





OWER TOR A BAIGHTER FUTURE SUSTAINABLE PROGRESS:





# In a world of transition we promote sustainable progress



Francisco de Borja Acha Chairman of the Board of Directors



Maurizio Bezzeccheri Chief Executive Officer



## Letter to stakeholders

102-14

We are pleased to present our Sustainability Report, which describes the performance of Enel Américas in the environmental, social and economic spheres during 2021. The Report reflects the results of Enel Américas in accordance with its mission, purpose and strategic plan, and is addressed to shareholders, employees, suppliers and all company stakeholders.

For Latin America, the area in which we concentrate our operations, it was a challenging year, as despite the region's economic recovery, there are still social and economic impacts that make a sustainable and inclusive approach even more necessary. At the same time, the region has not been immune to the climate crisis which, due to its extensive geography, affects different regions in different ways.

During COP 26, Latin American countries made commitments both in decarbonization and in the conservation of natural resources. The region intends to implement urgent actions to align economies with the global goal of keeping temperatures below 1.5°C, as compared to pre-industrial levels.

Limiting temperatures involves decarbonizing the planet, and electricity is the cleanest, most efficient, safest and competitive energy alternative, especially considering the volatility of fossil fuel prices, such as gas and coal. In line with global goals, our climate action endeavors to increase renewable generation and advance the electrification of energy consumption in Latin American metropolises, two actions that should lead to a reduction in CO<sub>2</sub> emissions in the cities and countries where we operate.

To this end, during 2021 we completed the merger with Enel Green Power Americas, positioning us as a leader in renewable energy generation in the region, also extending our operations to Guatemala, Costa Rica and Panama. As a result, we added 4.7 GW of renewable capacity, totaling 10.9 GW by December 2021, which is equivalent to almost 70% of our total capacity. We also added a pipeline of projects totaling more than 50 GW, of which 2.7 GW are already under construction, ensuring our growth and consolidation in the region.

Analyzing the growth trends of cities in the region and

the ensuing increase in energy consumption that these scenarios bring, we are prepared to enter a decade of electrification. We believe this will be a time of increasingly empowered customers, as their ability to manage consumption and choose the sources that best satisfy their needs will grow, while at the same time becoming themselves producers of energy. Being present throughout the value chain and in the main capitals of Latin America offers us countless opportunities, especially as we seek ways to provide an integrated, reliable, safe and customer-focused service.

As a starting point, we are permanently committed to improving our distribution network and making it smarter, to serve the new needs of cities and citizens, for which we are incorporating digital solutions and cutting-edge technologies. This is where projects such as Grid Blue Sky and Grid Futurability, which will allow flexibility for decentralization and greater interactivity for our customers, come into play.

Decarbonization and smart distribution infrastructure must be integrated with services that enable customers to electrify the energy consumption they currently derive from fossil fuels. Therefore, we are investing in electromobility, multiplying the availability of charging infrastructure for electric vehicles. Advancing towards smart and circular cities implies articulating with different institutions and market players, an approach to which we are constantly dedicated, and which is key to move towards decarbonized, electrified and digitalized economies or, which is basically the same, towards Net Zero. In the countries of the region where we operate, Enel X acts in accordance with a business model that connects the company's objectives with the countries' purposes, bringing, for example, electric mobility for the first time to several cities in the region. We believe that for the energy transition to be successful, it is essential to ensure social inclusion. For this reason, our work with local communities prioritizes the objectives of access to clean and affordable energy, economic development and decent work, as well as quality education, collaborating with the broadest contribution of energy to the sustainable growth of Latin American societies.

People are our true competitive factor, sharing a spirit





of cohesion, internally and externally, which is guided by the Company's values, and enables our daily commitment to trust, responsibility, innovation and proactivity. We are permanently incentivizing talent through internal promotion and the development of capabilities in different roles, fostering horizontal leadership in diverse and inclusive work environments in which motivation and commitment are valued and necessary elements that are at the core of our common purpose. In addition, we extend to our contractors and suppliers the opportunity to contribute to our climate action objectives through goals aimed at reducing emissions and generating social value, thus achieving an even more sustainable value chain.

Our leadership and the soundness of our strategy have once again been recognized by international sustainability analysts such as S&P Global, MSCI, Sustainalytics, FTSE Russell and Refinitiv, among others, consolidating our position in their evaluations. Achieving all this progress in a challenging context and with the objective of building sustainable

growth, has only been possible thanks to the dedication and permanent commitment of our employees, investors and customers, who have made Enel Américas the leading private energy company in Latin America. We continue to look forward to a more sustainable world powered by cleaner energy.

#### Francisco de Borja Acha

Chairman of the Board of Directors



#### Maurizio Bezzeccheri

Chief Executive Officer









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#### **MISSION**

- We open energy access to more people.
- · We open the world of energy to new technology.
- We open-up to new energy uses.
- We open ourselves to new ways of managing energy for people.
- We open ourselves to new partnerships.

#### **BEHAVIOR**

- Makes decisions in daily life and assumes responsibility.
- Shares information and is open to contribute with others.
- Keeps commitments, carrying out activities with commitment and passion.
- Quickly changes priorities if the context changes.
- Drives results aiming for excellence.
- Adopts and promotes safe behaviors and acts proactively to improve health conditions, safety and well-being.
- Strives for the integration of all, recognizing and valuing individual differences (cultural, gender, age, disability, personality, etc.).
- In his/her work he/she is attentive to ensure customer and/ or colleague satisfaction, acting promptly and efficiently.
- Proposes new solutions and does not give up in the face of obstacles or setbacks.
- Recognizes the merit of colleagues and gives feedback that improves others' contributions.

#### **VALUES**

- Confidence
- Proactivity
- Responsibility
- Innovation



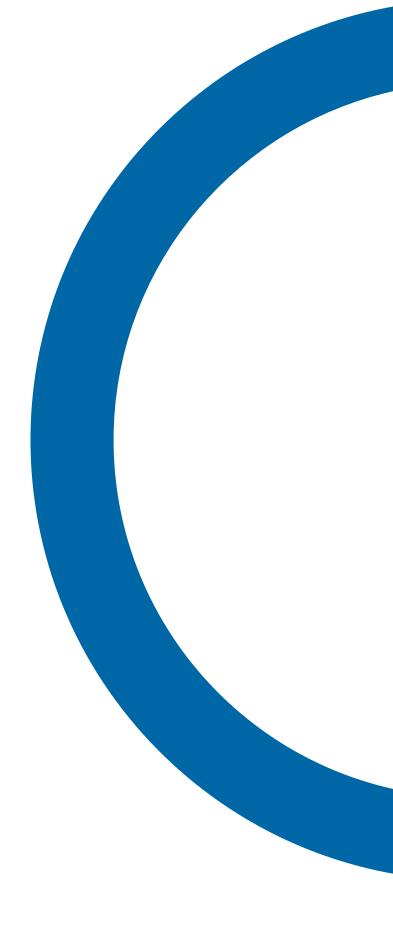


# Our sustainable progress

We are a leading company with a sustainable business model that creates long-term value for all our stakeholders.

We set the priorities that underpin our strategy and our commitments, reporting through a structured materiality analysis process with continuous and direct involvement stakeholder engagement.

**Our strategy makes sustainability and innovation** the focus, contributing to the achievement of the 17 UN goals for 2030.



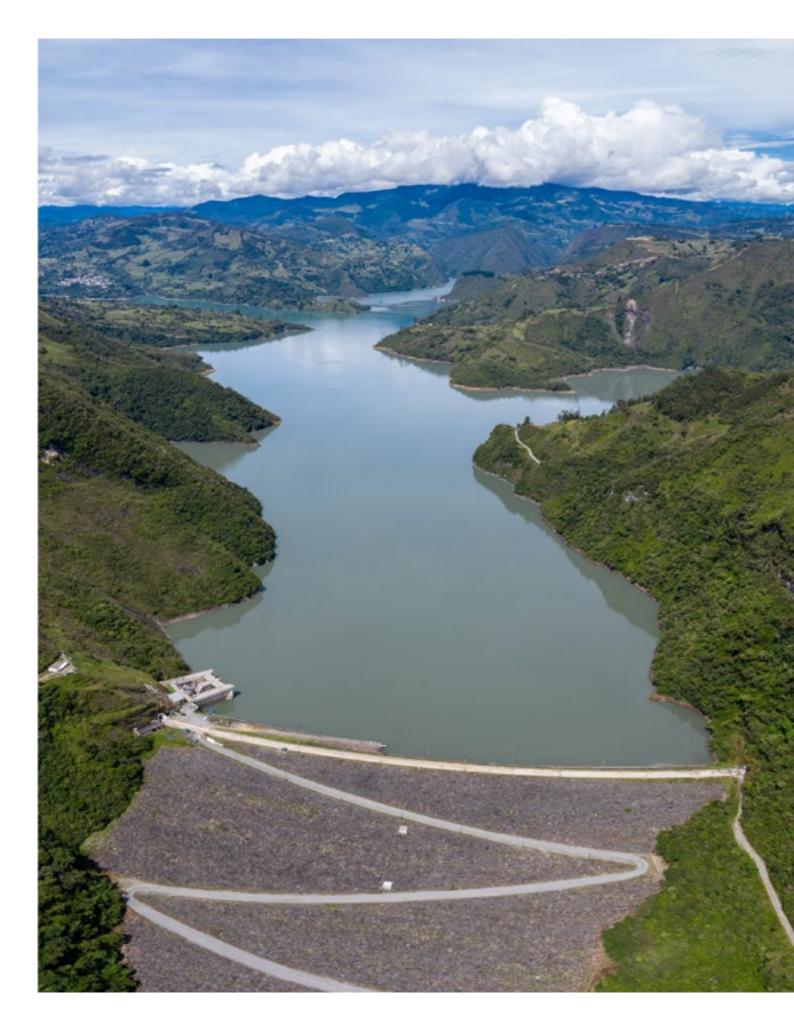






#### business model Sustainable business Enel Américas' strategy is focused on The Company's purpose is based on "opening generating economic, social and environmental energy for a brighter future, empowering value for its stakeholders. All its business lines sustainable progress". Enel Américas pursues are in synch with the Sustainable Development this purpose by offering quality services and Goals, whose objectives are achieved by efficient solutions based on clean energy, placing the needs of customers at the center leveraging innovation, digitalization and circular of the business, in a market focused on the economy principles. Thus, Enel Américas seeks to implement an Open Power vision to reduce electrification of energy consumption, the decarbonization of the generation matrix and impacts on the planet, empowering people in the modernization of the distribution grid. the transition to Net Zero. People and local communities, the supply chain, governance, safety and the environment are the pillars of the sustainability that Enel Américas' business model aims to achieve.









#### The value creation process and the business model





#### Governance principle

**29%** Women on the Board of Directors

incidents reported by the Code of Ethics (of which 16 are violations)



































The value created by Enel Américas and by our stakeholders

#### IS OPEN POWER

#### Vision

Open Power to solve some of our world's greatest challenges

#### Mission

- · We open energy access to more people.
- · We open the world of
- energy to new technology.
- · We open up to new energy uses.
- · We open ourselves to new ways of managing energy for people.
- We open ourselves to new partnerships.

#### **RESPONSIBILITY**

#### INNOVATION

Investing capital for decarbonized electricity

Enable an

electrification of customer energy demand.

Creating value through the value chain

# GROUP STRATEGY AND RISK MANAGEMENT

#### **Results**

#### **Planet**

149 gCO2eq/kWh direct emissions intensity of Scope 1

14 million tCO,eq total emissions scope 1,2,3

3.8 million m³ total water consumption

10.5% water consumption in water-stressed areas

#### **People**

74 hours of training per person

15.4% rotation rate

**0.85** accident rate for Company personnel

**0.62** accident rate of contractor personnel

**8.6** million people involved in SDG 4, 7 and 8 projects (2)

#### **Prospeirty**

US\$16,521 million in revenues

US\$4,102 million in EBITDA

US\$806 million in taxes paid

US\$963 million in dividends paid

16.6 TWh energy distributed

119.8 TWhenergy sold in generation

67.3% renewable energy generated

**3,319** charging points installed by 2021

**SAIDI** (min.) 588







#### Enel Américas leading electrification with cleaner energies

102-1 | 102-2 | 102-3 | 102-4 | 102-5 | 102-9 | 102-45

Enel Américas is one of the leading companies in the region's electricity sector, with more than 26 million customers, operations in seven countries, with an installed capacity of 15.9 GW. It is part of the Enel Group, the most important holding company in this sector, with a presence in more than 30 countries and supplies electricity to 75 million end-consumers through a network of more than

2.2 million kilometers, with more than 90 GW of installed capacity.

Enel Américas is an open stock corporation listed on the Santiago and New York stock exchanges, which through its subsidiaries participates in the energy generation, distribution and transmission businesses, also providing services for electrification and digitalization.

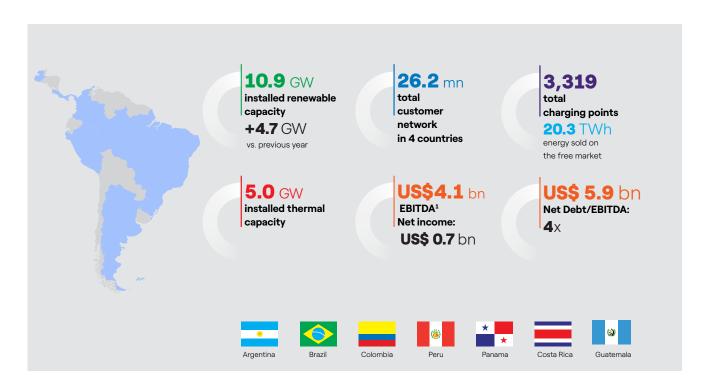
As part of the Enel Group, the Company adheres to the vision and philosophy of Open Power, which means committing to being part of the solution to the greatest challenges facing the planet. To achieve this, Enel Américas wants to open up energy to more people, new technologies, new ways of managing it for the consumer; open up to new uses and more workers. The company lives up to this purpose while remaining faithful to its core values: responsibility, innovation, trust and proactivity.

By merging with Enel Green Power (EGP) and reaching an agreement with Grupo Energía de Bogotá SA ESP, Enel Américas consolidated its leadership position in Latin America as it incorporated additional capacity and a portfolio of projects that will allow it to continue accelerating the energy transition.

This increase in capacity, mainly in solar, wind and minihydro technologies in Brazil, Colombia, Peru and Central America, includes operations in Costa Rica, Guatemala and Panama. In addition, the Company signed a new investment framework agreement with Grupo Energía de Bogotá SA ESP, which boosts growth in Colombia and Central America.

This offers a unique opportunity to accelerate the energy transition and take advantage of clean electrification options through the integrated generation and distribution segments and the services offered through Enel X, which seek to promote electrification, especially regarding electric mobility.

With these concrete actions, Enel Américas will improve the quality of life of its customers in the region, moving towards Net Zero and thus towards a more sustainable world.





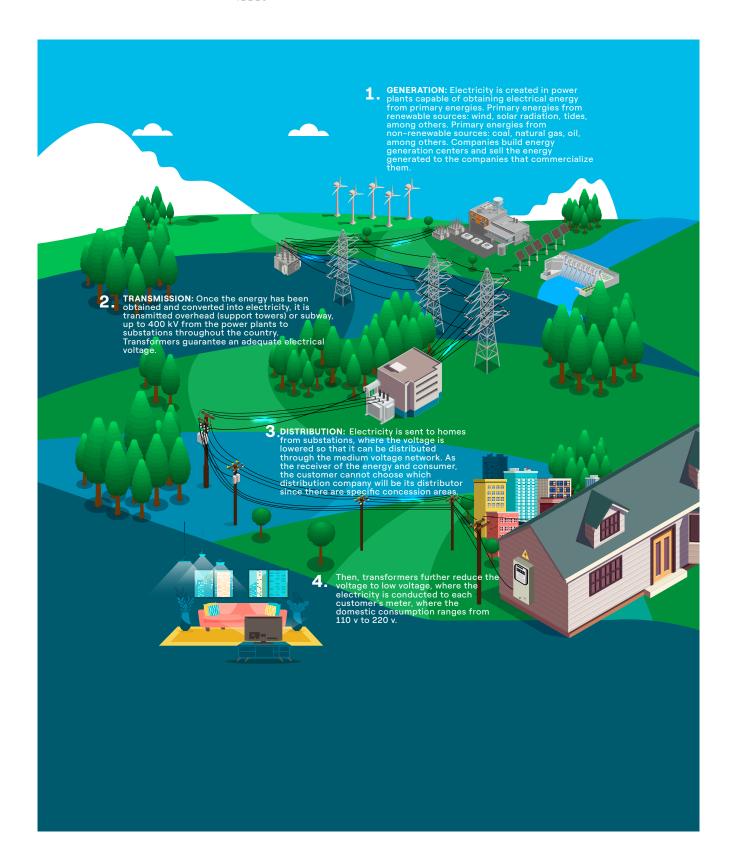
#### **Business structure**

Our ESG performance











#### **Enel Américas Operations**

102-6 | 102-7 | EU3 | EU4

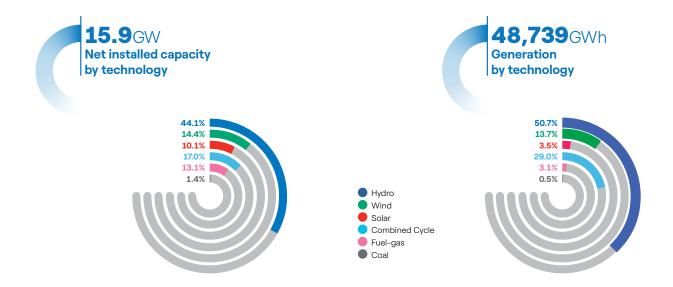
#### **Generation**

Enel Américas has **248 generation units**, distributed among its operating subsidiaries in Argentina, Brazil, Colombia, Peru, Costa Rica, Guatemala and Panama. Of these, **90** are hydroelectric, **40** are solar, **71** are wind and **47** are thermoelectric.

Our ESG performance

EU1 | EU2

In 2021, net installed capacity amounted to **15.9 GW**, of which 69% comes from renewable sources, and consolidated electricity production reached **48,739 GWh**, **67% of which corresponds to renewables**, while energy sales totaled **71,254 GWh**.

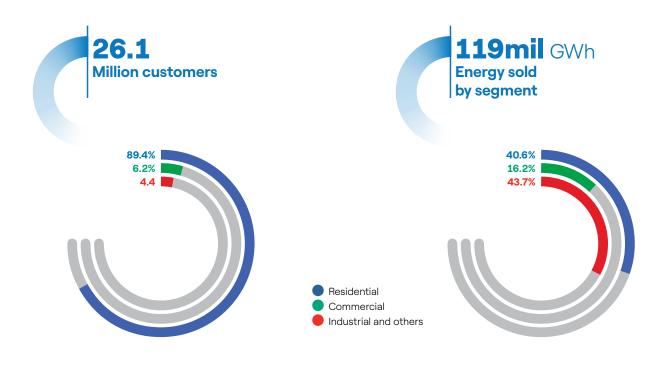




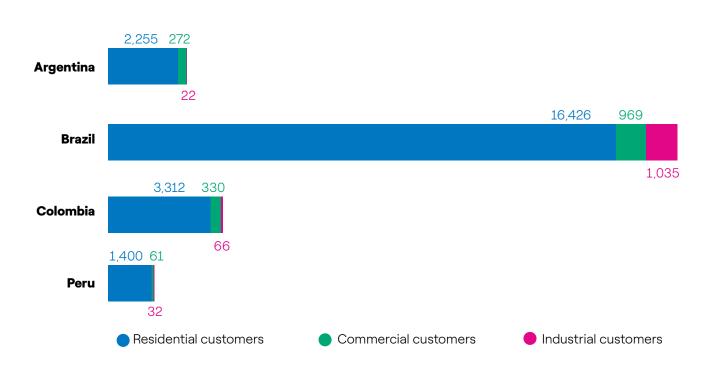


#### **Distribution**

Through the distribution business, the Company sold 119,845 GWh, delivering energy to more than 26 million customers.



#### **Customers by segment Enel Américas**





#### **Transmission**

Enel Américas 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.

#### **Products and services for electrification**

Enel X América seeks to lead the promotion of electric energy for new uses, through products and energy solutions based on innovation and sustainability, to advance the electrification of consumption and contribute to more sustainable and less polluted cities.

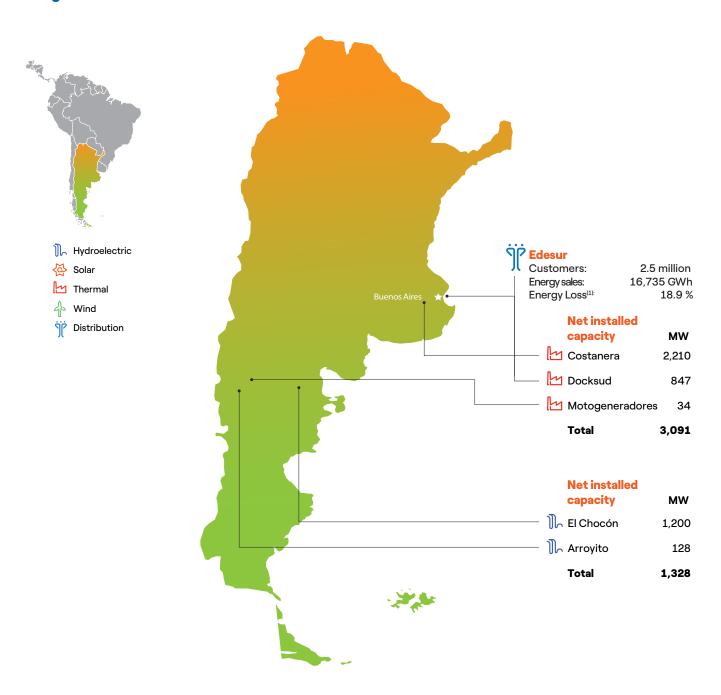






#### Presence by generation, distribution and transmission segment

#### **Argentina**

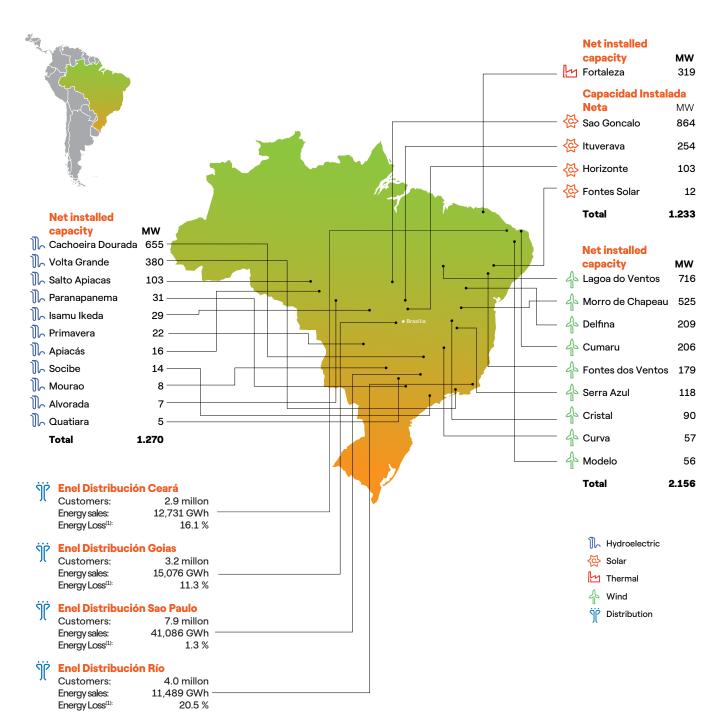




<sup>\*</sup>The distribution business does not include consumption or non-billable customers.

1. Energy loss corresponds to the total loss that includes high, medium and low voltage, as well as commercial losses and thefts.

#### **Brazil**



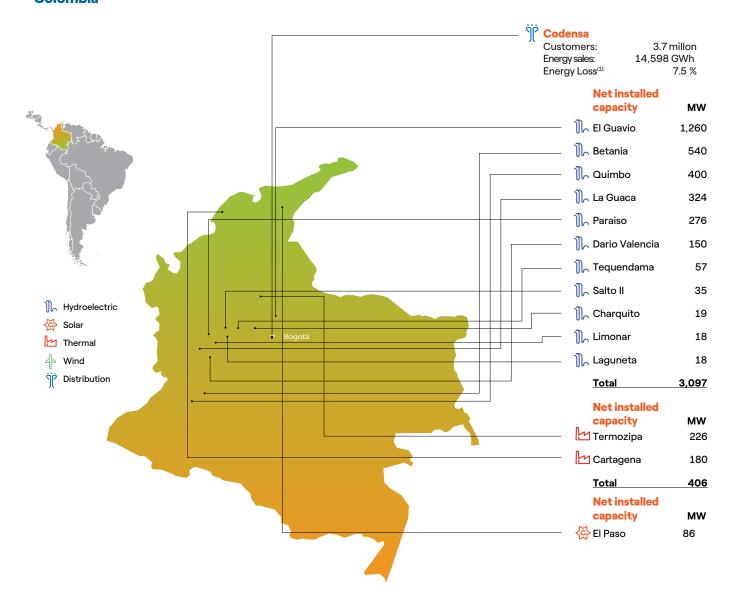
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<sup>&</sup>lt;sup>1</sup> Energy loss corresponds to the total loss that includes high, medium and low voltage, as well as commercial losses and thefts.





#### Colombia

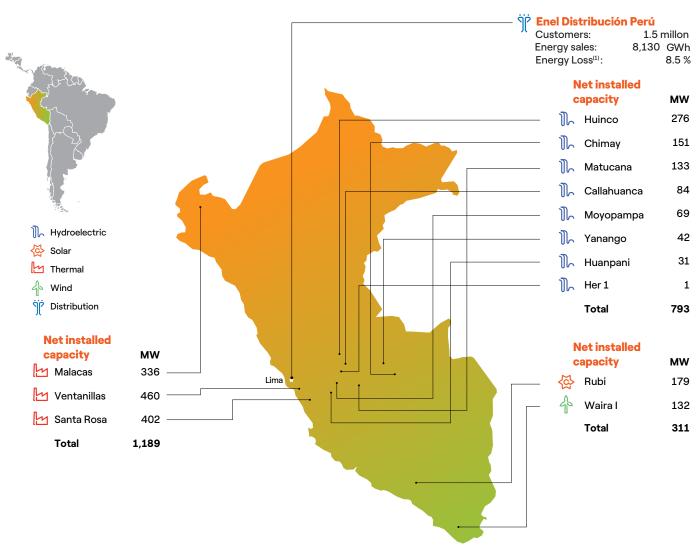


<sup>\*</sup>The distribution business does not include consumption or non-billable customers.



<sup>&</sup>lt;sup>1</sup> Energy loss corresponds to the total loss that includes high, medium and low voltage, as well as commercial losses and thefts.

#### **Peru**



<sup>\*</sup>The distribution business does not include consumption or non-billable customers.

¹ Energy loss corresponds to the total loss that includes high, medium and low voltage, as well as commercial losses and thefts.

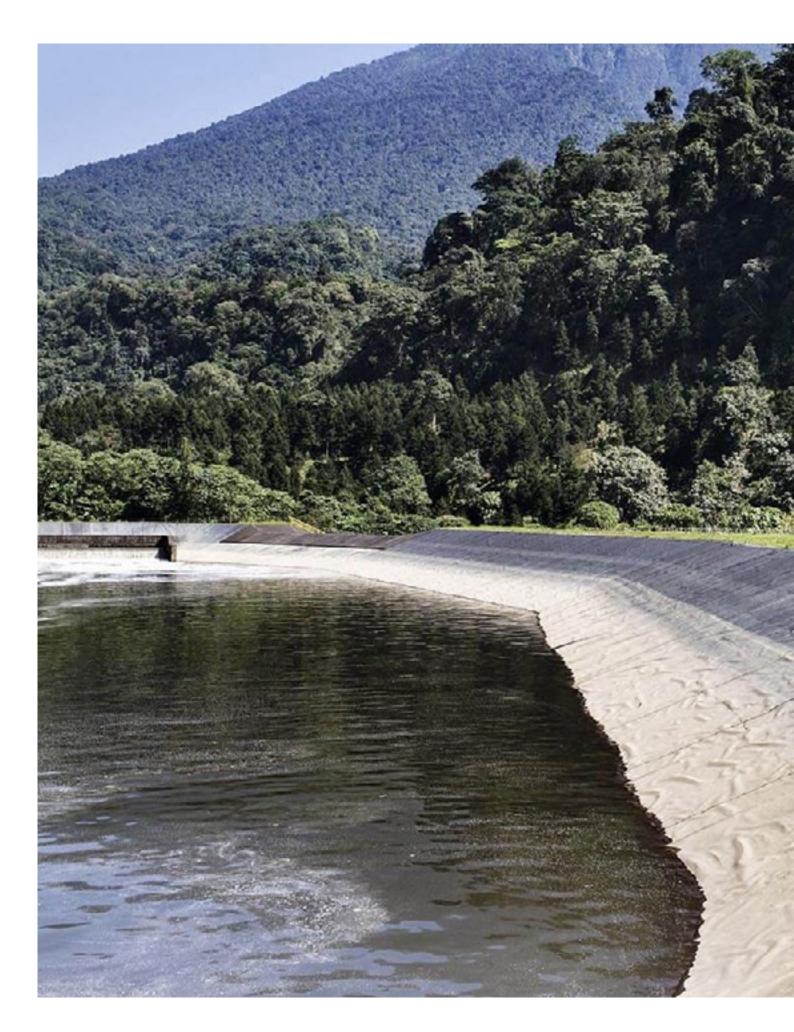




#### **Central America**











## Responding to Covid-19

In this second year of the Covid-19 health crisis, Enel Américas and all its subsidiaries have kept an ongoing preventive strategy to reduce the possibility of contagion among its employees and stakeholders, while at the same time maintaining services for the customers and communities of which it is a part. To meet this objective, the Company has applied its Open Power values of responsibility and trust, innovation and proactivity, and has pushed to

accelerate the digitalization process.

One of the main strategies that the Company successfully applied was, wherever possible, move to teleworking. Of course, this excluded workers on operational roles, whose functions are essential to ensure the continuity of service and safety of each country's electricity system. These employees kept the 2020 modality of working by shifts and in work cells.

#### CCommitment to the wellbeing of employees

- Regarding employee care, Enel Américas continued to provide support to look after the wellbeing, and physical and mental health of associates, monitoring active cases of Covid-19 and providing psychological support.
- In Argentina, the Company monitored compliance with health regulations and the vaccination plan, both in offices and on the field. Brazil applied the Covid-19 Plan and the "Enel Emotional Health" program, and Colombia provided transportation for 100% of headquarter workers. In Peru, the program La Ruta de la Resiliencia (The Resilience Route) was implemented, which provided medical advice and support to people who lost someone close to Covid.
- In terms of technology, Enel Américas provided digitalized psycho-emotional and medical support resources, such as a series of webinars devised to raise awareness and educate on recommendations and HSEQ protocols for Covid-19.

### Responsible operational continuity

- Among the measures applied this year in distribution subsidiaries, in Argentina, Brazil,
  Colombia, Peru and Central America Enel Américas encouraged and applied protocols of
  self-reading for customers, or alternatively used an average calculation based on previous
  months, to avoid possible contagions and safeguard the health of employees and customers.
- In this same line, a self-diagnosis questionnaire was applied as a prerequisite for entry to Company facilities. **Colombia** applied safety protocols for the operators of the Low Voltage (LV) Control Center and the Medium and High Voltage (MV-HV) Control Center. In **Peru**, the capacity reduction was applied to 30% of the personnel at headquarters.



# Working together with strategic partners and looking after the supply chain

- Enel Américas continued reinforcing inspections at the facilities of contractors to verify compliance with protocols established to prevent contagion, while promoting the use of technology and digitalization of control processes to facilitate their management.
- At the same time, the Company redefined the scope of the contracts necessary to guarantee
  the adequate operation of the different businesses and areas, preserving the financial health
  of the contracts.
- Enel also engaged in continued monitoring of the performance and availability of global providers related to the supply of critical materials, equipment and services, defining alternative plans if necessary.

#### Always excelling at service

- In line with its commitment to customers, the Company activated several lines of work to
  provide continuous and quality service to all of them, while at the same time accompanying
  them socioeconomically in the context of the health emergency.
- With respect to customer service, Enel Américas activated an omnichannel approach, enabling and promoting the use of digital communication channels to protect the safety of its customers and employees.
- From a socioeconomic perspective, Argentina entered an alliance with Sumatoria to finance projects specifically related to the Covida-20 Fund. Brazil offered payment facilities and Central America gave free customers the possibility of defining a payment plan in installments, ranging from 12 to 36 months. Colombia posted and disseminated job offers to hire local labor in the areas of influence of the new electrical substation projects under construction, such as Terminal, San José and Calle Primera.
- With respect to social and economic innovation, Colombia also supported initiatives whose development focused on one of the Company's areas of interest, such as circular economy models, new technologies, electric mobility and digital solutions for the inclusion of people with disabilities.





#### **Commitment to sustainability**

#### **Sustainability governance**

102-20 | 102-26 | 102-32

To ensure that sustainability issues are duly considered, Enel Américas has defined its governance structure based on the most exacting international practices, which are the foundation of its decision-making processes and operations throughout the entire value chain.

• Board of directors: Approves strategic, industrial and financial plans, including the Group's annual budget and the Industrial Plan, which complement the key guidelines to promote a sustainable business model and lay the foundations for long-term value. The Board of Directors is also responsible for approving the Sustainability Report and all Company's activities, addressing environmental, social –such as human rights, diversity and inclusion, employee retention, among others- and governance issues –such as corruption, lobbying, transactions between related parties and the approval of risk maps that consider sustainability risks and those arising from climate change-.



- Directors Committee: As of June 2020, this Committee -constituted by independent directors- together with relevant management executives, supervises and follows up on key sustainability issues. Some of the topics addressed include the Sustainability Plan and its guidelines, the general structure of the Sustainability Report, specific matters related to performance on environmental issues, climate change, biodiversity and the social sphere; also, health and safety, career development and others related to governance, such as transparency, business relations and human rights, among others. The Committee also analyzes and evaluates the evolution of best practices related to corporate sustainability and the company's positioning in the main Environmental, Social and Governance (ESG) rankings. Investor Relations Management -together with Sustainability Managementalso informs the Committee about the trends of Socially Responsible Investors and the company's relationship with them.
- Chief Executive Officer and Chairperson of the Board of Directors: Both the Chief Executive Officer and the Chairperson of the Board of Directors of the Company are responsible for defining and implementing the sustainable business model, determining guidelines for the management of the energy transition, driving carbon-free energy production, and promoting business practices that consider the expectations of the different stakeholders. The chairman of the Board of Directors does not serve as an executive officer of the Company.

#### **Sustainability Management**

102-29

Under the supervision of the General Manager of Enel Américas, the Sustainability Management of each country manages all sustainability and innovation activities, in accordance with Enel Group guidelines. Sustainability Management is also in charge of reporting to the Board of Directors the results of business indicators that measure the Company's ESG performance, on a quarterly basis. These indicators are defined in accordance with a three-year Sustainability Plan, which is updated annually according to changing business objectives and goals focused on the



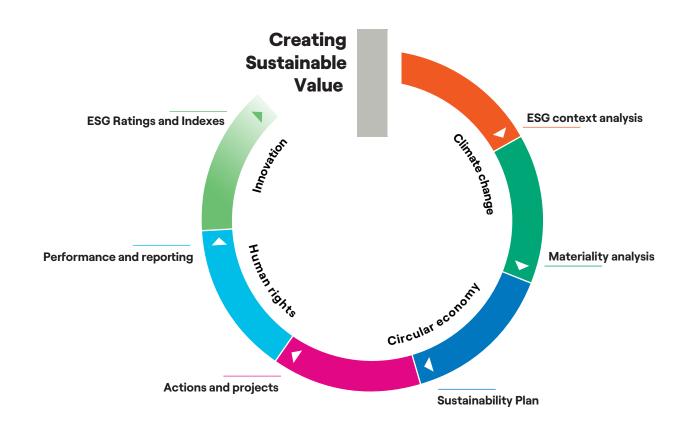
Our sustainable progress

To measure the real usefulness and acceptance of the Sustainability Reports disseminated to relevant stakeholders and society in general, this organizational unit also presents a quarterly report to the Board of Directors, which includes:

- The analysis of visits to the Company's Sustainability Report website, in accordance with milestones of public interest relevant to Enel Américas.
- The valuation of public information based on the Company's positioning in the different ESG indexes and evaluators, such as DJSI (Dow Jones Sustainability Index), MSCI (Morgan Stanley Capital International), FTSE4 Good, Sustainalytics, ISS and Moody's ESG solutions, among others.

Generating value for all stakeholders is achieved through a process that considers the analysis of the environmental, social and governance context, and prioritizes stakeholders according to a materiality analysis. Both elements are reflected in the Company's Sustainability Plan and in the consequent projects and actions that stem from it. Annual results are reported in the Integrated Report, the Sustainability Report and other means of public information incumbent to the Company's ESG performance. Feedback from stakeholders who analyze or evaluate the Company's ESG performance turn into inputs and areas to be covered by the new Sustainability Plan. It is therefore a process of continuous improvement fed by stakeholders and which relies on the construction of a network of institutions and organizations with which Enel Américas works, leveraging circular economy and innovation matters as growth accelerators, and regarding human rights as a condition for the sustainability of its business.

This continuous improvement process is meant to guide Enel Américas to become an ever more competitive company in terms of its ability to mitigate environmental, social and economic risks and, at the same time, create sustainable value in the long term for its shareholders and all stakeholders with whom it interacts.







#### **Context and trends**

#### **Global situation**

After the second year of the pandemic generated by Covid-19, the aftermath of the crisis has not been long in coming, and despite the efforts made, recovery has been uneven and inequitable. In this context, global actions to achieve the commitments of the 2030 Agenda seem increasingly distant, considering that many countries are not yet sufficiently oriented towards achieving these goals. In this sense, the current crisis threatens decades of progress in various areas, further delaying the transition to green and inclusive economies, a phenomenon that is boosted by the rise in fossil fuel prices due to varying interest rates among Eastern European countries. Despite all of this, and even though the end of the crisis is not yet in sight, the world's attention is now focused on how to rebuild and redefine

the way humankind produces, consumes, socializes and <u>interacts</u>.

#### **2021 trends**

The United Nations Regional Collaboration Platform unites regional efforts by creating and strengthening partnerships to achieve the 2030 Agenda and reach the Sustainable Development Goals (SDGs). In this context, this platform has raised some of the key issues that marked 2021, which required and continue to require immediate support and action, thus taking them to a global level. Among them, the following are particularly relevant:

Human mobility	Gender equality	Economic outlook	Inequity in health care
Refugees continue to be affected by discrimination, xenophobia, lack of job opportunities, social security and by policies of deterrence of migratory movements that impact on their human rights in the context of human mobility.	The pandemic negatively affected progress towards gender equality, as it has resulted in the loss of countless jobs.  In addition, violence against women and girls increased, weakening the most vulnerable.	The OECD forecasts a global GDP growth of 5.8% in 2021 and about 4.5% by 2022, concluding that the global economy has returned to pre-pandemic levels.  While there is an economic recovery, economic growth in some countries is not expected to return to pre-pandemic levels before 2022 or 2023.	In mid-2021, about 68 vaccine injections per 100 people were administered in Europe and North America, compared with fewer than two in sub-Saharan Africa.

#### **2021**, one of the seven warmest years ever to be recorded

According to the World Meteorological Organization (WMO), the global average temperature in 2021 was 1.11°C above pre-industrial levels (1850–1900), a scenario that positions 2021 as the seventh consecutive year since 2015 in which the global temperature has exceeded pre-industrial levels by more than 1 °C.

For its part, the Environment program of the United Nations (UN), through the Emissions Gap Report 2021, points out that climate change has intensified in the last year, and that time to reverse the situation is running out. The report reviews

where greenhouse gas emissions are projected to be in 2030 and where they should be to avoid the worst effects of climate change.

To mitigate this future scenario, according to the report, reducing methane emissions from fossil fuels, waste and agriculture could help to close the emissions gap and reduce warming in the short term. Among other aspects along these lines, it stresses that carbon markets can deliver real emissions reductions if they have clearly defined rules, are designed to ensure that transactions reflect real emissions reductions, and are backed by agreements to track progress and provide transparency.





#### Reports of the Intergovernmental Panel on Climate Change (IPCC)

In August 2021, Working Group I of the Intergovernmental Panel on Climate Change (IPCC), which evaluates the scientific aspects of the phenomenon, anticipated that climate change is widespread, rapid and intensifying. In its sixth report on climate change, entitled <a href="The Physical Science Basis">The Physical Science Basis</a>, this group, consisting of more than 234 scientists, pointed out that the observed changes in climate are unprecedented in thousands, if not hundreds

of thousands of years, and some of the changes that are already occurring, such as the continued rise in sea levels, will not be reversed for several centuries or even millennia.

In some of the key points of the report, it specifically states that the warming of the last 170 years is attributable to human action and that in all the scenarios considered, the average global temperature is expected to be 1.5°C or 1.6°C higher than pre-industrial levels by 2030, a decade earlier than expected.

