%-100%); Good (50%-75%); Sufficient (25%-50%); To be improved (0%-25%)

#### Remedy

#### Improvement plans

Improvement opportunities were identified during the due diligence process to reinforce Enel Américas' commitment to respecting human rights while carrying out its operational and business activities. Specific action plans have been developed for each country, as well as a centrally managed improvement plan to harmonize and integrate, at the global level, processes and policies to be applied at the local level. A total of around 65 actions have been planned, covering

100% of operations and sites. The plans will be launched at the start of 2021 and are scheduled for completion by the end of 2022.

Below are several examples of actions that will be implemented. A new specific methodology will be defined at the global level to apply human rights due diligence to single assets, and existing procedures will be assessed to extend the assessment to our financial partners.

Therefore, targeted actions have been planned in the different countries where Enel Américas operates. For example, internal awareness-raising campaigns will be implemented in Argentina and an operating instruction will be prepared in Brazil to assess the human rights management of partners and sub-tier suppliers.

Finally, labor rights issues are generally perceived as lower risk. Notwithstanding, minor areas of improvement have been identified in some countries, as shown in the following table.



Topics	Business lines	Countries	Areas of improvement
Freedom of association and collective bargaining	Sustainability / HR	Brazil	Intensification of training on human rights, with a special focus on relations with social partners and definition of working conditions during bargaining procedures.
Rejection of forced labor	People and Organization/ Sustainability/Communication	Brazil	Integration of control procedures and definition of further remedies in the case of intimidation and threats.
Rejection of child labor	Global Procurement/Legal and Corporate Affairs	Brazil	Intensification of training and monitoring of the supply chain
Diversity	Sustainability, People, and Organization	Brazil	Each action plan includes activities on the topic of disability based on the main findings resulting from the "Value for Disability" project (see box).

The Policy on Human Rights focuses on diversity. In particular, a detailed analysis of disability was carried out through surveys with various stakeholders, and these were examined with the support of external experts. This analysis made it possible to define the risk perception of stakeholders on the matter according to a scale of the perceived risk level (high risk, high-priority risk, medium risk, and low risk). The resulting data were categorized in four clusters:

- · Accessibility.
- · Governance.
- · Product and facility design.
- · Regulatory framework.

Joining the Valuable 500 initiative in 2019 gave rise to the global "Value for Disability" project in 2020, aimed at harnessing business potential and promoting full inclusion of colleagues and customers with disabilities through global and local action plans. The project was organized with a PMO that coordinated the work of multifunctional teams in various countries. The global and local teams were set up by representatives of the Sustainability, P&O, GDS, Market, and Enel X areas and were supported by focal points that played a role in listening to needs and testing solutions. After analyzing in-depth the needs of colleagues and customers with disabilities through innovative methodologies and comparing partnerships and benchmarks with other companies, the local teams have identified a broad set of initiatives to be implemented in the coming years.

The commitment on the topic of disability was also affirmed in the new version of the Code of Ethics, which introduced an explicit reference to the importance of creating conditions to include everyone: "Enel is committed to creating inclusive work environments where everyone can contribute, paying particular attention to the physical accessibility of workplaces; the digital accessibility of information, documents, and communication; and the specific needs for assistive work tools."



# **Training and information**

Approximately 437,297 hours of training were provided on sustainability topics in 2020, of which human rights are a key part. Specifically, the courses focused largely on environmental and worker health and safety issues, with an average of 26.1 hours of training per employee, up from 16.5 hours in 2019. Enel also launched a new online training course dedicated to the topic of human rights, through which the Company seeks to renew its commitment in this area and engage all people in the Company by sharing stories and best practices that highlight the key role of human rights.

The results of the due diligence process and progress in the action plan for each country are presented below, in addition to Enel Group's actions, which cover all countries in which Enel Américas operates:

#### In Argentina

The launch of the action plan and the Company's integrated work on human rights has led to a very positive evolution of the rating in the evaluation of human rights risks analyzed in the 2020 due diligence, producing the following results: forced labor (100%), child labor (100%), diversity (100%), community (100%), corruption (100%), labor conditions (100%), and environment (100%). The largest gaps are in health and safety (93%) and freedom of association (95%).

To continue working to uphold and raise the standards achieved, a plan was developed with 26 activities, including actions aimed at diversity, health and safety, transparency, dissemination, and training on human rights.

One of the most noteworthy activities carried out was the dissemination program for policies on ethical conduct, conflicts of interest, government relations, confidentiality, fair competition and treatment, gifts and hospitality, bribery and corruption, as well as the training sessions held during the year. The Company also increased the awareness and visibility of the Ethical Channel to ensure that all employees have access to the reporting channel and to build trust in using it.

#### **In Brazil**

The best results were obtained in the following areas: freedom of association (100%), child labor (100%), and corruption (100%). Also noteworthy are the scores in health and safety (97%), labor conditions (97%), forced labor (96%), and community (94%). The areas with the greatest gaps were environment (86%) and diversity (89%).

As a result of the due diligence carried out in 2020, an Action Plan was created with 15 initiatives related to dissemination, training, operational guidelines, reporting, and monitoring of both Company and third-party employee behavior, which will be implemented between 2021 and 2022.

The action plan for the 2018–2019 period included 38 management and operational activities that were all 100% completed in 2019.



#### In Colombia

The best results were obtained in the following areas: child labor (100%), corruption (100%), and environment (100%). The areas identified with the greatest gaps to address were health and safety (83%), forced labor (92%), and community (94%). It bears noting that while all results obtained using the Human Rights methodology were robust, some areas of improvement were detected. An action plan with 13 activities was developed for the 2021-2023 period, focusing on four lines of work:

- Diffusion of the Company's commitment and updated Policy on Human Rights.
- 2. Prevention of potential impacts on Human Rights by implementing procedures to address Human Rights complaints (not one complaint received in 2020).
- Supply chain related activities to improve the results of evaluations on Human Rights practices. The inclusion of Human Rights in tenders as well as in the Sustainability K's for proposals was strengthened. Additionally, 24 coal suppliers were trained in Human Rights.
- 4. Addition of a risk evaluation process for new projects.

The action plan for the 2018–2019 period included 13 management and operational activities that were all 100% completed in 2020.

#### **In Peru**

The evaluation showed that the best results were in the following areas: forced labor (100%), child labor (100%), diversity (100%), corruption (100%), working conditions (100%), and health and safety (93%). The areas identified with the greatest gaps to address were environment (91%), freedom of association (86%), and community (69%). The Human Rights methodology considered the results to be robust and good (community).

Based on the results, an action plan was created with four activities covering the following lines of work:

- Community engagement: Check acceptance of the Complains and Grievance Procedure with our stakeholders to gauge their understandings and availability of access points.
- Dissemination of our commitment to Human Rights:
   Continue disseminating the Policy on Human Rights,
   Code of Ethics, Diversity and Inclusion, Gender
   Equality, and establishing indicators on complaints and grievances received on Human Rights issues.
- Caring for the environment: Monitoring environmental impacts and grievances.

The action plan for the 2018-2019 period included 12 management and operational activities that were all 100% completed in 2019.

# 3 Appendix

- Methodology note
- Sustainability statement
- Performance indicators
- GRI Content Index
- World Economic Forum Content Index
- SASB Content Index



Our ESG performance

# METHODOLOGY NOTE

102-50 | 102-51 | 102-52 | 102-54 | 102-56

The Company presents its fifth annual Sustainability Report, the scope of which considers operations in the electricity generation, transmission and distribution market through its subsidiaries and related entities in Argentina, Brazil, Colombia and Peru.

It has been prepared in accordance with the GRI Standards: Core option, in their most updated versions as of 2020. The Sustainability Accounting Standards Board (SASB), Industry Standards Version 2018–10, Electric Utilities & Power Generators sector is incorporated for the first time.

The information contained in this report refers to the economic, social, and environmental performance of all

Enel Américas and its subsidiaries operations from January 1st through December 31st, 2020.

This Sustainability Report satisfies the Communication on Progress (CoP) of the United Nations Global Compact, the IIRC model (International Integrated Reporting Council) and the SDG Compass, which is a guide that facilitates adapting sustainability strategies to the United Nations' Sustainable Development Goals. The document has been externally verified by KPMG.

This report is structured according to the strategic priorities established in Enel's Sustainability Plan.



# SUSTAINABILITY STATEMENT



#### **Independent Assurance Report** "2020 Sustainability Report ENEL Américas S.A."

To the President and Directors of Empresas ENEL Américas S.A.

We have conducted a limited review of the content and data • disclosed in the "Annual Sustainability Report of ENEL Américas S.A." for the year ended December 31, 2020.

ENEL Américas S.A.'s management is responsible for the • preparation of the Sustainability Report. Additionally, ENEL Américas S.A.'s management is responsible for the contents, affirmations, scope definition and the management and control of information systems which provided the information reported.