#### **ARCTIC TEMPERATURE**

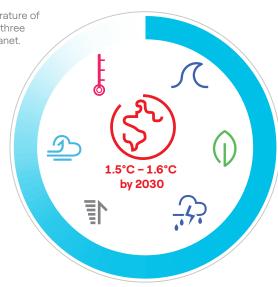
The increase in the average temperature of the coldest days is expected to be three times the global average for the planet.

#### CARBON SINKS BECOME SATURATED

The capacity of forests, soil and oceans to absorbr  ${\rm CO_2}$  will weaken.

#### THE DANGER OF METHANE

 $\mathrm{CH_4}$  levels in the atmosphere (the second most important GHG after  $\mathrm{CO_2}$ ) are the highest recorded in the last 800 thousand years.



#### SEA LEVEL RISE AND "IRREVERSIBLE" ICE MELTING

Changes that would be irreversible for "centuries and millennia". The sea could rise up to one meter by 2100.

#### **TURNING POINTS**

Disintegration of glaciers, melting of permafrost, transformation of the Amazon, are some of the unknown dangers that "cannot be excluded."

#### **EXTREME WEATHER EVENTS**

Increases in heat waves, storms, hurricanes, tornadoes, among others.

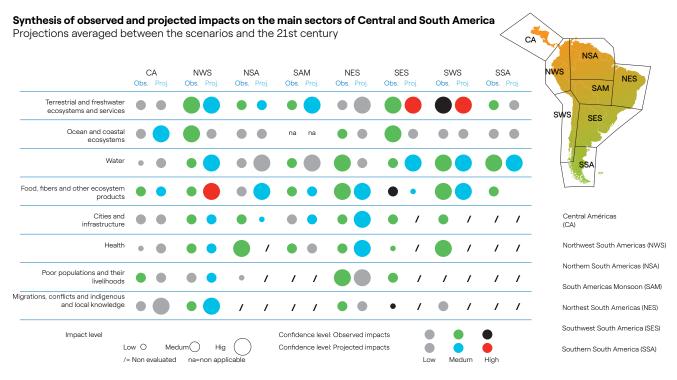




#### Projected impacts in the region

In February 2022, IPCC Working Group II published the <u>sixth</u> report on the impacts of climate change from the point of view of adaptation and vulnerability of socioeconomic and natural systems, sharing evidence of the effects experienced in relation to access to water and food, impacts on the oceans, vegetation, ecosystems and the human species in general. It complements the 2021 report, which already warned of boundaries being crossed and the need to shift actions. The new document details the devastating effects that this would have in the short, medium and long term, serving as a guide to make decisions to adapt for and mitigate these impacts.

Among the key actions to be taken to achieve adaptation, the 2022 report highlights those that originate in cities and urban centers and involve the private sector, civil society and other stakeholders. Such an opportunity to promote resilient development in cities includes the implementation of integrated and inclusive planning, and the integration of climate change concerns into urban infrastructure investments. The report highlights that safeguarding biodiversity and ecosystems translate into multiple benefits for the health and wellbeing of people living in these environments, including the most vulnerable communities.



Synthesis of observed and projected impacts, specified for different sectors and each subregion of Central and South America. The observed impacts refer to the last decades. The projected impacts represent a synthesis across various emissions and warming scenarios, indicative of a projected period from the middle to the end of the 21st century.



# **Regional context**

#### **Pandemic**

The health crisis has continued to unfold in 2021. At the beginning of the year, the vaccination process began with the first dose in different parts of the world, allowing the sanitary restrictions in each country to be somewhat eased. However, despite the number of doses reached in some regions by the end of the period, different strains of the virus (Delta and Omicron) continued to challenge the containment of the pandemic.

Argentina	Brazil	Colombia	Peru	Central America
Confirmed cases:	Confirmed cases:	Confirmed cases:	Confirmed cases:	Costa Rica
5,654,408	22,291,839	5,157,440	2,296,831	Confirmed cases: 570,556
				Deaths1: 7,353
Deaths1:	Deaths1:	Deaths1:	Deaths1:	Doses administered: 7,756,348
117,169	619,334	129,942	202,690	
				Guatemala
Doses administered:	Doses administered:	Doses administered:	Doses administered:	Confirmed cases: 628,359
76,606,972	331,273,910	64,690,489	50,271,694	Fallecidos¹: 16,107
				Doses administered: 11,310,579
				Panama
				Confirmed cases: 495,920
				Deaths1: 7,428
				Doses administered: 5.892.548

<sup>1.</sup> The number of deaths is cumulative from the beginning of the pandemic until December 31, 2021.

#### **Political**

Democracy in Latin America is going through its most delicate moment in two decades, as this region has been hit particularly hard by the pandemic, aggravating a problem of institutional legitimacy that has been dragging on in recent years. Half of the countries in Latin America and the Caribbean, among them Colombia, Costa Rica and Guatemala, show erosion in their democracy, while Brazil continues to deepen its democratic regression, according

to the report The State of Democracy in the Americas 2021, by the International Institute for Democracy and Electoral Assistance (IDEA).

In its evaluation, this institution explains that there are two levels of democratic quality and health into which Latin American countries currently fall. The first is medium performance, where Argentina, Brazil, Colombia, Peru, Costa Rica and Panama are located, and the second is low performance, where Guatemala is located.

Argentina	Brazil	Colombia	Peru	Central America
Argentina held legislative elections, in which the ruling party led by Alberto Fernández lost its quorum in the Senate but remained	Judge Sérgio Moro announced his candidacy for the 2022 presidential elections.	Commemoration of the 30th anniversary of the 1991 Constitution.  The Senate and the	Presidential elections were held, in first and second round, with the leftist Pedro Castillo finally emerging as the winner	Costa Rica Costa Rica officially joined the OECD and is now the 38th member of the organization.
the leading force in the Chamber of Deputies.	President Jair Bolsonaro appointed Ciro Nogueira as the new Minister of the Presidency of Government.	House approved the tax reform submitted by the Government to Congress.	with 50.16% of the votes.	The electoral roll increased by more than 200 thousand people in relation to 2018.
				Guatemala Guatemala handed over the Pro-Tempore Presidency of the Council of Ministers of Economic Integration to Panama.





# **Economical**

Despite the advances in development in recent years, humanity continues to face inequity and poverty, factors which were intensified by the health crisis.

In the case of Latin America, the pandemic broke out in a complex scenario: seven years of low growth, increasing

poverty and growing social tensions. In the face of this, structural inequalities deepened with high levels of informality, lack of social protection and low productivity, revealing critical knots in health, education and care.

The uncertain outlook in the region is reflected in the following indexes:

Indicator	Argentina	Brazil	Colombia	Peru	Central America
GDP growth in 2021	10,30%	4,50%	10,60%	12,80%	Costa Rica 7,60% Guatemala 7,50% Panama 15,30%
Interest rate	-	9,25%	3,0.	2,50%	Costa Rica 1,25% Guatemala 1,75%
CPI	50,90%	10,20%	5,60%	7,00%	Costa Rica 3,30% Guatemala 3,10% Panamáa 2,60%
Annual inflation	50,90%	10,06%	5,60%	6,40%	Costa Rica 3,30% Guatemala 3,07% Panama 1,60%

#### **Social**

Prior to the pandemic, only 56% of the region's inhabitants were covered by some type of social protection and contributory systems, which depend on the contributions of workers and employers, covered only 46% of employed people. Most of the employed population did not have unemployment insurance or other forms of income compensation, especially those in the informal sector, according to a study by the International Labor Organization (ILO).

The health crisis caused a 7.9% drop in the number of registered contributors to the contributory social protection systems, a decline that is equivalent to almost a decade.

Spending to mitigate the health crisis has made it possible to counteract the even greater increase in poverty and extreme poverty. One of the most vulnerable situations in the region is that of the 30% of people over 65 years of age who -according to the latest data- do not receive any type of income from work or a pension.

Argentina	Brazil	Colombia	Peru	Central America
Poverty: 44%.	Poverty: 24.1%.	Poverty: 40%.	Poverty: 23.9%.	Costa Rica
				Poverty: 23%.
Gini index: 0.445 (first	Gini index:	Gini index: 0.539.	Unemployment	Gini index: 0.524.
quarter 2021).	0.674 (first quarter 2021).		rate: 5.3% (third	Unemployment rate: 13.7%.
•	•	Unemployment rate:	quarter 2021).	• •
Unemployment rate:	Unemployment rate:	13.7%.	•	Guatemala
8.2% (third quarter	13.2%.			Poverty: 45.6%
2021).				Gini index: 0.445
				Unemployment rate: 2.2%



# **Energy**

Our sustainable progress

# **Argentina**

#### - The Argentine Renewable Energy Chamber (CADER) and KPMG Argentina presented the report "Renewable Energy in Argentina. Challenges and opportunities in the context of the global energy transition". This study addresses issues such as: energy transition, competitiveness of renewable energies, review of Latin American cases: state of renewable energies in Argentina, challenges and risk opportunities.

#### **Brazil**

- Renewable energy sources dominate the country's energy matrix, representing 85.8% of installed capacity. Large-scale hydroelectric power is the main source of generation, but nonconventional renewable energies have gained participation in recent
- The strategy implemented by the Brazilian government is to diversify the matrix by limiting large hydroelectric power plants to mitigate climate risks associated with this energy source

#### Colombia

- Colombia has long-term objectives for 2020-2050. such as: security of energy supply and diversification of the energy matrix; energy as the axis of economic development and prosperity: environmental management of the energy sector and ensuring coverage of energy services and products with inclusion and territorial development
- The future energy scenario 2018-2050 points to: Opportunities in the energy sector (energy efficiency and FNCER); Transformations in mobility: Environmental and climate policies; Demographic trends, economic growth and energy price dynamics.

- Peru has a National Energy Plan 2014-2025, which aims to have an energy system that meets the national energy demand in a reliable, regular, continuous and efficient manner, promoting sustainable development supported by planning, research and continuous technological innovation.

#### **Central America**

#### Costa Rica

Costa Rica's National Plan 2015-2030 is based on two sectoral objectives: i) Promote actions to address global climate change through citizen participation, technological change, innovation processes, research and knowledge to ensure the well-being, human security and competitiveness of the country; ii) Supply the country's energy demand through an energy matrix that ensures the optimal and continuous supply of electricity and fuel, promoting the efficient use of energy to maintain and improve the country's competitiveness.

#### Guatemala

Its 2019-2050 Energy Policy Plan contemplates the following: Foster a reduction of the gap between time bands of electric energy use; conduct a periodic study on the final use of electric energy with a 5-year interval starting in 2022; promote the standardization of technical parameters related to electrical equipment; create a structure of guality and efficiency in electrical equipment, electronics and household appliances by 2023 in all sectors; achieve national electric coverage and develop the national rural electrification plan 2021-2034.

The National Energy Plan 2015-2050 addresses axes of the national energy plan, which contemplates universal access and the reduction of energy poverty. Some of the proposed objectives are reducing the use of firewood as a health necessity, reducing poverty in electricity consumption and decarbonization of the energy matrix by creating the conditions for the participation of new renewable sources and establishing a transition period.

#### **Environmental situation**

# Nationally Determined Contribution (NDC) by country

Following the signing of the Paris Agreement, the Nationally Determined Contributions (NDC) correspond to a series of voluntary commitments to reduce greenhouse gas (GHG) emissions by 2030 and address the impacts of climate

change. These contributions are reviewed every five years, at which time each country must resubmit a new document with more ambitious goals and plans in the fight against climate change.

Some of the characteristics of the NDCs are that they are universal, national, comprehensive, with a minimum requirement and public. They contemplate the following goals:





#### Goals

Argentina	Brazil	Colombia	Central America	Peru
Not to exceed net	37% reduction in GHG	148 mitigation measures.	Costa Rica	Emissions reduction of
emissions of 349 MtCO <sub>2</sub>	emissions by 2025.		Achieve net emissions for	20% with respect to the
in 2030. (only modification		Emit a maximum of 169.44	the period 2021 to 2030 of	Business as usual (BaU)
made to the document	43% reduction in	MtCO2 in 2030 (51%).	106.53 million tons CO2eq.	scenario in the year 2030
submitted in 2020).	emissions compared to		2021 to 2030, 106.53	
	2005 levels by 2030.	Design a carbon budget by	million tons CO2eq.	62 greenhouse gas
Reduction in emissions		2023 at the latest.		mitigation measures were
limitation to 2030 of 27.7%			Guatemala	defined.
compared to the first NDC		Reduction of deforestation	Achieve a reduction	
submitted in 2016.		rate to 50,000 ha/year by	of 11.2% of its total	
		2030.	greenhouse gas (GHG)	
			emissions from base year	
		Reduction of black carbon	2005 projected to 2030.	
		emissions by 40% by 2030		
		compared to 2014.	Panama	
			29 commitments	
			submitted encompassing	
			ten sectors and strategic	
			areas.	

## **Argentina**

Argentina signed and ratified the Paris Agreement, through a document submitted on September 21, 2016.

During the Leaders' Summit on Climate, President Alberto Fernández announced an increase in emissions mitigation to 2030 of 27.7% over the first NDC presented in 2016.

The goal is not to exceed net emissions of 349 million tons of CO<sub>2</sub> equivalent (MtCO<sub>2</sub>eq) by 2030.

This goal absolute, unconditional and applicable to all sectors of the economy, in accordance with Article 4.4 of the Paris Agreement. Wind, solar, hydro and bioenergy, as well as the development of nuclear energy and other energy carriers, such as hydrogen, are and will be key to achieving the energy transition. While the carbon neutrality goal is set for 2050.

#### **Brazil**

Brazil's Nationally Determined Contribution under the Paris Agreement is to reduce absolute economy-wide greenhouse gas emissions by 37% by 2025, and by 43%, by 2030, both with reference to 2005.

In addition, the country wants to achieve an energy matrix that incorporates 45% of renewable sources by 2030, including wind, solar, hydro and biomass, setting its goal of carbon neutrality by 2050.

With the ambition of positioning Brazil as the largest exporter of carbon credits to countries in need, this market should generate US\$ 50 billion in resources that can mainly serve countries with native forests. The authorities estimate

that Brazil should benefit from around US\$ 10 billion in carbon credits, a resource that returns to the environment with investments in renewable energy projects, sustainable agriculture and the generation of green jobs.

#### Colombia

Colombia updated its Nationally Determined Contribution (NDC) in 2020, adopting it in March 2021 and expanding its target to achieve a 51% reduction of its Greenhouse Gas (GHG) emissions, emitting 169 MtCO<sub>2</sub> by 2030. The plan encompasses around 200 measures and actions, including mitigation, adaptation and means of implementation, focusing mainly on deforestation, since 70% of the cuts are linked to land use. To make regulatory advances, the Government put the "Climate Action Law" up for discussion in 2021. The NDC also raises, for the first time, the need to develop a strategy for the just transition of the workforce to a resilient and low-carbon economy.

At the World Summit on Climate Change 2021 -COP26-Colombia reiterated its commitment to define carbon market mechanisms that comply with the Paris Agreement, establishing for this purpose the new NDC already mentioned, in addition to achieving carbon neutrality by 2050, contributing to the 1.5°C temperature limit.

Regarding energy transition, the country expects to reach 70% renewable energy by 2030, by tapping into resources such as wind and biomass energy, among others. Also, by promoting electric mobility, planting 180 million trees by 2022, fighting against deforestation, and cultivating an approach that favors circular economy principles such as producing by conserving and conserving by producing.



#### Peru

Our sustainable progress

Peru is committed to achieving carbon neutrality by 2050, and to cap its net GHG emissions at 208.8 MtCO2eq by 2030 (unconditional target). Additionally, the country considers that GHG emissions could reach a maximum level of 179.0 MtCO2eq depending on the availability of international financing and the existence of favorable conditions.

According to the National Climate Change Strategy, Peru has seven of the nine characteristics recognized by the United Nations Framework Convention on Climate Change (UNFCCC) to qualify countries as particularly vulnerable to climate change: (i) low-lying coastal areas; (ii) arid and semi-arid areas; (iii) areas exposed to floods, droughts and desertification; (iv) fragile mountain ecosystems; (v) disasterprone areas; (vi) areas with high urban air pollution; and, (vii) an economy dependent on income generated by the production and use of fossil fuels.

#### **Central America**

#### Costa Rica

For the period 2021 to 2030, Costa Rica commits to an absolute maximum net emissions budget of 106.53 million tons of CO2eq, including all emissions and all sectors covered by the National Greenhouse Gas Emissions Inventory.

This goal is set within the framework of Costa Rica's NDC, which was released in 2020 and contains several climate goals to which the country is committed in line with the Paris Agreement, which must be implemented over the next 10 years. The NDC has a basic structure with headline targets in adaptation and mitigation, which encompass 13 integral areas of action. These are: mobility and transportation; development and land use planning; energy; infrastructure and construction; industry, trade and services; integrated waste management; agriculture; forests and terrestrial biodiversity; oceans, water resources and blue biodiversity; action for climate empowerment; transparency and continuous improvement; finance; and climate change financing, strategies and plans.

In this line, some of the initiatives are focused on livestock, which is one of the main economic activities and one of the most potent sectors in terms of greenhouse gases, responsible for approximately 23% of the country's gross emissions. Efforts aim at achieving that 70% of the herd is under low-emission production systems and 60% of the sector incorporates adaptation and resilience measures, both by 2030.

Another important goal is to maintain, by 2030, a decrease in total pasture area at an annual rate of 1%, and an increase of well-managed pasture areas at a rate of 1-2% per year above the baseline trend.

#### Panama

In accordance with the principle of shared but differentiated responsibilities and in compliance with the provisions of Article 4.4 of the Paris Agreement, Panama submitted a commitment to contribute to mitigating global climate change by advancing towards an absolute goal of reducing greenhouse gas (GHG) emissions considering all economic activities as a whole, while at the same time prioritizing the Energy and LULUCF (Forestry) sectors, which have the greatest impact on national emissions trends.

With the GHG quantum commitment, total energy sector emissions will be reduced compared to the BaU scenario by an estimated total of 60 million tons of CO2 equivalent cumulative between 2022-2050, and up to 10 million tons of CO<sub>2</sub> equivalent cumulative between 2022-2030.

#### Guatemala

Applying the trend growth for the 1990-2005 period to the 2005 base emissions, a total emission of 53.85 million tons of CO2 equivalent was projected for the year 2030, corresponding to the base value on which the proposed reductions are calculated.

Unconditional Proposal: In accordance with the principle of common but differentiated responsibilities and its current capabilities, Guatemala plans to achieve a reduction of 11.2% of its total GHG emissions from the 2005 base year projected to 2030. This reduction implies that emissions, in a baseline scenario of 53.85 million tons of CO2 equivalent by 2030, will be reduced to 47.81 million tons of CO2 equivalent in that year.

Conditional Proposal: The country proposes a reduction of up to 22.6% of its total GHG emissions from the base year 2005 projected to the year 2030. This reduction implies that emissions would be reduced to a value of 41.66 million tons of CO2 equivalent in that year.





#### **Water Crisis**

The prolonged drought in the region is strongly affecting Brazil – where it is regarded as the worst drought in 91 years – and Argentina, generating a water emergency, that materializes in sharp reductions in the flow of rivers such as the Paraná – a binational river –, Paraguay and Iguazú, whose waterfalls have a fifth of their traditional volume at this time of year.

This situation is impacting the availability of water for agriculture and large populations that live off these basins, in addition to the impact on hydroelectric generation and the consequent increase in electricity prices, particularly in southern Brazil. This is prompting the authorities to offer options to mitigate the water crisis that the region is experiencing.

## **Biodiversity**

In 2021 and despite the health crisis, Latin America managed to have a positive impact on biodiversity, being one of the richest areas worldwide in terms of plant and animal species diversity.

Along these lines, Ecuador, Panama, Colombia and Costa Rica announced at COP26 the expansion of the Marine Protected Area (MPA) around Cocos Island National Park and a plan to unite their marine reserves to form a protection zone.

# **Circular Economy**

At a general level, Latin America and the Caribbean launched, in 2021, the Circular Economy Coalition, a regional initiative to drive the transition to a sustainable economic system as part of the post-Covid-19 recovery.

The coalition was announced during a virtual side event at the XXII Meeting of the Forum of Environment Ministers of Latin America and the Caribbean, organized by the Government of Barbados with the support of the United Nations Environment Program.

The initiative has eight permanent strategic partners: the Climate Technology Center and Network (CTCN), the Ellen MacArthur Foundation, the Inter-American Development Bank (IDB), the Konrad Adenauer Foundation (KAS), the Platform for Accelerating the Circular Economy (PACE), the United Nations Industrial Development Organization (UNIDO), the World Economic Forum (WEF) and UNEP.

# Energy transition: challenges in Latin America

In Latin America, 61% of power generation capacity comes from renewable <u>sources</u>, the region's solar power capacity alone could grow by a factor of 40 by 2050, to more than 280 GW, thanks to an abundant resource endowment and strong support <u>policies</u>. Countries in the region have significant comparative advantages to move towards energy transition and more sustainable energy mixes, especially because of their abundant natural resources for biomass, wind and solar energy production.



Argentina	Brazil	Colombia	Peru	Central America
In 2021, the 2050 Long-Term Strategy and the National Climate Change Adaptation and Mitigation Plan were created, in accordance with the provisions of Law No. 27,520.  -Towards 2030, the country will carry out an energy transition, focusing efforts on the promotion of energy efficiency, renewable energies and the promotion of distributed generation, using natural gas as a transition fuel	In 2021, Brazil's Internal Electric Energy Supply (OIEE) grew by 4.7%, and wind and solar sources increased 2.9 percentage points in the composition of the OIEE matrix, reaching 13.4%, a figure that is only below hydroelectric energy, responsible for 56.7% of the total supply.	By December 2021, Colombia had 700 MW of installed generation capacity for Non-Conventional Renewable Energies, exceeding by 25 times the capacity it had in 2018, when it generated 28 MW.	The Masico Photovoltaic II Program began in 2021, benefiting families in Apurímac, Arequipa, Cusco, Madre de Dios, Puno and Tacna, among other regions, with electricity. This second stage seeks to electrify more than 33,400 homes in the southern rural areas.	Costa Rica Second anniversary of the launch of the National Decarbonization Plan 2018-2050, and its ensuing commitment to become a modern, green and emission-free economy. The goal, in the long term, is to have net zero emissions by 2050, based on 10 key axes and cross-cutting strategies.  Irena and the Government of Costa Rica sign an agreement to work together to strengthen the country's decarbonization plans and boost financing for renewable energy projects.
during this period.  During the second quarter, 187.66 MW of installed capacity were added from 5 large projects, three wind farms and two bioenergy plants. At the end of the quarter there were 177 operational projects, with a total installed capacity of 4,754.45 MW.				Panama 100% completion of renewable energy projects such as "Accelerating the transition to sustainable and low- emission mobility in the Metropolitan Area", aimed at providing the necessary tools to achieve more sustainable transportation.

# **Energy poverty**

Multidimensional poverty makes it possible to address vulnerability by considering various social situations both at a household and individual levels. The tool to measure this type of social vulnerability is the Multidimensional Poverty Index (MPI), which goes beyond a lack of income, and considers gaps in the ability to meet needs in areas such as health, education, work, social security, housing and quality of life. By following the guidelines of the United Nations Development Program (UNDP), each country defines a method to assess its multidimensional poverty index.

One effect of multidimensional poverty is energy poverty at the household level. A study conducted by the United Nations Development Program states that energy poverty is considered a multidimensional problem, as it restricts human, social and economic development, both personally and collectively. This type of vulnerability occurs when a household doesn't have the means to pay for enough energy, rendering it unable to meet fundamental, basic and secondary needs in their domestic context.

Country	Multidimensional Poverty Index (%)
Argentina	22.9
Brazil	3.8
Colombia	18.1
Peru	41.7
Costa Rica	26.5
Guatemala	45.6
Panama	19 (2018)



# **Regulatory context**

Below are some of the most relevant regulations enacted and amended during 2021.

#### **Argentina**

#### Law 27,191: National promotion regime for the use of renewable energy sources for the production of electric energy. Modification.

Law 26,190: National promotion regime for the use of renewable energy sources for the production of electric power.

**Law 25,019:** National wind and solar energy regime.

Law 24,240/93 and its amendments. Consumer protection. Regulates what the national constitution calls "consumer relationship".

Framework agreement (Dec 2020) between the National Government, the Province of Buenos Aires and Edesur. Implements debt cancellation mechanism for the 2011-2020 framework agreement, with the commitment to use such funds to carry out works.

#### **Brazil**

#### Law No. 14.120/2021.

Implemented advances in the modernization of the electricity sector, making it more efficient and competitive: (i) Use of funds to contain tariff increases with no impact on companies; (ii) Adoption of competitive mechanisms that allow distribution companies to dispose of surplus energy: (iii) Capacity reserve auctions with the cost assumed by all consumers; (iv) Extension of the final term for the granting of authorization for electricity generation, with the beginning of the term linked to the entry into commercial operation: (v) End of subsidies for new renewable source projects and definition of guidelines for a mechanism that recognizes the environmental characteristics of electricity sector projects (yet to be defined).

#### Law 14,182/2021.

Authorizes the privatization of Eletrobras and orders: (i) the contracting of 8 GW of natural gas-fired thermal plants, through a capacity reserve auction; (ii) the extension for 20 years of the contracts of the Incentive Program for Alternative Sources of Electric Energy – PROINFA; and (iii) the contracting, until 2030 of 2 GW of small hydroelectric plants. – SHPs.

#### Colombia

In order to establish the new framework mandated by the Constitution, the Public Utilities Law (Law 142 of 1994) and the Electricity Law (Law 143 of 1994) were issued, which define the general criteria and policies that must govern the provision of public utilities in the country and the procedures and mechanisms for their regulation, control and oversight.

The main institution of the energy sector is the **Ministry of Mines and Energy** (MME), which through the Mining-Energy Planning Unit (UPME), prepares the National Energy Plan, the Generation-Transmission Reference Expansion Plan and the natural gas supply plan. In the case of generation this plan is indicative, while in transmission it is binding. The Energy and Gas Regulatory Commission (CREG) and the Superintendence of Public Utilities (SSPD) are in charge, respectively, of regulating and supervising the companies in the sector, and the Superintendence of Industry and Commerce is the national authority for competition protection issues.

The Electricity Law makes the constitutional approach viable, regulates the activities of generation, transmission, distribution and commercialization of electricity, creates a market environment and competition, strengthens the sector and delimits the intervention of the State. Taking into account the characteristics of each of the activities or businesses. it was established as a general guideline for the development of the regulatory framework, the creation and implementation of rules that would allow free competition in the businesses of generation and commercialization of electricity, while the guideline for the transmission and distribution businesses was oriented to the treatment of such activities as monopolies, seeking in all cases conditions of competition where possible.

# **The Energy and Gas Regulatory Commission - CREG** defines the remuneration methodology for the electricity distribution activity. Distribution charges are reviewed every five years and are updated monthly according to the Producer Price Index (IPP).

#### Peru

Electricity Concessions Law (Decree Law No. 25,844) and its regulations, which provide that the electricity sector is divided into three activities (generation transmission and distribution). On the other hand. there is the Law to Ensure the Efficient Development of Electricity Generation (Law No. 28.832) and its regulations, through which mechanisms were developed to ensure the provision of new generation supply to meet the growth in demand and reduce exposure to price volatility for regulated users..



#### **Argentina**

Law No. 27,520 on minimum budgets for adaptation and mitigation to global climate change. To ensure adequate actions, instruments and strategies for mitigation and adaptation to climate change throughout the national territory.

**Native Forest Law** No. 26,331. Creates the National Fund for the Conservation of Native Forests. Seventy percent of this fund is intended to compensate the owners of land on which there are forests. The benefit consists of a non-refundable contribution, which is paid per hectare and per vear.

Glacier Law No. 26,639. Aims to protect glaciers and the periglacial environment. By defining glaciers as public goods, the law seeks to preserve them as strategic water reserves and protect biodiversity.

#### **Brazil**

REN ANEEL No. 954/2021 - Hybrid power plants. Regulates hybrid power plants with two or more sources built in the same location and using the same transmission facilities.

#### Law 14,120/2021 (continued).

Creation of a regulated coal market. The Ministry of Mines and Energy presented at the end of 2021 guidelines for the creation of a regulated coal market and, in the future, a mechanism that recognizes the environmental characteristics of projects in the electricity sector (in accordance with Law 14,120/2021).

#### Colombia

Adaptation Fund created to execute and manage integral projects for risk management and adaptation to climate change with a multisectoral and regional approach. Conpes 3700 Institutional Strategy for the articulation of Policies and Actions on Climate Change in Colombia document through which a strategy is established to integrate within the planning and investment processes of the sectors and territories the problem of economic and social development caused by climate change.

Through **Law 1753** of 2015, the National Development Plan 2014–2018 was issued. This development plan proposes a green growth strategy and, in turn, as an instrument of this, Article 175 establishes the creation of the National Registry for the Reduction of Greenhouse Gas Emissions (RENARE).

In 2015 Colombia presents its **NDC**, aiming for a 20% reduction in emissions compared to the baseline scenario (2014) and 30% on the condition of international cooperation. Subsequently Colombia will adhere to the Paris Agreement April 22, 2016).

**Law 1819** of 2016 (tax reform), in its articles 221, 222 and 223 introduces and develops everything related to the carbon tax, Later, through Decree 926 of June 1, 2017, the procedure to make effective the non-causation of the national carbon tax and to certify being carbon neutral is regulated.

The **National Climate Change Policy 2017** proposes a series of territorial and sectorial strategies for the adaptation and mitigation of GHG and guidelines for their articulation.

The Climate Change Law or Law 1931 of 2018 aims to establish guidelines for the management of change, mainly in the actions of adaptation to climate change, as well as in GHG mitigation, with the objective of reducing the vulnerability of the population and ecosystems of the country and promote the transition to a competitive sustainable economy and a low carbon development. The law also establishes the National Climate Change System and the instruments that will be available for the management of climate change in the country.

Resolution 40807 of 2018 - through which the Comprehensive Climate Change Management Plan for the mining-energy sector is adopted, where actions and activities are prioritized for the sector to comply with its share of the NDC.

In June 2020, the process of building the **E2050 (Colombia's Long Term Strategy)** to comply with the Paris Agreement began. The E2050 is a state policy instrument that seeks to define realistic objectives that combine long-term trajectories of socioeconomic development and GHG emission reduction targets to strengthen the country's resilience

After the Update of Colombia's NDC in 2020 under a consultative and technical process, it was approved at the Ninth Session of the Intersectoral Commission on Climate Change on December 10, 2020. On that occasion it was established that the mitigation ambition increases to 51% of emissions reduction with respect to the 2014 base scenario and commits to carbon neutrality by 2050.

During **2021**, the Climate Action Law was approved, which seeks to create minimum measures in the short, medium and long term that will allow the country to achieve carbon neutrality by 2050; that is, that Colombia can offset its Greenhouse Gas (GHG) emissions while regulating the goals of the NDC2020.

#### Peru

Framework Law on Climate Change (Law No. 30,754), which establishes the general principles for implementing. evaluating and disseminating public policies for the comprehensive management of climate change adaptation and mitigation measures, as well as to take advantage of low-carbon growth opportunities and comply with Peru's international commitments to reduce emissions.

Likewise, the Law for the Promotion of Investment for the Generation of Electricity with the use of Renewable Energies (Legislative Decree No. 1002) promotes the use of these technologies.



#### **Argentina**

#### DNU 1020/20 Transitional tariff and RTI. Transition regime and transition tariff 2021 and 2022. With

revision effective as of

new integral tariff

February 1, 2023.

Measures to address the water crisis with an impact on tariffs:

# Provisional Measure No.

Brazil

1.055/2021 - Creates the Chamber of Exceptional Rules for the Management of Hydro energy - CREG

#### CREG Resolution No. 2/2021; Decree No. 10,779/2021 -

Institutes programs for the voluntary reduction of electric energy consumption with a bonus in the bill of regulated consumers.

#### CREG Resolution No. 3/2021 -

Implements the Water Scarcity Flag Tariff: monthly surcharges in energy tariffs of regulated consumers (25.31 €/MWh).

#### Provisional Measure No. 1,078/2021, Decree 10,939/2022 and Normative Resolution

1,008/2022 - Approved the financing (off-balance) to distributors to mitigate the impact derived from the water shortage, as well as the tariff deferrals that occurred until the disbursement of the loan itself. The cost of the loan will be paid by consumers (regulated customers and new free customers), through the energy bill.

#### Extraordinary No. 574,706.

The Federal Supreme Court determined that the ICMS tax does not constitute the basis for the calculation of the PIS and COFINS taxes. This measure guaranteed the restitution of billions of Reais to electric power distributors, which may be returned to consumers, depending on the regulation of the matter by ANEEL in early 2022.

#### REN ANEEL No. 952/2021 -

Approved the methodology of RTE (Extraordinary Tariff Review), consisting of a compensation of the Covid-account and a methodology to calculate involuntary over contracting.

## REN ANEEL No. 966/2021 -

**Tariff Sandbox.** Regulates the conditions for the development and application of pilot projects of tariffs and differentiated billing by distributors.

#### Colombia

Based on the issuance in June of Resolution **CREG 068** of 2021 by the Energy and Gas Regulatory Commission (CREG), the distributor was approved the update of the Investment Plan, which strengthens the company's investment signals. The plan approved in 2021 covers the 2020-2025 horizon and acknowledged the plan requested after the process before the Commission, which ensures the resources for the execution of the development and maintenance works of the network.

Another milestone was the issuance of **Resolution MME 40172** approving the general rule of the maximum tariff, which allows distributors to remunerate projects to expand coverage with an adjustment of no more than 1% of the distribution charge.

Additionally, this year culminated the development of **the Energy Transformation Mission (MTE)** led by the national government and with the permanent support and contributions of Enel. This effort resulted in the publication by the Ministry of the Energy Transformation Mission Booklet. The results of the MTE for Enel Colombia are as follows.

During the year 2021 a group of regulatory norms was issued regarding the connection and integration of **FNCER** resources to the distribution systems **(Res. CREG 075, 135, 148, 174, of 2021)**, which implies challenges of adapting the processes to integrate more renewable energy resources in the distribution network, a matter that will dynamize the electricity activity and the generation of value for the network users.

#### Peru

Electricity Concessions Law (Decree Law No. 25844) and its regulations, which establish the main guidelines for setting tariffs. Likewise, there is the Law that Improves the Regulation of Electricity Distribution to promote access to electricity (Legislative Decree No. 1221) and its regulations, through which important changes were made in the regulation of the electricity distribution activity.



# **Relevant regulations**

#### **Argentina**

Our sustainable progress

# Country Guidelines 2020-

#### Resolution SE 440/21

updated the generation remuneration established in Resolution SE 31/2020 (Pesification of generation prices at the ARS 60/USD + CPI exchange rate) with an adjustment of 29% of linear application to the original values. Retroactive to February 2021.

#### Decree 311/2020

Companies providing telephone, gas, water, Internet and other services cannot cut off service for non-payment.

#### **National Energy Policy**

Residential supply is privileged over the consumption of other types of users.

Res ENRE 37/21 and between 58/21 balances prior to 2/28/2021 Suspend issuance of CNRs until ENRE establishes a new procedure. Prevent the application of default actions for previous debts.

## Resolution ENRE 53/21.

For public hearing.

Res ENRE 79/21. New rate

#### Resolution ENRE N°106 -Published 04/30/2021

Average tariff increase for EDESUR of 9% as from 5/1/2021, bringing the average tariff to 5.020 ARS/ kWh. It only affects the Distribution Added Value (reaching 21.8% of the total tariff). Additionally, there were two more adjustments (April 1 and August 1) only on the wholesale price of electricity that is transferred to users in their

#### Brazil REN nº 1.000/2021

New technical commercial regulatory framework for distributors. Consolidates all the rights and duties of electricity consumers. It adds resolutions on consumer advocacy, tariffs and electric vehicle recharging, among other items. This resolution repealed other regulatory acts of Aneel, in compliance with the determinations of Decree No. 10,139/2019, which aims to consolidate and simplify regulatory acts.

#### REN nº 945/2021

Extends the deadline for the granting of hydroelectric generation plants in exchange for the waiver of the **Energy Reallocation** Mechanism (ERM) lawsuits.

#### REN nº 958/2021

Approved the update of the methodology for the regulatory recognition of nontechnical losses and uncollectibility, which will be applied in the tariff reviews to be carried out in 2023.

#### Colombia

**Appendix** 

# Regulatory guidelines 2020-

#### Coverage-Decree 099/21

Policy guidelines are established for the expansion of the coverage of the electric energy service in the National Interconnected System and in the Non-Interconnected Zones.

#### **Transferring Grant** Resources - Decree 399/20

Given the subsidy deficit, a more efficient mechanism is established to secure sufficient liquidity to ensure the sustainability of the service provided.

#### Country guidelines 2020-2021

## Conpes 4023/2021

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

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

These decrees establish, on a transitory basis, special regulatory regimes deemed necessary to mitigate the effects of the Covid-19 emergency.

#### Peru

Law No. 31.112 -Establishes the prior control of business concentration operations, which regulates business concentration operations (including those related to Article 122 of the LCE), which are subject to authorization by the National Institute for the Defense of Competition and Protection of Intellectual Property (INDECOPI).

#### Osineramin Resolution No. 092-**2021-OS/CD**, which modified COES Technical Procedure No. 31 "Calculation

of the Variable Costs of the Generation Units".

#### By means of **OSINERGMIN Board of Directors** Resolution No. 163-2021-OS/CD

the "Percentages to Determine the Standard Annual Cost of Operation and Maintenance of Transmission Facilities" were approved.

#### **Central America**

#### Costa Rica

Law 10,086 "Promotion and Regulation of Distributed Energy Resources from Renewable Sources". It establishes the conditions to promote and regulate the activities related to the access, installation, connection, interaction and control of distributed energy resources from renewable energy sources. All this, integrated in an efficient, safe and sustainable manner.

#### Guatemala

### Resolution CNEE-276-2021

Approve the Terms of Reference for the "Prequalification of Specialized Consulting Firms to Conduct the Study of the Added Value of Distribution of the Electricity Distributors of Guatemala"

#### Resolution CNEE-272-2021

Authorize the entity WAK, Sociedad Anónima, to connect to the distribution grid of Distribuidora de Electricidad de Occidente Sociedad Anónima for the Renewable Distributed Generation project called "Suministro de Electricidad Guayasamín", which will be connected to the National Interconnected System through the medium voltage circuit Patulul 34.5 kV, fed from the Cocales substation.

#### Panamá

#### AN No. 17195-Elec of 2021-10-12

Provisional License is granted to PANAMA SOLAR INTEGRAL, S.A. for the construction and operation of a photovoltaic generation project called PANAMA COTABA SOLAR 250 MW.

#### AN No. 17176-Elec of 2021-10-04

Modifications to the 'Model Contract for the Supply of Electric Energy', to be applied by Elektra Noreste, S.A., Empresa de Distribución Eléctrica Metro-Oeste, S.A. and Empresa de Distribución Eléctrica Chiriquí, S.A., approved by Resolution AN No.960-Elec of June 25, 2007, and its modifications: and to the 'Model Contract for the Use of Grids and Power Supply for Large Clients' are approved





# **Defining priorities**

102-21 | 102-40 | 102-42 | 102-44 | 102-46

# **Double materiality vision**

Double materiality is a concept introduced by the European Commission in its 2019 Non-Financial Reporting Guidelines, which alludes to the fact that disclosed non-financial information should comprise indicators and information, to the extent that "such information is necessary to understand the development, performance, position and impact of the company's activities."

On the one hand, **financial materiality or "inward impacts"**, which is of greater interest to investors and whose definition is attributed to the Sustainability Accounting Standards Board (SASB). This factor makes it possible to identify and evaluate sustainability issues that influence the company's financial value in the short, medium and long term.





On the other hand, the environmental and social materiality or "outward impacts", which is prioritized for the broadest set of stakeholders, such as consumers, society organizations and local communities, among others, whose definition can be attributed to the Global Reporting Initiative (GRI), and it allows to identify and evaluate these impacts on the economy, the environment and the people.

The concept of dual materiality will be introduced at a group-wide level in the 2022 materiality analysis process, to describe the Company's performance in terms of impact on these groups and the environment and, at the same time, show how these impacts influence the ability to create economic value.

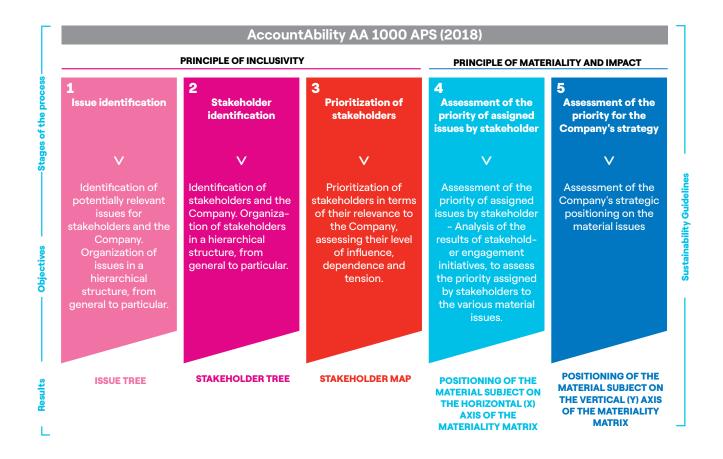
# Materiality analysis

Our sustainable progress

To determine the content of this Sustainability Report, the materiality process was carried out, according to the context and evolution of the main economic, environmental, social and governance variables. Each year, Enel Américas determines the material issues for its management, considering the expectations of its stakeholders or interest groups, as well as the Company's priorities. To carry out this process, the Company and each of its subsidiaries implement this methodology developed by Enel Group under the guidelines of AccountAbility's international standard AA 1000 APS.