Our review was conducted in accordance with ISAE 3000 standard and the attestation engagement standards established by the Colegio de Contadores de Chile A.G. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion over the "Annual Sustainability Report of ENEL Américas S.A.". Accordingly, we do not express such an opinion.

Contents and data disclosed in "Annual Sustainability Report of ENEL Américas S.A." were also reviewed considering the criteria established in the Global Reporting Initiative (GRI) Reporting Standard as well as ENEL Américas S.A.'s internal guidelines, which are summarized as follows:

- Determine that contents and data related to the GRI indicators disclosed in "Annual Sustainability Report of ENEL Américas S.A." are duly supported with sufficient evidence.
- Determine that ENEL Américas S.A. has prepared the contents and data disclosed in its "Annual Sustainability Report of ENEL Américas S.A.", in accordance with the Principles on Content and Quality as established by the GRI Standard and its internal guidelines.
- Confirm the core option stated by "Annual Sustainability Report of ENEL Américas S.A.", in accordance with the GRI Standard.

Our procedures considered conducting inquiries with ENEL Américas S.A.'s management, Business Units and personnel responsible for the preparation of the Report, as well as performing other analytical procedures and tests, that included:

- Interviews with ENEL Américas S.A.'s key personnel, in order to assess the preparation process of the contents and data disclosed in the Sustainability Report, content definition and information systems used.
- Verification of contents and data disclosed in the "Annual Sustainability Report of ENEL Américas S.A." through supporting documentation provided by ENEL Américas S.A.
- Analysis of the collection process and the quality control of contents and data disclosed in the Sustainability Report of ENEL Américas S.A. '
- Verification of data reliability using analytical procedures, testing on a sample basis and the review of recalculations.
- Interviews by videoconference with those responsible for the elaboration process of the "Annual Sustainability Report of ENEL Américas S.A.".
- Review of the wording of the "Annual Sustainability Report of ENEL Américas S.A."

Based on our review, nothing came to our attention that caused us to believe that:

- Contents and data disclosed in the "Annual Sustainability Report of ENEL Américas S.A." are not duly supported with enough evidence
- Contents and data disclosed in the "Annual Sustainability Report of ENEL Américas S.A." has not been prepared in accordance with the Principles on Content and Quality as established by the GRI Standard and ENEL Américas S.A.'s internal guidelines.
- The "Annual Sustainability Report of ENEL Américas S.A." does not comply with the core option stated in accordance with the GRI Standard.

This is a translation of the Spanish version.

KPMG Auditores Consultores SpA

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Tamara Agnic M.

Partner

Santiago, April 26, 2021

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# PERFORMANCE INDICATORS

# People management, development and motivation

#### **Parental leave**

401-3

KPI	Unit	2020	2019	2018
Parental permission				
Argentina				
Men	N°	62	72	121
Women	N°	6	6	25
Brazil				
Men	N°	172	231	0
Women	N°	74	49	0
Chile				
Men	N°	0	0	0
Women	N°	0	0	12
Colombia				
Men	N°	32	39	40
Women	N°	14	26	28
Peru				
Men	N°	14	13	25
Women	N°	6	7	24
Total Enel Américas				
Men	N°	280	355	186
Women	N°	100	88	89

#### **Diversity**

KPI	Unit	2020	2019	2018
Diversity of employees by age range				
Argentina				
Up to 30 years	N°	357	357	n.a.
From 30 to 40 years	N°	1,203	1,330	n.a.
From 41 to 50 years	N°	1,262	1, 291	n.a.
From 51 to 60 years	N°	1, 105	1, 023	n.a.
From 61 to 70 years	N°	137	111	n.a.
Over 70 years	N°	0	0	n.a.
Total Argentina	N°	4, 064	4,112	n.a.
Brazil				
Up to 30 years	N°	1,321	1,744	n.a.
From 30 to 40 years	N°	4,143	4,420	n.a.
From 41 to 50 years	N°	2,898	2,770	n.a.
From 51 to 60 years	N°	1,024	1,054	n.a.
From 61 to 70 years	N°	135	119	n.a.
Over 70 years	N°	2	1	n.a.
Total Brazil	N°	9,523	10,108	n.a.
Chile				
Up to 30 years	N°	10	16	n.a.
From 30 to 40 years	N°	11	17	n.a.
From 41 to 50 years	N°	17	12	n.a.
From 51 to 60 years	N°	10	11	n.a.
From 61 to 70 years	N°	3	2	n.a.
Over 70 years	N°	0	0	n.a.
Total Chile	N°	51	58	n.a.





KPI	Unit	2020	2019	2018
Colombia	J.III		2020	
Up to 30 years	N°	222	237	n.a.
From 30 to 40 years	N°	851	840	n.a.
From 41 to 50 years	N°	669	638	n.a.
From 51 to 60 years	N°	371	345	n.a.
From 61 to 70 years	N°	37	45	n.a.
Over 70 years	N°	-	1	n.a.
Total Colombia	N°	2,150	2,106	n.a.
Peru				
Up to 30 years	N°	102	92	n.a.
From 30 to 40 years	N°	208	184	n.a.
From 41 to 50 years	N°	283	294	n.a.
From 51 to 60 years	N°	244	249	n.a.
From 61 to 70 years	N°	106	107	n.a.
Over 70 years	N°	-	-	n.a.
Total Peru	N°	943	926	n.a.
Total Enel Américas				
Up to 30 years	N°	2,012	2,446	n.a.
From 30 to 40 years	N°	6,416	6,791	n.a.
From 41 to 50 years	N°	5,129	5,005	n.a.
From 51 to 60 years	N°	2,754	2,682	n.a.
From 61 to 70 years	N°	418	384	n.a.
Over 70 years	N°	2	2	n.a.
Total Enel Américas	N°	16,731	17,310	n.a.
Diversity of employees by nationality				
Afgana	N°	1	1	n.a.
Alemana	N°	1	1	n.a.
Argentina	N°	3,924	3,958	n.a.
Boliviana	N°	50	51	n.a.
Brasileña	N°	9,511	10,093	n.a.
Canadiense	N°	1	1	n.a.
Chilena	N°	54	63	n.a.
Colombiana	N°	2,141	2,097	n.a.
Congolesa	N°	1	1	n.a.
Cubana	N°	1	1	n.a.
Costarricense	N°	1	1	n.a.
Estadounidense	N°	5	5	n.a.
Española Española	N°	14	18	n.a.
Francesa	N°	1	1	n.a.
Italiana	N°	32	43	n.a.
Lituana	N°	2	2	n.a.
Paraguaya	N°	20	20	n.a.
Panameña	N°	1	1	
Peruana	N°	939	918	n.a. n.a.
Rumana	N°	1	2	n.a.
Rusa	N°	1	0	
Salvadoreña	N°	1	1	n.a.
Sudafricana	N°	2	2	n.a.
	N°	9	9	n.a.
Uruguaya Venezolana			+	n.a.
	N°	18	20	n.a.
Diversity of employees by seniority				
Argentina	NI°	170	015	
Up to 3 years	N° N°	178 741	315	n.a.
From 3 to 6 years		996	1,039	n.a.
Over 6 and up 9 years	N° N°		870	n.a.
From 9 to 12 years	N°	590	858	n.a.
Over 12 years	N° No	1,559	1,030	n.a.
Total Argentina	N°	4,064	4,112	n.a.
Brazil	NIO	1.010	1.000	
Up to 3 years	N° N°	1,319	1,932	n.a.
From 3 to 6 years	N°	2,182	2,259	n.a.
Over 6 and up 9 years	N°	1,535	1,531	n.a.
From 9 to 12 years	N°	1,278	1,151	n.a.
Over 12 years	N°	3,209	3,235	n.a.
Total Brazil	N°	9,523	10,108	n.a.
Chile	2.2			
Up to 3 years	N°	16	21	n.a.
From 3 to 6 years	N°	6	10	n.a.
Over 6 and up 9 years	N°	3	7	n.a.
	N°	6	1	n.a.
From 9 to 12 years Over 12 years Total Chile	N° N° <b>N°</b>	6 20 <b>51</b>	1 19 <b>58</b>	n.a. n.a.

KPI	Unit	2020	2019	2018
Colombia	Oilit	LULU	E319	2010
Up to 3 years	N°	453	485	n.a.
From 3 to 6 years	N°	479	490	
	N°	236	210	n.a.
Over 6 and up 9 years				n.a.
From 9 to 12 years	N°	208	171	n.a.
Over 12 years	N°	774	750	n.a.
Total Colombia	N°	2,150	2,106	n.a.
Peru				
Up to 3 years	N°	166	155	n.a.
From 3 to 6 years	N°	85	64	n.a.
Over 6 and up 9 years	N°	77	80	n.a.
From 9 to 12 years	N°	34	31	n.a.
Over 12 years	N°	581	596	n.a.
Total Peru	N°	943	926	n.a.
Total Enel Américas				
Up to 3 years	N°	2,132	2,908	n.a.
From 3 to 6 years	N°	3,493	3,862	n.a.
Over 6 and up 9 years	N°	2,847	2,698	n.a.
From 9 to 12 years	N°	2,116	2,212	n.a.
Over 12 years	N°	6,143	5,630	n.a.
Total Enel Américas	N°	16,731	17,310	n.a.
Manager diversity by gender	.,	,	, <b></b>	· · · · ·
Argentina				
Men	N°	26	27	n.a.
Women	N°	9	6	n.a.
Brazil	IV	9	0	II.a.
	N IO	00	00	
Men	N°	38	39	n.a.
Women	N°	13	13	n.a.
Chile		_		
Men	N°	8	7	n.a.
Women	N°	0	0	n.a.
Colombia				
Men	N°	27	29	n.a.
Women	N°	12	11	n.a.
Peru				
Men	N°	27	29	n.a.
Women	N°	8	9	n.a.
Total Enel Américas				
Men	N°	126	131	n.a.
Women	N°	42	39	n.a.
Diversity of managers by age range				
Argentina				
From 30 to 40 years	N°	4	3	n.a.
From 41 to 50 years	N°	17	16	n.a.
From 51 to 60 years	N°	12	10	
	N°			n.a.
From 61 to 70 years	N°	2	<u>4</u> 0	n.a.
Over 70 years		0		n.a.
Total Argentina	N°	35	33	n.a.
Brazil	* ·			
From 30 to 40 years	N°	10	8	n.a.
From 41 to 50 years	N°	24	23	n.a.
From 51 to 60 years	N°	12	15	n.a.
From 61 to 70 years	N°	4	5	n.a.
Over 70 years	N°	1	1	n.a.
Total Brazil	N°	51	52	n.a.
Chile				
From 30 to 40 years	N°	0	0	n.a.
From 41 to 50 years	N°	5	5	n.a.
From 51 to 60 years	N°	2	1	n.a.
From 61 to 70 years	N°	1	1	n.a.
Over 70 years	N°	0	0	n.a.

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KPI Colombia	Unit	2020	2019	2018
From 30 to 40 years	N°	2	2	n.a.
From 41 to 50 years	N°	19	22	n.a.
From 51 to 60 years	N°	18	16	n.a.
From 61 to 70 years	N°	0	0	n.a.
Over 70 years	N°	0	0	n.a.
Total Colombia	N°	39	40	n.a.
Peru				
From 30 to 40 years	N°	2	3	n.a.
From 41 to 50 years	N°	13	15	n.a.
From 51 to 60 years	N°	16	14	n.a.
From 61 to 70 years	N°	4	6	n.a.
Over 70 years	N°	0	0	n.a.
Total Peru	N°	35	38	n.a.
Total Enel Américas				
From 30 to 40 years	N°	18	16	n.a.
From 41 to 50 years	N°	78	81	n.a.
From 51 to 60 years	N°	60	56	n.a.
From 61 to 70 years	N°	11	16	n.a.
Over 70 years	N°	1	1	n.a.
Total Enel Américas	N°	168	170	n.a.
Diversity of managers by nationality				
Argentinian	N°	21	19	n.a.
Brazilian	N°	54	52	n.a.
Chilean	N°	6	6	n.a.
Colombian	N°	34	34	n.a.
Costa Rican	N°	0	1	n.a.
Spanish	N°	9	10	n.a.
Italian	N°	17	19	n.a.
Peruvian	N°	26	28	n.a.
Venezuelan	N°	1	1	n.a.
Total	N°	168	170	n.a.
Diversity of managers by seniority Argentina				
Up to 3 years	N°	3	2	n.a.
From 3 to 6 years	N°	1	1	n.a.
Over 6 and up 9 years	N°	1	1	n.a.
From 9 to 12 years	N°	3	18	n.a.
Over 12 years	N°	27	11	n.a.
Total Argentina	N°	35	33	n.a.
Brazil		_		
Up to 3 years	N°	4	6	n.a.
From 3 to 6 years	N°	6	8	n.a.
Over 6 and up 9 years	N°	4	1	n.a.
From 9 to 12 years	N°	1	3	n.a.
Over 12 years	N°	36	34	n.a.
Total Brazil	N°	51	52	n.a.
Chile	N IO	^		
Up to 3 years	N° N°	0	0	n.a.
From 3 to 6 years	N°	0	0	n.a.
Over 6 and up 9 years	N°	5	5	n.a.
From 9 to 12 years	N°	2	1	n.a.
Over 12 years	N°	1	1 	n.a.
Total Chile	N <sup>-</sup>	8	1	n.a.
Colombia	N°	4		w =
Up to 3 years From 3 to 6 years	N°	3	5 4	n.a.
Over 6 and up 9 years	N°	1	0	n.a.
From 9 to 12 years	N°	4	1	n.a.
Over 12 years		27	30	n.a. n.a.
Total Colombia	N°	39	40	
Peru	IN	39	40	n.a.
Up to 3 years	N°	7	10	no
From 3 to 6 years		4	2	n.a. n.a.
Over 6 and up 9 years		0	1	
From 9 to 12 years		2	2	n.a. n.a.
Over 12 years		22	23	n.a.
Total Peru	N°	35	38	n.a.
rotur i GI U	IA	30	30	ıı.d.

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Our ESG performance

KPI	Unit	2020	2019	2018
Total Enel Américas				
Up to 3 years	N°	18	23	n.a.
From 3 to 6 years	N°	14	15	n.a.
Over 6 and up 9 years	N°	11	8	n.a.
From 9 to 12 years	N°	12	25	n.a.
Over 12 years	N°	113	99	n.a.
Total Enel Américas	N°	168	170	n.a.
Employees with disabilities				
Argentina	N°	87	92	41
Brazil	N°	277	281	281
Chile	N°	0	0	0
Colombia	N°	3	3	3
Peru	N°	5	5	n.a.
Total Enel Américas	N°	372	381	325
Women participation				
emale participation in the total labor force	%	19	18	18
Women in management positions (% of total management				
workforce)	%	24.82	24.59	23.02
Women in junior management positions	N°	269	264	262
Women in senior / top management positions (up to 2				
positions under the CEO)	N°	42	38	38
Women in income-generating positions	N°	138	150	491
Women in income-generating management positions with				
respect to the total of income-generating positions	%	16.62	18.33	26.13
Women Managers in an Income Generating Position with				
respect to the total of Management positions	%	11.01	12.21	37.68

## **Internal mobility**

KPI	Unit	2020	2019	2018
New hires and terminations by country				
Argentina				
New hires	N°	19	53	n.a.
New hire rate	%	0.47	1.25	n.a.
Terminations	N°	54	323	n.a.
Brazil				
New hires	N°	413	520	n.a.
New hire rate	%	4.34	5.14	n.a.
Terminations	N°	988	1,115	n.a.
Chile				
New hires	N°	4	7	n.a.
New hire rate	%	7.84	13.00	n.a.
Terminations	N°	8	5	n.a.
Colombia				
New hires	N°	173(*)	112	n.a.
New hire rate	%	8.05	4.88	n.a.
Terminations	N°	122	139	n.a.
Peru				
New hires	N°	71	60	n.a.
New hire rate	%	8.00	7.00	n.a.
Terminations	N°	52	48	n.a.
Total Enel Américas				
New hires	N°	680	752	1022
New hire rate	%	4.06	4.22	5.6
Terminations	N°	1,224	1,630 (**)	1,613
New hires by sex and age range				
Total	N°	680	752	1,022
Men	N°	430	515	719
Women	N°	250	235	303
Up to 30 years	N°	228	297	377
From 30 to 50 years	N°	437	425	595
Over 50 years	N°	15	28	50







KPI	Unit	2020		2019	2018
Rotation by country		Total	Voluntary		
Argentina	%	1.3	0.2	5	9
Brazil	%	10.9	2.3	9	6
Chile	%	17.4	4.3	9	9
Colombia	%	5.7	2.5	6	10
Peru	%	5.6	2.5	6	5
Total Enel Américas	%	7.3	1.8	7	7

(\*)173 new entries, 170 with external selection process, additionally 2 reinstatements and 1 reinstatement due to unpaid leave. (\*\*) Correction number of terminations 2019

## **Training**

#### 404-1

KPI	Unit	2020	2019	2018
Training hours	N°	659.434	711.137	510.683
Trained workers	N°	16.367	16.042	9.816
Trained men	%	81	81	85
Trained women	%	19	19	15
Average hours of training	average hours	40.29	44.33	50.03
Average hours of training for the Manager employee category	average hours	40	-	-
Average hours of training for the Middle Manager employee				
category	average hours	43	-	-
Average hours of training for the White collar employee				
category	average hours	38	-	-
Average training hours for the Blue collar employee category	average hours	38	-	-
Average cost spend per FTE	US\$	164	220	231

#### **Retirement**

#### EU15

KPI	Unit	2020	2019	2018			
Percentage of employees eligible to retire in the next five years							
Managers	%	9.4	28.3	n.a.			
Middle managers	%	5.8	10.6	n.a.			
Professionals	%	4.9	11.4	n.a.			
Administrative and technical	%	6.3	10.4	n.a.			
Total	%	5.5	11.2	n.a.			