To carry out a transparent process and generate good practices through all the stages that involve both the different areas of the Company and the various stakeholders, data collection and analysis was managed through a computer system that is specific to the Enel Group.

The materiality analysis process consisted of five stages, as defined below:









# Identifying issues and stakeholders

102-40 | 102-42 | 102-46 | 103-1

Material issues analyzed in the 2021 period were defined under different key factors, such as the Company's policies and standards of conduct, the views and opinions of different stakeholders, relevant issues raised by sustainability rating agencies, and the Company's strategy, among others.

Each year, the different areas of the Company that are directly related to stakeholders are involved in the process. To maintain and guarantee a constant synergy with the sustainability context in which Enel Group operates, the

Company's areas are responsible for identifying and updating the significant groups, keeping an updated basis.

This methodology allows for an annual update of the results obtained, while the material issues and stakeholder categories are analyzed every two years, evaluating a possible update of these depending on the context in which the Company finds itself.



# **Assigning priorities to stakeholders**

102-40 | 102-42 | 102-43 | 102-46 | 102-47

Enel Américas views stakeholders as being at the center of its sustainable business strategy. Carrying out this process requires the active and constant participation of the different stakeholders, both internal and external, including senior management. To this end, it is necessary to maintain a continuous dialogue with these groups, which is essential to generate collaboration, development and trust. The relevant groups are involved through various methods, which are used to collect their opinions and expectations, such as surveys and interviews, among others.

Knowing stakeholders' expectations is a cornerstone of Enel Américas' sustainability approach, which seeks to identify, mainly, enablers that promote sustainable, competitive and safe energy models, as well as to develop innovative, comprehensive and pioneering perspectives to anticipate developments, manage risks and seek differentiation. Good management and ongoing dialogue with stakeholders contribute to:

- Improve management of risks and opportunities
- Early identification of relevant trends and issues
- Enhance credibility and trust, enabling the creation of synergies
- Support decision-making processes
- Find opportunities for improvement and business opportunities.
- Ensure that stakeholders have sufficient capacity to engage (e.g., when and how to introduce capacity building measures).

Via the participation of different Company business and corporate units, in 2021 stakeholders were ranked according to their relevance to the Company. Namely, they were prioritized according to two variables:

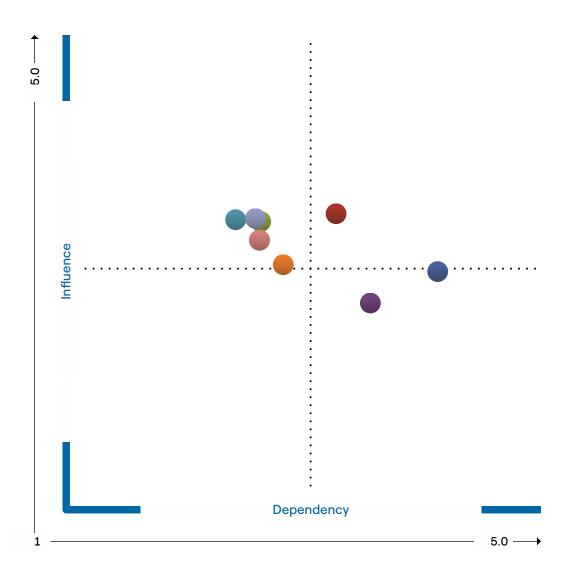
**Dependency:** Groups or individuals who are directly or indirectly dependent on the activities, products or services that the organization provides, and their associated functions.

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



# **Influence - Dependency Matrix Enel Américas Stakeholders**

Our ESG performance



- Our people
- Financial community
- Institutions
- Suppliers and contractors
- Civil society and local and global communities
- Customers
- Media
- Business community







# **Evaluation of the priority of the issues assigned by stakeholders**

102-21 | 102-40 | 102-42 | 102-43 | 102-44 | 102-46 | 102-47 | 103-1

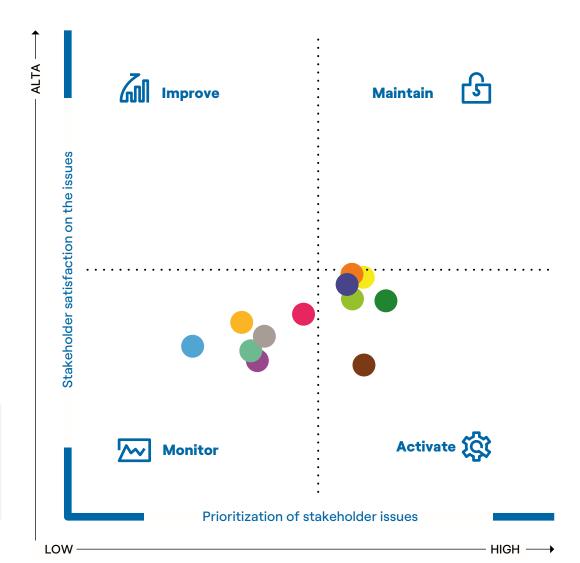
Based on direct surveys to stakeholders, supplemented with secondary sources of information, the priority and level of satisfaction of each material issue is identified for each stakeholder. Results obtained allow the Company to generate an overview of stakeholder expectations and identify the issues on which it should focus its strategy.

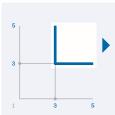
These results allow the Company to build an **"Expectations Matrix"**, which reflects that most of the issues analyzed are in the "Supervise" quadrant. This means that the Company does not manage the issue. Therefore, there is low stakeholder satisfaction, and this requires active management.





# **Expectations Matrix**





#### **Business and governance issues**

- Infrastructure and networks
- Decarbonization of the energy mix
- Commitment to the customer
- Products and services for electrification and digitalization
- Good governance and equitable corporate conduct
- Economic and financial value creation
- Innovation, circular economy and digital transformation

#### **Social issues**

- Engaging local and global communities
- Employee management, motivation and development
- Occupational health and safety
- Sustainable supply chain

## **Environmental issues**

- Decarbonization of the energy mix
- Preservation of ecosystems and environmental management





During 2021, the results of a series of initiatives carried out during the materiality analysis process were analyzed for all stakeholders initially identified by the Company, such as the business community, customers, financial community,

institutions, civil society and local communities, media, suppliers and contractors, and Enel employees. Each of them expressed their priority regarding material issues, which is reflected in the matrix below:

	Business community	Civil society and local and global communities	Customers	Financial community	Institutions	Media	Company people	Suppliers and contractors
Economic and financial value creation	•	•	•	•	•	•	•	•
Good governance and equitable corporate conduct	•	•	•	•	•	•	•	•
Commitment to the customer	•	•	•	•	•	•	•	•
Products and services for electrification and digitalization	•	•	•	•	•	•	•	•
Decarbonization of the energy mix	•	•	•	•	•	•	•	•
Innovation, circular economy and digital transformation	•	•	•	•	•	•	•	•
Infrastructure and networks	•	•	•	•	•	•	•	
Ecosystem preservation and environmental management	•	•	•	•		•	•	•
Employee management, motivation and development	•	•	•	•		•		•
Occupational health and safety	•	•	•	•	•	•		•
Sustainable supply chain	•	•	•	•		•		•
Engaging local and global communities	•	•	•	•		•	•	•

Priority values from 1.0 to 2.5

Priority values from 2.6 to 4.0

Priority values from 4.1 to 5.0





# **Evaluation of the priority for the Company's strategy**

102-44 | 102-46 | 102-47 | 103-1

The materiality of the different topics of the Company's strategy was obtained through a survey of the managers of the different areas of the organization. The analysis of the information collected at this stage is consistent with the guidelines established in the Strategic Plan 2022–2024, the objectives of the different business lines and the commitments that the Company has assumed through its policies and standards of conduct.

It should be noted that this process began as a pilot in 2019 and this methodology for identifying and analyzing impacts is still under evaluation. During 2021, the analysis was addressed in the three top priority issues according to the assessment made by stakeholders: occupational health and safety, decarbonization of the energy mix, and preservation of ecosystems and environmental management, identifying possible human rights violations related to negative impacts and assessing the contribution to sustainable development in relation to positive impacts. To perform a more complete analysis and to continue in line with the commitments adopted by Enel Group, the direct and indirect contribution to the Sustainable Development Goals (SDGs) of each of the identified impacts is considered. In total, six impacts were identified, one negative and one positive for each material issue included.

On the other hand, there is the "Real Response" evaluation, designed to collect and analyze all the measures implemented by the Company, with the objective of managing top priority issues, performing risk analyses, defining objectives and studying the level of performance achieved, to benchmark the company's level of coverage of the issues addressed.

# **Materiality Matrix**

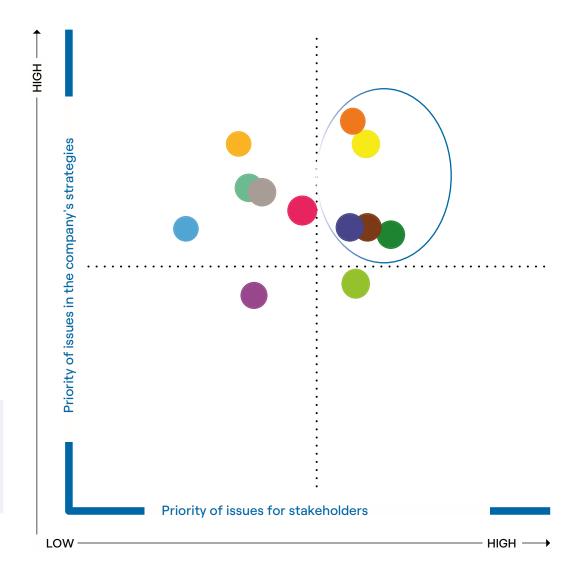
102-33 | 102-34

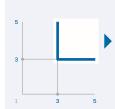
With the information collected, Enel Américas builds the **Materiality Matrix**, which includes the issues that are a priority for stakeholders and, at the same time, strategic for the Company. This matrix is presented to the Board of Directors and the Director's Committee and is the basis to define the issues to be addressed in the Sustainability Report, which responds to the expectations of the stakeholders. The materiality matrix also guides the focus of the entire Company; this is reflected in Enel Américas' Sustainability Plan, which is also framed by the challenges posed by the current context and the SDGs.





# **Materiality Matrix**





# **Business and governance issues**

- Infrastructure and networks
- Decarbonization of the energy mix
- Commitment to the customer
- Products and services for electrification and digitalization
- Good governance and equitable corporate conduct
- Economic and financial value creation
- Innovation, circular economy and digital transformation

## Social issues

- Engaging local and global communities
- Employee management, motivation and development
- Occupational health and safety
- Sustainable supply chain

#### **Environmental issues**

- Decarbonization of the energy mix
- Preservation of ecosystems and environmental management



# **Priority material issues**

The priority issues are described below, even if each of them and its associated risks will be presented in the ensuing chapters of Enel Américas' Sustainability Report.

**Health and safety:** Enel Américas consistently takes care of the health of its employees, through a preventive approach that seeks to reduce occupational health and safety risks.

Protecting the health and life of people is the essential pillar of the "people" axis of Enel Américas' Sustainability Plan, since, beyond legal requirements, preventing and reducing risks in this area is vital to achieve business sustainability. The Company is aware that safety risks go hand in hand with operational continuity, which is crucial for the success of the business. Additionally, human rights are also a priority, including access to work, which is a requirement for the achievement of other fundamental guarantees that directly impact the welfare and quality of life of people and society. Some of the main risks in this area are linked to the work done in operational activities within the Company's plants and infrastructure. The last two years added the risk of Covid-19 infection.

Good governance and corporate conduct: Enel Américas has a solid corporate governance structure, which operates under principles of transparency and ethical conduct, allowing it to achieve ambitious goals which seek to mitigate governance risks. Enel Américas operates in accordance with the most rigorous international standards, alongside the various national regulations that help the Company manage potential risks. The governance structure is constructed in such a way as to allow oversight of the impact of operations, to create value for all its stakeholders. The Board of Directors is the main governing body, leading the company's strategy and decision-making.

It should be noted that integrity in the Company's operations is also supported by Enel's Global Compliance Model, the Criminal Risk Prevention Model, and different policies that promote conduct in accordance with elevated standards of transparency.

**Decarbonization of the energy matrix:** The acceleration of the energy transition in Enel Américas is based on a flexible generation matrix, which encompasses both a growing renewable sources generation capacity, as well as a

reduction in fossil fuel consumption. With the incorporation of Enel Green Power Américas, Enel Américas began a new phase in renewable energies, incorporating 4.7 GW of renewable capacity in Brazil, Colombia, Peru, Costa Rica, Guatemala and Panama, starting operations in the last three countries.

On the other hand, its gas-fired generation capacity provides flexibility and reliability to the energy matrixes of the countries where the Group operates, to support them in the process of moving to energy sources which are more intermittent.

Infrastructure and grids: To develop its energy transition process, Enel Américas needs a solid infrastructure that guarantees quality of supply to the population in its concession areas, to allow them to embark on the global trend towards electrification of energy consumption. To strengthen this infrastructure, the Company requires to adopt new technologies, robust processes and transversal digitalization in its operations. All of this, with a view to improving electrification and to supporting energy transition and new energy uses. For this reason, the Company continuously executes improvement plans through maintenance and modernization of the grids, to reduce the number and duration of service interruptions.

Sustainable supply chain: Regarding its supply chain, Enel Américas promotes a culture of environmental, social and economic sustainability, with values centered on innovation, ethics, transparency, health and safety protection, anticorruption and respect for human rights. For the Company, suppliers and contractors are strategic business partners who enable a stronger industry in each country, which is why it is key to engage in a responsible and transparent management of purchasing and contract administration. From the very beginning, Enel Américas shares its needs with suppliers, expressing its willingness to receive value proposals that are in line with the Company's sustainability goals. In turn, this translates into a sustainable supply chain in terms of ESG, which is in line with the Sustainable Development Goals (SDGs).





# **Communication channels**

All Company activities are based on a continuous interaction with stakeholders, which is done through differentiated communication channels and procedures, to facilitate a solid understanding of their needs and expectations. At the same time, a complaints channel is available to all stakeholders.

# Relevance

#### PARAMETER:

Channels and type of

Enel Américas 2021

Forums

Direct contact

Working groups

Daily

Monthly

Monthly

Daily

Continuous

Continuous

Continuous

Monthly

Monthly

Continuous

Twice a year

Daily

participation

Dependence: importance of the relationship for the stakeholder.

Influence: importance of the relationship for the company.

Urgency: time dimension of the relationship.

of this Report

## **Business** community



Customers

 $\mathcal{L}_{\Box}$ Agents



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PR

##

Mobile Application



Dedicated meetings Weekly





Enel stores and commercial offices

(à)

Social networks

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Survey

Average frequency of Main topics with high or participation by channel very high stakeholder priority /type

• Decarbonization of the

• Infrastructure and networks

energy mix

 Occupational health and safety

• "The future of generation"

Enel América's response to

stakeholders in the chapters

- "Resilience and digitization of networks".
- "Occupational health and safety"

· Occupational health and safety

- Ecosystem preservation and environmental management
- Customer commitment
- · "Occupational health and safety"
- "Environmental sustainability'
- "Quality of service and customer relations"





# Financial community



#### Institutions



## Civil Society and **Local Communities**



# Media



#### Channels and type of Average frequency of communication and participation /type Enel Américas 2021

# participation by channel

#### Main topics with high or very high stakeholder priority

• Decarbonization of the

#### Enel América's response to stakeholders in the chapters of this Report



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Mobile Application

Enel investor

Web channel

Direct contact

Investor Day

Roadshow

Dedicated meetings

application

Continuous

Continuous Continuous

Daily

Weekly

Once a year

Four times a year

 Ecosystem preservation and environmental

management

energy mix

· Economic and financial value creation

- "The future of generation"
- "Environmental Sustainability'
- "Governance"

# Reporting channel

Web channel

Direct contact

Continuous

Continuous

Press releases Weekly

Daily

Social media Continuous

- · Infrastructure and networks
- · Occupational health and safety
- · Decarbonization of the energy mix
- "Resilience and digitization of networks"
- · "Occupational health and safety'
- "Energy Transition and decarbonization"

#### Q. Reporting channel Continuous

Web channel Continuous

Press releases

Weekly

Direct contact

Daily

lacksquareSocial networks

Continuous

- · Decarbonization of the energy mix
- · Infrastructure and networks
- · Occupational health and safety
- "The future of generation"
- "Resilience and digitization of networks"
- "Occupational Health and Safety"

**Enel Investor App** Continuous

Press releases

Weekly

Four times a year

Twice a year





Daily



Dedicated meetings Weekly



v

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Roadshow

Surveys

- Decarbonization of the energy mix
- Infrastructure and networks
- · Products and services for electrification and digitization
- "The future of generation"
- "Resilience and digitization of networks"
- "Ecosystems and platforms"





Channels and type of communication and participation Enel Américas 2021		ommunication and participation by channel / type		Enel América's response to stakeholders in the chapters of this Report
Q <sup>c</sup>	Reporting channel	Continuous	Commitment to the customer	"Quality of service and customer relations"
<u></u>	Forums	Monthly	Infrastructure and	"Resilience and
Working groups		Monthly	networks	digitization of networks"
<u>Jū</u>	Cognitive interviewing	Weekly		
	Intranet	Continuous		
<b>₹</b> 7	Newsletter	Every two weeks		
	Company magazine	Every two -three months		
과 文 과	Surveys	Twice a year		
Ćʻ	Reporting channel	Continuous	Good governance and corporate conduct	• "Governance"
B	Web channel	Continuous	equitable	"Sustainable supply chain"
P	Forums	Monthly	<ul> <li>Sustainable supply chain</li> </ul>	"Occupational health and safety"
	Direct contact	Cotidiano	Occupational health	
<u> </u>	Working groups	Monthly	and safety	
<b>=</b>	Dedicated meetings	Weekly		









#

### **Enel Américas on social networks**

Through its social platforms, Enel Américas' subsidiaries publish corporate, educational, commercial, financial and sustainability information, among other issues that can be relevant to virtual communities. Likewise, they take advantage of the immediacy of these communication channels to maintain customer service links and keep seamless interactions with clients.



@EnelArgentina

@OficialEdesur

@EnelBrasil

@EnelClientesBR

@CondensaEnergia

@EmgesaEnergia

@EnelPerú



@EnelArgentina

Our ESG performance

@EdesurArgentinaOficial

@EnelBrasil

@EnelClientesBR

@CondensaEnergia

@EmgesaEnergia

@EnelPerú

@enelgreenpower.

centroamerica



**Enel Américas Enel Argentina** Edsur S.A.

**Enel Brasil** Condensa

**Emgesa Enel Perú** 



@EnelArgentina

@edesur.oficial

@EnelBrasil

@CondensaEnergia

@EmgesaEnergia

@EnelPerú

**@Enel Green Power** 



**Edesur** 

**Enel Argentina** 

enel	el f		Link	ed in	<b>P</b>	ouTube	0	9	Oth	ners
	Followers	Reactions								
	Millions	Millions	Thousands	Millions	Thousands	Millions	Thousands	Thousands	Thousands	Millions
2021	1.6	186.7	460.2	7.6	40.5	10.0	111.1	292.1	368.2	22.9
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	67.7

Note: The variation in recent years is explained by the need for clients to consult information, make requests and carry out procedures remotely, given the context of the pandemic. This modality was standardized during 2021, stabilizing interactions in social networks.





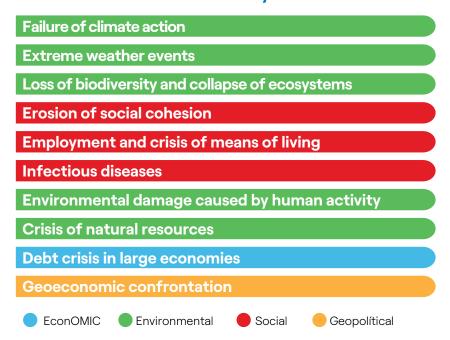
# Integrating the main ESG risks

102-29

ESG (Environmental, Social and Governance) risks are an integral part of the Company's Risk Management Policy as described in the "Risk Management" section, and are identified considering the following references:

- The relevant issues to consider in the Materiality process that are addressed through Enel Américas' business model are identified according to the World Economic Forum (WEF) Global Risks Report 2022, which identifies five risks related to environmental aspects and three to social aspects, among the 10 most severe risks for the next 10 years.
- Risk assessments performed in the context of the due diligence process on Human Rights and Integrated Management Systems (environmental, quality and safety), among others.
- Analysis of prestigious international sustainability rating agencies, which use specific risk assessment systems to define the company's level of ESG performance, including the recommendations of the Task Force on Climate related financial disclosure (TCFD).

# Most severe risks for the next 10 years



To ensure the integration of ESG factors, Enel Group has established structured processes involving analysis of the sustainability context, identification of priorities for the Company and its stakeholders, sustainability planning,

implementation of specific actions to meet sustainability objectives, reporting and management of ESG and sustainability indicators, as well as management of the main national and international indicators.



# **Environmental risks**

Related to the impact of the Company's operations on the environment and ecosystems and to the exploitation of scarce natural resources (including raw materials and water). In some cases, the synergistic effects between these impacts, such as global warming and the increasing exploitation and degradation of water resources, increase the risk of environmental emergencies in the most sensitive areas of the planet, with the risk of competition for the different uses of water resources. As a fundamental and determining element behind each project, throughout its entire life cycle, Enel Américas has established the requirement of prevention and effective minimization of environmental impacts and risks, for example by identifying technological and nature-based solutions to optimize the use of resources, or by signing agreements with other users of water resources.

Derived from climate change due to the impact of extreme events on the availability of assets and infrastructure, as well as those derived from the energy transition towards a more sustainable business model

 Physical risks: They are linked to the occurrence of extreme weather conditions or gradual but structural changes in weather conditions. Extreme events could expose the Company to a relatively prolonged unavailability of assets and infrastructure, or to recovery costs and inconvenience to customers, among others. Recurring changes, such as drought and temperature increases, impact the resources needed for generation as well as electricity demand.

Enel Américas has integrated these risks in its analysis and maintains an active monitoring system and predictive measurements to mitigate them. The Company also implements initiatives with local stakeholders, especially regarding the reduction of water resources, generating collective impact actions to mitigate these risks.

Two factor which act to mitigate and manage changes associated with climate patterns are the geographic and technological diversity that comes into play for the generation of electricity and good predictive measurements of climate phenomena. Likewise, Company investments to build a grid that is resilient to climate risks is also a mitigation and adaptation measure that Enel Américas is taking in the perimeter of its assets. All areas of Enel Américas are subject to ISO 14001 certification, and through the application of internationally recognized Environmental Management Systems (EMS), potential sources of risk are monitored to promptly detect any criticality.

 Transition risks: The path towards a low-carbon economy may involve risks related to regulatory, political, legal, technological and market changes, among others, with potential short-, medium- and long-term effects. Enel Américas' competitive advantage in the management of these risks is that it belongs to a group that operates in a more mature market, which can share good regulatory, technological and market practices, among others.

# **Social risks**

Regarding the management of social risks, most salient are social conflicts whose intensity may put the continuity of operations at risk. At a territorial level and to address these potential impacts, Enel Américas implements a strategy of continuous dialogue, with staff dedicated to relations with communities and stakeholders. At the same time, the Company manages social investment capital aimed at local socioeconomic development, as well as structured Complaint and Grievance Management systems, all of which are key tools for the mitigation of conflicts related to its operations.

In case of contingencies, Enel Américas has plans and processes to manage these situations. Aware of the strategic role that electric energy represents for the region, these plans prioritize the continuity of the delivery of energy to the system, the supply of electricity to its customers, and the safety of people.

Likewise, Enel Américas could be exposed to the risk of ineffectively engaging key stakeholders in relation to its strategic positioning on sustainability and financial objectives, due to a lack of understanding, anticipation or orientation of their expectations, which could cause an incomplete integration of these expectations into the business strategy and sustainability planning processes. Through the materiality analysis, its relationship strategy based on dialogue and its vision of Shared Value Creation, Enel Américas incorporates expectations and manages relationships with its stakeholders, by considering socioenvironmental factors in its processes throughout the entire value chain, with special focus on business development operations, engineering and construction, and procurement, as well as asset management and maintenance.

Regarding risks associated to health and safety, such as those caused by accidents of its own personnel and/or contractors, Enel Américas is responsible for promoting a culture of prevention and safety, with particular focus on the definition of policies and the integration of safety in processes and training, among others. Likewise, collaborators could be exposed to health risks related to





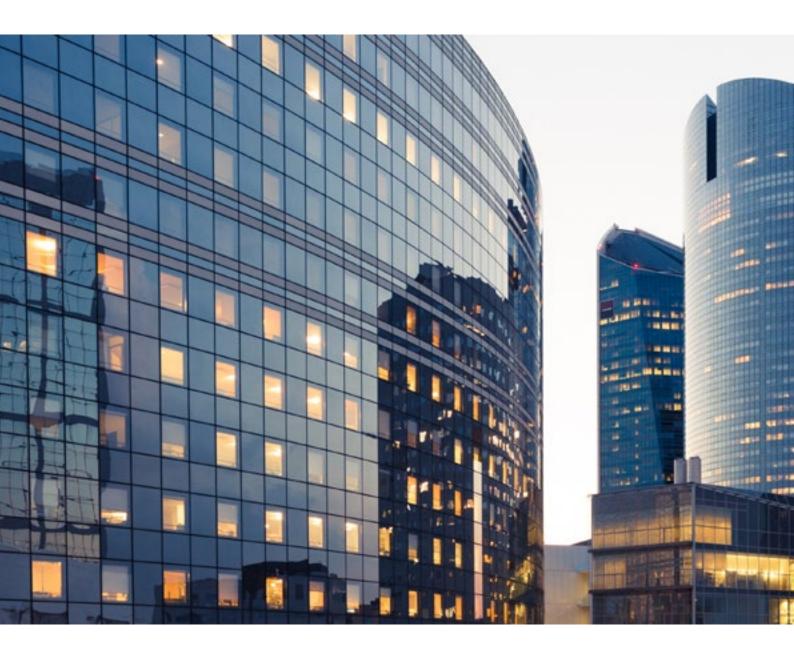
possible emerging infectious diseases, of epidemic and potentially pandemic nature, which may affect their health and wellbeing. A special unit has been created to manage this risk, which oversees the implementation of all actions required for health protection.

On the issue of risks related to diversity and inclusion, and attraction and retention of people in the context of the energy transition, alongside its management and promotion of talent, Enel Américas applies diversity policies. The Company carries out different initiatives that foster good work-life balance and promotes the education and growth of its workers through scholarships and courses, thus striving to contribute to the welfare of people and their families.

# **Governance risks**

Enel Américas manages governance risks by identifying those originated by illicit conducts, including corruption, lobbying activities, or anti-competitive practices, among others, in which its own personnel or contractors could engage. To this end, it has an Internal Control and Risk Management System based on business rules and procedures.

On the other hand, risks involving human rights violations are raised through due diligence processes that are developed annually throughout the entire Enel Américas value chain, including its subsidiaries, and transversally to all functions. Action plans derive from these processes, to address the detected areas of vulnerability or impacts.





# **Emerging risks**

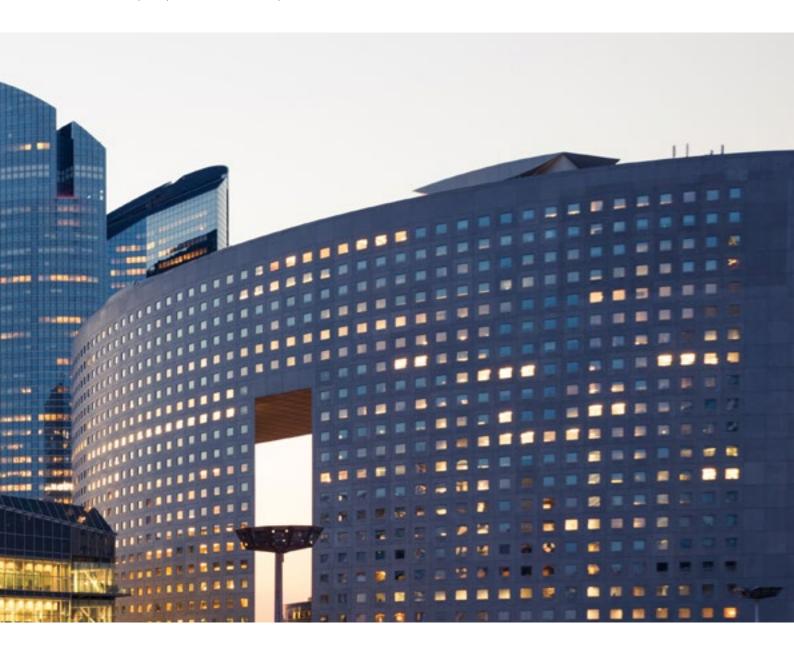
Due to the increasing digital transformation and greater dependence, Enel Américas faces risks associated to digitization and operational continuity and cybersecurity, as well as risks that emanate from the protection of personal data.

Digitalization, Information Technology (IT) efficiency and service continuity have all been identified as emerging risky areas, as the Company undertakes a digital transformation of the management of its entire value chain, developing new business models, digitalizing its processes, integrating systems and adopting new technologies.

The speed of technological development always generates new challenges, with a constant increase in the frequency and intensity of cyber-attacks, which by their nature seek to affect critical infrastructures and strategic industrial sectors, highlighting the potential risk that, in extreme cases, normal business operations could suffer a setback.

Enel Américas has more than two million customers and directly employs around two thousand people. Its business model requires managing a relevant volume of personal data. This implies greater exposure to the risks associated with the processing of personal data and increasingly demanding privacy legislation worldwide. For this reason, the protection of personal data is of essential concern and is considered an emerging risk for the Company.

For further details on the impact and management of risks, please refer to the <u>Enel Américas 2021 Annual Report</u>.







# **Commitment to the SDGs**

The Company has a business model that integrates sustainability in all its operations.

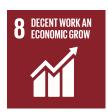
The 17 Sustainable Development Goals (SDGs), approved in 2015 by the United Nations (UN), constitute a guide for Enel Américas' work, which has consolidated its commitment to an increasingly sustainable business model, with the aim of meeting them by 2030.

Enel Américas specifically integrates six of the 17 SDGs into its business plan. This does not exclude the Company's contribution to achieving all the goals. Furthermore, the commitment to the SDGs was the result of the definition of a sustainable business model and, therefore, the Company's Strategic Plan for sustainable business, which is framed in the energy transition, incorporates the SDGs in the investment decisions of each business line.

# SDGs that have been integrated















Our sustainable progress







# Sustainability strategy

102-29

As a result of a contextual analysis and pervasive megatrends, as well as the prioritization of material issues made by stakeholders, the Company defines a course of action for each line of business and staff areas, integrating the actions dedicated to addressing megatrends and meeting the expectations of its stakeholders and the market in general, into the Company's Sustainability Plan.

The sustainability strategy, embodied in the Sustainability Plan, contemplates the **energy transition** process, the basis of Enel Américas' business strategy, as it is addressed in an Investment Plan that aspires to Net Zero and to the electrification of energy consumption. For this sustainable strategy to succeed, **people** must be the protagonists to implement the model and nature, the essence. To transversally strengthen the Business Plan, Enel Américas focuses on growth accelerators, which are essential to make the Group's actions towards its objectives faster and more effective. Finally, the bases for the entire process are compounded in its **fundamentals**, without which it would not be possible to build a sustainability strategy as outlined above.

In defining the actions to be included in Enel Américas' Sustainability Plan, factors external to the Company that influence the business and its long-term sustainability are also considered. These factors are represented in the energy and social strategies, the NDCs associated to the environmental strategy, the guiding principles of business

and human rights, the Sustainable Development Goals (SDGs), and the indications that the Company receives from the market and from ESG analysts, which are prioritized according to the materiality of relevant stakeholders. To achieve the objectives of the plan and its commitments, a series of actions are designed throughout the value chain and involve the entire Company.

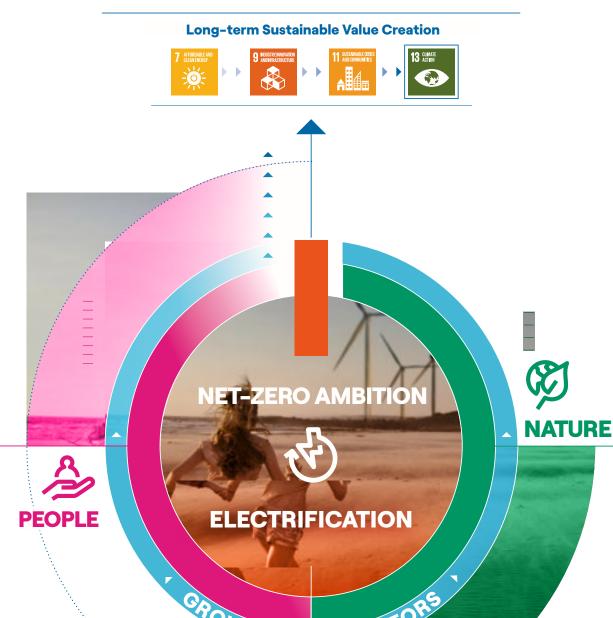
The **2022-2024 Sustainability Plan** is divided into six macro themes, which are interconnected and represent the strategic lines of action:

- 1. Net Zero Ambition: Advance "Net Zero" targets to 2040.
- **2. Electrification:** Enabling the electrification of customers' energy demand, offering a reliable and sustainable service.
- **3. People:** Creating long-term value with and for all stakeholders, helping them grow and face challenges.
- **4. Nature:** Promote the protection of natural capital and biodiversity.
- **5. Growth accelerators:** Accelerating sustainable progress through innovation, digitalization and the circular economy.
- **6. ESG fundamentals:** Support for good governance, respect for and promotion of human rights, continuous improvement of health and safety objectives.



# Sustainable development along the entire value chain





**FUNDAMENTALS** 

# PERSONE:

- Enel people
- Local and global community
- Suppliers

#### NATURE:

Environmental sustainability

## GROWTH ACCELERATORS:

- Innovation
- Digitalization
- Cirular economy

#### FUNDAMENTAL:

- Health and safety
- Strong governance
- Human rights







**Net Zero Ambition.** Includes actions of the business model aligned with the goal of not exceeding a temperature increase of **1.5°C** compared to pre-industrial levels. This ambitious goal does not contemplate offsetting emissions and is based on the process of **decarbonizing** the generation matrix, gradually replacing the thermoelectric portfolio with **new renewable capacity**, as well as taking advantage of the **hybridization of renewables with storage solutions**.

**Electrification.** The Group has increased and broadened its commitment to the **electrification of uses**, which sees **people and their daily choices** as active protagonists of change. Strategic actions, supported by a unified platform capable of managing the world's largest customer base among private operators, will result in the creation of value for customers by 2030, through a reduction in energy expenditure and its corresponding carbon footprint. A commitment that translates into a significant and tangible improvement in quality of life for all.



People. Represents the Group's commitment to the **empowerment of people**, and the improvement of their skills and capabilities to carry out the actions required by the energy transition. Establishing sustainable relationships with stakeholders is at the core of this commitment, whether they are employees, suppliers, community members or customers. Responding to the needs of stakeholders also translates into attention to those who are most exposed in this transition phase, with special attention to their **requalification and reconversion**, to achieve a more resilient ecosystem, in a **diverse and inclusive** environment.



**Nature**, the challenge posed by climate change is the strongest obstacle for people. The protection of the environment and natural resources, climate action and the contribution to sustainable economic development are strategic factors in the planning, operation and development of Enel Américas' activities. Together with actions towards decarbonization, **environmental sustainability** translates into a daily commitment to the **conservation and preservation of nature and biodiversity** through the reduction and mitigation of potential negative effects on the planet that may result from the various activities of Enel Américas.



Growth accelerators are fundamental tools to increase and broaden the range of action to achieve the Company's objectives, encompassing and strengthening all the themes of the sustainability strategy. Innovation facilitates the integration of sustainability into all aspects of the business, playing a central role in responding to the needs of stakeholders, amplifying the scope of the strategy's impacts. Another issue related to the challenges of the business model is the circular economy, an accelerator that aims to both reduce the consumption of materials along the entire value chain and to develop circular business models and new solutions. Additionally, a key element to strengthen the strategy is cybersecurity, the basis of the digital transformation needed to increase resilience, and digital supports, i.e., platforms and tools that make the daily activities of those who work in the company more sustainable.



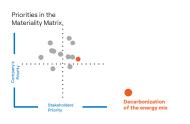
**Fundamentals**, at the core of the Company's strategy to contribute to sustainable progress is the commitment to respect **human rights** throughout the entire value chain, of which a key principle and an additional foundation of the plan is occupational **health and safety**. **Sound governance** is the basis for sustainable success as it cannot be separated from a corporate governance structure that takes ESG aspects into account in the main corporate decision-making processes.



Our ESG performance

# How to read this report

Each chapter of this report will be introduced with a graphic that presents the material issue to be addressed, its priority in the Materiality Matrix, to which area of the Sustainability Plan the issue corresponds, the Sustainable Development Goals that the management of these issues is aimed at, as well as the principles of the Company's Human Rights Policy and the most severe risks of the World Economic Forum or World Economic Forum 2022, which will be addressed through this management, to then present a summary table with the main objectives of the plan, its progress and an example of how human rights are addressed during the chapter.

















# Value creation

201-1

The goal of the Sustainability Plan is to create long-term value for all Company stakeholders.

The following table shows the value generated by Enel Américas, considering the consolidated results of its business lines, for suppliers, workers, capital providers (investors, shareholders and financiers) and the Government.

		2021	2020	2019
Economic value generated (EVG)				
Revenues	Millions of US\$	16,521	12,656	15,040
	%	100%	100%	100%
Operational	Millions of US\$	16,192	12,192	14,314
	%	98%	97%	95%
Non-operational	Millions of US\$	329	464	726
	%	2%	3%	5%
Economic value distributed (EVD)				
Operating cost	Millions of US\$	13,009	9,722	10,917
	%	79%	77%	73%
Salaries and social benefits for employees.	Millions of US\$	519	418	628
	%	3%	3%	4%
Payments to capital providers	Millions of US\$	2,015	1,826	1,812
	%	12%	14%	12%
Financial cost	Millions of US\$	1,052	768	1,088
	%	6%	6%	7%
Dividend payments	Millions of US\$	963	1,058	724
	%	6%	8%	5%
Payments to the Government.	Millions of US\$	806	567	236
	%	5%	4%	2%
Economic value retained (ERV)				
ERV = EVG - EVD	Millions of US\$	172	123	1,447
	%	1%	1%	1%

During 2021, Enel Américas distributed among its stakeholders all the value generated through payments for goods and services acquired from suppliers, contractors,

collaborators and owners of capital, through interest and dividend payments, resulting in a negative tax payment with no economic value withheld.



# **Analysis of 2021 results**

Our sustainable progress

Operating revenues during 2021 grew by 31.7% compared to the previous year, reaching US\$ 16,192 million. The main reason for this increase is due to the incorporation of Enel Green Power Américas (EGP Américas) subsidiaries, which were merged on April 1, 2021, and the improved performance of operations in Brazil, Colombia and Peru, partially offset by the negative effect of the translation of figures due to the devaluation of local currencies against the US dollar and lower revenues in Argentina.

Operating costs during 2021 rose 33.8% compared to the previous year, reaching US\$ 13,009 million. The main increase in costs is due to the higher level of activity of the distribution companies in Brazil, which incorporated higher energy purchases into their costs and the incorporation of the EGP Americas companies as of April 1, 2021, partially offset by a decrease in costs produced in the conversion of figures due to the devaluation of local currencies against the U.S. dollar.

Payments to the government include payments made in each of the countries where the Company operates (none of which is a tax haven). Enel Américas contributes with the payment of taxes to the development of local economies.

Finally, the retained economic value reached US\$ 172 million in 2021, an increase of US\$ 49 million, which is explained by the operational reasons already detailed, and a higher payment to the Government mainly in Argentina and Colombia, due to changes in tax rates, partially offset by lower dividend payments.

For further information, please refer to the Enel Américas 2021 Annual Report.

# Long-term economic value creation

The value generated by the sustainable business strategy is reflected in the economic indicators with which Enel Américas evaluates its performance.

	2021	2020	2019
EBIDTA of low carbon products and services (MMUS\$)	3,640	2,836	3,510
CAPEX of low carbon products and services (MMUS\$)	2,852	1,318	1,486
Ratio of CAPEX of low carbon products and services to total (%)	96%	93%	90%

The performance in the different areas covered by sustainability, which are an integral part of Enel Américas' business model, is reflected in its participation in various globally recognized indexes, which include environmental, social and governance (ESG) variables. This allows for traceability of the work done and represents an opportunity to compare its management, giving 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 risk, while contributing to the achievement of the Sustainable Development Goals (SDGs) promoted by the United Nations.