#### Salary gap

KPI	Unit	2020	2019	2018
Ratio of basic salary and remuneration of women t	o men			
Argentina				
Directors	%	84	89	n.a.
Middle managers - Level 2	%	84	84	n.a.
Middle managers - Level 3	%	92	85	n.a.
Professionals - Level 1	%	99	99	n.a.
Professionals - Level 2	%	82	85	n.a.
Administrative	%	107	105	n.a.
Average	%	91	91	n.a.
Brazil				
Directors	%	95	90	n.a.
Middle managers - Level 1	%	97	104	n.a.
Middle managers - Level 2	%	102	108	n.a.
Middle managers - Level 3	%	104	104	n.a.
Professionals - Level 1	%	97	98	n.a.
Professionals - Level 2	%	104	95	n.a.
Administrative	%	115	113	n.a.
Average	%	102	102	n.a.

KPI	Unit	2020	2019	2018
Chile				
Middle managers - Level 1	%	88	72	n.a.
Middle managers - Level 2	%	108	128	n.a.
Middle managers - Level 3	%	64	67	n.a.
Professionals - Level 1	%	76	91	n.a.
Professionals - Level 2	%	154	97	n.a.
Administrative	%	-	143	n.a.
Average	%	63	91	n.a.
Colombia				
Directors	%	107	101	n.a.
Middle managers - Level 1	%	94	94	n.a.
Middle managers - Level 2	%	96	96	n.a.
Middle managers - Level 3	%	97	95	n.a.
Professionals - Level 1	%	98	99	n.a.
Professionals - Level 2	%	99	98	n.a.
Administrative	%	100	101	n.a.
Average	%	100	98	n.a.
Peru				
Directors	%	117	127	n.a.
Middle managers - Level 1	%	104	109	n.a.
Middle managers - Level 2	%	93	90	n.a.
Middle managers - Level 3	%	94	84	n.a.
Professionals - Level 1	%	102	115	n.a.
Professionals - Level 2	%	93	94	n.a.
Administrative	%	87	87	n.a.
Average	%	89	91	n.a.

### **Performance evaluation**

KPI	Unit	2020	2019	2018
Total employees		16,731	17202	18,060
Senior executives evaluated	N°	130	157	150
Middle managers evaluated	N°	1,061	1,079	963
Administrative evaluated	N°	15,038	15,534	16,789
Total employees evaluated	N°	16,229	16,770	17,902
Percentage of employees receiving regular performance and				
career development reviews	%	97.0	97.0	99.0
Total employees men	N°	13,491	14,020	14,784
Total employees Woman	N°	3,240	3.182	3,276
Men evaluated	N°	13,124	13,686	14,673
Woman evaluated	N°	3105	3,084	3,229
Percentage Men evaluated	%	97.3	97.6	99.2
Percentage Women evaluated	%	95.8	96.9	98.6





#### Unionization and collective agreements

102-41

KPI	Unit	2020	2019	2018
Unionized				
Argentina	%	85	86	87
Brazil	%	39	48	46
Chile	%	49	64	57
Colombia	%	45	37	36
Peru	%	26	29	30
Total Enel Américas	%	50	55	54
Covered by Collective Agreements				
Argentina	%	85	86	87
Brazil	%	100	99	100
Chile	%	49	64	57
Colombia	%	69	68	68
Peru	%	94	96	93
Total Enel Américas	%	92	92	93

#### **Smart Working**

КРІ	Unit	2020	2019	2018
Smart Working				
Argentina	N°	1,580	150	124
Brazil	N°	4,153	370	149
Chile	N°	51	11	11
Colombia	N°	1,411	505	399
Peru	N°	827	164	127
Total Enel Américas	N°	8,022	1,200	810

# Occupational health and safety

#### **Accident rate**

KPI	Unit	2020	2019	2018
	Onit	2020	2019	2010
Own personnel				
Fatal accidents	N°	1	0	1
Serious accidents	N°	3	0	1
Minor accidents	N°	22	45	38
Accident frequency <sup>(1)</sup>	Index	0.78	1.19	1.84
Injury rate <sup>(2)</sup>	Index	0.16	0.24	0.37
Rate of days lost due to accidents	Index	6.80	3.48	26.48
Hours worked	N°	33,124,174	37,808,827	21,716,579
Workdays lost	N°	1,126	657	2,875
Contractor personnel				
Fatal accidents	N°	6	2	5
Serious accidents	N°	33	5	3
Minor accidents	N°	24	63	74
Accident frequency (1)	Index	0.43	0.55	0.80
Injury rate (2)	Index	0.09	0.11	0.16
Rate of days lost due to accidents	Index	4.72	2.76	4.74
Hours worked	N°	145,014,519	127,739,885	102,092,948
Workdays lost	N°	3,421	1,761	2,422

KPI	Unit	2020	2019	2018
Own and Contractor personnel				
Fatal accidents	N°	7	2	6
Serious accidents	N°	36	5	4
Minor accident	N°	46	108	112
Accident frequency (1)	Index	0.50	0.69	0.99
Injury rate (2)	Index	0.10	0.14	0.20
Rate of days lost due to accidents	Index	5.11	2.92	8.56
Hours worked	N°	178,138,693	165,548,712	123,809,527
Workdays lost	N°	4,547	2,418	5,297

<sup>(1)</sup> This index is calculated by establishing the ratio between the number of injuries with at least 1 day of absence / hours worked\*1,000,000.

# Strong governance and transparent conduct

#### Communication and training on anti-corruption policies and procedures

205-2

KPI	Unit	2020	2019	2018
Members of the governing body who received anti-	corruption training			
Argentina	N°	6	24	8
Brazil	N°	100	26	10
Chile	N°	3	0	4
Colombia	N°	14	3	0
Peru	N°	16	17	22
Total Enel Américas	N°	139	70	44
Total proportion of Enel Américas	%	66	33	59
Workers who received anti-corruption training				
Argentina	N°	1,325	1,581	373
Brazil	N°	8,941	2,906	1,038
Chile	N°	34	55	36
Colombia	N°	1,218	814	900
Peru	N°	704	673	425
Total Enel Américas	N°	12,222	6,029	2,772
Total proportion of Enel Américas	%	74	36	24

#### **Training of employees in Human Rights**

КРІ	Unit	2020	2019	2018		
Employee training on human rights policies or procedures						
Argentina	%	82	65	0		
Brazil	%	99	76	19		
Chile	%	95	16	0		
Colombia	%	96	91	2		
Peru	%	96	92	49		





<sup>(2)</sup> The Lost Time Injury Frequency Rate is calculated by relating the number of injuries with hours worked \* 200,000.

## **Generation Operation**

KPI		Unit	2020	2019	2018			
EU2	Generation by technology							
	Renewable	GWh	25,144	25,604	23,690			
	Hydraulics	GWh	25,144	25,604	23,690			
	Combined cycles	GWh	13,289	14,215	13,436			
	Fuel-gas	GWh	1,374	1,351	2,563			
	Coal	GWh	650	590	173			
	Total	GWh	40,455	41,760	39,863			
EU30	Average availability factor of the plant by energy source and by regulatory regime							
	Availability of thermoelectric generation by regulatory regime							
	Regulated	%	86.1	84.1	74.6			
	Not regulated	%	90.2	88.1	89.7			
	Thermoelectric generation availability by primary energy source							
	Coal-fired power plants	%	80.0	73.2	89.5			
	Oil / gas plants	%	91.0	92.1	81.9			
	Combined cycle plants	%	85.9	81.6	78.4			
	Thermoelectric generation availability globally	%	87.7	85.6	80.4			
EU1	Net Installed Capacity by technology							
	Renewable	MWh	6,253	6,253	5,817			
	Hydraulics	MWh	6,253	6,253	5,817			
	Combined cycles	MWh	2,701	2,701	2,709			
	Fuel-gas	MWh	2,090	2,089	2,045			
	Coal	MWh	225	225	224			
	Total	MWh	11,269	11,267	10,795			