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





# **ESG Ratings and Indexes**

#### Dow Jones Sustainability Index (DJSI)

In 2021, Enel Américas was included in the three categories in which it participates, Emerging Markets, Integrated Market of the Pacific Alliance (MILA) and Chile. The Company obtained 85 points, which places it among the best companies worldwide; in more than 63% of the criteria, Enel Américas achieved scores above 90 out of a maximum of 100, with maximum scores in areas such as Materiality, Risk and Crisis Management, Innovation Management, Environmental Reporting, Water Risk, Social Reporting, Human Capital Development and Corporate Citizenship and Philanthropy.

#### Sustainability Yearbook 2022

For a fourth consecutive year, the Company featured in the Sustainability Yearbook 2022, and was again distinguished in the Bronze Class for its excellent performance, ranking between the top 5% and 10% of the most sustainable companies in its industry worldwide.

#### FTSE4Good

In the assessment published in December 2021, Enel Américas was again included in the ranking covering the Emerging Markets and Latin America categories, with 4.2 points out of a maximum score of 5. This index series (FTSE4Good) is designed to measure the performance of companies that demonstrate sound environmental, social and governance (ESG) practices. It is worth noting that in 2021, two evaluations of Enel Américas were conducted, one in January, which was done with information from 2019, and another in November, with information obtained during the 2020 fiscal year.

#### Moody's ESG Solutions

For a fourth consecutive year, Moody's ESG Solutions (previously Vigeo-Eiris) included Enel Américas in its ranking of Best Emerging Markets Performers in the utilities sector, which considers the best performing companies in emerging markets with a "best in class" approach. In the evaluation update of May 2021, the Company obtained 56 points.

#### **MSCI ESG Indexes**

Since 2019, Enel Américas has received an AA rating by the various sustainability stock market indexes offered by this entity. MSCI's ESG assessments aim to measure the long-term financial resilience of companies to material ESG risks.

#### **Sustainalytics**

Enel Américas was evaluated with a score of 15.8 points in December 2021, placing it among the 4% of companies with the lowest risk in the global electricity industry.

#### CDP

As a result of its first participation in this initiative of voluntary reporting of actions to address climate change, Enel Américas received a B evaluation from the CDP (Carbon Disclosure Project). CDP is a recognized non-profit organization that, through its disclosure framework, evaluates performance in the fight against climate change on an A to D scale.

CDP's annual environmental disclosure and rating process is widely recognized as the gold standard for corporate environmental transparency. In 2021, more than 590 investors with more than US\$110 billion in assets and more than 200 major buyers with US\$5.5 trillion in procurement spending requested that companies disclose data on environmental impacts, risks and opportunities through the CDP platform.







2020

Scale of 100 to 0

2021

2019

2,6





# Main 2021 awards and recognitions

#### **Argentina**

**Green Seal.** Edesur received a recognition for waste management and circular economy granted by the Ministry of Public Space and Urban Hygiene and the Ministry of Economic and Productive Development of Buenos Aires, for establishing mechanisms and protocols in waste management. This recognition is given to companies who achieve outstanding practices in this area.

#### Brazil

**Top Employer.** Enel Brasil stands out among several national and international companies and received, for the third consecutive year, the Top Employer certification seal, offered by the Top Employers Institute.

**100 Open Startups Recognition.** 100 Open Startups recognized Enel Brasil as a company that is open to innovation. This international platform has recognized impact on the generation of business between large companies and Startups.

**Empresa Más Digital.** During the Expo Digitals event, organized by +Digital Institute, Enel Brasil was recognized as the Most Digital Company of 2021 in the Energy category, and was also acknowledged as one of the best positioned companies to face challenges and reap opportunities in the digital world.

**First place in the Época Business 360° Awards.** The Época Business 360° Yearbook, a publication issued by Época Negocios magazine and the Dom Cabral Foundation named Enel Brasil as the best Brazilian company in the Innovation in the Energy sector category.

**Pro-Ethics Company.** Enel Brasil's efforts for transparency and integrity were reflected in an important achievement. For the fourth consecutive time, the Federal Government acknowledged Enel Brasil as a Pro-Ethics Company. This reflects the commitment to implement measures aimed at preventing, detecting and addressing acts of corruption and fraud in business.

#### Colombia

Visible health and safety leadership. The association that groups Safety, Health and Environment professionals in Colombia recognized Enel Codensa for its achievements in health and safety, resulting from a long-standing safety culture.

**Private Social Investment Index.** Award given in recognition of the contribution made by the private sector to the development of the country, emphasizing the effort to improve the living conditions of the communities and territories where they operate. Enel Codensa and Enel Emgesa are among the 25 companies with the best social investment practices, and among 11 firms with the best performance in the Synapsis category.

**RSE Camacol.** Ranking of companies that attract and retain the best talent in the country. This recognized index establishes a metric of the 100 best companies, within which Enel Codensa and Enel Emgesa occupy the 35th position, maintaining the same position as the previous year.

**Merco Talento.** Recognition of good sustainable development practices in 16 of the 17 SDGs, and a special category for Human Rights. There is also a special recognition in gender equity.

Recognition of good sustainable development practices of the Global Compact. Acknowledgment of the practices implemented towards 16 of the 17 SDGs, and in the special category of Human Rights, including a special recognition in gender equity. Winner of the Global Compact recognition for SDG 15 for the Enel Biodiversa project - El Quimbo Tropical Dry Forest Ecological Restoration Plan.

**ANDI Innovation Ranking.** Recognition of companies that are striving to increase their capabilities in science and technology, to drive the country's fourth industrial revolution. Enel Codensa and Enel Emgesa ranked 11th out of the top 30 most innovative companies in the country, which evaluated a total of 340 firms. This was achieved with a score of 71.12 out of 100.

**Open Innovation.** Annual ranking that highlights the most attractive startups for the corporate market and the leading companies in Open Innovation and startup engagement. Enel is ranked as the first most innovative company in the energy sector and the fifth among 100 companies featured in the list.

**Merco Companies and Leaders.** One of the most recognized reputation indexes in the world. Enel is ranked 74th, 8 positions up from the previous year.

**Equipares Gold Seal Recertification.** This is the highest certification awarded by the Gender Equality Management System of the Ministry of Labor. This certificate recognizes the work developed to implement policies and practices that promote gender equality.

Significant experiences Ministry of Mines and Energy (MinEnergía). The Cundinamarca al 100 project won this special recognition aimed at showcasing the most significant experiences in the sector. The acknowledgement was given for the Company's management of its SDG 7, Affordable and Clean Energy, and SDG 10, Reducing Inequalities, commitments. The latter, for the Agua Guajira project.

**IR 2021 Recognition.** These recognitions are the result of an alliance between CESA and the Colombian Stock Exchange to promote best practices in information disclosure and investor relations. Codensa and Emgesa received a rating of 90.9% and 91.4% out of 100%, respectively.



#### Peru

Our sustainable progress

Safe company seal / free of violence against women. In its commitment to build a more equitable and violence-free society, Enel Generación Peru and Enel Distribución Perú obtained the seal of recognition granted by the Ministry of Women and Vulnerable Populations in the highest category, Gold Seal.

Global Reporting Initiative (GRI). This independent international organization promotes corporate responsibility for the impacts produced by companies and other organizations, by providing them with a common global language to communicate them. GRI recognized Enel Perú for the fourth consecutive year. This time for the Company's efforts to engage 38 of its suppliers, training them to issue sustainability reports, thus contributing to the sustainability of its supply chain.

Socially Responsible Company. Enel Distribución Perú and Enel Generación Peru obtained the Socially Responsible Company distinction, which is granted by Perú 2021 and Centro Mexicano para la Filantropía (CEMEFI). This acknowledgement was given in recognition for aligning the Company's industrial strategy to the Sustainable Development Goals (SDGs). Additionally, Enel Generación Perú stood out in the Impact and Value Chain category, due to the good performance and score it achieved.

Business Creativity. With its Live Lines project, Enel Perú won the Business Creativity 2021 award in the Utilities category. The Live Lines project was created to allow works to be carried out without the need to interrupt customers' service, applying procedures that guarantee people's safety. This program also helps to organize grid maintenance works and prevent outages.

Companies that Transform Peru. This initiative is promoted by IPAE (Peruvian Business Association) and the Frieda and Manuel Delgado Parker Association, with the support of USAID, RPP and FSG consulting. Yearly, they select companies that include shared value strategies in their organizations and publicly acknowledge them by incorporating them to the "List of Companies that Transform Perú". Enel Perú was recognized for its Energy to Grow project, focused on accelerating the pace of electrification for communities that, living in the concession areas, were still off-grid. Thanks to this initiative, they now have the energy they need.

National Society of Mining, Petroleum and Energy (SNMPE). 2021 marked the sixteenth edition of the Sustainable Development Awards. On this occasion, SNMPE recognized 13 projects for their innovation, sustainability, commitment to the population and alignment with the UN Sustainable Development Goals (SDGs). Enel Perú and its Diversity and Inclusion project Inside Out, were recognized in the Social Management category

#### **Central America**

Industrial Innovation Award. Enel Guatemala won this innovation award granted by the Chamber of Industry of Guatemala, for the "use of technology and robotics in the operation of hydroelectric plants".





# Our ESG performance

#### The path to Net-Zero

We are moving the Net Zero commitment forward to 2040.

#### The decade of electrification and customer centricity

We want to enable the electrification of energy demand by providing reliable and sustainable service to our customers.

#### Progress starts with people

We create long-term value with and for all our stakeholders, helping them to grow and meet challenges.

#### Towards a nature-based model

We promote the protection of natural capital and biodiversity.

#### **Growth accelerators**

We support sustainable progress through innovation, digitalization and circular economy.

#### **ESG fundamentals**

Our commitment is based on good governance, respect and promotion of human rights, continuous improvement in health and safety objectives.











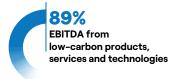
### **Net Zero ambition**

102-15 | 103-2 | 103-3 | 201-2



80%
Enel Group
target to reduce
direct CO<sub>2</sub>
emissions per kWheq
(Scope 1) by 2030, compared
to 2017 (SBTi certified target).

69% Renewable generation capacity



As part of the Enel Group, Enel Américas operates with a business model aligned with the goal of not exceeding a temperature increase of 1.5°C compared to pre-industrial levels.

To achieve this goal, the Enel Group has brought forward its Net Zero goal by 10 years, setting it for 2040, which means that in practice, the Enel Group's energy matrix will have no gas or coal operations. These goals are part of the Group's commitment to the "Business Ambition for 1.5°C" campaign promoted by the United Nations and other institutions, which it ascribes, and is aligned with the criteria and recommendations of the Science Based Targets initiative (SBTi). As an intermediate target, the Enel Group envisages an 80% reduction in the intensity of its direct greenhouse gas emissions by 2030, compared to the baseline year 2017.

Achieving a climate change goal requires viewing the Company's business from a multidimensional perspective that involves its entire value chain in the decarbonization process, and not only the generation line. As studies by IAE, IRENA and Bloomberg show, to achieve carbon neutrality goals, the world needs electrification levels above 50% at a global level. The strategy that Enel Américas has designed regarding its investments in grid digitalization and in the infrastructures necessary for the electrification of consumption in industries, cities and communities is particularly relevant. Immersed precisely in the era of electrification, the services offered through Enel X complete the design with which Enel Américas participates in the

energy transition processes, in the countries where it operates, advancing towards the objectives declared at COP26 to achieve carbon neutrality by 2050, which are complemented with other initiatives and incentives to electromobility and to circular economy principles.

Enel America's strategy can be summed up as the Company's Climate Action. Together with energy transition, it provides the roadmap to achieve the global goals defined in the 17 Sustainable Development Goals (SDGs). Particularly in SDG 7 (affordable and clean energy) by increasing renewable energy generation, SDG 9 (industry, innovation and infrastructure) by investing in a digitized and functional grid for the electrification of consumption, and SDG 11 (sustainable cities and communities) by involving citizens, institutions and industries in the replacement of fossil fuels with electricity.

The Climate Actions targeted by SDG 13 for the electricity sector are energy transition and electrification. On a regional level, Enel Américas leads these areas in all their dimensions. To ensure greater transparency in communications and relations with its stakeholders, Enel Américas reports the performance of its climate actions, in line with international standards such as the Global Reporting Initiative (GRI) and follows the guidelines of Enel Group's reporting indicators as stated in the Sustainability Accounting Standards Board (SASB). Enel Américas also communicates the possible impact of climate risks, according to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).



# Stakeholder engagement in climate actions

Our ESG performance

The Group believes that it is part of the social fabric, and that both economy and society can grow by considering the environment as the natural capital that allows them both to prosper. The impacts of climate change affect business and society, modifying biodiversity and the exosystemic functions of the biosphere. The race that began a few years ago to repair this situation emerged from an allencompassing call to institutions, companies, citizens and communities to participate in a systemic transformation that strives to counterbalance climate change. In response to this call, Enel Américas initiated a robust transformation aimed at creating and promoting a clean energy matrix, the modernization of its electricity grid, and the electrification of consumption. It has also placed Climate Action at the center of its strategic objectives, working with all stakeholders through different instruments.

- Materiality analysis: Climate change has been one of the issues addressed with all stakeholders in terms of the Company's priorities and performance. It is at the core of sustainability planning and strategy development.
- Human Rights Due Diligence: Annual due diligence processes identify potential risks or impacts to the right to live in an unpolluted environment, and to have access to timely environmental information. Eventual breaches are included in remediation or mitigation plans.
- Risk matrix: The business risk matrix incorporates climate risks, which are assessed both quantitatively and qualitatively.
- Community engagement: The Company's social investment is mainly focused on initiatives that lead communities to be part of the energy transition, via the implementation of renewable energy models and solutions based on nature or the circular economy.
- Sustainability indicators for the supply chain: Including sustainability factors in the bidding processes, providing incentives to suppliers that take actions to minimize environmental impacts, participating in the Company's decontamination and electrification of consumption objectives.
- Internal communications: Events involving energy transition, sustainable business, circular economy and climate change issues are communicated mostly on online platforms that incorporate the entire Company community.

- Presentations and meetings with investors: At Investor
  Day, where the 2022-2024 Strategic Plan was presented,
  we focused on specific actions through which the
  Company contributes to low-carbon economies. In
  addition, we report quarterly on progresses made in this
  area.
- **Directors' Committee:** Here, sustainability initiatives are presented, including those pertaining to climate change.
- Reporting to boards of directors: The Sustainability Plan and progresses, including climate action indicators, are presented on a quarterly basis to the boards of directors of the companies that comprehend the Enel Group.
- Communications in social media: Enel Américas reinforces its commitment to the digital society by using social networks to raise public awareness on issues related to climate change, including decarbonization, renewable energies, water management, circular economy, electrification and electric mobility







#### **Enel's climate actions**

Being globally coordinated, Enel Group's global policy positioning on climate action is ensured through a dedicated unit. This unit is responsible for developing and aligning global perspectives and providing position papers on climate policies. These serve as a guide for interaction at the Company's local levels, as well as for regulatory discussions and engagement with institutions and stakeholders in the climate action debate.

Enel Américas shares Enel SpA's principles, commitments and guidelines regarding policies, regulations and participation in partnerships to promote issues related to energy transition and climate change at national and global levels. For more details, see the <a href="Enel SpA 2021 Sustainability Report">Enel SpA 2021 Sustainability Report</a>.

The actions that Enel Américas carries out on a global and regional scope inform an integral perspective that connects to the needs of each country where it operates. The Company carries out specific activities that involve the participation of stakeholders on issues such as decarbonization and energy transition—All this facilitates the discussion on the creation of collaborative ecosystems of the entire value chain and is complementary to other productive activities.

# Enel Américas on climate-related frameworks and policies

As climate challenges becomes increasingly evident and the need for all actors to work in synergy to address solutions and opportunities around this issue becomes clearer, global, regional and national policy expands and evolves in its regulatory frameworks. In view of this, Enel Américas adheres to the following guidelines:

#### 2030 Agenda for Sustainable Development

Enel Américas is committed to contributing specifically to SDGs 4, 7, 8, 9, 11 and 13 of the 17 Sustainable Development Goals, which does not exclude its contribution to achieving the rest of the Goals. Moreover, this commitment to SDGs is the result of the definition of a sustainable business model, and therefore is incorporated into the Company's Strategic Plan.

#### The Corporate Leaders Group for Climate Change (CLG) Américas

For Enel Américas, being part of the discussion and promoting climate actions allow it to make a concrete contribution to the collective effort to develop a low-carbon economy and a society with low climate risk. Being part of this organization offers the opportunity to promote climate action policies, ensuring that they incorporate the viewpoint of the business sector.

#### Global Compact

Enel Américas is committed to the Ten Principles of the Global Compact, grouped into Human Rights, Labor Relations, Environment and Anti-Corruption, and to incorporating them into the Company's strategy, culture and daily actions, as well as to engage in collaborative projects that contribute to the Sustainable Development Goals in the countries where it operates. Thus, in addition to participating through Enel SpA, Enel Américas supports this initiative by communicating these commitments to stakeholders and the public.

#### Regional Private Sector Support Center for Latin America and the Caribbean

Enel constantly participates in instances that seek to strengthen the sustainable development agenda in all the countries in the region where it operates, which is why the Company's participation in the Regional Private Sector Center in support of the United Nations Sustainable Development Goals is strategic, since this office works in coordination with its partner companies and in alliance with the United Nations system, to advance the practical implementation of various international sustainability initiatives, and thus, put into effect the global trends that impact the business practice globally.



# Enel Américas' participation in associations and organizations

COUNTRY		What is the name of the organization?	Initiatives
Argentina •	<b>®</b>	Consejo Empresario <b>Argentino</b> para el Desarrollo Sostenible ( <b>Argentine</b> Business Council for Sustainable Development)	Climate Action Program. Sustainable Commitments and Objectives and Circular Economy Workshops. Sharing good practices and due diligence in Human Rights: External consultancy María José Alzari, Analysis of new Human Rights policy.
	*==	FRD (Facultad Regional Delta) UTN (Universidad Tecnológica Nacional) Secretaría de extensión Universitaria.	2nd Edition of the Diploma in Circular Economy, in alliance with CEADS and Enel Argentina.
Brazil	<b>®</b>	Comité Brasileño del Pacto Mundial. (Brazilian Committee of the Global Compact)	Working Group on: Action for Human Rights, Climate Action, Action for the SDGs, Action against Corruption, and Action to Communicate and Engage.
			Ambition for the SDGs aims to support companies in setting aspirational SDG targets in their business strategies.
	•	ABRADEE-Asociación de Electricidad distribuidores (Electricity Distributors Association)	Environment working group.
	FIRJAN	Firjan-Social System, accountability, advice.	The Council brings together the main companies headquartered in the state of Rio de Janeiro and promotes the discussion of sustainability issues, including the 2030 agenda, which can boost the companies' business and the state's economy.
Colombia	•	Pacto Global Red Colombia (Global Compact Colombia Network).	Working group on environmental issues.
	ANDI PAIS	ANDI- Asociación nacional de empresarios de Colombia (National Association of Colombian Businesspeople.).	Environmental issues (sustainability).
	HORID COUNTRY DATE: COUNTRY	World Energy Council (WEC), Comité Colombiano.	Work towards a globally accepted framework for climate change.
	CONNECT	Conecta Bogotá Región.	Innovation and sustainability issues.
	Ser	Ser Colombia- Renewable Energy Association.	Renewable energy issues.





COUNTRY		What is the name of the organization?	Initiatives
Peru	•	Pacto Global Red Perú (Global Compact Peru Network).	Working group on environmental issues.
	aquationdo	Aquafondo.	Executive Committee. Collaboration in obtaining the water footprint.
	CIENTIFICA	Universidad Científica del Sur.	Position Paper on the circularity potential of the city of Lima.
	PERCE	Perú Sostenible- Represents the World Business Council for Sustainable Development in the country.	Executive Committee.
	Com So		Working Group.
	nexos+1	Nexos+1- Corporate climate action.	Dashboard (application).
	ō		Working group on different SDGs.
	PERU 2	AEDIVE- Business Association for the Development and Promotion of Electric Mobility.	Executive Committee. Association in charge of promoting the adoption of electric mobility solutions, representing the interests of the entire value chain.
			Vice-presidency.
Guatemala	© cor-L	Centro Guatemalteco de Producción más Limpia (Guatemalan Center for Cleaner Production).	Seeks to contribute to the improvement of the environmental performance and competitiveness of the country's companies, public and academic organizations.
			Award: green seal for offices and hydroelectric power plants - 2016, 2017, 2018, 2019, 2020.
Panama *	•	Pacto Mundial Rojo Panamá. (Global Compact Panama).	GT Training on environmental issues and good sustainable practices for the development of community projects.
Costa Rica		Red Pacto Global Costa Rica WE SUPPORT. Global Compact Network Costa Rica WE SUPPORT.	SDG Ambition Program.
	OVED THE	Alianza Empresarial para el Desarrollo (Business Alliance for Development).	Partnership to work on a local model of gender equality and sustainability.



# Climate change governance model

Enel América's corporate governance and structure define specific tasks and responsibilities for the main governance bodies within the Company, ensuring that risks and opportunities related to climate change are considered in all relevant business decision-making processes

#### Corporate governance

#### **Board of Directors**

- It is responsible for reviewing and approving the Company's strategy, including the annual budget and the Business Plan, which incorporate the Company's main objectives and actions -addressing matters such as energy transition and sustainability in general-, to guide investments to transition towards low-emission economies, promoting a sustainable business model that generates long-term value.
- Plays a guiding role and assesses the pertinency of the Internal Control and Risk Management System (referred to as SCIGR), defining the nature and level of risk compatible with the strategic objectives of the company and the Group, including risks related to climate change
- During 2021, it addressed climate-related issues such as:
  - Emissions reduction, decarbonization and carbon neutrality, as reflected in the Company's strategies and operations, especially after the merger with Enel Green Power (EGP).
  - Analyzing future climate scenarios for the purpose of defining the Group's strategy, considering the risks and opportunities related to the management of the water crisis and other relevant issue, including sustainability risks and the sources of these risks.
  - Analyzing investor expectations with respect to climate change and sustainability issues through updates on investor relations activities.
  - Including climate actions and the reduction of direct and indirect emissions among the parameters considered to analyze the positioning of Enel Américas in relation to its peers.
- When required, the board for climate change management is supported by the Committee of Directors.

#### **Committee of Directors**

- Advises the Board of Directors in the evaluation and decision-making processes that pertain to sustainability and the performance of the Sustainability Plan, including any issues related to climate change, biodiversity and circular economy, and to how the dynamics of the Company interact with stakeholders.
- Examines and analyzes climate objectives, defined in the Sustainability Plan, and the articulation of the contents published in the Sustainability Report, issuing a special prior opinion to the Board of Directors
- During 2021, it addressed issues related to climate change such as emissions reduction, decarbonization and carbon neutrality, reflected in the Company's strategies and operations, prior to their presentation to the Board of Directors, as described above.

#### CEO

- In the exercise of his/her competencies for the management of the Company, the CEO applies a sustainable business model that implements a strategy aimed at guiding the energy transition towards a lowcarbon model. In parallel, s/he manages business activities related to Enel's commitment to climate action.
- S/he reports to the Board of Directors on the actions carried out in the exercise of her/his powers, including business activities aligned with the Company's commitment to address climate change.
- S/he is also the manager in charge of the SCIGR with respect to corporate risk management, including those related to climate change.





#### **Structure**

Enel Américas has a team of managers who assign responsibilities related to specific functions that help guide Enel's leadership in the energy transition. Each area is responsible for managing the risks and opportunities of climate change within its scope of expertise. Their main functions are:

- Consolidate scenario analysis and management of the strategic and financial planning process, aimed at promoting a sustainable business model, placing climate action at the center of the strategy.
- Each business line is responsible for developing activities related to avoiding or minimizing the environmental risks and impacts of operations, adapting the business to the effects of climate change and promoting the generation of renewable energy, optimizing thermal capacity, developing the digitalization of the electricity grid, and developing business solutions that will lead to a low-carbon energy transition.

- Cross-functional service functions are responsible for adopting sustainability criteria in supply chain management and for the development of digital solutions to promote the advancement of technologies that facilitate the energy transition and allow for a better adaptation to climate change.
- Promote decarbonization and guide the energy transition to a low-carbon business model within its areas of responsibility.

In addition, Investment Committees by business lines operate for the approval of investments, as well as an Investment Committee at the Enel Group level, chaired by its CEO. This last instance is entrusted with the responsibility of ensuring that all investments are aligned with the Group's commitment to promoting a low-carbon business model and achieving decarbonization by 2040.

# Climate change incentive system

The Enel Group's Remuneration Policy includes several mechanisms whose objective is to advance the energy transition, in particular:

A short-term variable remuneration (MBO) that may include objectives related to each manager's specific business function. For example, they may include renewable energy development targets for managers within the Generation business line, or related to energy transition solutions within Enel X.

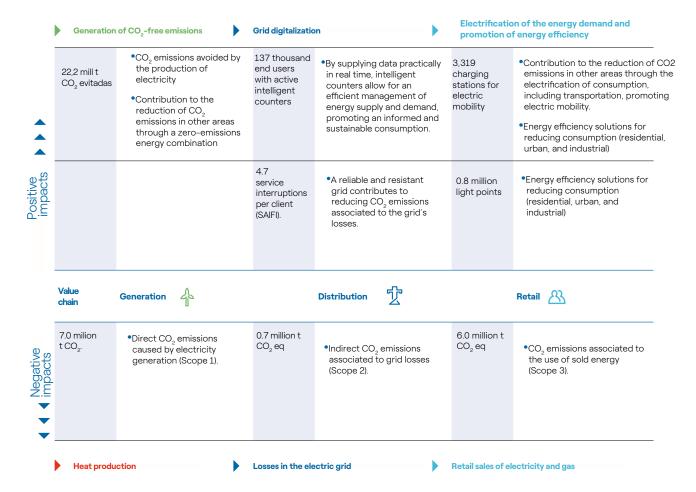
# **Enel América's impact on climate change in 2021**

Electricity generation has always played a key role in climate change, as the use of fossil fuels represents a major source of greenhouse gas emissions. However, technological development, especially in the field of renewable energies, has completely transformed this scenario, positioning electricity as one of the main solutions for reducing the carbon footprint. Enel Américas is aware of these impacts and implements specific actions to minimize them,

promoting the decarbonization of the energy system and the electrification of energy demand and, consequently, reducing greenhouse gas emissions along the entire value chain, with the consequent reduction of its absolute carbon footprint as new renewable plants come into operation, thermal capacity is reduced, in line with the 2022–2024 strategic plan, and the gas plants exit the system over a longer period of time.



#### Enel América's impact on climate change in 2021







#### **Climate scenarios**

To support planning, capital allocation, strategic positioning and assessment of risks and resilience of its strategy, Enel Group develops scenarios for the short (1 to 3 years), medium (2025–2029) and long terms (2030–2050), as they apply to the energy, macroeconomic and financial areas.

The Group also carries out analyses and benchmarking of external energy transition scenarios. Together with the macroeconomic, commodity and climate trend reports, these analyses are an input for internal modeling, which drive the definition of long-term scenario assumptions.

Global energy scenarios are generally classified by families according to the level of climate ambition:

- Business as usual/current policies: energy scenarios based on business as usual or current policies. They provide a conservative benchmark for the future, representing the evolution of the energy system in the absence of additional climate and energy policies. These scenarios do not meet the objectives of the Paris Agreement.
- Paris Aligned: energy scenarios aligned with the Paris Agreement, i.e., including a target to contain the global average temperature increase "well below 2°C" compared to pre-industrial levels. To achieve this, scenarios in this category envisage new and more ambitious policies for end-use electrification and for the development of renewables.
- Paris Ambitious: global energy scenarios that outline a
  path towards net zero greenhouse gas emissions by 2050,
  consistent with the Paris Agreement's more ambitious goal
  of stabilizing the average increase in global temperatures

to within  $1.5^{\circ}$ C. In this scenario, there is consensus that the main drivers to achieve this are the process of enduse electrification and increased renewable electricity generation in both the medium and long term. However, there is no consensus on the additional solutions needed in the long term, to close the gap to achieve net zero emissions, with varying degrees of relevance assigned to the contribution of different technologies and changes in consumer behavior.

The "energy transition scenario" encompasses the industrial and economic transition towards solutions that can reduce CO2 concentrations in the atmosphere, while issues related to future trends in climate variables (in terms of acute and chronic phenomena) define the so-called "physical scenario", which considers:

- Acute events: heat waves, droughts, floods and frost, among others, and their potential impact on industrial assets.
- Chronic events: related to climatic structural changes, such as rising temperatures or sea levels. This can lead, for example, to changes in the construction of plants or modifications in electricity consumption in residential and commercial areas.

Scenarios are built with a view to creating a general framework that ensures consistency between transition assumptions and climate projections.

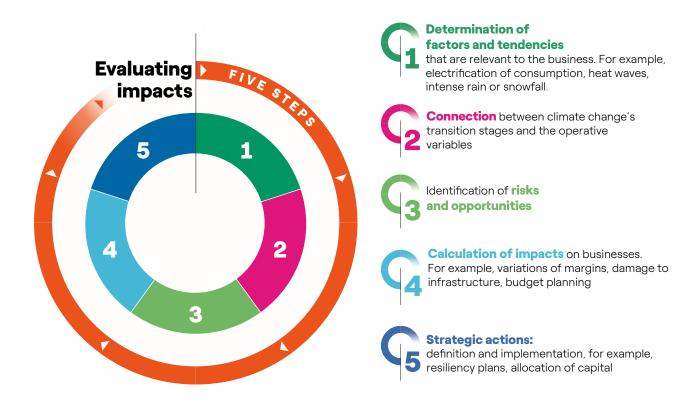
Adopting the described scenarios and their integration into business processes consider the TCFD guidelines and is a facilitating factor for the assessment of risks and



opportunities related to climate change. For this reason, the Group has built a channel for constant dialogue and collaboration with experts in the field of climate change. Furthermore, it has modified its structure to manage high-resolution post downscaling climate scenarios and has activated projects dedicated to developing the skills needed to translate the complexity of climate modeling into useful information to understand its effects on the business and to support strategic decisions at a local level.

Our ESG performance

The acquisition and processing of the large amounts of information and data needed to define scenarios, as well as the identification of the methodologies and high-resolution metrics needed to interpret complex phenomena in this field –in the case of climate scenarios, at very high resolution –, requires a continuous dialogue with both external and internal references. To this end, the Group works with a platform approach, equipping itself with tools that guarantee solid and accessible information. The process that translates scenario phenomena into useful information for industrial and strategic decisions can be summarized in five steps:







#### The transition scenario

The transition scenario describes how energy production and consumption in the various sectors evolve in an economic, social, political and regulatory context consistent with different greenhouse gas (GHG) emission trends and, therefore, how they correlate with the Representative Concentration Pathway (RCP) climate scenarios.

Worldwide, Enel Group uses scenarios that stem from benchmarking analysis of external scenarios and currently known policy objectives. For the main countries where the Group operates, it develops consistent transition scenarios using system energy models; if internal models are not available, risks and opportunities are assessed through the analysis of scenarios produced by third parties, as described above.

The main assumptions considered in the definition of transition scenarios are:

- Local policies and regulatory measures to fight climate change, such as measures to reduce carbon dioxide emissions and fossil fuel consumption, increase energy efficiency and decarbonize the electricity sector, among others.
- Global macroeconomic and energy environment. For example, in terms of gross domestic product, and population and commodity prices, considering international benchmarking studies, including the International Energy Agency (IEA), Bloomberg New Energy Finance (BNEF), the International Institute for Applied Systems Analysis (IIASA) and others<sup>1</sup>.
- Evolution of energy production, conversion and consumption technologies, both in terms of technical operating parameters and costs.

In 2021, Enel Group reviewed the medium- to long-term energy transition scenarios, defining three alternative scenarios:

- "Slow Transition" scenario: Characterized by a slower energy transition, which does not allow for the objectives of the Paris Agreement to be achieved. This scenario considers a lesser increase in the use of renewables and lower electrification as compared to the Paris scenario, especially in the short term, i.e., it assumes a delay in the implementation of the transition.
- "Paris" scenario: Foresees a level of climate ambition significantly higher than business as usual, in which the increased ambition is based on greater electrification and presence of renewables.
- "Best Place" scenario: Built to test more ambitious assumptions than the "Paris" scenario. This scenario also meets the objectives of the Paris Agreement, but considers a broader portfolio of technological solutions, e.g., a higher penetration of green hydrogen (produced from renewable electricity), and its wider use in the so-called hard-to-abate sectors, facilitating the decarbonization process towards net-zero emissions.

The Enel Group has chosen the "Paris" scenario as a reference for long-term planning. Unlike last year, when the reference scenario was the current policies or business as usual model, this scenario contemplates the achievement of the objectives of the Paris Agreement and was chosen because of the increase in Net Zero commitments during 2021 observed in various countries, which currently cover 88% of global emissions, and the outcomes of COP26. Based on this, it is assumed that, at a global level, governments, companies, organizations and citizens will effectively participate in the common effort to mitigate greenhouse gas emissions.

Regarding the possibility of assuming the achievement of the more demanding facet of the Paris Agreement, that is to limit the increase in global average temperature to 1.5°C, as a reference scenario for long-term planning, there is still uncertainty that some countries could still maintain inertial trajectories, delaying the process of decarbonization towards zero net emissions by 2050.

<sup>&</sup>lt;sup>1</sup> With respect to IIASA, for example, the fundamentals related to commodity demand and population underlying the "Shared Socioeconomic Pathways (SSPs)" were considered, in which different scenarios describing socioeconomic development levels and policies are projected alongside climate scenarios. The information derived from the SSPs is used, together with internal modeling, to support long-term forecasts such as commodity prices and electricity demand.



Given this premise with respect to the external context, **Enel Group operates a business model that is in line with the more ambitious Paris Agreement targets, i.e., consistent with a global average temperature increase of 1.5°C by 2100**. Enel has set itself the long-term goal of achieving zero direct emissions (Scope 1), with fully renewable electricity generation and zero emissions related to the retail sale of energy in Brazil (Scope 3).

The assumptions on the evolution of raw material prices that are incorporated into the Paris scenario are consistent with the external scenarios that achieve the objectives of the Paris Agreement. Specifically, we envisage a sustained growth in CO<sub>2</sub> prices until 2030, caused by the progressive reduction of permits in the face of growing demand, and a stabilization of coal prices, due to a declining demand. As for gas, price tensions are expected to ease in the coming years, in view of realigning global supply and demand trends. Finally, the

price of oil is expected to stabilize progressively, with peak demand estimated around 2030. For further details, see Enel Spa's Sustainability Report.

#### The physical climate scenario

Three climate scenarios consistent with those published in the Sixth Report of the Intergovernmental Panel on Climate Change (IPCC)<sup>2</sup> were selected for the assessment of physical risks. These scenarios are characterized by a level of emissions according to the Representative Concentration Pathway (RCP), and each is related to one of the five scenarios defined by the scientific community as Shared Socioeconomic Pathways (SSP). The SSP scenarios contemplate general assumptions about population, urbanization, etc. The three physical scenarios considered are:

Scenario	Increase in average temperature above pre-industrial levels (1850-1900)
RCP 2.6	+1.5°C by 2100 (IPCC projects ~+1.8°C on average with a 78% chance of remaining below +2°C). This scenario is used by the Panel both for the assessment of physical phenomena and for analyses that consider an energy transition consistent with ambitious mitigation targets. For analyses that consider both physical and transition variables, the Panel associates the SSP1-RCP 2.6 scenario with the "Paris" and "Best Place" scenarios <sup>3</sup> .
RCP 4.5	+2.7°C by 2100. This scenario has been identified by Enel as the most appropriate to represent the current global climate and policy context and is consistent with commonplace estimates of temperature increase that consider current and announced policies at the global level. In analyses that consider both physical and transition variables, the Group associates the SSP2-RCP 4.5 scenario with the "Slow Transition" scenario.
RCP 8.5	+4.4°C by 2100. Compatible with the worst-case scenario in which no measures are implemented to combat climate change ("Business as usual").

<sup>&</sup>lt;sup>2</sup> IPCC Sixth Assessment Report, Working Group 1, "The Physical Science Basis" (2021)

<sup>&</sup>lt;sup>3</sup> IPCC Fifth Assessment Report, Working Group 1, "Long-term Climate Change: Projections, Commitments and Irreversibility"

<sup>&</sup>lt;sup>4</sup> Climate Action Tracker thermometer estimates of global warming to 2100 considering the "Policies and Actions" and "2030 targets only" streams (updated November 2021).





Climate scenarios are global. Therefore, to define their effect on the areas of relevance to the Group, we established a collaboration with the Department of Earth Sciences of the International Center for Theoretical Physics (ICTP) in Trieste. As part of this joint effort, ICTP provides projections of the main climate variables with a resolution ranging from ~12 km2 to ~100 km2 grids and a time horizon from 2020 to 2050. The main variables are temperature, snow and rain precipitation, and solar radiation. Compared to the analyses performed in the past, the current studies are based on the use of several regional climate models: the one developed by ITP combined with five other simulations that were chosen to represent the set of climate models currently used in the literature. The scientific community favors this approach to obtain a more robust and unbiased analysis in the different assumptions, than what could be reached if using a single model.

In this phase of the study, future projections for all the Group's countries of interest in South America were analyzed. The use of a set of models yielded a more precise representation of the physical scenario.

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

This tool makes it possible to obtain, with high spatial resolution, the return times of a series of events, such as storms, hurricanes and floods. The use of these maps, as described in the section "Risks and strategic opportunities related to climate change", is well-established within the

Group, as Enel already uses this data, based on historical projections, to optimize insurance strategies. In addition, work is underway to be able to take advantage of this processed information for climate scenario projections.

#### **Latin America**

#### **Acute phenomena**

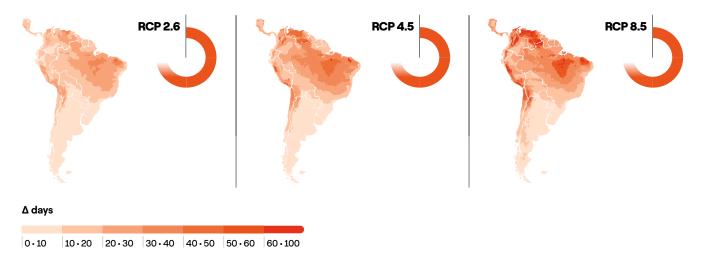
In very large countries such as Brazil, the trend of acute phenomena can show significantly different trends in different areas. To have an overview of the entire continent and to identify the areas of greatest interest for further study, a selection of acute phenomena was analyzed using standard metrics. The analyses were performed by processing data from a set of 6 climate models with a spatial resolution of 25km x 25km

To study the phenomenon of extreme temperatures, we used the "Warm Period Duration Index" (WSDI), which considers heat waves characterized by at least 6 consecutive days with a maximum daily temperature above the 90th percentile. Comparing the period 2030-2050 with the period 1990-2020, the data shows a significant increase in days characterized by heat waves already in the RCP 2.6 scenario, especially in some areas of Brazil, Colombia and Peru. This increase in extreme temperatures will be even more pronounced in the other scenarios, especially in RCP 8.5.

As for extreme precipitation, daily precipitation above the ninety-fifth percentile was considered. Future changes for this phenomenon are less homogeneous. In the RCP 2.6 scenario, reductions are projected in some areas, such as Northern Brazil and Argentina, while in other areas, increases in extreme precipitation are expected. This is the case for the western part of Colombia and some areas of Brazil and Peru.



# Heat wave duration index (heat stress): differential between RCP 2030-50) and historical period (2000-2020)



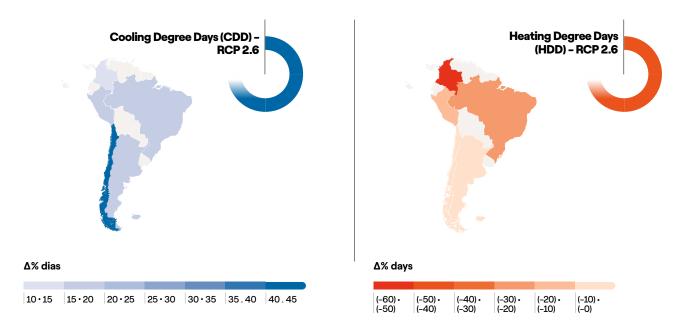
#### **Chronic phenomena**

For the main countries where the Enel Américas operates, study was made of possible variations in heating and cooling demand related to chronic changes in temperatures. This case also considered variations in Heating Degree Days (HDD) and Cooling Degree Days (CDD) for the period 2030-2050, with respect to the period 1990-2020, based on data from 6 models with a resolution of 25km x 25km. The average data per country was calculated as an above national average, weighting each geographic node against its population using Shared Socioeconomic Pathways (SSP), which were in turn linked to each RCP scenario. In each country studied,

CDDs increase progressively in all scenarios: in the RCP 2.6 scenario they increase by 14 to 19%, considering all countries where Enel Américas operates.

In the RCP 4.5 scenario, this increase goes up to a little over 25% for Argentina, Brazil and Peru, while it stands at 20% for Colombia. The increase in CDD compared to the historical period is even more marked in the RCP 8.5 scenario. As for HDD, a reduction is estimated in the RCP 2.6 scenario in Colombia (-51%), Brazil (-21%) and Peru (-15%). This trend intensifies in the RCP 4.5 scenario: ~-61% in Colombia, ~-28% in Brazil and ~-20% in Peru.