## **Customer focus**

EU3 | EU4 | EU26 | EU27

KPI		Unit	2020	2019	2018			
	Energy loss in Distribution (%)							
	Argentina							
	Edesur	%	18.9	15.5	14.2			
	Brazil							
	Enel Distribution Rio	%	22.1	22.5	21.0			
	Enel Distribution Ceara	%	15.9	14.0	13.9			
	Enel Distribution Goias	%	14.4	12.3	11.6			
	Enel Distribution Sao Paulo	%	10.6	9.6	9.5			
	Colombia							
	Codensa	%	7.6	7.7	7.7			
	Peru							
	Enel Distribution Perú	%	8.8	8.2	8.1			
EU3	Number of customers per segment							
	Argentina							
	Residential	Thousand	2,216	2,195	2,227			
	Commercial	Thousand	271	274	280			
	Industrial and others	Thousand	21	21	22			
	Brazil							
	Residential	Thousand	15,849	15,253	15,257			
	Commercial	Thousand	979	966	947			
	Industrial and others	Thousand	1,236	1,015	938			
	Colombia							
	Residential	Thousand	3,222	3,144	3,062			
	Commercial	Thousand	327	322	317			
	Industrial and others	Thousand	66	61	60			
	Peru							
	Residential	Thousand	1,377	1,359	1,348			
	Commercial	Thousand	47	47	46			
	Industrial and others	Thousand	32	29	29			
	Enel Américas							
	Residential	Thousand	22,664	21,951	21,894			
	Commercial	Thousand	1,624	1,609	1,590			
	Industrial and others	Thousand	1,315	1,126	1,049			
	Total Américas	Thousand	25,643	24,686	24,533			
	Energy sold by segment							
	Argentina							
	Residential	GWh	7,282	5,842	8,436			
	Commercial	GWh	3,466	3,106	1,340			
	Industrial and others	GWh	5,141	7,851	7,772			
	Brazil							
	Residential	GWh	31,191	30,880	23,323			
	Commercial	GWh	14,585	16,656	12,157			
	Industrial and others	GWh	32,138	33,741	25,827			

KPI		Unit	2020	2019	2018
	Colombia				
	Residential	GWh	5,407	5,113	5,055
	Commercial	GWh	2,035	2,508	2,489
	Industrial and others	GWh	6,391	6,686	6,480
	Peru				
	Residential	GWh	3,188	3,068	2,988
	Commercial	GWh	666	814	886
	Industrial and others	GWh	3,724	4,329	4,171
	Enel Américas				
	Residential	GWh	47,068	44,903	39,802
	Commercial	GWh	20,752	23,084	16,872
	Industrial and others	GWh	47,394	52,607	44,250
	Total Enel Américas	GWh	115,214	120,594	100,924
EU4	Transmission Lines Length				
	Argentina	Km	1,041	1,039	1,039
	Brazil	Km	16,680	16,556	16,550
	Colombia	Km	1,340	1,316	1,319
	Peru	Km	727	716	697
	Total Enel Américas	Km	19,788	19,630	10,606

#### **Estimated population not served**

#### EU26

KPI	Unit	2020
Estimation of population without service		
Argentina	n°	41,167
Brazil	n°	42,080
Colombia	n°	5,586
Peru	n°	71,390
Total population in concession areas		
Argentina	n°	5,880,972
Brazil	n°	42,080,000
Colombia	n°	3,222,018
Peru	n°	1,451,000 (*)
Percentage of the population without service		
Argentina	%	0.007
Brazil	%	0.001
Colombia	%	0.173
Peru	%	4.92

<sup>(\*)</sup> Total population corresponds to the number of people per housing lot.

#### Customers disconnected due to non-payment for 2020

#### EU27

By tine from disconnection to payment	Unit	Argentina (1)	Brazil (2)	Colombia (3)	Peru (4)
< 48 h	N°	n.d	n.d	173,890	85,456
48 h - 1 week	N°	n.d	n.d	45,068	29,105
1 week - 1 month	N°	n.d	n.d	42,277	68,916
1 month - 1 year	N°	n.d	n.d	20,252	158,808
> 1 year	N°	n.d	n.d	-	-
Total	N°	n.d	n.d	281,487	342,285
By time from payment to reconnection					
< 24 h	N°	n.d	n.d	360,619	325,541
24 h - 1 week	N°	n.d	n.d	9,204	9,735
> 1 week	N°	n.d	n.d	1,331	2,242
Total	N°	n.d	n.d	371,154	337,518

<sup>(1)</sup> Argentina: Information not available given that by national decree in the context of a pandemic the power supply was not cut off.

<sup>(4)</sup> Peru: The difference of 4,767 reported between customers disconnected for non-payment and those reconnected is due to customers who paid in December 2020 (last days) but whose reconnection order was not carried out in the same year, therefore they will be accounted for in 2021.





<sup>(2)</sup> Brazil: Information not available since the country uses different criteria.

<sup>(3)</sup> Colombia: The difference of 89,667 reported between customers reconnected and those disconnected for non-payment is due to customers who were cut off during 2020 and took advantage of exceptional measures by COVID such as agreements and payment facilities, and customers disconnected in previous years who were reconnected despite not having paid for the service.

## **Environmental management**

The calculations consider 100% of the operations.

Approximations have been made so that in the total there may be differences due to rounding.

#### **Environmental penalties**

307-1

KPI	Unit	2020	2019	2018					
Environmental or ecological sanctions > US \$ 10,000									
Number of sanctions	N°	5	10	4					
Amount of fines	US\$	181,166 (*)	729,804	3,426,158 (**)					
Provision	US \$	0	0	0					

<sup>(\*)</sup> The fines correspond to Enel Brasil and its distribution subsidiaries.

#### **Energy efficiency in thermoelectric plants**

KPI	Unit	2020	2019	2018
Average efficiency of thermoelectric plants by country				
Argentina	%	49	50	44
Brazil	%	48	49	49
Colombia (coal)	%	25	27	27
Peru	%	47	46	45
Average efficiency of thermoelectric plants by technology				
GAS efficiency	%	48.70	49.10	49.20
Coal efficiency	%	25.50	27.00	27.40

#### **Generation consumption**

302-1

KPI	Unit	2020	2019	2018	2017
Caoal	Mtep	0.200	0.17	0.05	0.03
Lignite (brown coal)	Mtep	0.000	0.00	0.00	0.03
Fuel oil	Mtep	0.097	0.04	0.13	0.24
Gasoil	Mtep	0.004	0.04	0.05	0.17
Natural gas	Mtep	2.476	2.71	2.91	3.12
Total fuel consumption	Mtep	2.777	2.96	3.14	3.60

#### Water consumption

303-3 | 303-5

	KPI	Unit	2020	2019	2018
	Water management				
303-3	Water extraction in areas with water stress				
	Extraction of water from scarce sources				
	(Only the Fortaleza Plant is considered for the year 2020)	M m <sup>3</sup>	0.28	5.20	6.12
	Total surface water (from wetlands, lakes, rivers)	M m³	0.28	0.37	0
	* fresh water (= <1,000 mg / I total dissolved solids)	M m <sup>3</sup>	0.28	n.a.	n.a.
	* other waters (> 1,000 mg / I total dissolved solids)	M m <sup>3</sup>	0	n.a.	n.a.
	Total groundwater (from wells)	M m³	0	3.14	3.21
	* fresh water (= <1,000 mg / I total dissolved solids)	M m <sup>3</sup>	0	n.a.	n.a.
	* other waters (> 1,000 mg / I total dissolved solids)	M m <sup>3</sup>	0	n.a.	n.a.
	Total water from aqueducts	M m³	0	1.69	2.91
	* fresh water (= <1,000 mg / I total dissolved solids)	M m <sup>3</sup>	0	n.a.	n.a.
	* other waters (> 1,000 mg / I total dissolved solids)	M m <sup>3</sup>	0	n.a.	n.a.
	Extraction of water from non-scarce sources	M m <sup>3</sup>	0.014	n.a.	n.a.
	Sea water (used as is and desalinated)	M m <sup>3</sup>	0	n.a.	n.a.

<sup>(\*\*)</sup> During 2020, the amount of the fine was reduced by 70%, although it is still under appeal and under administrative defense before the corresponding environmental agency.