# CDD and HDD in countries of interest to the Group: Differential between RCP 2.6 and historical period (2000–2020)







Regarding precipitation, variations in the basins of interest for the Group's hydroelectric generation were analyzed. The first analyses, which consider the 2030-2050 projections in the three scenarios compared to the historical period 1990-2009, show mainly a trend of chronic reduction of precipitation. The most significant average decreases are expected in Colombia, with values just under 10%.

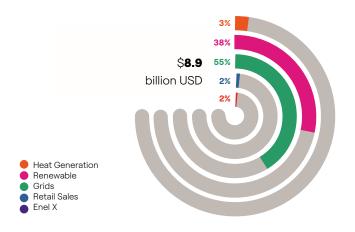
# Strategy to address climate change

The sustainable business model developed by Enel Américas has created value for all its stakeholders by capturing the opportunities arising from the energy transition. To this end, the Company has focused its actions on investments aimed at increasing renewable energy capacity, enabling grid infrastructures and implementing platform models, thus taking full advantage of the technological and digital evolution, favoring electrification and developing new services for customers. Over this decade, actions aim at

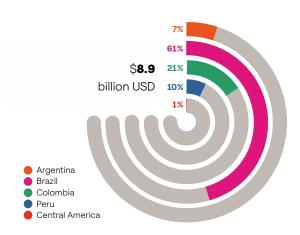
rapidly contributing to the objectives of slowing down the impacts generated by global warming, in accordance with the new goals set at COP26.

In this context, the 2022-2024 Strategic Plan, presented in November 2021, places the acceleration of energy transition at the center of corporate strategy, alongside sustainable growth, creating tangible value for shareholders, customers, the company, people and the environment.

#### **CAPEX** per line of business



#### **CAPEX** per country



The Strategic Plan for the 2022-2024 period contemplates investments of US\$ 8.9 billion, with 38% or US\$ 3.6 billion intended to reach a renewable capacity of 19 GW by 2024, incorporating 3.5 GW of new capacity with respect to 2021. These investments are designed to ensure that in 2024, 76% of the capacity will be renewable, with 82% CO<sub>2</sub>-free

generation, which will represent 91% of the generation EBITDA.

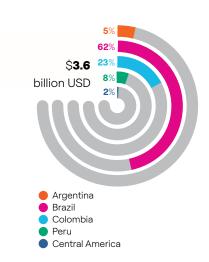
Likewise, 3% of the total CAPEX will be allocated to thermal generation, considered a transition technology, to increase its efficiency and to operate according to best standards.

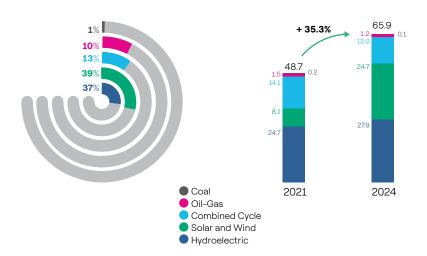


#### **CAPEX generation 2022-24**

#### Installed capacity 2024 (GW)

#### **Net production (TWh)**

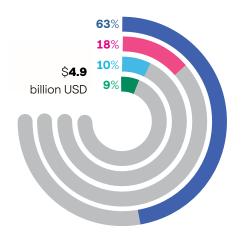




On the other hand, **the distribution and transmission grid** infrastructure plays a central role in the energy transition, as it is a facilitator of electrification. Therefore, 55% of the CAPEX 2022– 2024 will be allocated to new connections and the digitalization of the grid, which will not only increase access to clean energy, but also increase the reliability of the grid, key aspects that will allow customers to manage their own consumption, acting more and more as active consumers and participating in the dynamics of the electricity market.

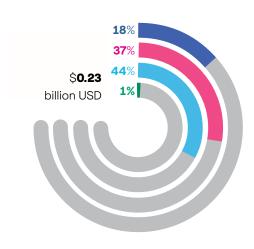
The Enel X business line also supports the path towards energy transition, with a strategy focused on offering a portfolio of integrated services, with a vision beyond the single value of the commodity. That said, in the period 2022-24 it expects to invest around US\$230 million through this line, which has a strong presence in Peru and Colombia.

#### **CAPEX Grids 2022-24**



#### **Enel X CAPEX 2022-24**

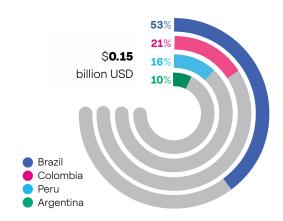
Brazil
Colombia
Peru
Argentina







#### **Retail Sales CAPEX 2022-24**



Finally, the remaining 2% will be allocated to the free market in a context of greater liberalization of the markets in which Enel Américas operates, to encourage the consumption of renewable energy through new services and energy solutions.

The following sections will address goals, metrics and the specific actions associated with the strategic plan that constitute the work axes of Net Zero Ambition and electrification, as integrated in the sustainability plan.

## Main risks and opportunities related to climate change

To formulate its strategies, Enel Américas closely considers the associated risks and opportunities, including those concerning climate change.

At the Enel Group level, an analysis framework consistent with TCFD recommendations has been adopted to explicitly represent the main relationships between risk types and opportunities, and scenario variability, indicating methods, and strategic and operational management concerns, and incorporating appropriate mitigation and adaptation measures.

As a result of this analysis, two categories of risks/opportunities were identified: those derived from the evolution of physical variables; and those derived from the evolution of transition scenarios and their possible effects on the business. All this, with a view to three temporal horizons: short, medium and long term. Once identified, a sensitivity analysis is carried out at Group level in line with the Strategic Plan presented in 2021.





Event	Time Horizon	Risk and opportunity category	Description	Possible impact	Enel Group management approach	Progress status Enel Américas 2021
Acute physical	Beginning with short term (1 to 3 years)	Extreme event	Risk: Particularly extreme weather events, in terms of their intensity.	Damage to assets and business stoppage.	Adopt best practices to manage the return to operations in the shortest possible time. Invest in asset resilience plans. Asset Risk Loss Prevention Program, including exposures linked to natural events.	Enel Américas employs best practices to ensure that service restoration is as fast as possible. It also has investment plans focused on automating and digitalizing the operation and maintenance of the grid, thereby increasing the resilience and flexibility of the distribution and transmission channels. Additionally, Enel has a loss prevention program that evaluates exposure to natural events. This program will be expanded to consider the potential impacts of long-term trends in the most significant climatic variables.
Chronic physical	Beginning with long term (2030- 2050)	Market	Risk/ opportunity: higher or lower electricity demand, higher or lower production.	Electricity demand, as well as generation, is also influenced by temperature. Therefore, temperature fluctuations can have an impact on business.	Geographical and technological diversification mitigates the impact of positive or negative variation. Permanent information on meteorological phenomena informs management decisions, adopting a series of practices such as, for example, weather forecasts, real-time plant monitoring, and long-term climate scenarios	Enel Américas is diversified in terms of geography and technologies, operating in seven countries with different technologies, applying data driven models for the optimization of generation and management of its assets to adapt and plan its generation according to the impacts of temperature on demand and production.
	Beginning with short term (1 to 3 years)	Policy & Regulation	Risk/ Opportunity: CO <sub>2</sub> price and emissions policies, energy transition incentives and resilience regulation.	Policies may affect the required investments.	Investments in renewables, grids and customers allow us to mitigate potential risks and take advantage of opportunities linked to energy transition. The Group also makes an active contribution to the definition of public policies through advocacy, and by participating in roundtables convened by the authorities to explore national decarbonization scenarios in environmental, economic and social terms.	Enel Americas advances in the analysis of policies on CO2 price and emissions, while at the same time investing in renewable energy and in increasing the resilience of its infrastructure and participating in dialogue tables set in the different countries where it is present.
Transition	Beginning with medium term (2025-2029)	Market	Risk/ opportunity: Changes in raw material and energy prices, evolution of the energy mix, changes in retail consumption, changes in the competitive structure.	Considering two alternative transition scenarios, the Group evaluates the effects of trends in terms of the increase of renewable sources in the energy mix, electrification and penetration of electric transportation, to assess potential impacts.	Maximizes opportunities through a strategy focused on energy transition, the strong development of renewable production and the electrification of consumption.	In the field of energy generation, the increase of renewable plants represents another key strategic driver for Enel Américas to achieve decarbonization and electrification, and thus reach Net Zero in 2040. The 2022-2024 Strategic Plan supports this course of action as it contemplates increasing renewable capacity and enhancing the quality and reliability of the electricity supply, as well as of other services to advance electrification.





Event	Time Horizon	Risk and opportunity category	Description	Possible impact	Enel Group management approach	Progress status Enel Américas 2021
	Medium Term (2025-2029)	Products & Services	Opportunities: Higher margins and a greater investment capacity because of	Considering two alternative transition scenarios, the Group assesses the impact of different trends in the electrification of consumption.	Maximizes opportunities due to its strategic positioning in new businesses and beyond basic services.	Through its subsidiary Enel X, the Company promotes the acceleration of the electrification of cities within all its business lines, implementing energy efficiency projects to support customers and mitigate the carbon footprint of its operations, while exploring new industrial sectors.
Transition	Medium Term (2025-2029)	Technology	the transition, considering the penetration of electric transportation and new technologies for electrification and efficiency of final consumption.	In view of the penetration of trends such as electrification and efficiency technologies, the Group evaluates the possibilities of scaling up the businesses, for which it considers considering two alternative transition scenarios.	Maximizes opportunities through its strong strategic positioning in the grids.	The Company has implemented the Grid Futurability project, which will identify and prioritize the expansion and renovation of grids in the coming years, with a forward-looking approach that seeks to make better use of existing facilities, develop resilient, participatory and sustainable distribution grids, and incorporate smart grids.

To facilitate the correct identification and management of risks and opportunities pertaining to climate change, the Group published common guidelines in 2021 to steer all its subsidiaries in this area, included Enel Américas. The Climate Change Risks and Opportunities policy defines a shared approach to the integration of climate change and energy transition into the Group's processes and activities, thus informing industrial and strategic choices to enhance business resilience and long-term sustainable value creation, in line with an adaptation and mitigation strategy.

The main stages considered in the Policy are:

- Prioritization of phenomena and scenario analysis.
- These activities include the identification of physical and transitional phenomena relevant to the Group, and the subsequent development of scenarios to be considered, obtained from the analyses of both internal and external sources. For the phenomena identified, functions can be developed that link the scenarios (e.g., data on the variation of renewable resources) with the operation of the business (e.g., change in expected manufacturing capacity).
- Impact assessment. Includes all the analyses and activities necessary to quantify the effects at the operational, economic and financial levels, depending on the processes in which they are integrated (e.g., design of new buildings, evaluation of operational performance, etc.).

 Operational and strategic actions. The information obtained from previous activities is integrated into processes, informing the Group's business decisions and activities. Examples of activities and processes that benefit from it are capital allocation –for instance for the evaluation of investments in existing assets or new projects–, the definition of resilience plans, risk management and financing activities, and Engineering and Business Development activities.

Following is a description the main identified sources of risks and opportunities, the best operational practices for managing weather and climate events, and the qualitative and quantitative impact assessments conducted to date. All these activities are carried out throughout the year and through an ongoing commitment to analyze, evaluate and manage the information processed. As stated by the TCFD, the process of disclosing climate change-related risks and opportunities will be gradual and incremental from year to year.

# Identification, assessment and management of risks and opportunities related to physical events

The main impacts of chronic physical changes can have effects on the following variables:

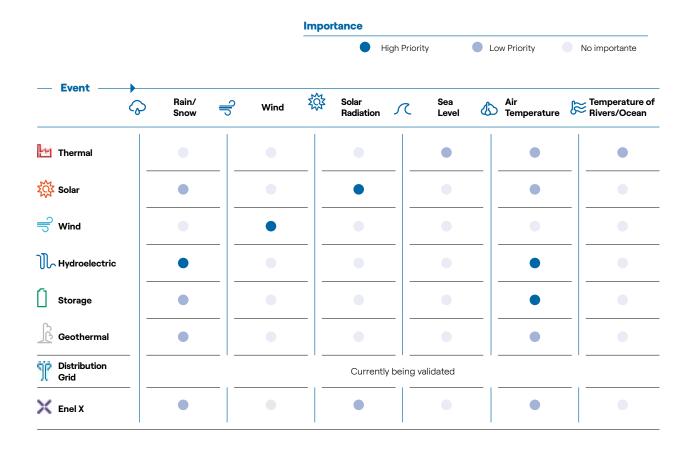


- Electricity demand: change in the average temperature level could affect the potential increase and/or reduction of electricity needs.
- Thermoelectric production: variation in average sea and river levels and temperatures could affect thermoelectric production.
- Hydroelectric production: change in the average level of precipitation and snowfall and temperatures, could increase and/or reduce hydroelectric production.
- Solar production: change in the average level of solar radiation, temperature and rainfall, could increase and/ or reduce solar production.

 Wind production: change in the average wind level, could increase and/or reduce wind power production.

With respect to the effects of chronic physical changes, the Enel Group, and therefore Enel Américas, will work to better estimate the relationships between changes in physical variables and variation in the manufacturing capacity of individual plants for different technologies.

As part of the evaluation of the effects of long-term climate change, The Group proceeded to identify the relevant chronic events for each technology, and to begin the analysis of their relative impacts in terms of producibility along the value chain considering upstream and downstream activities, and customer requirements.



The evidence of the first scenario shows that chronic structural changes in recent trends in physical variables will manifest themselves in a sensitive manner from 2030 onwards. However, to have an indicative estimate of the potential impacts, and to include the possibility of anticipating chronic effects, it is possible to stress test the industrial plan on the factors that could be influenced by the physical scenario, without considering a direct relationship

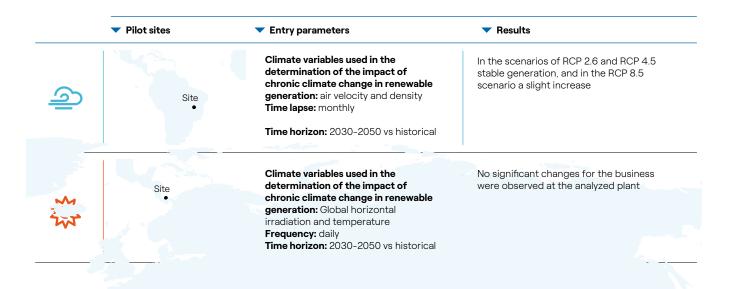
with the climate variable. Simulations are carried out at the Group level, including Enel Americas, for the following variables: electricity demand (+/- 1% per year), whose variations have a potential impact on the generation and retail businesses, and the manufacturing capacity of the renewable plants (+/- 10% in a single year), whose variations have a potential impact on the generation business.





#### Preliminary analysis of the impact of chronic climate change on renewable generation

At the Enel Group level, preliminary analyses were conducted to translate chronic climate change into impacts on the generation capacity of the Group's main renewable technologies: wind, solar and hydroelectric. The pilot included a solar plant located in Central America and a wind plant in Brazil, for which the expected generation for the period 2030- 2050 was calculated vs. the historical generation according to the scenarios.



# Effect of temperature variation on electricity demand in the main countries Enel Américas operate in Latin America

The impact of temperature trends for Latin America countries was quantified through the Heating Degree Days (HDD) and Cooling Degree Days (CDD) metrics, and then estimated through econometric forecasting models based on historical elasticity.

The analyses performed show that Brazil could experience a significant increase in demand due to temperature increase, estimating an increase of between 0.8% and 1.5% of prospective demand (calculated as the average demand forecasted for the period 2030-2050). The driving factor would be an expected higher cooling demand in the country; this change is also confirmed using a systems modeling approach. However, these estimates are subject to a significant degree of uncertainty given the volatility of Brazilian economic growth.

Argentina has also been displaying a possible increase in demand linked to a rise in temperature, estimated at between 0.3% and 0.6% of prospective demand. As in Brazil, this estimate depends to a large extent on the macroeconomic component of this country in terms of electricity demand.

The same considerations can also be extended to other countries where the Group operates. In the rest of South America, which also presents positive elasticity of electricity demand in reaction to temperatures, the expected increase in temperatures would still have a smaller impact than the dynamics related to economic growth. In Colombia, historical evidence still shows a strong coupling between electricity demand growth and GDP growth, with demand from the industrial sector accounting for about 50% of electricity consumption. In addition, the variability of the macroeconomic context could have an impact on the electrification of the residential and tertiary sectors, which



represent the most immediate drivers of electricity demand growth in the event of rising temperatures.

Following is a summary table for South American countries, with the ranges of the main temperature effects obtained by

applying a 95% confidence interval to the base case.

Effect of temperature variation on electricity demand in South American countries where the Group operates (average 2030–2050).

Effect of temperature (annual average)								
	From RCF	2.6 to RCP 4.	5		From RCP	2.6 to RCP 8.5		
	Upper bo	und			Lower bou	ınd		
Country	TWh	%	TWh	%	TWh	%	TWh	%
Argentina	0.68	0.3%	1.37	0.6%	0.57	0.3%	1.15	0.5%
Brazil	7.92	0.8%	15.83	1.5%	2.48	0%	4.96	0%
Colombia	0.08	0.1%	0.17	0.1%	0.02	0%	0.05	0%

#### **Acute physical hazards**

Regarding acute physical phenomena, extreme events can cause significant and unexpected physical damage to assets and potential consequences resulting from service interruptions.

In the context of climate change scenarios, the acute physical component is important in defining the risks to which the Enel Group, and Enel Américas as its subsidiary, is exposed, both because of the geographic diversification of its asset portfolio and the importance of renewable natural resources in electricity production.

Acute physical phenomena such as windstorms, floods, heat waves, frost waves, etc., are characterized by high intensity and moderate frequency of occurrence in the short term, but with an upward trend in long-term scenarios.

The risk associated with the occurrence of extreme events is being managed in the short term, while the methodology is also being extended to longer time horizons (up to 2050) according to the selected climate scenarios (RCP 8.5, 4.5 and 2.6), considering the probability of the event, vulnerability and exposure, as described in <a href="Enel Spa's sustainability report">Enel Spa's sustainability report</a>.

Time frame	Event probability	Vulnerability	Exposition
Short term (1-3 years)	Probability maps based on historical data and weather models.	Linked to the type of extreme event, the type of damage and the technical	Short-term group securities.
Long term (up to 2050 and/or 2100)	Probability maps and specific studies for different IPCC RCP climate scenarios.	requirements of the technology in question, vulnerability is essentially independent of time horizons.	Values of the group in its long-term evolution.

#### Short-term extreme event risk management

In the short-term horizon (1-3 years), Enel Group, in addition to what has been illustrated above in terms of risk assessment and quantification, implements actions aimed at reducing the impacts that the business may suffer because of extreme catastrophic events. To this end, two main types of actions are defined: On the one hand, effective insurance coverage at the Global level, covering all subsidiaries, including Enel Américas, and on the other, various activities carried out in each country that relate to the prevention of damages that could result from extreme events.

The two main insurance programs are:

- The Global Property Program covers, within the terms of its policies, the costs of reconstructing affected facilities, and the economic loss resulting from non-functioning facilities.
- The Global Liability Program covers, within the conditions
  of the policy, damages to third parties for which Enel is
  civilly liable, including those that may result from the
  impact of extreme events on the company's facilities

Policy conditions are drafted according to an adequate risk assessment, including extreme events associated with





climate change which could, based on past events, have a relevant impact on normal activities.

In any case, the actions that each subsidiary carries out in terms of preventive maintenance of generation and distribution facilities are also important and necessary. On the one hand, these actions mitigate the impact of extreme events and, on the other, optimize the costs of global insurance programs.

#### Climate change adaptation activities within Enel Group

To effectively manage acute or extreme events and chronic physical changes, Enel Group and its subsidiaries implement solutions to adapt to weather and climate events, and so reduce their impact on business.

Among the main activities necessary for adaptation to climate change, assessing and managing risks associated with extreme events is pivotal in the short term. At the same time, the Group is already working on progressively integrating quantitative assessments of chronic physical changes through climate scenarios. This information helps strategic and industrial decision-making by allowing to factor in variables such as the future effects of temperature on electricity demand, or long-term variations in the availability of renewable resources, both for new investments and for existing installations.

This approach is considered both for new as well as existing activities and facilities. Adaptation solutions can include actions implemented anywhere from short- to long-term decisions; for example, to plan investments in response to climate events. Adaptation activities also include procedures, policies and best practices.

For new investments, actions can be taken from the design and construction phases to reduce the impact of climate risks. For example, by assessing risks and vulnerability in the design phase, and to consider possible chronic effects, for instance by including climate scenarios in long-term renewable resource estimates.

Once the meteorological and climatic phenomena of interest have been identified, the activities implemented to maximize adaptive capacity are classified as follows:

- Prevention and management of adverse events:
   Procedures to prepare in preparation of possible
   extreme events (e.g., acquisition of short-term forecast
   meteorological data and training), and procedures for the
   restoration of normal activities in the shortest period (e.g.,
   definition of operational and organizational procedures
   to be implemented in case of critical events).
- Strengthening asset resilience: Activities and interventions aimed at increasing asset resilience, such as quantitative assessment of potential acute and chronic risks to better define both the requirements at the design phase and the actions to be implemented on existing assets.

Existing assets 1- Incident and Critical Event Management. 2- Site-specific emergency management plans and procedures. 3- Specific tools to predict upcoming extreme	Existing assets 1- Guidelines for risk assessment and design of hydraulic technology. 2- "Lessons learned feedback" processes in plant
events.	operation, construction and development at Group level.
	New construction  1- Climate Change Risk Assessment included in environmental impact documents in pilots at Group level.
	For further information see The Futuro of Generation
Existing assets  1- Strategies and guidelines on risk prevention, preparedness, response, and recovery actions in the distribution grid.  2- Global infrastructure and grid guidelines for emergency and critical events management.  3- Risk prevention and fire preparedness measures	Existing assets and new construction sites  1- Guidelines for defining plans to increase grid resilience (e.g., "Grid Resilience Enhancement Plan").  For further information see Resilience and digitization of the grid.
	Strategies and guidelines on risk prevention, preparedness, response, and recovery actions in the distribution grid.     Global infrastructure and grid guidelines for emergency and critical events management.



#### Identification, assessment and management of risks and opportunities related to transition events

Our ESG performance

Regarding the risks and opportunities associated with the transition variables, looking at the different reference scenarios in combination with the elements that make up the risk identification process (e.g., competitive context, long-term vision of the industry, materiality analysis, technological evolution, etc.), the drivers of the potential risks and opportunities are identified, and priority is given to the most important phenomena. The main risks and opportunities being considered are:

#### Policy and regulation

#### Emission limits and fixed carbon pricing, with stricter parameters, either through regulatory or market mechanisms.

- Opportunities: regulatory mechanisms such as market mechanisms that strengthen carbon price signals. incentivizing investments in renewable
- Risk: lack of a coordinated approach by the various stakeholders, delaying electrification and decarbonization, pillars of the Group's strategy.

Incentives for energy transition, to direct the energy system towards a low-emission generation mix with greater electrification, energy efficiency, flexibility of the electricity system and strengthened infrastructure.

- Opportunities: additional volumes and margins in line with the Group's strategy.
- Risk: obstacles to progress in the energy transition, with inadequate regulatory frameworks delaying authorizations.

#### Resilience regulation to improve standards,

or introduction of ad hoc mechanisms to regulate resilience investment, in a context of evolving climate change.

- **Opportunities:** To implement investments that reduce the risk in terms of quality and continuity of service.
- Risk: in case of extreme events, delays in the recovery of the service within the timeframe established in the regulation.

#### Financial measures for energy transition

allowing for the integration of sustainability issues in financial markets and financing instruments

- Opportunities: greater availability of resources with the consequent lower cost
- Risk: insufficient measures or delaying their adoption, which could hamper financing alternatives.

#### Market

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

- Opportunities: Positive effects from increased electricity demand and more room for renewables and alternatives, more flexibility
- Risk: volatility of market prices.

#### **Technology**

#### Progressive penetration of new technologies to support the transition, such as storage, demand response and green hydrogen; digital leverage to transform operating models and "platform" business models.

- **Opportunities:** Investments in the development of technological solutions, as well as positive effects derived from an increase in electricity demand, and a bigger space for renewables derived from the production of green hydrogen
- Risks: Slowdown and disruption in the supply chain of raw materials, including battery metals (such as lithium, nickel and cobalt) and semiconductors, could lead to supply delays and/ or higher costs, resulting in a slower penetration of renewables, storage solutions and electric vehicles.

#### **Products and services**

#### Electrification of residential consumption and industrial processes, with a proliferation of products that can guarantee lower costs and lower impacts in terms of emissions.

- Opportunity: Increase in electricity consumption in the context of a reduction in energy consumption, thanks to the increased efficiency of the electric carrier.
- Risk: Increased competition in this market segment.

#### **Development of electric** mobility, with charging infrastructure that enables the adoption of more efficient forms of transportation from an environmental perspective.

- Opportunities: Positive effects from increased electricity demand and higher margins linked to the penetration of electric transportation and related services beyond commodities
- Risks: Increased competition in this market seament.

In contrast to chronic climate impacts, evidence of the transition scenario may already have impacts in the short-, medium- and long-term (by 2030).

To quantify the risks and opportunities arising from the long-term energy transition, the transition scenarios described in the preceding section "Climate scenarios" were examined along the value chain and considering upstream, downstream and customer activities. Therefore, we identified the effects of the Slow Transition and Best Place scenarios on the variables that could have the greatest impact on the business regarding electricity demand, which is influenced by the dynamics of the electrification of consumption, the penetration of electric technologies and of the electricity generation mix.

The Paris Scenario, Enel's reference scenario, foresees a growing ambition in terms of decarbonization and energy





efficiency, supported by further electrification of final energy consumption and further development of renewable capacity. The dynamics related to the energy transition will bring growing opportunities for the Group. In particular, the progressive electrification of final consumption – mainly in the transport and residential sectors – will lead to a significant increase in electricity consumption. Similarly, the progressive increase of renewable energies in the energy mix should lead to a reduction in the wholesale electricity price in the medium and long term; however, this impact could be limited, considering that the market design, based on the marginal pricing system, has not changed in the medium-term. Any alternative market structure could induce different effects.

Regarding the economic impacts that could be determined by the different transition scenarios, the Group has conducted analyses that study the EBITDA impacts that the Slow Transition and Best Place scenarios would bring to the 2030 results, compared to the Paris reference scenario.

In terms of the electrification of consumption, the Slow Transition scenario foresees lower penetration rates of the most efficient electricity technologies, in particular electric cars and heat pumps, leading to a decrease in electricity demand compared to the Paris scenario, which is estimated to have limited impacts. At the same time, lower electricity demand translates into less room for the development of renewable capacity, affecting the generation business.

The Best Place scenario would bring a faster reduction in the costs of technologies for producing green hydrogen. This would translate into a faster penetration of this energy carrier to the detriment of blue and grey hydrogen, with the consequent additive effect on national electricity demand and renewable capacity installations, as compared to the Paris scenario.

All scenarios, but to a greater extent the Paris and Best Place scenarios, will entail a considerable increase in the complexities that grids in different geographies will have to manage. Indeed, a significant increase in distributed generation and other resources, such as storage systems, a higher penetration of electric mobility with the necessary charging infrastructure, as well as the increasing rate of electrification of consumption and the emergence of new players with new consumption modes are expected. This context will lead to a decentralization of withdrawal/ entry points, an increase in electricity demand and average power required, and a strong variability of energy flows, all of which require dynamic and flexible grid management. Therefore, the Group expects that this scenario will demand incremental investments that are necessary to guarantee connections and adequate levels of quality and resilience, encouraging the adoption of innovative operating models. These investments must be accompanied by consistent policy and regulatory scenarios to ensure adequate economic returns in the perimeter of the Infrastructure and Grids Business Line.

# **Enel Américas' carbon footprint**

305-5

In 2021, Enel Américas' carbon footprint was 13,998 tCO₂eq (10% more than in 2020), which details as follows:

Direct scope 1 emissions <sup>1</sup>	7.3 million tCO₂eq (6% more than in 2020), representing 52% of total GHG emissions. The increase is mainly related to higher thermal generation.
Indirect scope 2 emissions <sup>2</sup>	7 million tCO2eq (56% more than in 2020), representing 5% of total GHG emissions. 91% percent of these emissions are related to energy loss.
Indirect scope 3 emissions	6.0 million tCO <sub>2</sub> eq (14% more than in 2020), representing 43% of total GHG emissions. Of these emissions, 99.6% are related to the sale of energy to end customers.

#### Notes

1. For the Scope 1 Total Emissions Inventory, according to the GHG Protocol standard and in line with the Science Based Target initiative, 96% of emissions from thermal plants and 4% from other emissions are considered. The latter emissions include inventories associated with auxiliary services of production and distribution plants, vehicles under the Company's control, as well as emissions from fossil fuel combustion in boilers and office canteens.

The statements of content 305-1 GHG Emissions Scope 1 have been verified with a limited level of assurance for the Enel Americas Sustainability Report. In addition to this, and as part of the verification of Enel SpA, the Scope 1 emissions of Enel Argentina, which represents 65% (completed by Enel) of Enel Americas emissions, were part of the reasoned verification of this content by KPMG Italy.

2. Emissions by location are equal to those by market.



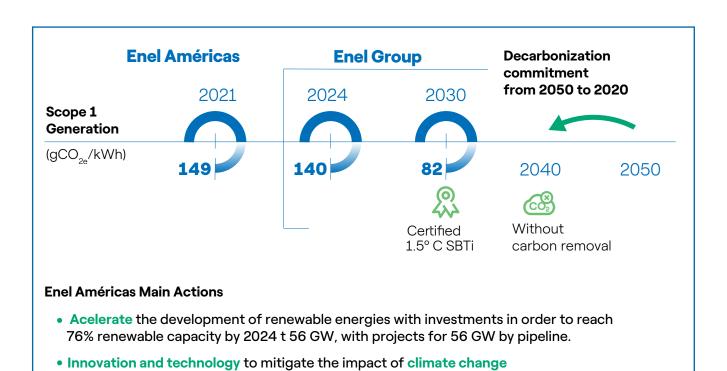
# The path to Net Zero

In 2021, Enel Américas redefined its route by advancing the Net Zero goal to 2040, demonstrating its determination to contribute to the region's environmental and social goals, as well as responding to its commitment to its shareholders and stakeholders.

Enel Américas contributes to the specific CO<sub>2</sub> emissions targets certified by the SBTi (Science based target initiative)

of 82 gCO₂eq/kWh by 2030 for the Enel Group, which represents an 80% reduction compared to 2017.

The addition of new renewable capacity through the merger with Enel Green Power Americas in 2021, and electrification will be the main drivers to support this ambitious target.



Enel Group announced the progress of its Net Zero target for Scope 3 indirect emissions. To this end, it set a target of 80% reduction of Scope 1 and Scope 3 emissions compared to 2017, where Scope 1 includes emissions from 100% of Enel Americas' generation and Scope 3 includes emissions from energy sales to retail in Brazil. This target is in line with the

Promote client electrification

1.5°C business model and is certified by the SBTi.

With respect to Scope 2 emissions, these are less than 5% and although there is no target, Enel Américas is constantly seeking new ways to reduce them.





### **Metrics and Goals**

The main financial, operational and environmental metrics and objectives related to climate change risks and opportunities are available in the different sections of this report, the most important of which are summarized below.

Financial Metrics	2021	Goal by 2024
EBIDTA % of low carbon products and services	90%	96%
CAPEX of low carbon products and services (thousands of MMUS\$)	2.8	8.9
Ratio of CAPEX of low carbon products and services to total (%)	96%	97%

Value chain segment	Operational and business metrics	2021	Goal by 2024
Generation	% Renewable capacity	69%	76%
	% Renewable generation	67%	80%
Distribution	Smart meters (millions)	0.1	1.5
	SAIDI (hours)	9.8	8.6
	Total losses	13%	11%
Market	Charging points (thousands)	849	10.3
	Electric buses (thousands)	0.9	3.2
	Smart lighting (thousands of points)	0.8	1.2
	Demand response capacity (MW)	27	309

Environmental metrics	2021	Goal by 2030
Direct emissions intensity (CO₂ grs eq/MWh)	149	80
Water Extraction Intensity (lts/MWh)	0.1	0.2

<sup>1.</sup> Enel Group goal.

The benchmark CO₂ price for the entire Enel Group was €53.2 in 2021 and €24.7 in 2020.

The next sections will address each line of work with its metrics, targets and concrete actions to advance climate action, addressing risks and opportunities.



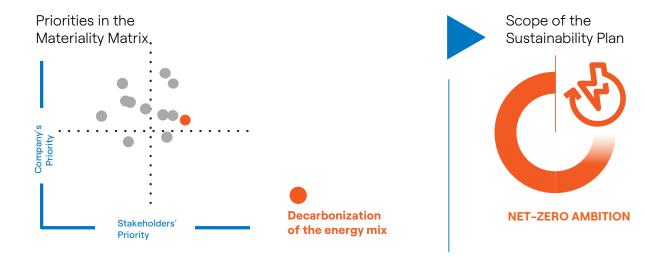






# The future of generation

103-1 | 103-2 | 103-3



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

#### How is it managed? Material issues

Addressing climate change requires concrete actions in the short term, for which Enel Américas is promoting the growth of renewable energies by 3.5 GW compared to 2021, according to its Strategic Plan 2022-2024.

Enel Américas' thermal capacity provides reliability and flexibility to the energy matrices of the countries where it operates, as it is a good way to counteract the intermittency of renewable technologies while developing other emission-free alternatives, to guarantee a safe and sustainable energy service.

The progressive substitution of fossil fuels with renewables will foster an increased use of low-emission electricity and will have positive repercussions in terms of economic, social and environmental development.

Simultaneously, the Company has continued to digitize its plants, allowing them to operate automatically, which, together with the integration of various technologies, allows for a more efficient and safer generation of electricity.

#### Material issues

- Expansion and management of renewables
- Traditional technologies
- Climate change

#### Importance of good management

The key role of the electricity sector is unquestionable, given its contribution to the reduction of global emissions and to creating a virtuous economic cycle, even more so when derived from a renewable and emission-free energy matrix. Adequate management allows the Company to maintain stakeholder confidence in the ability of business models to adapt to the drastic changes required by the climate emergency. To this end, Enel Américas has developed a diversified portfolio, both in terms of geographic location and technologies, which allows it to manage physical risks related to changes in weather patterns. As for transition risks, new business models are being introduced, driven by digitalization, a greater availability of technology at lower costs and the circular economy.



# Sustainable Development Goal





# Principles of **Human Rights Policy**



# World Economic Forum Risks



# Goals and challenges

SDG	Activity/goal	Goal plan	2021	Goal plan	
		2021-2023	results	2022- 2024	
7 MINIMALIANO CILIATERRIT	Increase in renewable capacity	+6.8 GW	+4.7 GW	+3.5 GW	()
13 GLEMAN	Reduction of thermal capacity	-	-	-0.5 GW	+

Simbology: New + Redefined ()





# How the principles of the Human Rights Policy apply

#### **Environment**

Enel Américas adopts and complies with voluntary commitments promoting ambitious environmental management practices, such as developing clean energy projects and managing commodities as a transitory alternative in a scenario of water scarcity.

#### Respect for the rights of local communities

For the design, construction and operation of projects and infrastructure, Enel Américas is committed to respecting human rights, promoting sustainable construction and operation based on dialogue with all stakeholders, respecting their points of view and incidence on the Project.





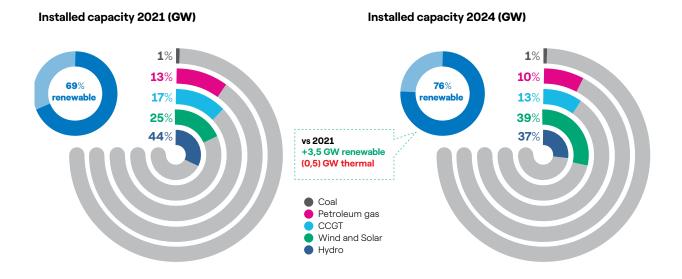
# **Growth in renewable energies**

Enel Américas considers that increasing electricity generation through the development of new renewable energy projects is an enabler of customer-centric electrification, and a way to progress towards Net Zero. This will make it possible to change the energy matrix and move from polluting thermal energy to clean energy, progressively advancing towards eliminating coal-fired power from the portfolio by 2027 at the latest, and abandoning gas-fired power by 2040.



The Strategic Plan for 2022-2024 aims to incorporate 3.5 GW of new renewable capacity. In parallel, 0.5 GW of thermoelectric capacity will leave the matrix. In 2024, the total capacity will be 19 GW, of which 14.5 GW -equivalent to 76%- will be from renewable sources.

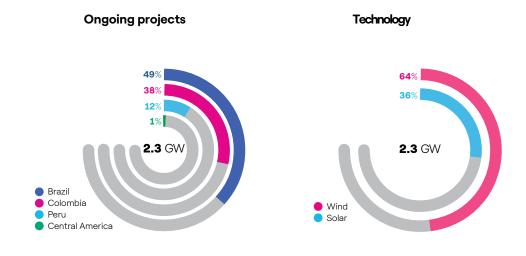
# Installed capacity (GW)





The plan calls for an increase of 3.5 GW of capacity, of which 62% corresponds to wind energy and 38% to solar energy. 2.7 GW are already under construction and correspond to wind projects that will come into operation between 2022 and 2023.

# **Ongoing proyects**



# **New ongoing proyects**

# Growht in renewable energies





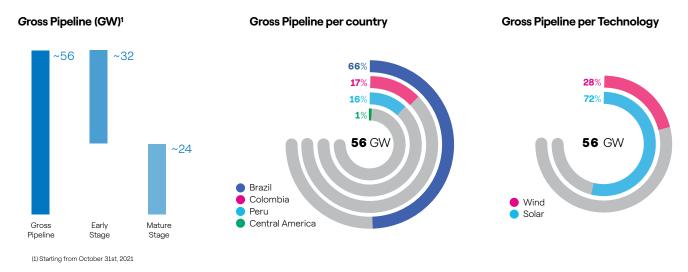




# Portfolio of projects that drive the energy transition

In addition to the 3.5 GW, there is a long-term pipeline of about 56 GW, which contemplates projects that are in various stages of development.

# **Gross Pipeline (GW)**



The Company is projecting decisive growth in new renewable energy plants, which will be key for the transformation of the electricity sector in the region.

# Sustainable design and construction of renewable plants

To incorporate the best sustainability and circular energy practices, the Company applies a sustainable design and construction model that seeks to prevent possible impacts and detect opportunities for improvement.

This is reflected in an annually updated catalog of best practices that includes actions implemented in Enel Group projects around the world, as well as other relevant referents in this area. The implementation of this model translates into concrete actions to be applied in the design and construction of the project, as they pertain to the environment and the well-being of stakeholders involved.

## Colombia

Some of the main initiatives implemented in 2021 regarding innovation and materials management are presented below.

**Inspection plan.** The Company set up a drone flight inspection plan to improve and optimize environmental management activities implemented at renewable power plants. 7 inspection flights were carried out throughout the year.

Wastewater treatment. Two Membrane Biological Reactor (MBR) wastewater treatment systems were implemented at the Charquito and Salto-Tequendama intakes of the Rio Bogotá Power Generation Plants. The treated water can now be used for sanitary and irrigation purposes. Since their commissioning, these systems have treated 273,387 liters of water, which is the equivalent to the same amount of drinking water, saved.





**ZERO Waste Program.** In line with the goals established by Enel Group, 52% of non-hazardous and hazardous waste materials generated in the thermal and renewable energy plants were treated, recovered and reused.

# **Brazil**

Since 2020, Enel Brasil has been implementing the Sustainable Construction Site model for all new renewable energy generation projects and technologies. This is a global standard with a Creating Shared Value (CSV) proposition, which considers the areas of People and Territory, Safety, Emissions and Climate, Energy, Materials, Water, Waste and Biodiversity. In 2021, there were seven plants under construction, which translated into more than 70 initiatives and sustainable actions that were replicated among works, thus multiplying their impact as they turned into standardized sustainability practices across different territories. The Company achieved 100% adherence in all plants under construction.

Some of the actions taken: hiring local labor, reusing water from air conditioning equipment, collecting, composting or reusing wood and other civil construction waste materials, reusing uniforms, creating seedling nurseries, donating spare materials for community use, setting up a schedule to share vehicles, using solar panels to generate and supply energy to the site, engaging in educational campaigns, and recreation and volunteering actions among employees. In many cases, communities also benefitted from improved access routes.

# Peru

The main initiatives implemented in 2021 related to sustainable design and construction of renewable power plants are as follows.





**Huampaní canal roofing.** To prevent the Huampaní canal from overflowing due to rocks falling into it, the Company enclosed it with retaining walls and a roof built with prefabricated reinforced concrete beams. This also ensures that the water flows to the hydroelectric power plant without risking obstructions due to landslides, and, more importantly, is a precautionary measure to prevent unauthorized entry and possible accidents.

**Donation of solar panels.** 156 solar panels from the Rubí solar plant, which needed replacement, were donated to the Instituto Superior Tecnológico Nuevo Pachacutec to

be used for study purposes and as a source of energy for illumination. Besides extending the useful life of the panels, this activity constitutes a contribution to the educational programs that cover solar power generation in the institute.

#### **Sustainable Disposal of Electrical and Electronic Waste.**

Enel's hydroelectric, solar and wind power plants in Peru, separate and storage their electrical and electronic waste materials for the subsequent donation of suitable products. This approach helps to mitigate environmental impact. On average, the plants generate twenty annual tons of electric and electronic waste.

# The role of operating plants in the energy transition process

For the Company, it is not enough to increase renewable generation options. It is also necessary to manage the existing generation capacity, to meet the demand for electricity with the least environmental impact.

Even if at a regional level there has been considerable growth in installed capacity, there have also been significant delays in the entry of new renewable plants, which adds to a complex market and climate change scenario, particularly in Brazil. The mega drought that affects some of the countries where Enel Américas operates, the challenging scenario of logistic chains and the high prices of commodities, have highlighted the importance of achieving excellence in the management of the Company, delivering efficiency, quality and trust.

The Company has focused on developing efficient water management protocols, to achieve the best use of the resource. Furthermore, it has established a smooth relationship with pertinent communities and authorities, to achieve the best use of the resource and decreasing the water scarcity risk.

On the other hand, the prolonged drought context has also had an impact on gas management, which has lately become a priority. The Company has had to play an active role in the relevant markets to guarantee supply for all its generation units.

# Operational efficiency in generation

To improve the operating efficiency of the Company's generation plants and turn them into smart plants, Enel Américas seeks to optimize and increase the flexibility of all operating units and processes, with the support of digital transformation processes.

In 2021, part of the strategy was to strengthen digital tools such as: use of technology to perform remote inspections, control platforms, predictive maintenance and operational updates, among others.

During the period, several initiatives related to automation, operation, maintenance and digitalization were carried out, which allowed the Company to meet its proposed objectives. Some of them are detailed below.

## Operational efficiency for water management

The reliability and availability of generation plants is fundamental to maximize the use of available water, which has a direct impact on the Company's economic margin. This is even more important considering the current scenario of water scarcity and the consequences and opportunities that climate change brings along. It is worth noting that, in 2021, 51% of the total energy produced by Enel Américas came from hydroelectric generation.

Promoting and fostering opportunities for efficiency in water management becomes even more relevant in the current context of drought. Such an effort aims to operate in a coordinated and efficient manner, generating added value for all stakeholders in their respective basins. In this line, Enel Américas has implemented the following initiatives to facilitate the optimization of water resources.

# **Argentina**

Periodic monitoring of water quality and ichthyofauna in the watercourses where the El Chocón hydroelectric power plant operates, according to the standards established by contract. These protocols are planned and approved annually, via the annual monitoring program (PAM, by its acronym in Spanish).



Likewise, water for human consumption is also monitored monthly, to verify that it remains within normal values. In 2019, a flow meter was acquired to start recording consumption, identifying losses that were repaired, in a bid to establish an acceptable consumption standard.

#### **Brazil**

Technical visits to all hydroelectric plants, territory mapping, visiting the springs that supply reservoirs and rivers so that, from that starting point, projects can be drafted to build environmental recovery and water replenishment. In the same way, the Company worked to establish a dialogue with relevant watershed committees in a bid to strengthen relations, since many of the degraded areas are on private lands.

Educational work is ongoing to complement these actions, offering workshops for rural producers in the areas where the Company is not yet operating, with the objective of training them in water source preservation.

The Sustainable Plant model that is applied at Enel Green Power sites aims to achieve greater efficiency and to reuse water to optimize uptake in different plants using different technologies. Extra care is necessary in wind and solar plants located in semi-arid regions in northeastern Brazil, which historically suffer water shortages during most of the year. To minimize impact, these assets use rainwater harvesting systems and reuse their air conditioning water, supplying a large part of the plants' water needs with these measures. The objective is to avoid over-demanding water in areas that are already under hydric stress and, at the same time, to elude the atmospheric emissions that would derive from transporting water in tanker trucks. Solar generation plants have also invested heavily in optimizing the panel cleaning process, which has incorporated the use of robots and is strenuously planned to save as much water as possible.

Enel Green Power's hydroelectric plants in Brazil are runof-river. The distribution and transmission companies do not use water for production processes, and so their consumption mostly serves employees and is mostly sourced from municipal grids. Even so, as in all other operations, water consumption and eventual leaks are monitored, ant the Company promotes conscious use among associates.

#### Colombia

In 2021, Emgesa carried out actions to reduce water consumption in thermal and renewable generation plants, such as:

- 1. Periodically monitoring collected water.
- **2.** Training generation plants' personnel in water economy and efficient use.
- **3.** Implement rainwater collection and use at the Guaca power plant.
- **4.** Reuse the paraflow discharge at the Paraíso and Guaca plants, in the Bogota River.

The Termozipa plants have implemented Wave programs to optimize and reduce industrial water consumption in their processes, moving towards the Recovery of wastewater from water treatment project, which aims to reuse 100% of the water coming from filter washing in the reverse osmosis plant.

Likewise, and to ensure proper water management, 363,085 m³ of industrial wastewater was reused throughout 2021. In the Termozipa power plant operation, reused wastewater was utilized to control irrigation processes in the ash yard. Meanwhile at the at the Cartagena plant, the second stage of the industrial wastewater treatment system (neutralization and buffer tank) was completed, and the third stage is planned for the first half of 2022. In addition, domestic discharges into the bay of Cartagena were eliminated through artificial wetlands.

## Peru

Looking to promote efficiency in the management of water resources, the following initiatives were implemented.

**Updating the water treatment plant.** Implementation of a new reverse osmosis system to filter the gradual increase of salt content in the well water.

**Enhancing the cooling water system of the generating units:** During the rainy season, Chimay Hydroelectric Power Plant is affected by landslides with too much sediment in the water. When it exceeds the operating limit of 2 grams per liter (g/L), it causes damage to the intake grids of the Tulumayo intake, turbine, and cooling systems at the plant.

To address this issue, in 2021 the Company installed a hydraulic grate cleaner, which improved the entire cooling system. At the same time, the turbine shaft seal material was changed, which allows the operation to remove weeds and tree trunks more efficiently, operate the plant at up to 3 grams sediment per liter, and increase the turbine seal's useful life from 3 to 6 years.





Monitoring water quality parameters: To ensure that operations do not alter the quality of the water that passes through the turbine, water quality is monitored using a turbidity meter at the Huinco and Chimay plants. The parameters measured include pH, temperature, oil and grease. This practice also serves to avoid fines over noncompliance with permitted quality parameters issues.

## **Costa Rica**

To promote the efficient use of water resources, the nominal flow of the machines was monitored and the distributors of turbines 1 and 2 were adjusted to ensure efficiency, aiming to operate at 58 to 60 m³/s which is what the machines need. During summer, the aim is to operate between 296 and 299 meters above sea level.

# **Automation of the operation**

With a view to optimizing operation processes, significant improvements were made to areas such as process control and automation, scheduled maintenance and information reliability and reportability.

Some cross-cutting examples are technological advances such as:

**Use of drones for inspection.** One of the initiatives related to the Company's global robotization plan is the use of drones for aerial and underwater inspections. This system provides panoramic inspections which minimize diagnostic times, are cost-efficient and obtain relevant and timely information.

Smart Glasses: In the context of the pandemic, the Company aimed to optimize processes, to reduce exposure and contact between people. In this context, Smart Glasses drones were introduced to inspect plants remotely. This project, which requires the use of augmented reality glasses and a software for plant technicians to communicate with office specialists, has been implemented across various facilities. In 2021, this was implemented in Enel Generación Costanera and Central Dock Sud, in Argentina, as well as in Costa Rica and Guatemala.

**Plant Information (PI).** This platform allows users to collect, store, view, analyze and share operational data inside and outside the Company, centralizing the information in a single system to improve the availability and quality of data for better monitoring of plants and power generation, to perform component analysis and to integrate the data provided by this platform into predictive systems and models for plant maintenance.

Additionally, two of the most relevant advances that have been registered during this period for use in Enel Américas' power plants are the **ArcGis** program and **SCADA** (Supervision, Control and Data Acquisition) application.

Following are some outstanding projects that use other technological advances, by country.

# **Argentina**

Contract Revolution en Central Costanera and Central El Chocón. This IT tool was introduced to digitize processes in which different suppliers interact, building their profile according to the needs of the contract, future hiring possibilities and evaluations. Through this platform, contractors can obtain authorization and start work at the plant; it also grants suppliers remote, secure and segmented access to the documentation as they need it.

**End to End Planning - Overhaul Planning at Enel Generación Costanera.** This tool was designed to manage and monitor scheduled maintenance outages of generation equipment, and its implementation is planned for 2022. This platform integrates all stages, from contract management to operational actions, optimizing the traceability of the entire operation.

Predix - Enel Generación Costanera and Central Dock Sud. Improvement of contracts to integrate the setup of combined cycles into the model, allowing for greater predictability of failures during preventive maintenance operations at the power plant.

Actions carried out with drones. In 2021, thermogeneration units began to be inspected using robots. This includes Stop Work by video cameras, remote inspection of rotors, inspection of water intake, inspection of piles in dock, scanning of parts for replacement and linking with spare parts, among others.

#### **Brazil**

Implementation of ArcGIS at hydroelectric power plants. ArcGis is a global program for capturing, storing, manipulating, analyzing, managing and presenting geographic data, which was commissioned in 2021. This tool digitizes hydroelectric assets, reducing the execution times needed for different activities at power plants.

**SCADA level three.** During 2021, the Company worked on the development of a supervision system that integrates all SCADA (supervisory control and data acquisition) resources necessary for the operation, renewable generation projects and new projects. This application provides reliability in the automation of the electric system, reducing decision-making



**Appendix** 

time and increasing information security. In 2021, it operated in the Fortaleza, Cachoeira Dourada and Volta Grande plants.

**Digital APR.** This program manages routine inspections, risk analyses and other documents required for daily activities in a simplified manner, while at the same time improving the process of identifying and managing risks related to specific activities and providing better follow-up of the necessary documentation.

Implementation of SIGGA Brizzo (Hydro) mobile application. In 2021 the Company implemented the SIGGA mobile application, which is certified and integrated with SAP, allowing maintenance activities to be performed online and offline (by tackling maintenance orders, notes, measurements, registration, movements of equipment and materials and automatically generating the required forms).

#### Colombia

Automation and remote-control Phase II. In 2021, the Company initiated the process of structuring, evaluating and contracting the automation and remote control of the Betania, Quimbo and Guavio hydroelectric power plants. These activities allowed Enel to completely integrate the entire Colombian hydroelectric park into a single control room. Currently, the Company is working on adding the El Paso photovoltaic plant to the system.

**Intelligent parameters platform.** The Company began to develop a platform that facilitates and centralizes management, to ensure proper administration and reliability of the generation plants' technical and energy parameters, which are required for official reporting, according to Colombian regulations. This platform is expected to be operational in the first half of 2022.

**Power plant automation and remote-control project.** As part of the progress made in this area in 2021, a series of initiatives were implemented:

- Integration of the Salto, Laguneta, Limonar and Darío Valencia power plants into a single control center.
- Beginning the automation project for the first-generation group of Cadena Pagua.
- Ongoing engineering, testing and equipment manufacturing activities for the automation and remote control of the Bogotá River Power Plants.

**SCADA** system at the Dario Valencia plant. The SCADA system was implemented in a virtual and high-availability environment, which leads to a more efficient management of the system's resources and increased availability and reliability of data for the plant's operation.

#### **Peru**

**Chatbot.** Digital platform designed to search for information such as procedures, instructions, plans and/or specialized documents in the databases. This system contributed organization and reliability to internal data management and helped address complex internal procedure situations. Additionally, it potentially avoided up to USD 21,000 per year for non-compliance, as well as USD 11,000, which was the cost of the platform when it was programmed in the company.

Production and resources prediction project. This system searches for historical background and environmental satellite information for the implementation of short-, medium- and long-term prediction systems for the production and resources of Hydro, Solar and Wind renewable plants. This allows the Company to improve its ability to predict contextual and environmental conditions in the short and medium terms, and therefore to improve maintenance parameters or venture into new ways of procuring better conditions for the plants. Its implementation had an avoided cost of USD 14,000.

Remote control of thermal and hydroelectric power plants. The project, which began in 2021, called for the implementation of a control system to operate the Santa Rosa and Malacas thermal power plants from the Ventanilla power plant, as well as units 3 and 4 of the Huinco hydroelectric power plant.

Smart system for chemical control of water in cooling towers. A real-time continuous monitoring system was installed to measure the amount of antiscalant in the water in the cooling towers, which was then integrated with an automatic dosing system to maintain chemical concentration within the recommended range. This is done to protect the condenser and reduce water and effluent consumption.

**BESS - First Energy Storage System.** This system provides Primary Frequency Regulation for the Ventanilla Power Plant and optimizes its performance, allowing it to meet the required RPF and improve service.





**Digitization of technical information.** Beyond digitizing the technical information of equipment in thermal power plants, this initiative prints and places QR codes on each individual piece, giving the O&M team easy and quick access to the equipment database, which improves data management.

#### **Costa Rica**

**ArcGis.** This global program for capturing, storing, manipulating, analyzing and presenting geographic data was implemented in 2019. In 2021, the Company loaded the largest amount of information collected with bathymetry data, which was recorded at the reservoirs. This was used to analyze sediments and to map out the Company's properties. Also, topographic data and a geodetic grid were added to aid in the inspection and control of the infrastructure and civil works in the plants.

**Chucás SCADA.** In 2021, the Nari SCADA was changed to a SCADA on a Siemens platform, which facilitated local support and compliance with Cyber Security requirements. Updating machine, line and transformer protections. In 2021, the latest technologies were implemented to enable TCP-IP communications between equipment pieces, enabling fault reports and analysis of events in real time, guaranteeing the safety of plant equipment and transferring this information to SICAMPASS.

**SICAMPASS.** This software can analyze data and report communication failures, data loss and equipment damage, among others. When incorporated into virtual machines, it allows authorized access to verify and/or update data. In 2021, the signals from the plant's electrical protections were integrated into SICAMPASS, to share them with SCADA and Pl.

#### **Guatemala**

**Digitization of work permits and AST:** Tablets were acquired to reduce paper consumption and keep a better record of HSEQ documentation, as well as to reduce the time required to authorize work permits.

#### **Panama**

**Automation of hydraulic power plants.** In 2021, all auxiliary services and control centers of the Fortuna power plant, which was built in the 1980s, were automated. This automation and implementation of a new MCC (Master Control Center) strengthened and modernized the system; the manufacturer aided the process with spare parts and support.

**INGEN.** The INGEN system was implemented for the hydroelectric power plant, enabling a digital follow-up of the plant's setbacks and failures.

# Digital solutions and robotization

## Robotization strategies

Enel has a global robotization strategy, which establishes a common line of work for planning, managing and improving activities performed by robots (i.e., unmanned aerial vehicles, drones, underwater or land rovers, climbers, smart glasses, etc.) within Global Power Generation (i.e. at construction sites, power plants, facilities, etc.), so as to inspect, supervise and monitor assets in order to increase safety, efficiency and data availability, and reduce hazards and operating costs.

The Organizational Procedure 1.687 establishes that the operation and maintenance areas must validate the Robotization Plan. In addition, the associated KPIs will be monitored, ensuring workers' training, compliance with regulations and promoting activities that may facilitate or enhance the use of robotic tools in operation and maintenance activities such as: enabling contracts and processing insurance policies, among others.

The robotization strategy is not only restricted to Enel's internal use but is also being adopted by its contractors.



**RoBoost:** This program seeks to integrate and distribute robotics in the operation and maintenance of plants, adding value, saving costs and increasing operational safety and efficiency. Robots (drones and Remotely Operated Vehicles (ROVs)) are used to inspect, supervise and monitor power generation assets that are located at height, in confined spaces or underwater.

#### **Advances in maintenance**

EtaPRO, the predictive maintenance software that supports the complete monitoring of plants to detect anomalies in processes and equipment with Advanced Pattern Recognition, is one of the most significant advances in power plant maintenance. This project was considerably improved in 2021 at Enel **Argentina**'s Dock Sud and Costanera. It was also implemented for the first time in Enel **Brasil**.

On the other hand, the Presagho tool does predictive maintenance of monitored plants, achieving operational and financial efficiency. In 2021, this artificial intelligence tool was implemented in **Enel Brasil** in five hydroelectric plants (Volta Grande, Cachoeira Dourada, Salto Apiacás, Fazenda and Cabeça de Boi), as well as in **Enel Panamá**'s generation plants. For this project, **Enel Perú** used a digital platform called Diomera with predictive algorithms that monitor the generator and turbine shaft components of the Callahuanca, Chimay and Yanango generation units.

Similarly, both Brazil and Peru used the Iceberg tool, which uses artificial intelligence to detects potential failures in wind turbines. The platform manages quick and efficient maintenance routines, to guarantee good functioning of the asset and prevent downtimes.

# **Argentina**

**E-Worker Costanera and Central Dock Sud event registration.** During 2021 the Company continued with the implementation of this mobile application that integrates information on notices, shift logs and work orders for operation and maintenance activities.

This tool assists plant personnel in the management of maintenance notifications and orders, by supporting planning, scheduling, execution and accounting of Operations and Maintenance (O&M) activities. It is available for staff to upload it onto their own devices and allows quick and easy notifications.

**Installation and implementation of EtaPRO.** This technology received important operational improvements in 2021 to improve the overall performance of the plant through

a thermodynamic model and to incorporate the of use Spectral Vibration Monitoring to detect early failures in rotating equipment. Thanks to technological upgrades, the application is now more reliable and available. These updates have benefitted both Central Dock Sud and Enel Generación Costanera.

#### **Brazil**

**PREDIX.** This software does predictive analysis through mathematical models for real-time observations. It was implemented in the Fortaleza Thermal Power Plant (Ceará - Brazil), and it used the operation history of the main variables of the process as a baseline. This data allows the system to forecast the ideal behavior of the plant, verifying deviations and possible points of failure in the equipment.

**Smart Monitoring.** This project predicts failures in maintenance, particularly in wind power plants, delivering real-time reports that promote efficiency and agility. A shorter detection time translates into an increase in the useful life of the equipment, while also reducing costs and making a breakdown more unlikely. The system sends an alert to field collaborators through the Telegram application.

**PO&M.** This unique platform is used to manage the operation and maintenance of wind and solar equipment through digital technology. O&M uses it to monitor all plant components and to detect major problems. Its key strength is the interaction between real-time fault detection mechanisms, and inspections and maintenance performed through the SAP system. At O&M Wind Brazil, the tool is expected to be fully operational by March 2022.

Wind generation forecasting platform. This very short-term (up to 30 days ahead) wind power generation forecasting tool was implemented in 2021 and is still under development. The forecast includes wind speed and direction at hourly intervals at the height of the wind turbine, rainfall, power generation potential and atmospheric discharges, among others. It has been very useful to schedule corrective maintenance actions and for the I&C area to plan the construction of new wind farms.

## Colombia

**HyDEA (Hydro Efficiency Analysis).** This project applies efficiency analysis in hydroelectric power plants, taking full advantage of the potential offered by big data. During 2021, there was progress on projects that don't require investing in infrastructure and that improve the performance of existing plants:





- **1. Plant Coordinator.** With the objective of applying efficiency analysis in hydroelectric power plants, a performance model was built to allow the optimal distribution of the operating load among units in the Laguneta, Limonar, El Quimbo and Betania power plants.
- **2. Operation follow-up.** Its deployment was moved ahead to obtain a visualization of possible production losses at the Charquito and Laguneta Limonar Power Plants.

Climate and hydrological analysis. Analyses in the Colombian energy park are done with the aid of an application based on a geo-referential system. The way water information is captured, monitored and presented was optimized in 2021, an improvement that allows for better forecasts of risk and basin behavior scenarios, with physical and real-time visualization of energy generation that includes water intake, energy and macro-climatic indexes.

#### Single platform to management major plant maintenance.

A single platform was implemented to provide a centralized view of all scheduled maintenance activities. Following are some of the activities that were supported by the system.

#### Hydraulic technology

- El Guavio. The stator was replaced, and the electrical protections and the excitation system were modernized, extending their useful life and guaranteeing a reliable operation. Thermographic and high-resolution cameras were installed to better inspect the impeller.
- Betania. The control system for the intake gates and the auxiliary service switches were modernized.
- **El Quimbo.** The Company launched a project to optimize the oxygenation of the water discharged from the power plant, to guarantee downstream dissolved oxygen conditions in the Magdalena River. A Strategic Plan was also implemented in the control system, to increase the reliability of the units and guarantee the generation process.
- Bogota River Power Plants. From the Monitoring and Remote Operation Center, the change management team was consolidated with a view to improving attention to failures, planning of interventions where generation assets are involved, and decision-making. At the same time, relevant equipment for the operation was modernized.

#### Thermal technology

• **Termozipa.** As part of the maintenance plans, the turbine of unit 2 and the generator of unit 5 were overhauled to guarantee the plant's reliability and minimize future failures.

 Cartagena. As a result of a failure in the turbine rotor of unit 3, work is ongoing to recover the equipment and, therefore, the unit's availability. The Voltage Regulator (AVR) of the generator at unit 3 was changed, complying with the established regulatory standards and providing greater reliability of the system.

#### Peru

Heat exchanger. In 2021, a new heat exchanger designed with 15% efficiency was installed in the Moyopampa plant's group 1 phase R transformer, to stop the constant leakage of oil through the plates and water through the service exchanger pump. This allowed the operation to decommission a 2 HP water pump, which was operating 24/7, and thus save its energy consumption. Also, water consumption was reduced by 10%, from 160 to 144 lt/min.

**eMaintenance 2.0.** This digital platform is used for predictive maintenance, as it monitors critical components of the seven hydroelectric power plants, including plants with more than 50 years of service. In April 2021, an incipient deviation was detected in Chimay unit two, which translated into savings for USD \$700,000.

**Turbine shaft vibration monitoring.** In 2021, a new vibration monitoring system was implemented to supervise the Huampaní, Moyopampa and Yanango generation units. This initiative's digital platform, which detects deviations in monitored parameters, produces automatic diagnoses.

#### Predictive monitoring of power Transformers.

Implementation of a system that analyses gasses in oil and monitors high voltage bushing and partial discharges of power transformers in different power plants. This system works through a digital platform that, according to the measured conditions of the transformers, generate an automatic diagnosis that serve as a basis for predictive interventions, avoiding high impact failures in production.

Predictive monitoring at generators. Implementation of a system to monitor partial generator discharges at Ren Peru's seven Hydro plants, to ensure the reliability of these generation units. The signals generated were connected to the PI System and, through predictive algorithms, alerted about deviations from standard parameters.

**Automatic thermography.** The objective is to perform the thermography inspection process internally, that is, to have Enel Green Power Peru's own certified drivers for the use of drones and an AI system to analyze the images and improve the detection of faults in panels.



**Improvement of the solar and wind prediction model.** Using an artificial intelligence system that provides highly accurate forecasts in the short, medium and long term, based on resource conditions, wind turbine availability and historical values for solar and wind plants.

**Costa Rica** 

**Sediment control.** In 2021, at the PH Chucás power plant, a flushing strategy was designed to ensure sustainable cleaning that does not affect the biological quality of the water and the fauna in the waterway. This strategy is up to environmental requirements and incorporates measures such as performing flushing during the rainy season and

taking into consideration the ichthyofauna downstream of the dam to plan activities.

#### **Panama**

**AXIAL sensors**. A system of AXIAL position vibration sensors was implemented in one of the generating units, which allowed for an evaluation of the entire turbine and generator set.

**Other software.** PI VISION and SAP R4P (E4E) systems were implemented in Enel Panama's generation plants, thus improving accounting and maintenance processes.

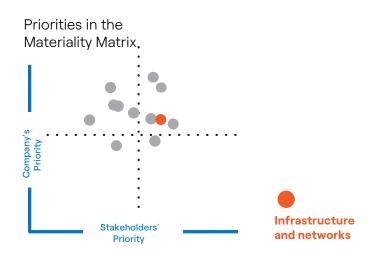






# Resilience and digitization of the grid

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# Primary material issue: Infrastructure and grids

#### How is it managed?

Enel Américas seeks to have a technological and digital grid to turn it into an inclusive and participatory platform, taking advantage of new opportunities with innovative and circular business models and services that create value for customers. To address these challenges, the Company has adopted the Grid Blue Sky concept for integrated grid management and Grid Futurability to build the grid of the future, to make better use of existing facilities.

Likewise, management aims to exceed compliance with regulatory standards, especially in relation to maintenance plans where drones and thermographic cameras are used to inspect the grid. Other priorities are to make an efficient use of resources, monitor the performance of the grid and analyze different events and failures, allowing for improvements and solutions in a timely manner.

In view of all this, the Company has invested in the digitalization and automation of grid operation and maintenance, thereby increasing its resilience and flexibility.

#### **Material issues**

- Improvement and development of the grid.
- Operational management of the grid.

# Importance of good management

In a context of increased electrification, having a resilient and digitized distribution and transmission network that allows access to clean, safe and quality energy for all current and potential customers, becomes a driver of inclusion and an enabler of electrification for sustainable development.

A resilient network makes it possible to cope with adverse climatic effects, while reducing adaptation risks. Investments also modernize the infrastructure, reducing the risks of obsolescence, which can result in a network that is inadequate for the new market and customer needs resulting from the transition to Net Zero.

Ambitious investment plans enable Enel Américas to achieve good grid management using innovative digital tools that result in greater flexibility and an increased capacity of the grid to support the needs of customers and the electricity market.



# Sustainable Development Goal

Our sustainable progress













# World Economic Forum Risks



# **Goals and challenges**

SDG	Activity/goal	Goal plan	2021	Goal plan	
		2021-2023	results	2022- 2024	
7 HINDRAGIAN 9 Methylindrich	Total energy losses	11%	12.7%	10.8%	
7 distribution 9 depreciations with the second seco	SAIDI (minutes)	541	588	517	()
7 distribution 9 describations of the second	SAIFI (times)	5.4	4.7	4.5	
7 emenue	Users with smart meters installed (thousands)	-	137	1,492	()
7 annual 13 chris	Number of new rural connections	-	125,327	58,605	<b>(+)</b>
7 INNERANCEMENT 13 CANFT 2-2019 4	Number of new suburban connections.	-	172,447	82,040	<b>(+)</b>

Simbology: New + Redefined )





# How are the Principles of the Human Rights Policy applied

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Environment	Enel Américas adopts and complies with voluntary commitments, promoting ambitious environmental management practices to <u>adapt to the impacts of climate change</u> and the management of projects such as the digitalization of the grid, to promote responsible energy consumption.			
Respect for the rights of communities	Enel Américas is committed to ensuring that its products and services are accessible to all and that they do not compromise, as far as possible, the safety and physical integrity of its customers. To this end, it carries out projects such as, the <u>Loss Plan</u> , which prevents illegal connections that may compromise safety.			
Communications	Enel Américas requires that contracts and communications addressed to its customers are clear, simple, and do not omit any relevant element that may affect their decision. With this objective in mind, the Company engages in projects such as <u>Distributed Generation</u> , which renders consumption and therefore communications, transparent.			





Providing a reliable and secure energy supply is intimately linked to a resilient and flexible transmission and distribution infrastructure that is capable of meeting a growing demand, which is linked to demographic growth and increased electrification.

The just energy transition to Net Zero requires a transformation in the use of energy, in which infrastructure is an enabler to deliver clean, safe and secure energy to customers, assuring continuity of supply. This requires incorporating new technologies and strengthening the processes through the digitalization of operations.

# **Grid Blue Sky y Grid Futurability**

As part of the Enel Group, Enel Américas, has begun to implement the new operating model **Grid Blue Sky**, a digital platform that manages the grid with a focus on customer needs, providing technological solutions to increase grid performance through real-time navigation and simulation.

This model was implemented in **Argentina**, at the Temperley substation, where a pilot test of a three-dimensional replica of one of Edesur's substations was completed in the context of the Digital Twin initiative, generated by the Grid Design team on a global level. The objective of this initiative was to build a replica that would allow the company to improve preventive maintenance techniques, as well as planning works without the need to go to the site or even to have visited it previously.

In **Brazil**, this digital platform made it possible to improve the monitoring of supply interruptions to customers, reduce the synchronization times of information from distributors, and improve remote assistance, with new tools for area specialists.

In **Colombia**, the organizational structure was updated to get aligned with the principles of this project, focusing on a single global grid to ensure unified and efficient management. The new unified grid has four areas of participation: Asset Owner, Asset Operator, Customer Engagement and System Operator. In this way, the Company can be at the forefront of innovation, digitization and energy transition.

Finally, in **Peru**, as part of the digitalization of asset management, the Adoption WIN project came into operation on May 31, 2021. This project consists of a global technical systems platform that enables the convergence of all I&N processes to a standard and global model.

On the other hand, **Grid Futurability** is a global Enel Group project that aims to transform the distribution and transmission grid into a smart grid, combining the use of traditional equipment with advanced digital solutions that allow for a more resilient, participatory and sustainable grid that will advance the wellbeing of all communities. This, through revolutionary technological innovation and systemic efficiency tools, in addition to data-driven services. With this, the Company is committed to providing and ensuring a more electrified world with renewable energy, fulfilling its commitment to achieve an energy transition that favors decarbonization and advances the electrification processes.

In **Argentina**, Enel participated in global meetings to share experiences, processes and solutions. In this country, the execution process is underway with the delivery of MPVs (minimum viable product) related to Asset Owner and Customer Engagement, to changes in the operating model impacting processes, operations, profiles, and the cultural change, communication plan and capacity building required by this cross-cutting project.

Enel **Brasil**'s grid transformation project, Urban Futurability, seeks to turn Vila Olímpica into a test center with more than 40 digitalization and artificial intelligence initiatives. This major project, which is being carried out in partnership with local government authorities and the National Electric Energy Agency (ANEEL), includes the creation of a three-dimensional digital replica of the grid and the installation of approximately 4,900 sensors, which will collect data on grid conditions. The project Illumination of the bicycle path in the Marginal do Rio Pincheiros is one of the proposals for the transformation of the electrical grid, this is a public-private initiative that installed remote management systems for public lighting, through the incorporation of LED lamps, providing more safety for cyclists who use this route.

It is expected that digitization will allow a gradual reduction in the need for maintenance team visits to Vila Olímpia, having a positive impact on the city's urban mobility.



Enel Américas applies improvement plans on an ongoing basis, in its grid maintenance and modernization areas, which have managed to reduce the number and duration of service interruptions. In this way, it is possible to monitor the infrastructure online, guaranteeing a quick and timely intervention in the event of failures.



- Digitalization of electricity grid.
- Development of intelligent grids and telecontrol.
- Improvements in quality and continuity of supply.
- Expansion, modernization, and development of the electricity grid.
- Grid telecontrol and automatization.

# Grid operational management

- Operation and maintenance of electricity grid.
- Operational management of grids and associated energy losses
- Digitalization of processes.
- Prevention and planification in the event of contingencies.
- Assurance of quality and continuity of supply.



- · Resilience of assets.
- · Mitigation of impacts.
- Adaptation in light of new climate scenarios.

# **Grid development and improvements**

The incorporation of a smart grid means an evolved grid that manages electricity demand in a sustainable, reliable and economic way, based on an advanced infrastructure and adapted to facilitate the integration of all its components and actors. An important part of this is the application of new technologies and equipment, together with supply optimization, which are key to achieve the energy transition and the process of electrification.

Therefore, the digitization of the grid is essential for real-time monitoring and efficient response to contingencies. It also promotes responsible energy consumption in homes. During 2021, Enel Américas countries implemented the following initiatives:

In **Argentina**, 320 additional remote-control devices were installed, which allow for remote opening and closing operations of the grid, from the control center. This equipment is essential to quickly isolate the grid sections affected by a fault, benefiting more than 597 thousand customers.

There are currently 2,031 operational units installed at different points of the medium voltage grid. There are

also 2,136 Remote Telesupervision Units (RTU), 473 branch supervisors and 558 water ingress detectors in chambers installed as part of the modernization of the medium voltage grid.

In 2021, a new eOrder system was implemented to improve and make the management of field activities more flexible, helping personnel to optimize routes and provide a better response to customers.

In **Brazil**, Telecontrol was implemented, a project that seeks to automate the medium voltage grid, using remote control equipment and a management system for remote supervision of the grid.

In **Colombia**, 70 remote operation equipment were installed under the Telecontrol quality plan, to optimize the operation and functioning of equipment, substations and control center. Likewise, 69 electronic sectionalizers were installed for automatic restoration of service.

On the other hand, equipment was connected to fiber optics to improve the reliability of communication. During 2021, 817 km of fiber optics were installed, which allowed 774





additional equipment and 88 substations to enter remote operation, with fiber optic communication.

In **Peru**, 117 additional Medium Voltage telecontrol devices were installed, through which the grid can be remotely opened and closed from a control center in the event of

any failure in sections of the grid, thus minimizing the impact of events that affect the continuity of service to customers. It is worth mentioning that in 2021, 9 medium voltage feeders were automated, a technology that reduces to minutes the time it takes to restore electricity service back to customers.

Remote-controlled equipment	2021	2020	2019
Argentina	320	130	565
Brazil	27,104	23,617	20,068
Colombia	2,498	1,125	1,178
Peru	1,083	966	916

#### **Smart meters**

In line with the digitalization of the grid, the installation of smart meters makes it possible to execute remote operations to the benefit of customers, the regulator and the Company. Among these features, remote and automated readings ensure the issuance of monthly bills to customers that reflect their actual consumption. Enel Américas also continues to improve its online applications, which allow customers to visualize their consumption by week, day and hour. With this data, customers can modify their consumption habits and promote energy savings. Enel Américas has 137 thousand customers with a Smart meter system, and according to its 2022–2024 plan, the Company will reach the 1.5 million customers target by 2024.

Additionally, progress is constantly being made in the integration of online information provided by smart meters with the work and management of emergencies to speed up their resolution, as the process starts with a status

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alert generated by these devices. Therefore, the gradual addition of this equipment contributes to the reduction of the duration of interruptions, and thus improves service quality indicators.

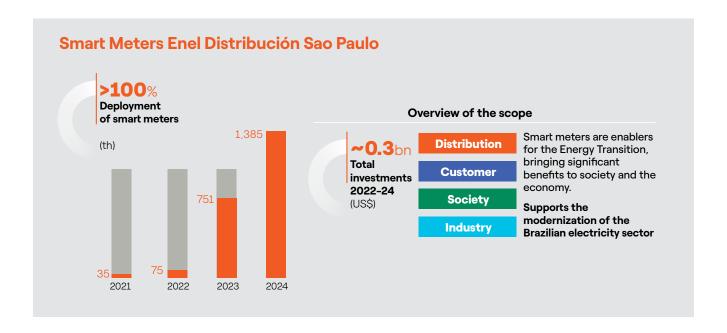
Enel Américas began a major project to install Smart Meters in its largest distribution company, Enel Distribución Sao Paulo, with the goal of reaching 16% of customers with smart meters by 2024. In this way, it seeks to become the leading company in Brazil in terms of service quality, customer satisfaction and operational efficiency, involving an improvement in quality indexes and in the automation of services and processes.

	2021	2020	2019
Smart meters (in thousands) (*)	137	87	65

<sup>(\*)</sup> Active meters; excludes other technologies such as remote reading technologies.

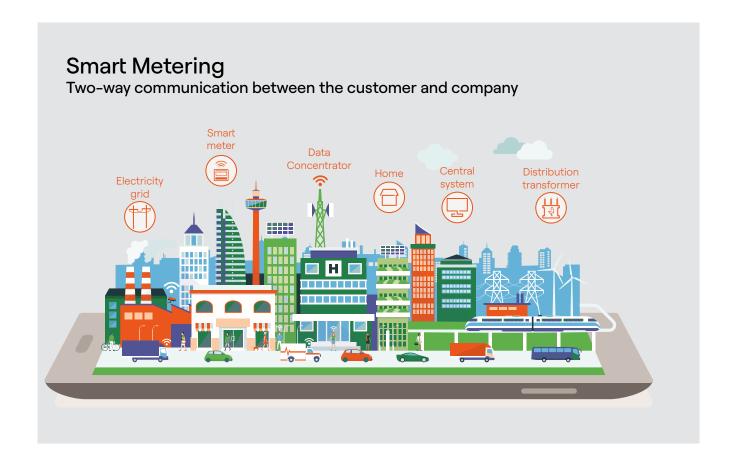


Our sustainable progress



The meters being installed are entirely manufactured in Brazil and correspond to an innovation project developed by Enel in conjunction with the National Electricity Agency.

The production of the second phase meters began in 2022, at the Ducati plant. The equipment is made from recycled plastic material, a first in the Brazilian electricity sector, contributing to the sustainability of the production chain and the business. Installations are scheduled to begin in the first half of 2022.

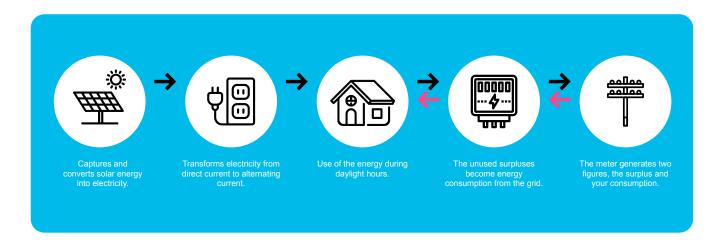






# **Distributed generation**

Distributed Generation or Netbilling is a system that allows customers to self-generate energy based on Non-Conventional Renewable Energies (NCRE) and efficient cogeneration, where each participating customer acts as a consumer and producer of energy at the same time, as they sell their excess generation to the distribution grid at a regulated price, by presenting the documentation that fits their connection contract model, whether they are residential or industrial customers.



# **Netbilling Projects**

The following are initiatives related to the connection of customers through Netbilling in the different countries that make up Enel Américas.

In **Argentina** there are 49 customers with connections of this type, divided into three types:

• Tariff 1 - Residential Customers: 44 total customers, of which 23 were registered in 2021.

- Tariff 2 Medium Customers: 3 total customers.
- Tariff 3 Large Customers: 5 total customers.

In **Brazil** there is a regulation on this type of connection, in 2021, there was a turnover of 105 thousand consumer units of Distributed Generation and 61 thousand consumer units that benefited from the surplus energy of these generators.

Finally, it should be noted that in **Colombia** there are a total of 199 such connections.





# Operational management of the grid

Our ESG performance

# Preventive improvements to the power grid

Enel Américas' distribution subsidiaries have a Maintenance Program aimed at the efficient management of the infrastructure, with the objective of achieving a continuous distribution of electricity to customers, ensuring an efficient use of resources and increasing the useful life of assets.

This program involves Enel Américas' medium and low voltage grids. For its effective implementation, it is essential to maintain a close relationship with the municipalities, both regarding the management of work permits and the identification of customer needs, which can then be included in the maintenance plans.

Likewise, the implementation of SWIN began, a tool that will improve asset management and will replace the WIN system's grid maintenance management, through access to a universal catalog of anomalies and their records for the entire Enel Group. In the future, it is expected that this tool will allow -with the use of artificial intelligenceto automatically generate proposals for preventive maintenance and anomaly resolution.

In line with the improvement and continuity of supply, in 2021 the subsidiaries implemented various measures.

# **Argentina**

During 2021, 1,328 works were executed to meet new supply and power increases, of which 1,300 correspond to low voltage and 28 to medium voltage. In addition, the Company expanded and renewed the distribution grid by 57 km for medium voltage and 44 km for low voltage. It also intervened in 283 transformation centers. Other noteworthy works include:

- Normalization of more than 7,000 homes in deprived areas.
- Repowering of the Bosques Substation: A new 300 MVA transformer was installed, benefiting 400 thousand customers in the southern area of the concession.
- Expansion and renovation work along 249 km of low and medium voltage grid.

# **Types of Power Lines**

High voltage (HV): power lines that go from the generation plant to the substation.

Medium voltage (MV): grids that transports energy from the substation to public lighting poles.

Low voltage (LV): grids that distributes power from poles to customers.

#### Brazil

To improve the quality and continuity of supply, the works carried out include the renewal of equipment, improvements in the efficiency of processes and maintenance, among others. The main projects are:

- · Capacitor banks with MVAr injection into the system.
- · High voltage modernization plan.
- Predictive maintenance. 68.086.910 actions were carried out, including pruning, inspections and other actions.
- Power increase at the Varjota substation.
- Improvements in the quality and continuity of supply in Goiás.

#### Colombia

Different initiatives related to the improvement of the grid were carried out, such as:

- To control and mitigate the impact generated by kites entangled in the grid during the months of September and October, the Winds and Kites Plan was implemented to raise awareness of the importance of doing this activity in safe areas. Thanks to this, in 2021, 617 elements were removed, which represented a 15% decrease, compared to 2019.
- More than 400 thousand trees were pruned around medium voltage (MV) grids and about 19 thousand, around high voltage (HV) grids, an increase of 38% compared to 2020.
- To ensure greater availability of high-voltage assets, transformer maintenance was increased from 16 to 30 from 2020.





- The SAMS (Smart Asset Management System) was implemented to select the assets to be intervened, based on their electrical and operational status.
- Nearly 600 km of high voltage grids and 3,980 km of medium voltage grids were inspected by helicopter.
- Replacement of transformers: 7 Power transformers.
- 99 km of new grid for interconnection of circuits and 54 km of grid reinforcement were completed.