	KPI	Unit	2020	2019	2018
	* fresh water (= <1,000 mg / I total dissolved solids)	M m³	0	n.a.	n.a.
	* other waters (> 1,000 mg / I total dissolved solids)	M m³	0	n.a.	n.a.
	wastewater (reused by third parties within the plants)	M m <sup>3</sup>	0.014	n.a.	n.a.
	Total Extraction of water from different sources (*)	M m³	0.29	n.a.	n.a.
	Waste waters (Discharged volume)	M m <sup>3</sup>	0.004	n.a.	n.a.
	Total water used in cooling system	M m³	0	n.a.	n.a.
303-5	Consumption (Total withdrawals - Total discharges)	M m³	0.23	n.a.	n.a.
	Water extraction in areas without water stress				
	Extraction of water from scarce sources	M m³	5.2	6.7	6.9
	Total surface water (from wetlands, lakes, rivers)	M m³	0.49	1.85	0.71
	* fresh water (= <1,000 mg / I total dissolved solids)	M m <sup>3</sup>	0.49	1.85	0.71
	* other waters (> 1,000 mg / I total dissolved solids)	M m <sup>3</sup>	0	0	0
	Total groundwater (from wells)	M m³	2.70	3.14	3.21
	* fresh water (= <1,000 mg / I total dissolved solids)	M m³	2.70	n.a.	n.a.
	* other waters (> 1,000 mg / I total dissolved solids)	M m³	0	n.a.	n.a.
	Total water from aqueducts	M m³	2.01	1.74	2.96
	* fresh water (= <1,000 mg / I total dissolved solids)	M m³	2.01	n.a.	n.a.
	* other waters (> 1,000 mg / I total dissolved solids)	M m³	0.014	n.a.	n.a.
	Extraction of water from non-scarce sources	M m <sup>3</sup>	0.014	0.15	0
	Sea water (used as is and desalinated)	M m <sup>3</sup>	0	0.15	0
	* fresh water (= <1,000 mg / I total dissolved solids)	M m³	0	n.a.	n.a.
	* other waters (> 1,000 mg / I total dissolved solids)	M m³	0	n.a.	n.a.
	from waste (amount used within plants)	M m³	0.014	0.15	0
	Total extraction of water from different sources without water stress	M m³	5.22	6.88	6.89
	Total water used in cooling system	M m³	1,004.41	956.9	1,209.9
	Waste waters (Discharged volume)	M m³	1,006.09	959.0	1,212.8
	Consumption (Total withdrawals - Total discharges)	M m³	3.54	4.77	4.0
	Net water consumption intensity	liters/MWh	0.09	0.11	0.10

<sup>(\*)</sup> Total water withdrawal from different sources considers the total water of Enel Américas (Water from water stressed and non stressed sources).

#### **Energy consumption**

КРІ	Unit	2020	2019	2018
Fossil fuels (coal, oil, natural gas, etc.) bought and consumed (for energy				
purposes)	MWh	32,301,065	34,401,645	36,526,465
Electricity purchased (*)	MWh	462,199	184,555	190,894
Non-renewable energy (electricity and heating and cooling) produced	MWh	15,311,816	16.155,238	16,173,000
Renewable energy produced	MWh	25,143,506	26,567,301	23,691,000
Total non-renewable energy consumption	MWh	17,451,448	18,430,962	20,544,359
Total costs of fuel consumption	th US\$	137,850	277,118	226,843
Total cost of energy purchases	th US\$	5,337,887	6,096,863	5,654,358
Average total losses of the distribution network	%	13.0	11.9	12.3

<sup>(\*)</sup> As of 2020, the energy consumption of thermal and hydroelectric plants (pumping) has been included. It should be noted that the value without pumping corresponds to 341,127 MWh for 2020.

#### **Emissions**

305-1 | 305-2 | 305-3 | 305-4 | 305-7

	KPI	Unit	2020	2019	2018
	Emissions				
305-1	Total direct emissions (Scope 1) (1)	th tCO <sub>2</sub> eq	6,896	6,964	6,817
	Direct emissions Greenhouse Gases (Scope 1)	th tCO,eq	6,826	6,930	6,771
	Other CO <sub>2</sub> emissions from electricity production and other activities	th t	70	34	46
	Specific emissions				
305-1	Total specific emissions from net production (2)	g/kWheq	170	167	171
	Total emissions related to the purchase of energy from the grid (Scope 2,				
305-2	based on location) (3)	th tCO <sub>2</sub> eq	86	41	115
	Total emissions related to losses in the distribution network (scope 2,				
305-2	market-based) (4)	th tCO <sub>s</sub> eq	463	730	651





	KPI	Unit	2020	2019	2018
305-3	Other indirect greenhouse gas emissions (Scope 3)	th tCO <sub>2</sub> eq	5,315	5,819	5,261
	Mineral coal	th tCO <sub>2</sub> eq	62	-	=
	Coal transportation by ocean	th tCO <sub>2</sub> eq			
	Coal transport by train	th tCO₂eq		65	19
	Fuel transportation (gas, biomass, WDF)	th tCO <sub>2</sub> eq	0.841	65	19
	Raw material and waste transportation	th tCO <sub>2</sub> eq			
	Sale of energy to end customers (electricity market)	th tCO <sub>2</sub> eq	5,252	5.753	5,242
	Sale of energy to end customers (gas market)	th tCO <sub>2</sub> eq	5,252	5,753	5,242
305-4	Total emissions avoided	th t	15,480	14,414	13,549
305-7	Other atmospheric emissions				
	SO <sub>2</sub> emissions	t	5,828	5,901	3,240
	NO <sub>x</sub> emissions	t	10,551	9,576	10,043
	SF <sub>6</sub> emissions	t	0.75	0.51	0.66
	Dust emissions	t	314	331	329
305-4	Specific emissions				
	SO₂ emissions	g/kWheq	0.144	0.141	0.081
	NO <sub>x</sub> emissions	g/kWheq	0.261	0.229	0.252
	Dust emissions	g/kWheq	0.008	0.008	0.008

(1) For the Scope 1 Total Emissions Inventory, according to the GHG Protocol standard and in line with the Science Based Target initiative, emissions from Thermal Power Plants are considered in 99% and other emissions in 1%, the latter emissions They include inventories associated with the auxiliary services of production and distribution plants, vehicles that are under the control of the Company, as well as emissions from fossil fuel combustion in boilers and office dining rooms.

(2) For the year 2020 the calculation method was modified, considering total emissions Scope 1 / total net production.

(3) "Scope 2" Emissions from energy extracted from the grid: the indirect CO2 emissions relative to 2020 due to electricity consumption by movement fuel, electricity distribution, property management and electricity purchased from the grid by thermal and hydroelectric power plants, which are calculated as the product of electricity consumption multiplied by the respective weighted specific CO2 emission coefficients of the entire generation mix of the countries where the Enel Group operates (source: Enerdata – https://www.enerdata.net/).

Calculation according to the "location-based" method (based on the company's location). It is the result of the calculation of GHG emissions derived from electricity generation in the area where consumption occurs. This figure is obtained by multiplying a company's electricity consumption (expressed in kWh) within the borders of the country in question and the average CO2 emissions per kWh at the specific country level.

The calculation according to the "market-based" method (based on the market in which the company operates). In the case of energy supply from renewable sources, the origin of the electricity must be certified by "contractual instruments that meet minimum quality criteria".

In Latin America, the only way to prove the origin of electricity is through Guarantees of Origin. Companies using electricity whose origin is not certified by these Guarantees must make the calculation by referring to the emissions associated with the residual mix (source: Greenhouse Gas Protocol Scope 2 Guidance, 2015).

(4) "Scope 2" Emissions from energy losses in the distribution network. With its business, Enel Amércias covers the entire generation and sales chain in the five Latin American countries (Argentina, Brazil, Colombia, Chile and Peru). To calculate emissions, it has been assumed that the vertical chain of activities takes place within the country. Emissions caused by losses have been calculated based on the share of energy in excess of that produced in the country in question, in order to avoid double counting of emissions already included in Scope 1.

From 2020, this category includes indirect emissions arising from technical losses in Enel's distribution network, calculated according to the market methodology for 2020-2018

#### Waste

306-3 | 306-4 | 306-5

	KPI	Unit	2020	2019	2018
	Waste				
306-3	Waste production				
	Non-hazardous waste	t	224,153	371,534	314,857
	non-hazardous waste (ash only) *	t	7,723	30,519	9,646
	non-hazardous waste (excluding ash)	t	216,430	332,753	300,423
	recovered ashes	t			
	Hazardous waste	t	6,818	8,213	4,788
	hazardous waste containing PCB	t	806.07	1,352	n.a.
	Total waste production	t	230,971	379,747	319,645
306-4	Non-hazardous waste disposal method				
	Recovery (including energy recovery)	t	203,910	55,426	26,723
	Waste sent to landfill	t	22,170	n.a.	n.a.
	Incinerated waste and other disposal methods	t	5,873.6	55,426 n.a. n.a.	n.a.
306-4	Total non-hazardous waste recovered	%	91	15	8
	Hazardous waste disposal method				
	Hazardous waste recycled or sent to recovery	t	4,890.30	3,910.00	2,190
306-5	Waste sent to landfill	t	335.45	n.a.	n.a.
306-5	Incinerated waste and other disposal method	t	461.51	n.a.	n.a.
306-4	Total hazardous waste recovered	%	72	48	46

(\*) According to the Colombian national circular economy strategy, the ashes from the Termozipa power plant are defined as a by-product and are applied in reuse processes by local industries



#### **Biodiversity Exposure & Assessment**

Overall	Number of sites	Hectares
What is the total number of sites used for operational activities?	32	
What is the total area of these sites?		2400
In the last five years	Number of sites	Hectares
Have biodiversity impact assessments been conducted for sites used for operational activities?	32	
What is the total area of these sites?		2400
Of the sites assessed in the last five years	Number of sites	Hectares
How many sites are in close proximity to critical biodiversity?	2	
What is the total area of these sites?		29
Of those sites in close proximity to critical biodiversity	Number of sites	Hectares
How many sites have a biodiversity management plan?	2	
What is the area covered by these biodiversity management plans?		29



## ADDITIONAL INFORMATION

## Main risks and opportunities related to climate change

Enel Américas's strategy development is supported by an analysis of the associated risks and opportunities, including those related to climate change.