#### **Peru**

Several projects of the Transmission Investment Plan were developed, with the aim of improving and maintaining the reliability of the electric system. Among them, increasing the total installed power by 123 MVA, through the commissioning of a new 40 MVA power transformer in the Comas substation and the changes of transformers in the Industrial, Mirones, Maranga, Naranjal and Huaral substations. Additionally, in 2021 building was underway for the Malvinas – Tacna transmission line, consisting of 3.17 km and 60 kV.

Additionally, the Preventive Maintenance Plan for Transmission Substations and HV Lines was completed to 90% in 2021, including comprehensive maintenance of power transformers and switchgear, renewal of power switches and oil treatment of power transformers, among others

The maintenance of Peru's electricity distribution systems is mainly based on predictive, preventive and corrective activities. In 2021, preventive maintenance was performed on 214 medium-voltage feeders and maintenance without power outages on 721 conventional distribution substations.

# **Substation quality plan**

High-voltage substations make it possible to reduce high voltage levels, which are necessary to transport energy over long distances. This makes it possible to supply users with safer voltage levels, avoiding the use of large infrastructures such as the towers on which high-voltage lines are extended. Only at lower voltage levels can the grid be implemented in urban areas, streets and even residential or commercial buildings. Thus, the community benefits by receiving a safer, more reliable electricity supply that was produced with lower costs of development, operation and maintenance.

To improve the quality of supply, we worked on the replacement of technologically obsolete equipment in the

power substations with more modern equipment that allows for monitoring and digitalization.

# **Argentina**

- New mobile substation: In 2021, a new mobile substation arrived from Portugal for the distribution company Edesur S.A., which adds power and improves energy to this concession area, benefiting 30,000 customers in Ezeiza, Tristán Suárez and Esteban Echeverría. This substation brings a 33% increase in capacity, via the installation of 40 MVA and the laying of 17 kilometers of medium voltage grid.
- Repowering the Bosques Substation: A new 300 MVA transformer was installed, benefiting 400 thousand customers in the southern area of the concession.

#### **Brazil**

- Digitalization of Brasilândia, Itaqueruna, Bartira and Vargem Grande electrical substations: Old protection systems were replaced, providing greater reliability and flexibility for the system. The estimated cost per substation was:
  - Substation Bartira: US\$ 127,505
  - Substation Brasilândia: US\$ 68,858
  - Substation Itaqueruna: US\$ 68.858
  - Substation Vargem Grande: US\$ 212,409
  - Substation Americanópolis: US\$ 269,266

#### Colombia

- Automatic control systems: Substations are migrating to a more modern communication protocol and implementing new systems that allow automatic control of the operation on the grid.
- Through substation replacement and standardization projects, the system's capacity was increased by 80 MVA, increasing the reliability of supply for more than 750,000 people.
- Construction and expansion of substations: 2 new substations and 7 expansion substations.
- Input-output substations: 2 substations.
- San José Project: Supports the urban renewal of downtown Bogota by repowering the substation, eliminating the 57.5kV ring and modernizing the facilities with the Digital Substation scheme, doubling its capacity with state-ofthe-art technology.



Our sustainable progress

- Virtual tour: This project was executed in the Medio Mundo High Voltage substation and consists of the digitalization of the infrastructure and its components, to support the possibility of doing virtual tours of the substation and obtaining equipment technical information in real time.
- Live lines: A proposal that allows work to be carried out without the need to interrupt customer service, applying procedures that ensure the safety of people and help avoid scheduled outages due to new construction and maintenance work on the grid. In 2021, temporary service interruptions were avoided for approximately 700 thousand customers, almost 50% of the company's total customers.

# Loss plan

Enel Américas prepared and developed loss plans for its subsidiaries, which involve inspecting and normalizing connections, grid changes in high loss areas and providing power to customers.

Likewise, there have been actions towards regularizing people and homes who are not currently customers, looking to reduce electric-associated risks and improve the management of energy losses. An example of this is the normalization of vulnerable neighborhoods in Argentina, where progress was made in a massive normalization plan in many of the neighborhoods and settlements with predominant characteristics of vulnerable customers. In 2021, this plan managed to install more than 7,000 meters in homes that previously didn't have one.

In the case of neighborhoods with low complexity, the main obstacle to obtaining a regular supply is unsafe internal installations inside households. Edesur carried out a project to proactively install protection elements that mitigate electrical risks by placing them between the meter and the electrical installation of the new customer. Standardizing each home implies eliminating the unsafe and non-standardized connection and installing a meter with a fully standardized connection. 23,000 such connections were made in 2021.

In **Brazil**, regularizations plans were carried out in Sao Paulo and Rio de Janeiro. In Sao Paulo, 111 irregular settlements were approached, resulting in 29,034 regularizations. 116,136 people benefited from the measure. In Rio de Janeiro, on the other hand, a total of 7,220 regularizations were achieved, which entail a direct benefit to 28,880 people.

Colombia was successful in reducing energy losses in its distribution system, in a market still affected by the pandemic. Through an energy recovery plan, the Company was able to ensure the correct operation of metering equipment and normalize non-customer users connected directly to the grid.

The inspection plan for 2021 reinforced actions aimed at improving the detection of anomalies associated to meters and focalizing on these anomalies, thus achieving a recovery of 59.51GWh of unregistered consumption, which reduced the loss rate by 0.9 percentage points.

Regarding the identification, management and normalization of clandestine users during 2021, 1,932 incorporations were made, out of a target of 1,500, with a compliance of 129%. In Peru, the Company worked in 96 irregular settlements, electrifying 11,261 lots in the districts of San Juan de Lurigancho, San Antonio de Chaclla, Puente Pieda, Ancón and Carabayllo.

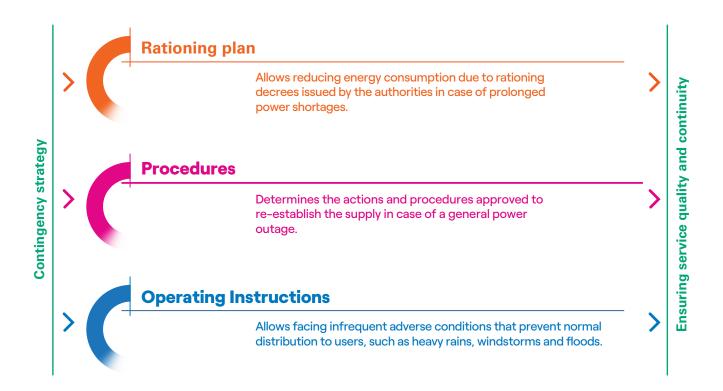




# **Contingency planning and prevention**

To address the health crisis, in addition to the usual quality, upkeeping and contingency plans, the Company adapted the maintenance plans for the grids that supply health centers, to reinforce preventive and predictive work, to avoid interruptions to the power supply.

The strategy that the Company designed to deal with the contingency is contained in the Crisis and Incident Management Policy. This strategy aims to respond in a timely manner to eventual supply disruptions, through the implementation of three work plans:



Likewise, Enel América's Crisis and Incident Management Policy defines the procedures for handling events that put the electricity operation at risk, through a protocol that makes decision-making effective and timely.

The Company has crews in place that are dedicated to the daily resolution of contingencies and, if emergency plans are activated, it is possible to at least double their number. In more severe cases, this figure can be multiplied by up to six, to create a solid team of crews assigned exclusively to the restoration of electricity in the concession area.

In addition to the activities that are part of the usual quality, maintenance and contingency plans, in 2021 changes were made to the programs related to the grid that supply hospitals and clinics, to reinforce preventive and predictive work to avoid interruptions to the electricity supply in a complex period, given the health crisis.

## **Argentina**

In the context of the pandemic, we continued with the **Special Maintenance Plan**, to minimize possible impacts on the electric power supply of hospitals, clinics, modular hospitals, isolation centers and other public and private health facilities. This plan involved the identification of 651 transformation centers, inspections of the facilities, diagnosis of the state of the grid, and prioritizing the necessary works.

Likewise, in the months prior to winter, a special plan was implemented in facilities that supply energy to popular neighborhoods. Finally, there were inspections to supply centers and load and grounding measurements and thermographs were taken.





#### **Brazil**

All I&N areas in Brazil have a Summer Plan, systematically designed to ensure the continuity of energy supply in case of abnormal events in the system, such as weather events that increase the number of emergencies. This plan extends from October to April, covers all key areas and contemplates the activation of extra resources in case of need, through the different alert levels.

In Brazil, Enel carried out actions to be able to face different contingencies and thus respond in the best way to situations that affect supply.

## **Enel Ceará**

- 166 works, 98 maintenance and 147 commercial operations.
- 680 outage and loss inspections, 384 LV emergencies, 20 MV emergencies.

#### **Enel Goiás**

- 284 works, 20 maintenance and 81 commercial operations.
- 362 outage and loss inspections, 968 LV emergencies, 51 MV emergencies.

#### **Enel Rio**

- 111 works, 134 maintenance and 102 commercial operations.
- 613 outage and loss inspections, 333 LV emergencies, 18 MV emergencies.

#### **Enel São Paulo**

247 works, 130 maintenance and 205 commercial operations.

 940 outage and loss inspections, 337 LV emergencies, 18 MV emergencies.

## Colombia

During 2021, there was a reduction of 9 basis points in the energy loss indicator, from 7.62% at the end of 2020 to 7.53% at the end of 2021. This decrease was achieved through 210 thousand technical inspection visits, which resulted in the following figures:

- 11% of the visits were settled by means of an energy recovery file.
- 50% of them obtained an increase in billing after the date of the visit
- Energy theft or direct service without a meter was found in 29% of the visits.

The result of the visits was the recovery of 54 GWh of non-recorded consumption (CNR), normalizing and incorporating 1,900 users.

# **Peru**

In 2021, in the context of the health crisis caused by the pandemic, special attention and priority was given to customer requests related to the requirements for new connections or load increases to meet cases related to Covid-19. Within this framework, more than 24 essential cases were successfully attended to in 2021.





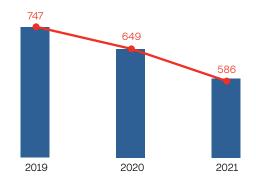
# Power supply quality and continuity results

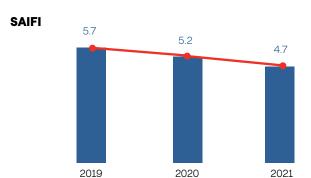
# EU28| EU29

In 2021, the Company continued to develop initiatives that have a direct impact on operational excellence, safeguarding the efficiency of the grid and ensuring continuity of supply. This is reflected in the evolution of the indicator that

represents interruption times per customer in a 12-month period - **System Average Interruption Duration Index** (SAIDI) - and the **System Average Interruption Frequency Index** (SAIFI), which are published below:

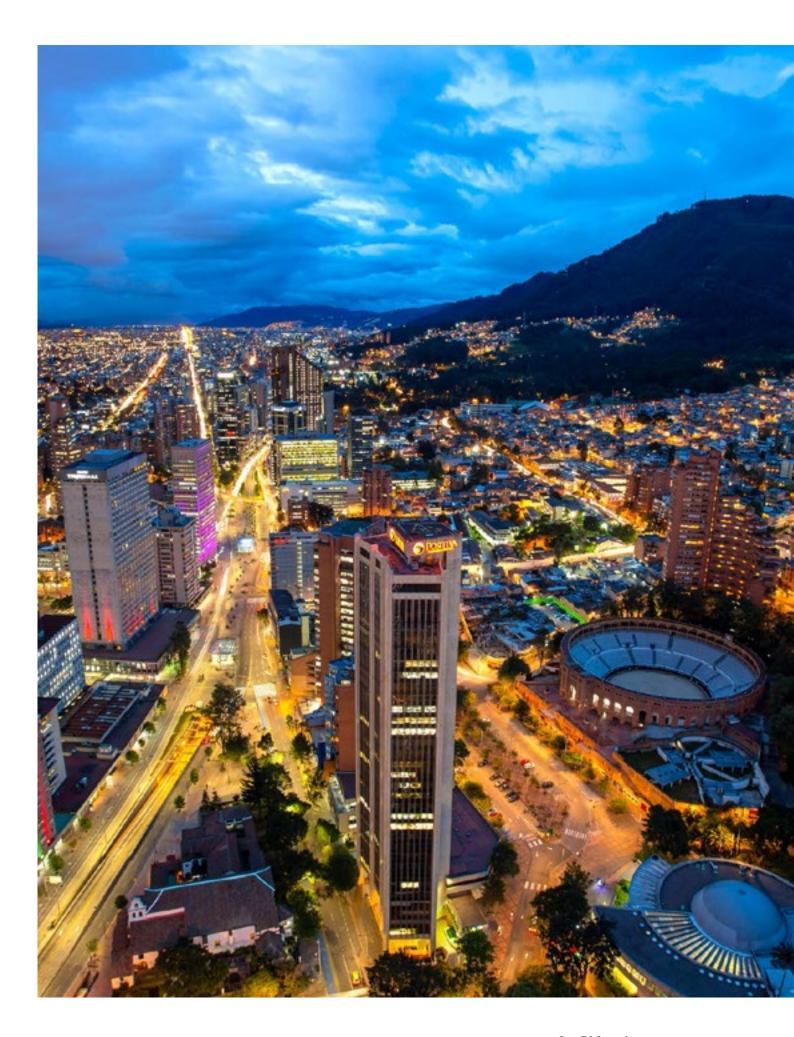
## **SAIDI**









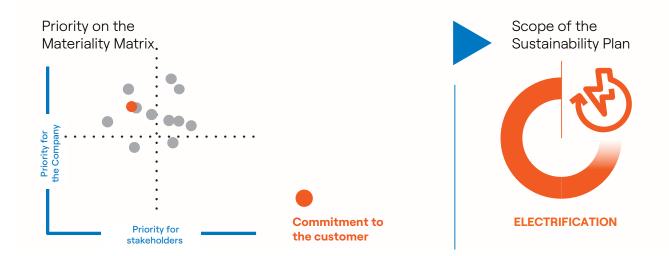






# Service and quality relationship with customers

103-1 | 103-2 | 103-3



## Primary material issue: commitment to customer

## How is it managed? Material issues

The consumption of energy is changing, with people gaining greater access to the use of electricity as a source of energy. This will affect the efficiency of the electricity system, whose configuration will be more integrated and based on platforms. The role of the customer will become more important and will be decisive in achieving the energy transition towards a Net Zero economy.

- Ability to meet customer needs.
- Quality in customer relations.

Enel Américas' objective is to provide a quality service, anticipating the needs of its customers with an accessible and comprehensive offer. To this end, it is constantly improving service, processes and monitoring requirements channels, reducing response times, and investing in digitization and in a service culture.

#### Importance of good management

Enel Américas is a company that bases its strategy on data, quality information and studies of global macro trends and regional scenarios. The multidimensional knowledge of customers, which includes social and economic aspects and, of course, their attitude towards energy consumption and their expectations regarding service, is central to deploy a comprehensive offer of solutions that meet their needs in the current and future energy scenarios.

Providing quality service and anticipating customer needs strengthens confidence in electricity service, thus managing the risk of a slowdown in the electrification of consumption and, consequently, in the energy transition.

By setting up a transparent and timely system to manage complaints and claims focusing on client satisfaction and promoting access to clean and affordable energy without inequality, the Company minimizes the risk of losing customers in a market that is moving rapidly towards people with increased purchase, consumption and production decision capabilities regarding their own energy.

For this reason, Enel Américas' Strategic Plan focuses on initiatives that address these risks, concentrating investment mainly in grids and infrastructure, as well as on satisfying customer needs and promoting brand loyalty.



# Sustainable Development Goal









# **Goals and challenges**

SDG	Activity/goal	Goal plan	2021	Goal plan
		2021-2023	results	2022-2024
9 NOSSEZI MONITOR  11 SEGNINACITES  A B B B B B B B B B B B B B B B B B B	Number of customers with e-Billing (1)	5.5 million	12%	33%
9 MUSERY MANATHS 11 MESTAMMENT TREES  A MESTAM	Automatic payments	-	10%	16%

(1) Number of e-billing customers: 2021 results and the 2022-2024 plan calculate this indicator as the quotient between the number of invoices issued without paper and the total number of invoices issued.

Simbology: New + Redefined





# How the Principles of the Human Rights Policy apply

Respect for diversity and non- discrimination	Enel Américas is committed to always responding to suggestions and complaints from customers and consumer associations, making use of an appropriate and timely communication systems that considers the needs of all customers, paying special attention to people with disabilities. The Company developed and continues to apply a Zero Claims Plan and constantly monitors complaints or observations received through the Management of requirements and complaints.
Respect for the rights of com- munities	Enel Américas is committed to ensuring that its products and services are designed to be accessible to all and to be uncompromising about the safety and physical integrity of its customers, to a reasonably foreseeable extent, always promoting a culture of <a href="mailto:customer.centrality.">customer centrality.</a>
Privacy	Enel Américas respects the confidentiality and the right to privacy of its stakeholders and is committed to the correct use of its customers' information and data, which it oversees by managing contact data.
Communications	Enel Américas maintains clear and simple communications with its customers, written in a language as close as possible to that normally used by the people it addresses through a <u>transversal and effective communication</u> .

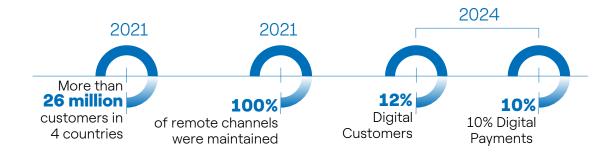




# Service quality and customer relations

The main objective of Enel Américas and its subsidiaries is to provide a sustainable, reliable, safe and continuous electricity service focused on customers. This is leveraged on two factors: the continuous improvement of security and resilience of the grids, digitizing them to strengthen

service and quality, and maintaining a close relationship with customers, listening to their requirements, responding adequately to their expectations and maintaining a high level of satisfaction, with attention to complaints and availability of the electric service.



# **Customer centrality**

At Enel Américas and its subsidiaries, the customer is at the center and is considered a major player in electrification, with a progressively leading and active role in its future development. For this reason, it is important to establish new forms of customer relations that allow for constant, fluid and transparent communications through various traditional and/or digital communication channels, with a special focus on mobile applications, new functionalities, new payment channels and significant back-office automation.

Customer experience management became relevant to address the challenges of 2021. An example of this was the survey conducted in **Brazil** to determine the maturity of customers' experiences. The instrument was composed of 12 statements ant it was designed to reflect different Customer Experience pillars. As a consequence of its application, a cultural transformation plan was created to devise the new customer experience strategy, which includes actions involving the front line, customers and employees themselves. In addition, the Company measured the Net Promoter Score (NPS) and standardized its surveys through the VoC (Voice of the Customer) project.

Likewise, management in **Colombia** focused on three axes: designing the experience or Customer Journey, to deliver a value offer suited to the needs and preferences of B2C customers (business to customer), managing the experience on Net Promoter Score (NPS) channels, through the identification of areas for improvement and prioritization

of actions and opportunities for customer impact, and finally, recovering experiences, aimed at managing detractor customers and customers who didn't receive the promised value.

Another relevant internal aspect is to train employees to strengthen the customer centrality culture. An example of this in **Colombia** is the development of a diploma course on Service Management and Customer Experience, which focuses on providing knowledge, and furthering the attitudes and behaviors necessary to develop service-focused employees.

Additionally, as part of the development of the customer experience model, three training sessions were held which centered on the main concepts to generate memorable experiences, tools to identify improvement actions and the contribution from each role. All members of the B2B team participated in these trainings.

For the Customer Experience B2C team, the Customer Service Diploma was implemented in 2021. At the same time, the consulting company Millenium BPO worked with the Call Center to implement its school of leaders 2021, with the purpose of developing leadership skills and strengthening the service culture in the operation.

As part of Enel Américas' communication strategy to keep customers informed, communication channels were kept open and working smoothly. To this end, some of the communication campaigns executed during 2021 were:



Country	Campaign	Objective	Dissemination media
Colombia	, , ,	Teaching customers to read their bills. As part of the Customer Culture strategy, there were 1,530 workshops A tu lado (by your side). The 105,304 participating customers were visited in their homes and informed about business activities. For example, about scheduled outages, service disruptions, and safe and intelligent use of electricity and household appliances, among others. Eighty-nine schools were linked to the Energy Watchers program, where 19,666 children were trained and certified. In addition, 26 talks were given to 527 adults on legal, safe and intelligent use of the Company's products and services.	Website, participation in Enel-home conversations and advertising campaigns.
Peru	Caring for information with energy	Presenting the benefits of the Basic Services Law to customers with outstanding debt.	We take care of your information with energy.

# Affordability of rates and payment flexibility

# **Affordability of Rates**

Electric power distribution companies operate under a concession regime and have a responsibility to provide service to all customers. The type of tariff applied depends on the connected power and may be a regulated tariff for those customers with a connected power of less than 30 kW in Argentina, 1,500 kW in Brazil, 100 kW in Colombia and 200 kW in Peru. These customers account for 99% of the total portfolio and represent 81% of the total energy sold. On the other hand, free tariff customers can negotiate their supply with any supplier but must pay a regulated toll for the use of the distribution grid.

The tariff for the electricity supply of a residential customer with an average consumption of 200kWh per month, before taxes, is comprised of:

- Generation and transmission component. Corresponds to the purchase of energy from generation companies and the cost of electricity transmission.
- Distribution and marketing component. Corresponds to the added value of distribution, which addresses the administration, operation, maintenance and investment costs, based on the operation of a model company in the case of Peru and an accounting model based on remunerated assets (RAB) for Argentina, Brazil and Colombia.
- Assignments and Others Component: corresponds to assignments, bonuses, subsidies and grants, among others.

For Enel Américas subsidiaries, these components represent approximately the following percentages:

%	Argentina	Rio	Ceará	Sao Paulo	Goiás	Colombia	Peru	Weighted average Enel Américas
Generation and Transmission	71%	52%	50%	54%	57%	54%	63%	56%
Distribution and Marketing	24%	30%	37%	28%	27%	42%	31%	31%
Assignments and others	5%	18%	12%	18%	16%	4%	5%	13%
Total	100%	100%	100%	100%	100%	100%	100%	100%





Given the different national regulatory contexts, Enel Américas seeks to achieve efficiency levels that allow it to maintain the quality and safety of the supply within the framework of tariff recognition, which contributes to greater affordability for customers.

Enel Américas interacts with regulators to achieve affordable tariffs not only from distribution, but also by accelerating the use of renewable technologies and different alternatives that provide continuity of supply more economically than fossil fuels do, in addition to furthering the path to Net Zero.

# **Payment facilities**

In line with its internal policies, Enel Américas, carries out different actions aimed at offering its customers payment alternatives and facilities, preventing over-indebtedness and illegal connections that are detrimental to the quality and safety of people and of the service.

#### **Argentina**

To give customers the option to settle their electricity debts, the Company offered flexibility options to solve outstanding payment plans. This service can be requested remotely via virtual offices, Apps, social networks, as well as by telephone.

# **Brazil**

To support customers who were behind in their payments and to maintain a safe environment during the pandemic, the Company offered a differentiated payment policy through its Negotiation Portal, which was available on the distributors' websites, as well as in the respective applications (Apps). This process allowed Enel to offer customers new paying conditions, allowing them to choose the option that best suited them.

#### Colombia

In Colombia, Enel implemented Libérate (Free yourself), a plan offering renegotiating options and financial relief to customers who have a debt with their energy provider, allowing them to regain access to their service and to the Company's product portfolio.

Agreements can be reached virtually or in person, and they include the possibility of paying in three installments without interests, and discounting interests that had already been added for late payment of up to 48 months. As for results, since the plan was created, 32,371 payment agreements have been subscribed and \$ 32,179 MM in debt has been settled.

#### Peru

Payment facilities continued to be granted during the 2021 health emergency. With payment terms of up to 36 months, the residential segment was the most benefited. This boosted the rapid recovery of accounts receivable and helped customers to regularize debts incurred due to the economic difficulties generated by the pandemic.

During 2021, 149 million soles have been collected through payment facilities granted by Enel during the sanitary emergency.

# **Central America**

In line with the Company's internal policies, the generation subsidiaries of Enel Américas that sell to free customers evaluated the situation of each customer individually to grant them payment facilities. As a results, customers could renegotiate over periods of 12 to 36 months and in some cases could even extend their current contract. These initiatives managed to reduce the rate of accounts receivable and only one contract was cancelled, after the customer had already paid the outstanding invoices. In 2021, only 2 customers remain with payment arrangements.



# **Access for customers with special requirements**

EU23

# **Electro-dependent residential customers**

Enel Américas prioritizes servicing customers who are electrodependent, i.e., those who need to be connected to a medical device that requires constant electrical energy to operate. the Company has developed initiatives, in some instances in conjunction with governments and civil society organizations, with the aim of providing access and inclusion, and meeting the needs of all clients.

Key 2021 initiatives in this area:

To provide more security for electro-dependent customers, In 2021 **Argentina** continued with its certified Alternative Energy Source installations, which provide autonomy in the event of a service outage. In addition, the electrical installations of 13 homes were adapted and normalized, benefiting 52 people through Resolution ENRE No. 97/2021.

In **Brazil** Enel offers the following services to its customers that use or depend on equipment with limited autonomy, which are vital for the preservation of life and that need the supply of electric energy for their full operation: vital parameters monitors; equipment for manual and automated dialysis (DPA and DPAC); equipment for mechanical ventilation; CPAP: Continuous Positive Airway Pressure; BIPAP: Two-stage Positive Air Pressure; mechanical ventilators: BREAS 101/ BREAS 102/; artificial lung; oxygen concentrators and portable oximeters, among others.

In **Colombia**, the patient or his/her guardian can send the necessary data and documents via email, WhatsApp or by dropping them directly at the nearest office, to have the customer's account given a "protected" status, which means service cannot be suspended. By the end of 2021, the number of protected accounts with a "vital right" suspension restriction given for reasons of electro-dependence amounted to 3,451 customers

As a complementary service, customers in this category can access the free Energia Vital service, which operates 24 hours a day, delivering batteries by e-Taxis in approximately one hour. The service also provides support to the patient during the delivery and collection of the batteries at their place of residence.

In **Peru**, upon being informed by the customer that such a need exists in their home, Enel Distribución gives priority attention to cases that need to be connected to electric energy for health reasons.

# **Customers with special needs**

Enel Américas continued to strengthen its support for customers who require greater assistance in terms of accessibility, payment facilities, and specific products and services that allow them to improve their quality of life.

Following the policy and standards established by Enel, **Argentina** provides preferential attention to customers with disabilities, the elderly, pregnant women, customers with electro-dependent conditions and customers in vulnerable neighborhoods. In view of their difficult situation, the Company provides attention, advice and access to payment facilities.

In 2021, the Company offered training in sign language (LSA). The course consisted of 10 modules and was specially designed for commercial customer service representatives of the distribution subsidiary in Argentina. The invitation was extended to on-site customer care executives, with a focus on providing them with an extra communication tool.

In **Brazil**, with the aim of improving service for visually impaired customers, the "Conta em Braile" (Braille Bill) initiative was implemented in 2021. 59 customers have since started receiving electronic invoices with this reading system, which is sent together with the invoice in its original format.

In 2021, **Peru** launched various activities aimed at **staff and customers with disabilities**, providing them access to services from homes or workplaces through digital platforms. For example, the Pedius application eases commercial interactions for people with hearing disabilities, by converting voice messages into text and vice versa.

In alliance with the Kipu Llaxta inclusive association and thanks to the guidance of 19 volunteers with disabilities, the Company introduced changes in signage, adopted the use of sign language on information screens, and improved physical accessibility and services in 13 commercial centers. This partnership also yielded a consensual protocol of quality attention and adequate treatment to people with physical, hearing, visual or intellectual disabilities.





# Transversal and effective communication

#### 418-1 | EU24

During 2021 and in view of the challenges arising from the pandemic context and the digitalization process initiated in 2020, the Company continued to work on improving its communication channels, to guarantee the required fluidity and effectiveness in its relationship with customers, tailoring communications to their requirements with a view to improving customer experiences.

# Advances in digitalization of channels

## **Argentina**

To maintain transparent communications with customers, the Company has engaged in a process to re-register electricity service holders, opening a window to modify payment procedures, change the ownership for deceased customers and update personal information, all **via the App and virtual offices** and with a view to strengthening its customer-centric culture.

The Company also implemented a **Direct Digital Collection system** (RDD by its acronym in Spanish) to increase transparency and access to payment information for customers. From an operational point of view, RDD offers the ability to monitor the different payment channels, offer customers the possibility of operating online and therefore optimize service rehabilitation time and avoid undue suspensions while, at the same time, minimizing the Company's exposure to possible fines.

Other improvements implemented in digital channels:

**Payment gateway:** Migration of the payment and collection gateway.

**App:** Updated technological architecture and improved integration with Facebook and Apple Id.

**Web and App:** Integrated to new technological platforms: SAP/ISU/RDD/Salesforce.

**Web:** Modification of payment plan processing (App and Web), providing further information and a better user experience, achieving more than 1,107,925 payments made through digital channels.

**New platforms:** New procedures for change of ownership for relatives of deceased customers and to update information, achieving more than 2,700 customers making a change of ownership.

#### **Brazil**

With the aim of improving customer service, Brazil expanded its WhatsApp channel and in three months was able to equal the volume of customer service compared to traditional channels such as email and phone calls, resulting in:

- 502,000 requests received (between January and December 2021).
- Average time of first interaction: 5 minutes and 29 seconds.
- Average service time: 46 minutes and 49 seconds.

To avoid crowds at the doors of commercial offices and to limit the flow of customers, the Company opted to set up a scheduling system to request appointments at physical officesstores, achieving:

- 177.000 services.
- Scheduling of 52% of total visits.
- 69% (42) of the officesstores enabled with programming.
- 10 minutes less waiting time in the officestore than in 2019 (2021: 1 minute and 42 seconds).

#### Colombia

In 2021, the Company continued its omnichannel approach, a strategy that strengthens the relationship with customers, ensuring their experience and loyalty through the integration and synchronization of the available communication channels and promoting automated end-to-end processes.

Aiming to expand its digital customer service options, Brazil expanded the WhatsApp channel, reaching the same volume than the call center: 21.3 MM requests received in 2021.





# Permanent communication with the customer

To this end, improvements and/or updates were made to the following digital channels:

Interactive Customer Care: To generate an efficient, agile and timely service that covers all customer needs and to improve customer experience, Interactive Customer Care was implemented through digitalization and the use of technological platforms to provide clients with the ability to do different procedures online, which previously required visiting a commercial office. The various interactive digital channels offer the assistance of 336 advisors that operate through chat, mail, WhatsApp and others.

Weekly consumption information: This initiative was implemented for customers with Advanced Metering to deliver weekly information on their highest consumption days and subsistence consumption behavior. The results indicate that, in 2021, Enel Colombia sent more than a million messages to 31,000 customers with registered authorization for the use of personal data, and from the regulatory point of view, the lessons learned from this Company's pilot project were presented to the Energy and Gas Regulatory Commission (CREG).

**Web Chat:** In July 2021 the Company launched Web Chat, a tool that seeks to optimize customer service by means of an exclusive button that records conversations with the technical team and allows them to follow up on their cases.

**Social networks:** This channel operates 365 days a year and handles all product portfolio requests. In 2021, there was a gradual improvement in response times adding up to 95% on Twitter and Facebook. This was achieved via a stronger shift system and the implementation of online follow-up.

**Videocalls:** During the first half of 2021, this was the only channel available to review the Crédito Fácil Condensa service, which dealt with customers' payment terms and receipts. The success of this channel allowed the Company to process 2,700 calls per month.

**Virtual office points (RIA):** Due to the closure of some customer service centers in the municipality of Cundinamarca, this channel became even more relevant, with a service level of 100%.

**Elena Bot-Virtual Assistant:** Through WhatsApp, a total of 369,378 robotized transactions and queries were generated, which is equivalent to a monthly average of 16,540 and 14,241 respectively. Facebook Messenger generated 1,580 transactions and queries. Finally, during the first 3 months after the implementation of the web chat service, 13,837 robotized transactions were generated.

**App:** With more than 1,150,000 downloads by the end of 2021, the App share remains at 22.2%, with more than 4,900,000 million transactions through this channel.

**Web:** The web page continues to be one of the preferred channels for customers to contact the Company and carry out their transactions. During the year, the web page had a total of 19,552,758 sessions, and more than 16,900,000 transactions and/or queries. Additionally, a new functionality was implemented for customers to submit questions, complaints and claims (PQR by its acronym in Spanish) in a simple and intuitive form, expanding the range of customer service channels.

**Digital Agreements:** Three new digital channels were implemented in 2021 to better reach out to customers. These channels -Chat, WhatsApp Elena and Facebook- offer the possibility of drafting payment agreements, and they operate in addition to those already implemented in 2020 -App, web and IVR-. Currently, 24,007 payment agreements have been made through these channels, adding up to \$ 4,546 MM.





#### Peru

In 2021, the Company adopted different digital strategies to adapt to the new needs of customers, and to adequately respond to Enel Américas' digital culture and sustainability principles. In this way, customers have better access to their electricity bills, and they can manage procedures remotely.

Some of the initiatives that are being implemented are:

**Digital bill:** This alternative allows customers to access their bill at any time from their email, reducing their need to physically go to a commercial office. At the end of 2021, **152,748** customers had signed-up to receive a digital bill instead of a paper one, which represented **10.9%** of the total number of customers of Enel Perú.

**LATAM application and website:** Digital channels that allow customers to access their meter self-reading, pay their bills, report damages to their homes and public lighting and access payment agreements, among others.

**Remote Call Center:** In 2021 the Company worked under a mixed modality, where 20% of the staff was in person and 80% operated remotely. This ensures the correct management of customers' requests and, at the same time, the safety of the team in consideration of the pandemic restrictions.

**Virtual assistant in social networks:** To complement digital customer service, the Company reinforced customer service through the application, and implemented the WhatsApp, Facebook Messenger and Web Chat systems. By managing its social networks presence, the Company can learn from the interactions made by customers, thus strengthening its response capacity. In 2021, network virtual assistants resolved more than 2 million queries.

**New Digital Zone and Self-consultation equipment:** The digital Hub located in all customer service offices provides customers with greater access to their bills in digital format, and payment and consumption history, among others.

Collection channels: Aiming to diversify digital collection channels, the Company launched its third digital wallet, called Rappibank. Through this initiative, 2,500 points were added to the initial 13,000 in the concession area. Additionally, Enel implemented Web Enel Pay, a satellite platform that has replaced the Centralized Payment System and allows clients to pay their overdue bills online, either partially or in full, and to update their payment status.

WhatsApp Enel Business: To promote self-service and improve the satisfaction of large customers and institutions, the Company implemented direct contact system, to answer queries via cell phone messages. This channel optimized response times by 20%, with an average of 500 queries per month and a satisfaction rating of 4.1 (on a scale of 1 to 5).

# **Xcustomer system**

The Xcustomer System was officially implemented in 2021. This is an official Enel X platform that integrates different software developments to standardize processes, deliver solutions and responses by combining customer data and profiles, improve follow-up on quality issues, simplify operations and improve response times.

# **Customer satisfaction**

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

#### **Brazil**

The Brazilian Association of Electric Power Distributors (ABRADEE) measures users' Perceived Quality Satisfaction Index (ISQP by its acronym in Spanish) through a survey aimed at different customer segments. Its methodology considers a statistically representative sampling, with a confidence level of 95% and uses the CIER methodology.

The Company recorded a drop in ISQP in all its distributing subsidiaries but believes that this decrease in the entire Brazilian distribution market correlates with a methodological difference: in 2020 the survey was conducted online, due to the pandemic, and in 2021, in person. Results could also have been influenced by the Coronavirus context, as it imposed greater difficulty in approaching customers. Thus, the Company did not reach the satisfaction targets for the year, which were 70.4%, 74.9%, 63.7% and 73.2% for Enel Distribuição Rio, Enel Distribuição Ceará, Enel Distribuição Goiás and Enel Distribuição São Paulo, respectively.



**Appendix** 

ISQP	2021	2020	2019	2018 <sup>3</sup>
Enel Distribution Río de Janeiro	63.60%	68.60%	60.30%	70.40%
Enel Distribution Ceará	59.80%	70.90%	67.50%	80.10%
Enel Distribution Goiás¹	59.90%	60.70%	60.00%	66.30%
Enel Distribution Sao Paulo <sup>2</sup>	56.40%	66.50%	69.70%	73.30%

<sup>(1)</sup> Controlled by Enel since February 2017

Satisfaction targets for 2021 were 70.4%, 74.9%, 63.4% and 73.2% for Enel Distribución Rio, Enel Distribución Ceará, Enel Distribución Goiás and Enel Distribución Sao Paulo, and 70.5% at the aggregate level for all Enel Brasil distributors.

targeted and exclusive attention and, in turn, will positively impact customer experience. Based on the main customer requirements, the survey grouped satisfaction dimensions into: (1) Quality of service, (2) Billing, (3) Customer service and (4) Information, communication and image.

#### Colombia

During 2021, the survey to measure customer satisfaction with respect to perceived quality (ISCAL) was carried out in person, allowing the Company to classify customers according to their geographical area, which will translate into

This measurement is based on a survey, which represents -statistically- the total residential customer base. The results have a confidence level of 95% and work with a margin of error of 4% at a general level.

### **ISCAL Codensa results**

	2021	2020	2019	2018³
Residential energy Cundinamarca	64.3%	74.6%	58.7%	69.5%
Residential energy Bogotá	79.2%	79.4%	62.7%	73.2%

The satisfaction goals for 2021 were: 76.6% residential Cundinamarca and 81.4% residential Bogotá.

Part of the good results obtained in 2021 are probably associated to the fact that customers recognize the improvements in quality of service and value the Company's efforts to have digital channels for customer service, implementing new transactions within existing channels and providing options to receive and consult their bill digitally.

### Peru

In 2021, a satisfaction survey aimed to measure the quality of service as perceived by customers, and considered the following evaluation areas, which represent the most relevant attributes for the Company in its relationship with customers.

<sup>(2)</sup> Controlled by Enel since June 2018

<sup>(3)</sup> Figures published in the Sustainability Report 2020





### Satisfaction survey: measured attributes









This survey collects information from a statistically representative sample on the total base of residential customers, by means of a structured questionnaire, which is applied to households in the concession area.

### **Customer satisfaction survey results**

	2021	2020	2019	2018
Customer satisfaction	63.5%	Not evaluated due to the pandemic	53%	55%

### Requirements and claims management

Enel Américas has different channels for customers to communicate a complaint or request information and uses them to learn about the perceptions of its customers, understand the problems they report, and implement the corresponding corrective measures. To this purpose, the Company constantly monitors the complaints or observations received through these channels, which are accessible through e-mail, toll-free telephone number and the website, among others.

### Zero Claims plan

With the encouragement of Enel Group, The Zero Claims Plan was launched in January 2021, focusing on improving customers' experience through the contact channels. Some of its initiatives were:

- **1.** Establishing service protocols in channels and back office, such as reading, collection and cases with incorrectly issued orders, among others.
- **2.** Advancing immediate re-billing, increasing the number of times it can be done in a year and the amount, driving the number of services at the first contact.
- **3.** Advancing improvement projects, some of which are: adding self-reading options on the website and App, systemic improvements in the collection process to avoid improperly amortized payments, preventing system crashes, among others

In **Brazil**, at the end of December 2021, there were 900,000 (494 per 10 thousand customers) commercial claims, 37% below the result of 2020 (1,439,728 claims and 801 per 10 thousand customers). Quality of Power claims were 221,518 (121 per 10,000 customers), 13% below 2020 figures (254,384 claims and 142 per 10,000 customers).



In Colombia, the B2G claims indicator was 118%, which was achieved in coordination with the Customer Care Area and B2G Engineering and Operations.

Our ESG performance

In 2021 Peru achieved 1,004 claims per 10,000 customers, 25% below the country's target. This was probably the result of the actions implemented in the Claims Reduction Plan.

Main 2021 initiatives in relation to the management of requirements and complaints:

### **Argentina**

To deepen the analysis of Customer Journeys, in 2021 the Company began to measure and analyze experiences in the customer service channels; this was done by sending biweekly satisfaction surveys to customers who interacted with the company's customer service channels (call center, commercial offices, virtual office, app and social networks). Parallel to this, the Relational NPS Survey measured NPS, probed into its process and then continued measuring NPS indicators along the journey (information on my bill, having to pay my bill, power outages).

#### Brazil

After conducting the surveys and based on the analysis of the operational indicators and satisfaction indexes, the main customer complaints were followed up to obtain a broad view of the efforts to be made to improve customer experience.

### Colombia

In line with the objectives of the Enel Group, Enel Codensa implemented a local project to analyze the multiple requirements made by customers and the implementation of initiatives that seek to reduce the volume of complaints to a target of 627 complaints per ten thousand customers. This effort was led by a transversal team from different areas of the Company and the management strategy they devised consisted of developing the following initiatives:

### **Proactive notifications**

Sending text messages to customers with a 30% variation in billed consumption with respect to the previous month's consumption, and to customers with three or more billed days with respect to the previous month.

### Eye tracking study

Diagnosis of Enel Condesa's billing by consulting costumers' opinion regarding information, design, comprehension and usefulness.

### Migration of the Robotic **Process Automation system**

Introducing changes to the platform for customer requests, complaints and claims, which improved payment and attention times.

#### Voltage quality

Prioritized intervention plan on the circuits identified with poor voltage quality.