The Enel Group has adopted an analysis framework that is consistent with the recommendations of the TCFD and explicitly represents the main relationships between scenario variables and the types of risk and opportunities, specifying the strategic and operational approaches to managing them, comprising mitigation and adaptation measures.

As a result of this analysis, two categories of risks/opportunities are identified: those arising from developments in physical variables and those from developments in transition scenarios. These are connected to potential impacts on the business in three time horizons (short, medium, and long term) to then perform a sensitivity analysis at Group level.

Event	Time horizon	Risk & opportunity category	Description	Possible impact	Enel Group management approach
Acute physical	Starting with short term (1 to 3 years)	Extreme Event	Risk: Especially extreme weather events in terms of intensity.	Damage to assets and operational interruptions.	Adopting best practices to manage the restoration of service as quickly as possible. Investing in asset resilience plans. Loss Prevention Program for Property Risks, including exposures related to natural events.
Chronic physical	Long-term	Market	Risk/opportunity: increase or decrease in electricity demand, increase or decrease in output.	Electricity demand is also affected by temperature, and its fluctuations can impact the business.	Geographical and technological diversification allows variability. Weather management is carried out with permanent monitoring of meteorological phenomena, adopting a range of practices, such as weather forecasting, real-time monitoring of plants, and long-term climate scenarios.
Transition	Medium term (2024-2029)	Policies & Regulation	Risk/Opportunity: policies on CO <sub>2</sub> prices and emissions, energy transition incentives, and resilience regulation.	Policies may affect the amount of investment required.	Closure of coal-fired plants. Investments in renewables, networks, and customers enable the Company to mitigate potential risks and take advantage of the opportunities connected to the energy transition. The Group is also actively contributing to the formation of public policies through advocacy efforts, participating in roundtables for dialogue held by the authority to explore national decarbonization scenarios in environmental, economic, and social terms.
Transition	Medium term (2024-2029)	Market	Risk/opportunity: Changes in prices of raw materials and energy, evolution of the energy mix, changes in retail consumption and the competitive environment.	Considering two alternative transition scenarios, the Group assesses the effect of trends in the increase of renewable sources in the energy mix, electrification, and penetration of electric transportation to estimate their potential impacts.	Maximizing opportunities by adopting a strategy founded on the energy transition and the rapid expansion of renewable production and the electrification of energy consumption.
Transition	Medium-term (2024-2029)	Products & Services	Opportunities: Increase in margins and greater scope for investment as a result of the	Trends in the electrification of transportation and residential consumption will potentially have impacts on the business.	Maximizing opportunities thanks to its strategic positioning in new businesses and "beyond" basic services.
	Medium-term (2024-2029)	Technology	transition, in terms of greater penetration of new electronic technologies for residential consumption and electric transportation.	Considering two alternative transition scenarios, the Group assesses the potential opportunities to scale up current businesses in response to trends in the electrification of transportation.	Maximizing opportunities thanks to its strong strategic positioning in networks.

## **GRI CONTEXT INDEX**

102-55

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Basic			Global Compact
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	205-3	Confirmed incidents of corruption and actions taken	No cases of corruption were identified in 2020.	
Unfair competition	206-1	Legal actions related to unfair competition, monopolistic practices and against free competition	299	N°10
-	302-1	Energy consumption with - in the organization	255, 327	N°7, 8 y 9
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	303-3	Water withdrawal	256, 328	N°7, 8 y 9
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	304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	266	N°7, 8 y 9
	305-1	Direct (Scope 1) GHG emissions	251, 329	N°7, 8 y 9
	305-2	Energy indirect (Scope 2) GHG emissions	251, 329	N°7, 8 y 9
Emissions	305-3	Other indirect (Scope 3) GHG emissions	251, 329	N°7, 8 y 9
LITIIOOIUITO	305-4	GHG emissions intensity	329	N°7, 8 y 9
	305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	329	N°7, 8 y 9
	306-1	Waste generation and significant waste-related impacts	258	N°7, 8 y 9
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Waste	306-3	Waste generated	258, 329	N°7, 8 y 9
	306-4	Waste diverted from disposal	329	N°7, 8 y 9
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Topic	Specific contents	Title or answer	Page	Global Compact Principle N
Environmental	•	Title of allswei	rage	Frincipie N
Compliance	307-1	Non-compliance with environmental laws and regulation	327	
Supplier		The semiplicance with environmental large and regulation	02.	
Environmental	308-1			
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Employment	401-1	New employee hires and employee turnover	149, 320	N°3 y 6
	401.0	Benefits provided to full time employees that are not provided		
Danafita	401-2	to temporary or part time employees	139	
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	E013	years broken down by job category and by region	321	
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Occupational		occupational health and safety	246	
Health and Safety	403-5	Worker training on occupational health and safety	227	
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	403-7	Prevention and mitigation of occupational health and safety		
		impacts directly linked by business relationships	227	
	403-8	Workers covered by an occupational health and safety		
		management system	226	
	403-9	Work-related injuries	231, 323	
	404-1	Average hours of training per year per employee	149, 321	N°6
Training and	404-2	Programs for upgrading employee skills and transition		
Education		assistance programs	149	N°6
	404-3	Percentage of employees receiving regular performance and		
		career development reviews	322	
Diversity	405-1	Diversity of governance bodies and employees	137, 143, 316	N°6
and Equal Opportunity	405-2	Ratio of basic salary and remuneration of women to men	137, 321	
оррогини		natio of basic salary and remuneration of women to men	No incidents of	
Non	406-1		discrimination were	
discrimination	100 1	Incidents of discrimination and corrective actions taken	identified in 2020.	
reedom of				
Association	407.1			
and Collective	407-1	Operations and suppliers in which the right to freedom of		
Bargaining		association and collective bargaining may be at risk	304	
Child Labor	408-1	Operations and suppliers at significant risk for incidents of child		
Siliu Laboi	400-1	labor	304	
Forced or				
Compulsory	409-1	Operations and suppliers at significant risk for incidents of		
Labor		forced or compulsory labor	304	
Human Rights	412-1	Operations that have been subject to human rights reviews or	242.224	
Assessment		impact assessments	213, 304	
	412-2	Employee training on human rights policies or procedures	324	
Local	413-1	Operations with local community engagement, impact	101	N194 O
Communities		assessments, and development programs	161	N°1 y 2
Supplier Social	414-1	New auxiliars that were servened using social criteria	213	NI°1 O
Assessment	A1E 1	New suppliers that were screened using social criteria		N°1 y 2
Public Policy	415-1	Political contributions  Perceptage of population pet conved within convice cross	301	N°10
	EU26	Percentage of population not served within service areas	325	
	EU27	Number of residential disconnections for non-payment, broken	205	
Access		down by duration of disconnection and by regulatory regime.	325	
	EU28 EU29	Power outage frequency	97	
Access		Average power outage duration	97	
Access	L029			
Access	EU30	Average plant availability factor by energy source and by	205	
Access		Average plant availability factor by energy source and by regulatory regime Substantiated complaints regarding violations of customer	325	



### **Material topics**

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	Value creation	60	N°1, 2
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Energy distribution	Network resilience and digitalization	86	
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# WORLD ECONOMIC FORUM CONTENT INDEX

The International Business Council (IBC) of the World Economic Forum published, in 2020, a report, called 'Measuring Stakeholder Capitalism: Towards Common Metrics and Consistent Reporting of Sustainable Value Creation' (1), with the aim of defining shared common metrics to measure, report and compare the levels of sustainability, in other words the effectiveness of its actions in pursuing the sustainable development goals indicated by the UN (SDG), in the business model adopted to create value for stakeholders. The metrics are based on existing standards and aim to increase convergence and comparability between the various parameters used in sustainability reports.

The following table provides information on the 21 primary indicators indicated in the WEF report.

	World Econom	ic Forum (WEF))	Susta	ainability R	eport 2020
Pillar	Theme	21 Metrics	Key performance indicators	2020	Reference
Governance	Governing Purpose	Setting purpose	-	-	Context and Business Model chapter, Open Power section
	Quality of Governing Body	Governance body composition	Women on Board of Directors (n.)	0 (*)	Governance Chapter, Diversity section of the Board of Directors
	Stakeholder Engagement	Material issues impacting stakeholders	-	-	Chapter Context and business model, section Materiality matrix
		Anti-corruption	Employees who received training about anti-corruption policies and procedures(%)	73	Governance Chapter, Training section
les of	Ethical behavior		Ascertained violations related to conflict of interest/corruption (n.)	0	
Principles of		Protected ethics advice and reporting mechanisms	Reports received related to violations of the Code of Ethics	93	Governance Chapter, Ethical Channel section
	Risk and Opportunity Oversight	Integrating risk and opportunity into business process	-	-	Business model and context, Main ESG risks of Enel Américas.  Governance, Risk Management





	World Economi	c Forum (WEF))	Sust	ainability R	eport 2020	
Pillar	Theme	21 Metrics	Key performance indicators	2020	Reference	
			Direct greenhouse gas emissions - Scope 1 (thousand tCO2eq)	6.896	Environmental sustainability, Emissions  Appendix, Emissions	
			Indirect greenhouse gas emissions - Scope 2 - Grid power purchase (location-based) (thousand tCO2eq)	86		
	Greenhouse Gas Emissions (GHG)  Climate change  Climate change  Indirect greenhouse gas emissions - Scope 2 - Grid power purchase (market based) (thousand tCO2eq)  Indirect greenhouse gas emissions - Scope 2 - Distribution network losses (location-based) (mln teq)					
	Climate change	Indirect greenhouse gas emissions - Scope 2 - Distribution network losses (location-based) (mln teq)  Indirect greenhouse gas emissions - Scope 3 (thousand tCO2eq)  Implementation of the				
Planet						
₾.		Implementation of the Task Force on Climate- related Financial Disclosures (TCFD)	-	-	Chapter Commitment to climate change	
	Biodiversity loss	Land use and ecological sensitivity	-	-	-	
			Water extraction (thousand m3)	5,51	Chapter Environmental sustainability,	
	Access to water	Water consumption and extraction in areas with	Extraction of water from scarce sources in areas with water stress (%)	5,1	section, section Management of water resources	
	resources	water stress Water consumption (thousand	Water consumption (thousand m3)	3,54	Chapter Annexes, section water	
			Water consumption in areas with water stress (%)	4,2	consumption	
	Dignity and equity	Diversity and inclusion	Percentage of women over total employees (%)	19	Collaborators chapter, Our collaborators section	
		Pay equity	Equity in remuneration (%)	91	Chapter Annexes, section Wage gap	
		Wage level	CEO ratio	n.d.	-	
ø.		Risk of child, forced or compulsory labor	Assessment in the supply chain of the protection of child labor and compliance with the prohibition of forced labor	-	Chapter Sustainable Supply Chain, Suppliers and Human Rights section	
People			Own workers fatal accidents (n.)	1		
Pe	Health &	Health and security	Rate of frequency of fatal injuries to own workers (i.)	0,16	Chapter Occupational Health and Safety	
	Wellness	ricaldi and security	Serious injuries to own workers (n.)	3	Safety Statistics section	
			Frequency rate of accidents with "major consequences" own workers	0,78	Annexes Chapter, Training section	
	Capacity building	Training included	Average hours of training per employee (h / per capita)	40,1		
			Cost of employee training (ThUS \$)	2.734		
			Hired people (n.)	680		
		Absolute number and	Income rate (%)	4,06	Annexes chapter, Internal mobility sectio	
		employment rate	Endings (n.)	1.224	, , , , , , , , , , , , , , , , , , , ,	
	Generation of		Rotation (%)	6		
	employment and wealth	Economic contribution	-	-	Chapter Context and business model, section Value creation	
Prosperity		Financial investment	Capex (mill US \$)	1.423	Chapter Context and Business Model, Open Power section	
Pros		contribution	Purchase of treasury shares and dividends paid (ThUS \$)	1.057.692	Enel Américas Financial Statements, Dividends paid	
	Innovation in improving products and services	Total R&D expenses	Investments in research and development	-	Innovation and digital transformation chapter, Innovation section	
	Vitality of communities and society	Total tax paid	Total taxes paid (million US \$)	567	Enel Américas Financial Statements	

## SASB CONTENT INDEX

As of 2020, Enel Américas incorporates the Sustainability Accounting Standards Board (SASB), which provides a summarized vision of the main indicators required in relation to the primary sector of reference for Enel, "Electric Utilities & Power Generators".

The standard is divided into 27 indicators (sustainability disclosure topics, accounting metrics, and activity metrics) divided into 6 main topics: environment, energy affordability, security, end-use efficiency and demand, network resilience, and activity metric...

THEME	SASB	ACCOUNTING METRIC	ANSWER	GRI Reference
	IF-EU-110a.1	(1) Scope 1 gross global emissions, percentage covered by (2) emissions limitation regulations and (3) emissions reporting regulations	251, 329	305-1
	IF-EU-110a.2	Greenhouse gas (GHG) emissions associated with energy supply	251, 329	305-1
Greenhouse gas emissions and energy resource planning	IF-EU-110a.3	Discussion of the long- and short-term strategy or plan to manage Scope 1 emissions, the emission reduction targets, and an analysis of performance against those targets.	53, 70	102-15; 201-2
	IF-EU-110a.4	(1) Number of clients served in markets subject to renewable portfolio standards (RPS) and (2) percentage of compliance with the RPS target by market	n.a. United States regulation, does not apply locally	
Air quality	IF-EU-120a.1	Air emissions of the following pollutants: (1) NOx (excluding N2O), (2) SOx, (3) particulate matter (PM10), (4) lead (Pb) and (5) mercury (Hg); 6) percentage of each in or near dense population areas	329 6) n.d	305-7
	IF-EU-140a.1	(1) Total water withdrawn, (2) Total water consumed, 3) Percentage of each in regions with high or extremely high baseline water stress	256, 328	(1) 303-3 a (2) 303-5 a
Water Management	IF-EU-140a.2	Number of incidents of non-compliance associated with water quantity and / or quality permits, rules and regulations	n.d	
	IF-EU-140a.3	Description of the risks of water management and discussion of strategies and practices to mitigate those risks.	256, 53	303-1; 102-15
	IF-EU-150a.1	1) Amount of coal combustion waste (CCR) generated, 2) percentage recycled	258, 329	306-3; 306-4
Coal ash management	IF-EU-150a.2	Total number of coal combustion waste (CCR) reservoirs, broken down by potential hazard classification and structural integrity assessment	n.a. United States regulation, does not apply locally.	



THEME	SASB	ACCOUNTING METRIC	ANSWER	GRI Reference
Energy affordability	IF-EU-240a.1	Average retail electricity rate for (1) residential, (2) commercial, and (3) industrial customers	n.d	
	IF-EU-240a.2	Typical monthly electric bill for residential customers for (1) 500 kWh and (2) 1,000 kWh of electricity delivered per month	n.d	
	IF-EU-240a.3	Number of electrical disconnections of residential customers due to non-payment, 2) percentage reconnected within 30 days	325	EU27
	IF-EU-240a.4	Discussion of the impact of external factors on the affordability of electricity for the customer, including the economic conditions of the service territory.	46, 50, 157,325	EU27; 102-43, 102-44
Workforce health and safety	IF-EU-320a.1	(1) Total Recordable Incident Rate (TRIR), (2) Mortality Rate, and (3) Near Accident Frequency Rate (NMFR)	231	403-9
Efficiency and end-use demand	F-EU-420a.1	Percentage of utility company revenues from rate structures that (1) are decoupled and (2) contain a Lost Revenue Adjustment Mechanism (LRAM)	n.a. United States regulation, does not apply locally.	
	F-EU-420a.2	Percentage of electrical load served by smart grid technology	n.d	
	F-EU-420a.3	Customers' electricity savings from efficiency measures, by market (megawatt hours)	n.d	
Nuclear safety and emergency management	IF-EU-540a.1	Total number of nuclear power units, broken down by column of the US Nuclear Regulatory Commission (NRC) action matrix.	n.a. Nuclear energy is not produced in Enel Américas.	
	IF-EU-540a.2	Description of efforts to manage nuclear safety and emergency preparedness	n.a. Nuclear energy is not produced in Enel Américas.	
Network resistance	IF-EU-550a.1	1) Number of incidents of non-compliance with physical norms or regulations and / or 2) cybersecurity	1) 15 2) 0 Note: Corresponds to data reported by Enel for all Group companies	
	IF-EU-550a.2	(1) Average System Interruption Duration Index (SAIDI), (2) Average System Interruption Frequency Index (SAIFI), and (3) Average Customer Interruption Duration Index (CAIDI), including days of events important	97	SAIDI: EU29 / SAIFI: EU28
	SASB	ACTIVITY METRIC	Answer	GRI Reference
	IF-EU-000.A	Number of: (1) residential, (2) commercial and (3) industrial clients served	26, 325	EU3
	IF-EU-000.B	Total electricity delivered to: (1) residential, (2) commercial, (3) industrial, (4) all other retail customers, and (5) wholesale customers	26	
	IF-EU-000.C	Length of transmission and distribution lines	325	EU4
	IF-EU-000.D	1) Total electricity generated, 2) percentage by main energy source, 3) percentage in regulated markets	25	EU2
	IF-EU-000.E	Total wholesale electricity purchased	125.099 GWh	

Business model and context

Our ESG performance

3 Appendix

# Questions and suggestions may be directed to:

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