### **Bot for consumption analysis**

Solution that assists the service advisor when receiving the claim. It offers a comprehensive analysis of the account, seking a first-contact solution by delivering clear and sufficient information.

#### **Dashboard global**

Daily tracking tool to assess claims performance, both commercial and technical.

### **Predictive model**

Developing a predictive model that produces a list identifying customers that are likely to complain and the cause of their dissatisfaction. This list is delivered daily to all customer service channels.

### Remote management

Proactive contact with customers to provide clarity on the charges to be made for energy recovery actions, as well as to offer information on payment facilities.





#### Peru

During 2021, the Robotic Process Automation (RPA) system was implemented to automate certain repetitive tasks, such as the generation of informative letters and resolutions required by the regulator to respond to customers. The effectiveness achieved in 2021 was 73% for informative letters and 64% for resolutions. Removing personnel-related limitations made the process more efficient and continuous.

52,980 informative letters generated by RPA.

45,848 resolutions generated by RPA.

### A transparent relationship with customers

418-1

Providing a transparent and quality interaction with customers is essential for their satisfaction with the service provided. For this reason, Enel Américas requires, in accordance with its Code of Ethics, that all contracts, communications and announcements of the Company's various subsidiaries:

- Are clear and simple, written in a language as close as possible to that normally used by clients.
- Comply with applicable regulations, without resorting to illegal or unethical practices.
- Do not neglect any data relevant to the customer's decision
- Are accessible to the customer.

For communications with customers to be truly transparent and of high quality, the Company is committed to ensuring that any cultural, language, illiteracy or disability barriers do not affect equal access to information. In its operations, Enel Américas and its subsidiaries respect the regulations of each country regarding personal data privacy. For this reason, the Company has defined a Personal Data Protection Officer (DPO) for each country, in addition to the Enel Group officer, to ensure full compliance with regulations protecting the privacy of all persons with whom the Company interacts. Additionally, Enel Américas is committed to supervise that all suppliers and contractors that could use the private information of its customers, also comply with regulations on this issue. For the latter, the Company incorporates specific clauses in the contracts with them, requiring them a safe and respectful use of personal data.

In 2021, Enel Américas had two records of personal data losses. In Argentina, Edesur reported an incident to the local energy regulation authority (Ente Nacional Regulador de la Electricidad) – which occurred due to an unauthorized access to the website and, in Colombia, Codensa reported a personal data breach to the local control authority, which was caused by a security incident in the private area of an application used by customers.

Other than the above, the Company received 11 formal complaints from customers and 57 from regulators, although during 2021 there were no substantiated complaints received about breaches of customer privacy.

Enel Américas and its subsidiaries strongly condemn criminal acts related to information security, so the Company always analyzes and identifies potential causes to improve internal controls. Enel Américas also maintains a global Privacy Policy, as well as internal policies regarding information security and data processing. As preventive measures, the Company has a cyber emergency preparedness team, responsible for preventing and managing cybersecurity incidents. In addition to disclosing the topic in general communications to employees and including data protection clauses in contracts with partners and suppliers, among other actions, the Information Security and Data Protection Office offers internal training alternatives.

Customer data is used only for business purposes. If the Company requires the use of this information for other purposes, the customer's consent will be requested beforehand



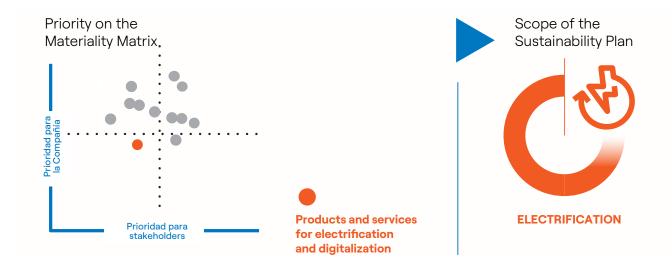






## Products and services for electrification and digitization

103-1 103-2 103-3



### Primary material issue: Products and services for electrification and digitization

How is it managed? Material issues

Enel Américas, through its subsidiary Enel X, promotes new technologies and innovative, sustainable and technologically integrated solutions. These aim at electrifying energy consumption of homes, cities, industries and transportation, advancing on the path to Net Zero and smart and ever more sustainable cities.

To achieve this, Enel X has created an ecosystem of innovation and partnerships, as a catalyst for new technologies focused on the circular economy.

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

### Importance of good management

Enel X is changing paradigms in energy consumption, with solutions and services associated with electrification and digitalization, which enable cleaner and more efficient uses to move towards a carbon neutral economy and lifestyle.

With Enel X, Enel Américas consolidates an offer of services to better face the risks of energy transition, which are mainly associated to the market, either because of changes to its fundamentals or to the expectations or consumption behaviors of customers. Enel X offers innovative and competitive energy solutions through digital platforms and state-of-the-art technology that promote sustainable behavior and productive practices in the use of energy. Enel X products and services reduce the environmental impact and guarantee a high-quality experience, which is more independent of the risk variables related to fossil fuels.



### Sustainable Development Goal













### Goals and challenges

SDG	Activity/goal	<b>Goal Plan</b>	2021	<b>Goal Plan</b>
		2021-2023	results	2022- 2024
9 MORTH MONTHS 11 SERMANDICHT A 13 20MT	Public and private electric charging points and bus charging points	7,367	3,319	10,311
9 HUNCHANNIN 11 SEMANUCHU 13 SANT A S	Electric buses (Joint Venture with AMP)	2,182	880	3,209
7 distribution 9 december 11 december 13 dust 13 dust 14 december 14 december 15 december 17 december 17 december 18 dust 18 d	Installed light points	1,213	849	1,235
7 diffusions of minimum production of minimu	Demand Response (MW)	250	27	309

Simbology: New + Redefined





### How do the Human Rights Policy Principles apply

**Environment** 

Enel Américas, through Enel X, promotes life in pollution-free environments, aiming at the decarbonization of cities, industries and homes through the electrification of energy consumption.

Comunicaciones

Enel Américas maintains clear, transparent and simple communications with its customers, written in a language that is as close as possible to that normally used by the people to whom the message is addressed.





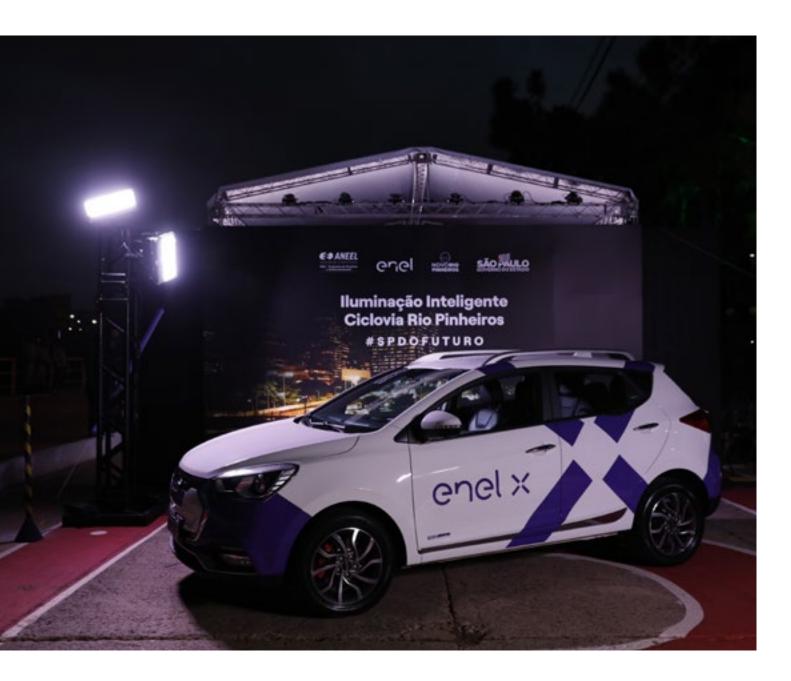
### What is Enel X?

Enel X is a subsidiary of Enel Américas that participates in the transition to Net Zero by offering integrated solutions aimed at the electrification of energy consumption at the domestic, urban and industrial levels, leveraging the circular economy and digitalization.

Enel X offers solutions anchored in digitalization, sustainability and innovation, which seek to encourage conscious and efficient consumption, through four lines of business for different segments: residential, companies and institutions.

To this end, the Company has defined a strategic plan based on four pillars:

- **1. Strengthen the relationship with customers:** Understand their needs to improve their experience.
- **2. Growth:** Develop new business models with value propositions that guarantee sustainable growth.
- **3. Positioning:** Increase brand awareness by promoting attributes related to innovation, technology and sustainability.
- **4. Identity:** Develop a sense of belonging through the promotion of wellbeing, health and safety of all workers.





### **Enel X main business lines**

Our sustainable progress



#### F-Home

Provides solutions to simplify and improve people's quality of life through a wide range of products and services. The goal is to promote the use of clean and efficient energy, reducing the carbon footprint of homes. In 2021, e-Home changed its e-commerce, incorporating a new global platform.

https://www.enelamericas.com/es/conocenos/EnelX/e-home.html



### E-Mobility

With the aim of contributing to the electrification of both public and private transportation, this business line specializes in the installation of electric charging infrastructure and the technological development of electric mobility. The aim is to combat the pollution that has until now been a characteristic of megacities and offer alternatives to provide better quality of life for its

https://www.enelamericas.c om/es/conocenos/EnelX/e-h ome.html

citizens and for future

generations.



**E-Industries** Based on strategic public-private alliances for the financing, development and execution of projects and solutions in different areas such as infrastructure, lighting, transportation, security and welfare, this line of business seeks to contribute to the sustainable urban development of cities and their inhabitants. The purpose is to become a leading player in the development of smart cities through innovative services that cover the entire urban ecosystem. Its portfolio includes efficient public lighting with remote management, which combines energy savings, performance and aesthetics. In addition, it provides new forms of autonomy and energy efficiency in buildings, advertising infrastructure lighting, and digital services such as public telemonitoring with video analytics and sensorization, providing municipalities with a single interface and simplifying the processes and management of services that operate in an interconnected way with each other.

https://www.enelx.com/cl/e

s/empresas



The purpose of this business line is to be a strategic partner that contributes to the sustainable growth of its industrial and commercial customers. To this end, it offers innovation and technology solutions, generated through its extensive network of partners and suppliers. It caters to the B2B segment, with solutions for electrical infrastructure, energy efficiency and optimization of consumption in buildings and industrial facilities through demand management, ultra-efficient LED lighting, photovoltaic generation, solar parking lots, and heating and air conditioning systems. All these solutions intend to reduce primary energy consumption, to make operations more efficient and sustainable. Additionally, this division develops comprehensive projects, which include specialized consulting, implementation and monitoring of each service, all of which translate into a differentiating value for companies. Through its e-Industries services, Enel X enables companies and industries that are responsible for climate change, to reduce their consumption and greenhouse gas emissions. https://www.enelamericas.c

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itv.html



#### Financial Sevices

Enables technological development and improves quality of life, radically simplifying customers' financial processes and offering money services to a wider audience.









### e-Mobility

### **Across-the-board projects**

2021 was a year marked by new business models that bring electromobility closer to people, cities and businesses. One of the main launches was the Charging as a Service model, which allows companies to pay a monthly fee for a fixed term instead of all upfront costs at once. This model builds on the individual nature of each customer's needs and makes it easier for organizations to finance electrical infrastructure (private, shared or public). Some of the elements that can be evaluated for financing are required works, chargers, charging management software, electrical power and even the fleet. One example is the first charging station pilot built in Colombia, which is servicing a fleet of 25 electric trucks.

Additionally, Enel X developed a public charging network for Volvo in eight Latin American countries: Argentina, Chile, Colombia, Costa Rica, Panama, Peru, Puerto Rico and Uruguay.

Another innovative business model is the subscription model, initially implemented in Brazil through the Ecovagas project. In this model, companies with sustainability objectives can provide their customers and collaborators with access to an extensive existing network for an annual or monthly fee. In this way, companies from different sectors can contribute to the development of electromobility without large investments in infrastructure, achieving maximum impact with minimum investment.

### **Argentina**

An electric recharging project was implemented in the Buenos Aires Penitentiary Service, which is currently managing 600 vehicles, including cars, buses and motorcycles. This new infrastructure allows the Ministry of Justice and Human Rights of the Province of Buenos Aires to use vehicles without CO<sub>2</sub> emissions and reduce the operating costs of its fleet, while at the same time promoting electromobility and contributing to a more sustainable city.



### Brazil

Enel X Brazil is building the most important semi-public charging network in the country, with 200 new smart chargers that are being set up in partnership with Estapar, the largest parking network in the country. The project is called Ecovagas and focuses on locations such as airports, stadiums, shopping malls, hospitals, commercial buildings and educational institutions. Initially, the chargers will be installed in 23 cities across 10 states, such as São Paulo, Barueri, Belo Horizonte, Guarulhos, Rio de Janeiro, Curitiba. Recife, Aracaju, Brasilia, Salvador, Fortaleza and Campinas.

Through the Green Summer Program, Brazilian streets are seeing the first electric buses, a project in which the Company participates in partnership with B&D and the municipality of Rio de Janeiro. The vehicles will be used for free tourist circuits covering the main cultural attractions of Madureira, a neighborhood in the city's North Zone, and Enel X will be responsible for the operation, maintenance and recharging infrastructure.

Regarding electric vehicle brands, Enel X's smart charging solutions were certified by Audi and 54 JuiceBox chargers were supplied to Audi employees and executives. In addition, Enel X certified its JuiceBox chargers with Stellantis, offering solutions to dealers and end customers for the Fiat, Peugeot and Citroen brands.

### Colombia

Upon securing the contract via a bidding process, Enel X Colombia built two new electro terminals and supplied 401 electric buses for Transmilenio S.A., the Integrated Public Transport System (SITP) of Bogota. Also regarding electromobility, the electric cabs pilot project has been running for 8 years, has traveled more than 16 million kilometers and avoided 4.500 tons of CO<sub>2</sub>.

As for the supply and installation of recharging equipment, more than 850 recharging points have been sold and installed nationwide, and we expect to continue offering recharging products from the Enel X's JuiceBox, JuicePole and JuicePump lines to the domestic market. In this category, new agreements have been reached with local distributors of brands such as Volvo, Porsche, Jaguar, Land Rover and Nissan.

Another 2021 milestone is the inauguration of Colombia's largest electric car station in the Unicentro shopping center in Bogota, which has 8 digital and intelligent chargers from Enel X's JuiceBox line, allowing electric vehicles to be recharged quickly and efficiently.

### **Peru**

Via an alliance with the state-owned company Petroperu, Enel X Peru implemented the first network of electric charging stations in service stations. The first 60KW charger was inaugurated at the Kío Service Station, at kilometer 25.62 of the Panamericana Sur highway. Along these same lines, and thanks to an agreement with the Urban Transport Authority for Lima and Callao (ATU), the Electric Bus Standard project will have modern, non-polluting vehicles that will be accessible to all users.

In relation to the mining sector, the Company provided a recharging solution, a 150 kW JuicePump, for a 100% electric truck operated by the Condestable Company. Additionally, Enel also developed a pilot program for the use of electric cars and their respective charging infrastructure for the company Marcobre. The location of the mine allows for the regeneration of battery energy, which translates into further reductions in total CO2 emissions and savings in the operation of the electric vehicles.

Other initiatives to promote sustainable mobility include the donation of a JuicePole electric vehicle charger to the Ministry of Energy and Mines at its institutional headquarters in San Borja and the implementation of a photovoltaic carport in the parking lot of Enel Peru's facilities. This initiative will allow workers and guests to charge their electric vehicles with 100% clean energy obtained from solar panels and will allow the operation of up to two electric chargers simultaneously.





### e-Home

### Across-the-board projects

The 360° Assistance Service launched in Colombia has enabled the consolidation of a portfolio of services for residential clients, positioning itself as one of the most successful Enel products, with more than 17,000 sales since its onset. In 2021, a single medical assistance service provider was awarded for the entire region, offering services that span from a doctor's visit to ambulance transfer for emergencies and assistance with coverage of funeral expenses and support in the event of the death of a relative.

Additionally, this service provides home assistance to deal with domestic emergencies, which also serves the purpose of preventing malfunctions by providing maintenance service at home. Through 360° Assistance, the Company offers services that are aligned with the needs of customers, at the lowest costs in the market and with the support of the best service providers.

### **Argentina**

Enel X Argentina is working on a strategy for the Homix 2 project, which is a smart technology product (Internet of Things) for home use, which is being developed together with one of the leading telecommunications and IT companies in the country.

### **Brazil**

In 2021, Enel X Brazil made significant progress in various projects in this area. The Payment Agreement project was developed in tandem with Distribution. Its main offering is the energy agreement Luz 360°, which allows customers to voluntarily obtain differentiated conditions when negotiating their debt with the distributor (lower interests, more installments and lower entry in the negotiation). Additionally, the scheme offers a guarantee of payment in the event of a calamity. In this same payment area and through an alliance with Distribution, the Automatic Debit Tasting campaign was launched, which offers a two-month free trial of the Residential Assistance product to customers who adopt an automatic payment system for their energy bill.

#### Colombia

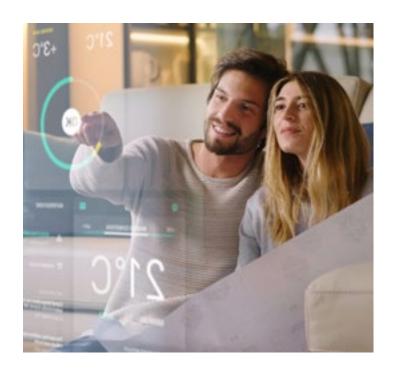
In Colombia, this year the Company signed agreements with two additional urban cleaning operators in Cundinamarca, to increase the scope of the joint billing in the populations of the coverage area. In 2021, 1.7 million customers were served through this service provided to 9 operators in Bogota, Girardot, Fusagasugá, Soacha, and Facatativá, among other municipalities.

### **Peru**

In 2021, Peru improved the efficiency of its call center's outbound channel by using updated databases to increase contactability and drive sales, an effort that had the Company joining forces with Distribution via the Data Quality LATAM project. This channel also obtained a high conversion rate in the leads campaign, positioning Peru as the second most successful country in this area. In addition, the Company began D2D operations in Norte Chico, a pioneer action in door-to-door sales.

On the other hand, the Company partnered with a local e-commerce solution to participate in the retail of home appliances through digitalized channels, building a catalog of more than 90 products and achieving more than 170 leads per month of operation.

Along this same line, the Company engaged in its first Facebook digital campaign. This new channel was set up to solve queries or doubts, and to serve as a channel of communication with customers.





### e-City

### **Argentina**

In 2021, the Company participated in the energy efficiency plan for the Buenos Aires penitentiary units, which contemplated the provision, adaptation and installation of LED equipment in the penitentiary units assigned, with a total of 818 luminaires. Another similar project was the installation of 282 LED streetlamps in eight town parks in the municipality of Lanús, to improve lighting conditions and contribute to efficient consumption.

The Company also provided five electric bikes to the security personnel of the Municipality of Ezeiza and launched an ecopoint in the Municipality of Lomas de Zamora, to renovate the facilities of a municipality recycling center.

There are two noteworthy initiatives for the provision and replacement of public lighting fixtures, in an effort to improve visibility and safety in these localities: 1,500 LED lighting fixtures in the Municipality of Berazategui and 1,000 LED lighting fixtures in the Municipality of Cañuelas.

The new electric charging terminal at the Buenos Aires Penitentiary Service of the Ministry of Justice and Human Rights meant another point was added to the grid that Enel X has been developing throughout the concession area, which includes another five charging terminals in service stations, and another three in Enel's buildings.

### **Brazil**

Enel X Brazil executed a public lighting project in the Municipality of Angra Do Reis, where 21,000 lighting points were modernized, which included the incorporation of services such as a control center, remote management, and an associated application and web portal. All these measures contribute to reducing power supply downtime, improving public safety and neighborhood quality of life, and providing the city with better-quality architectural lighting and energy savings. In another highpoint of the year, the Company participated in the lightning of city monuments and historical buildings for Christmas.

As part of the Urban Futurability project, Enel X, together with Enel Distribuição São Paulo, implemented the first intelligent bicycle lane in Rio Pinheiros, which covers a total of 14 km and about 568 lighting points with remote management and real-time monitoring. Two solar trees were also installed, and the project will continue in 2022 with the intended implementation of 5G, monitoring cameras and smart sensors.

### **Smart cities**

In line with Sustainable Development Goal 11, Enel X seeks to make cities inclusive, safe, resilient and sustainable.

Enel X maintains a focus on everything that encompasses the urban city ecosystem, aligning it with its vision of smart cities: smart street lighting, architectural lighting, electric public transport, public buildings, digital services and smart urban design. The Company has created business partnerships with public administrations, communities and all stakeholders to deliver cuttingedge solutions and create smart, efficient, welcoming and sustainable cities.

Under the "Green Summer" program of the municipality of Rio de Janeiro, Enel X joined forces with BYD to implement the first e-bus project in the city of Madureira region, which is now part of a cultural tour that visits the main attractions of the city.

This year also saw progress in public electric mobility, with the creation of the "e-bus as a Service" scheme, a project that seeks to explore the potential of e-bus manufacturers located in Brazil. In 2021, about seven NBOs (non-binding proposals) were presented with more than 300 e-buses within the "e-bus as a Service" model. The focus was the city of São Paulo, with development opportunities projected in Bahia, Rio de Janeiro, Goiás and other locations.

### Colombia

In 2021, the electro-terminals Suba and Usme were delivered at the Bogota airport, thus completing the first phase of the project that included the construction and commissioning of four electro-terminals for Bogota, which total 223 smart chargers and are servicing 477 electric buses.

As part of the project to modernize Bogota's public lighting with LED technology, more than 22,000 luminaires were installed, mainly in the districts of Ciudad Bolívar, Engativá and San Cristóbal, and more than 7,140 luminaires on main avenues were updated.

Similarly, Enel X carried out the traditional Christmas lighting of Bogota, which was organized jointly with the district mayor's office. This yearly event calls for the illumination and decoration of parks, main avenues and points of interest, with the aim of creating beautiful spaces for citizens and visitors to enjoy, as well as boosting trade and the economic reactivation of the city. Through this project, the Company





illuminated more than 18,000 m2 in 26 points throughout the city, and installed approximately 10,500 LED Christmas lights, which are efficient, are made with low-consumption and low heat technology and feature the highest safety and quality standards.

#### Peru

Enel X Peru installed more than 1,000 LED luminaires in the districts of Cercado de Lima, San Miguel, Callao, San Isidro and Pueblo Libre, providing lighting above the regulated standard on roads, parks and squares in these districts. The arms, poles and LED luminaires installed in the historic center of Lima were chosen to respect, preserve and highlight the architecture of the area. Likewise, two very important shopping malls in the city of Lima were illuminated for Christmas with 12-meter-high trees. The façade of the Italian Art Museum was also the recipient of a seasonal lightning project.

The Company also kicked off the project to renovate public lighting fixtures in the Norte Chico area of Lima, which will have 38,600 LED luminaires distributed in the districts of Huacho, Huaral and Barranca. The entire project is expected to be completed by December 2022.

The first electric bus for public transportation began its pilot run on the Red Corridor route in Lima. On the occasion, the Company introduced a guide to present its view for the implementation of large-scale electrification, and the Global Sustainable Electricity Partnership (GSEP) made its initial donation to the Urban Transport Authority (ATU).

Regarding mining, Enel X Peru set up a strategic alliance with Mining Company Gold Fields and BYD, electric vehicle manufacturer. Through this agreement, Enel X Peru is developing a pilot with a BYD electric bus and a charger in Gold Fields' Cerro Corona mine in Cajamarca; this bus is currently operating and transporting personnel. During the six-month test run, information on the operation of the bus will be collected to finally present the client with the main results obtained together with a non-binding proposal.

### e-Industries

### **Argentina**

Enel X Argentina joined forces with Banco Santander to encourage companies to move towards clean energies. As an incentive, the bank is offering special products to finance the purchase of energy-efficient equipment for SMEs and other companies in Argentina, including solar panels and lithium batteries. The Company will design tailormade solutions for each of the customers under a turnkey modality, and Banco Santander Argentina will offer financing options over four to five years, so that customers will be able to generate substantial savings in tariffs and achieve efficiency in their consumption.

### Solutions for companies

Enel X's offer for companies and industries aims to incorporate this sector to the processes of electrification of energy consumption, in a quest to promote a decarbonized, electrified and digitalized economy.

In relation to the billing system, Enel X Argentina successfully installed the UBM (Utility Bill Management) platform in the offices of the Metropol Group (public transportation) to start the path towards monitoring and optimizing energy consumption. This tool enables Metropol to analyze invoices with more than 20 different controls, to reveal possible anomalies in the tallying of their consumption and compare against factors such as contracted demand, to be more efficient and save costs. After being operative for just two months, the platform has identified significant savings opportunities, which, when viewed on an annual basis, represents an efficiency of 8%.

#### **Brazil**

Enel X Brazil installed a photovoltaic project for Bradesco bank consisting of 18,550 panels distributed in a total area of 246,431 m2, which entail a CAPEX of 10.3M € to build, own and operate 9 photovoltaic plants in 3 different states. The total installed capacity of the project is 10.98 MWp. In addition, there were 4,000 UBM supply points.

### Colombia

In 2021, Enel X Colombia signed a contract with Enel Codensa and Ufinet Colombia to expand the latter's operation and install Ufinet Colombia optical fiber in Bogota and Sabana. As part of the project, Codensa will provide



permanent advisory services regarding technical activities, community management, HSEQ management, inspections and support or the 1.2 million Home Passed (HP) project.

Regarding photovoltaic projects, in 2021 Enel Condensa won the largest tender for self-generation systems in the country, which was tendered by the group of large energy consumers, coordinated by Cosenit S.A. In a single process, Enel Condensa was awarded 13 solar systems with a capacity of 37.3 MWs for eight of the most important companies in the commercial and industrial sector, among which are: Éxito, Eternit, Corona, Cementos Tequendama, Central Cervecera, Club Los Lagartos, Carvajal and Postobón. The duration of this contract is 12 years and will allow the Company to consolidate its position as one of the players with more MWs of self-generation. The project contemplates the installation of approximately 82,700 solar panels, which will prevent the emission of 18,600 tons of CO<sub>2</sub> per year, granting the participating companies a 15% reduction in their energy bills.

#### Peru

Enel X Peru implemented the electrical infrastructure project for the tunnel boring machine for line two of the Lima Metro train, allowing the Company to explore a new business area and to go beyond the company's concession area. Projects of this magnitude position Enel X Peru as the main partner of companies in the use of energy.

Regarding the development of new clusters, one of the main initiatives is the first storage project, which consists of an energy storage system or BESS, with a capacity of 500 kW for Pamolsa, a plastics company. The customer will reap various benefits such as improved energy quality and peak shaving for a period of 10 years, which will allow it to obtain sustainable savings.

One of the most important and pioneering projects of the year was the installation of a large-scale energy storage system "Behind the Meter", which allows industrial customers to reduce power charges and transmission tolls registered during peak demand hours. Another noteworthy initiative is the Peak Shaving service granted to the company Pamolsa for 10 years, which consists of the installation of large-

capacity smart batteries behind the meter, which store energy during off-peak hours and make it available for use during peak hours, via an artificial intelligence system.

Finally, another milestone worth recording is the first 10-zone Christmas lighting project in Parque Arauco shopping center.

### e-Financial Services

### **Brazil**

In 2021, Enel X Brazil managed to structure and approve the e-wallet project that will be the entry point to financial solutions in the country, providing access to financial services through an electronic wallet with services such as digital payments, financial insurance and credit.

#### Colombia

In 2021, Enel X Colombia carried out the Crédito Fácil Open Book project with Scotiabank, who is a strategic partner for the credit business. This project built on the Open Book business model, while the Financing Company was being constituted before the Colombian Financial Superintendence.

### Peru

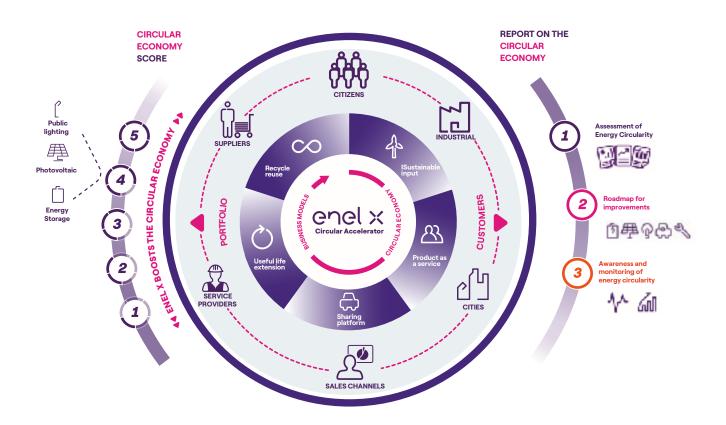
Enel X Peru contributed operational efficiencies to the credit placement process, prioritizing the entry of information through digital tools and the search for new channels. This action is part of Enel X Peru's objective to support commercial partners by reactivating commercial stores, in a bid to provide customers with new shopping locations closer to their homes.





### **Enel X Latam circular economy boost program**

### **Enel X LatAm circular economy boosting program**



This program seeks to increase the circular economy of a given product offered by Enel X, based on the integration of the five pillars defined for the transformation of the value chain. For further information, see the <u>Circular Economy</u> chapter.

This year, the Company followed up on the Circular Economy Promotion Program launched in 2019, a project designed to make visible and promote the development of new initiatives related to the Company's product and service offerings in Latin America that are in line with the pillars of the circular economy. Below are the main actions by country:

 Brazil I e-Industries: Distributed photovoltaic generation as a service, where Enel X rents the PV plant to the customer, being responsible for the operation and maintenance. This model allows for stakeholders to share the credit of the renewable energy generated by the customer's facilities, located in areas distant from each other, provided they are in the concession area of the same energy distribution company.

• Colombia I e-City: Support for customers in the logistics of recycling the waste generated by their public lighting that has been deactivated due to deterioration or obsolescence. This year, 572 tons of waste were reused. In addition, in the Electric Buses in Cities initiative, the electric recharging infrastructure yards that were installed in Bogota have solar roofs and a system for collecting and recycling residual rainwater, measures that will be applied in the six yards contemplated in the project, to a total of 412 electric recharging systems.



Perule-City: As part of its contribution to the development
of increasingly circular cities, Enel X and the Metropolitan
Municipality of Lima, developed the Bicentennial Nest
Boxes project. It consists of the manufacture, installation
and monitoring of 37 Nest Boxes located in 11 parks
in the historic center of Lima, which are used for the
reproduction of different species of urban birds. The
Company's specialized environmental team coordinated
the project using wood waste generated at the Santa Rosa
thermal power plant to manufacture the nest boxes.

Under the coordination of the Business Growth area in the region and Enel X Global Sustainability area, this year the Circular Economy Boost program was extended to cover other Enel X products in Latin America. This includes the creation of multidisciplinary work teams in each country where the Company operates, to implement activities to promote and develop circular businesses.

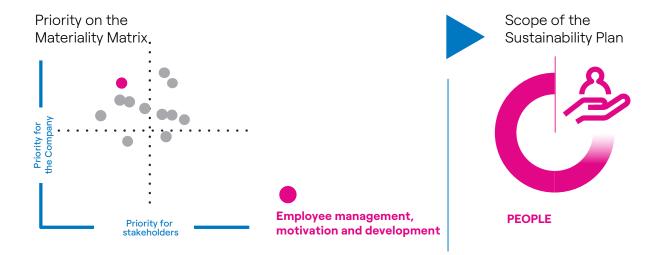






### **People**

103-1 | 103-2 | 103-3



### Primary material issue: Employee management, motivation and development

#### How is it managed?

Generating opportunities for employees is a constant in people management and is an essential part of the Company's value offer.

Enel Américas stimulates talent through internal promotion and the development of skills in different roles, encouraging horizontal leadership and generating business sustainability to achieve excellence.

To manage people's talent, it is essential to encourage their development and maintain their motivation, not only advancing promotions or role changes, but also fostering growth of individual capabilities. Activities such as training, mentoring, coaching, shadowing, diploma courses and other education opportunities, as well as projects that enhance each of the functions or roles, exposure to leadership teams, among others, are essential.

Identification with the Company's organizational culture is also encouraged, with a focus on openness, diversity and work-life balance. Thus, promoting a flexible, equitable, inclusive and diverse work environment, in which dialogue and respect prevail.

### **Material issues**

- · People development.
- · Valuing employee diversity.
- Quality of life in the company.
- Respect for employee rights.

### Importance of good management

At Enel Américas, people are central to the sustainability of the business, so having motivated employees is a permanent challenge for the Company. Enel Américas' management aims to enhance people's talent, recognizing that this is fundamental to achieving the objectives of the Company. When there is a committed and motivated work team, productivity levels improve and absenteeism and turnover decrease, generating a favorable internal and external employer brand, which benefits employee engagement.

Talent management allows people to develop their skills and abilities to their full potential, which promotes turnover within the company, ensures the right skills for the performance of a role, and motivates employees to continue their career within the Company.



### Sustainable Development Goal





### Principles of Human Rights Policy



### World Economic Forum Risks



### **Goals and challenges**

SDG	Activity/goal	Goal plan 2021-2023	2021 results	Goal plan 2022-2024	
8 RESULT MORE DIS	% of participants in work climate survey.	87	80(1)	80	
8 months and	% of involvement in performance evaluation.	100	75	99	
5 (Marin	% of women in selection processes.	50	54	50	
5 (SMR) (B)	% of female managers and middle managers.	29	28	29	
5 **** <b>©</b> "	% of female managers (includes top management).	23	28	27	
5 (1980) ————————————————————————————————————	% of female middle managers.	27	28	29	
4 BASTY 5 BOSES	Female students involved in STEM (Science, Technology, Engineering and Mathematics) activities.w	-	-	2.400	<u>+</u>
8 received down	Adopting a systemic approach for disability inclusion.	Adopting a systemic approach for disability inclusion.	Done	Adopting a systemic approach for disability inclusion.	

(1) Biannual surve result corresponds to 2020.

Simbology: New (+) Redefined (\*)





### How do the principles of the Human Rights Policy apply

Rejection of forced or compulsory labor and child labor	Enel Américas rejects the use of any form of forced or compulsory labor, any form of slavery and human trafficking, adopting and promoting "gentle leadership" as part of its people management strategy.
Respect for diversity and non- discrimination	Enel Américas promotes the principles of diversity, inclusion and equal treatment and opportunities, and is committed to guaranteeing the right to labor conditions that respect personal dignity. Along these same lines, it is concerned with creating a work environment where people are treated fairly and valued for their individuality, considering the value of diversity in people.
Freedom of association and collective bargaining	Enel Américas protects the right of the Company's employees to form or participate in organizations aimed at defending and promoting their interests and the rights of individuals and union relations.
Health, safety and welfare	Enel Américas is committed to developing and fostering a strong culture of health, safety and well-being, ensuring that workplaces are free of health and safety hazards, and promoting behaviors aimed at reconciling work and personal life.
Fair working conditions	The remuneration of people employed by Enel Américas is based on principles of fair reward and respect for equal pay for men and women.  Enel Américas believes in the importance of professional advice and training for the development of the people who work in the Company and provides a job training program.





### **People management strategy**

Enel Américas promotes a culture of diversity, inclusion and respect for the value of people, recognizing each person for their merits and enabling their growth and expression of talent. To achieve this goal, the strategic management of people is based on four objectives:

Becoming **strategic partners** that challenge and support the business by providing innovative, effective and integrated solutions that drive the development of a **sustainable organization** that is a market referent. Strengthening **leadership** by providing tools and capabilities that promote trust and the search for purpose within each team, encouraging autonomy, empowerment and proactivity to further advance the **potential and diversity** of the teams that make up the Company.

Promoting **cultural change** in the organization and empowering people to advance **digitalization processes**, promote the use of platforms and data-based management, with the aim of **impacting the effectiveness of the organization** and the experience of workers.

Advancing the quality of life and wellbeing of people through responsible care, generating a flexible, **trusting**, **close**, **challenging and motivating** work environment imbued with a sense of pride and Enel identity.

### 2021 People management focuses

These four key objectives are translated into initiatives, programs and processes that cross the entire value chain of people, providing the tools and solutions required by Enel Américas' employees.

During 2021, the people strategy was promoted through the following management focal points:

	New ways of working and job flexibility	In relation to the evolution in the ways of working, in 2021, the Company has continued various initiatives to support the transition to the new digital scenario, promote a work culture based on autonomy, delegation and trust, and better time management, supporting the well-being of people and their families. The new ways of working must make it possible to be more efficient and effective, as well as to achieve a balance between the personal and professional lives of employees, work life balance.
points	Leadership	Nurturing and supporting leaders is key to maintaining and promoting company culture and developing the organization's strategy.  In 2021, a new Leadership model emerged, which aims to develop leaders capable of mobilizing those who are part of the Company, which is increasingly liquid and diversified. The invitation is to promote a gentle leadership, a matrix of values that empowers the person, the team, motivations, well-being and results.
2021 focal poi	Talent management	Talent management, from attraction, incorporation, development, retention, training and exit, is key to ensuring the success of the organization. Talent in Enel Americas brings together all people and its focus is on the development of the potential of each person to achieve individual and team objectives.  Talent must also be diverse, with gender equity and the generation of actions to promote the attraction and development of women in the Company being key.
	Digital transformation	Digitalization, automation and digital mindset continue to be promoted in all processes and services.
	Gender equality	To make progress in this area, a gender agenda has been established that focuses on: adherence to international and national public commitments, gender parity in selection processes, strengthening women's leadership, promoting a culture of respect free of any type of workplace and sexual harassment, and promoting Enel Americas as a good place to work for women, which allows them to reconcile their personal and professional lives, especially with motherhood.



### **Workforce**

### 102-8 | 405-1

Enel Américas' total workforce in 2021 totaled 16,461 people, 2% less than in 2020. This decline is mainly due to changes in Brazil at Enel Distribución Sao Paulo, where services were outsourced following Group's practices. Former employees were offered the opportunity to relocate, as well as a severance package in excess to that established by law.

Number of employees	2021	2020	2019	2018
Argentina	4,064	4,064	4,086	4,348
Brazil	8,870	9,523	10,124	7
Chile	57	51	53	10,900
Colombia	2,259	2,150	2,106	57
Peru	989	943	926	2
Costa Rica	34			
Guatemala	94	223	213	1
Panama	94			
Total	16,641	16,731	17,295	18,364

Note: Defined as workforce according to general rule N 461 of the Financial Market Commission (CMF).

21% of workers with permanent contracts correspond to women and 79%, to men, 97% at the consolidated level, while 40% of workers with fixed-term contracts are women and 60%, men, 3% at a consolidated level.

### Workforce by gender

Country		2021	2020	2019	2018
Argentina	Men	87%	87%	87%	87%
	Women	13%	13%	13%	13%
Brazil	Men	80%	82%	83%	83%
	Women	20%	18%	17%	17%
Chile	Men	77%	NA	NA	NA
	Women	23%	NA	NA	NA
Colombia	Men	66%	68%	68%	69%
	Women	34%	32%	32%	31%
Peru	Men	69%	71%	71%	72%
	Women	31%	29%	29%	28%
Costa Rica	Men	74%	NA	NA	NA
	Women	26%	NA	NA	NA
Guatemala	Men	83%	NA	NA	NA
	Women	17%	NA	NA	NA
Panama	Men	68%	NA	NA	NA
	Women	32%	NA	NA	NA
Total (%)	Men	79%	81%	82%	82%
	Women	21%	19%	18%	18%
Total (N)	Men	12,994	13,524	14,101	15,058
	Women	3,467	3,207	3,194	3,306

Note: Defined as workforce according to general rule N 461 of the Financial Market Commission (CMF).





### New ways of working and job flexibility

During 2021, Enel Américas continued to provide the comprehensive support plan that was fundamental to its employees during the pandemic. This management system is based on a strong emphasis on mental health and work-life balance. Enel Américas promoted several initiatives to

adapt to the new hybrid work scenario, promoting a culture based on trust, autonomy and delegation, supporting the wellbeing of employees and their families. The new ways of working focus on efficiency and effectiveness, and on balancing work and personal life.

### **Teleworking - Smart Working**

In the sanitary context of 2020, teleworking was activated and is still in force for most of the Company's employees, except for those who work in operations, since these tasks require in-person attention to provide continuity of service and safe electrical systems.

In 2020, 47.7% of the Company's employees were able to work from home, while in 2021, 47.9% to did so.

2021	Unit	Unit
Smart Working	N°	%
Women	4,947	37.04
Men	2,910	62.96
Enel Américas total	7,857	47.70

### Flexible hours

This system allows employees who are subject to time control and who occupy positions where this is possible, to be flexible in their hours, anticipating or delaying the start and end of their workday. If working remotely, emphasis is placed on management by objectives, seeking to balance personal and work tasks.

### Main job flexibility measures

Flexibility practice	Flexible hours	Smart work	Remote work	Time bank	Seasonal schedule or short week schedule
Argentina	YES	YES	YES	YES	YES
Brazil	YES	YES	YES	YES	-
Colombia	YES	YES	YES	YES	YES
Peru	-	YES	YES	YES	YES
Costa Rica	NA	YES	NA	NA	NA
Guatemala	NA	YES	NA	NA	NA
Panama	NA	YES	NA	NA	NA



### Developing a new leadership style

To address its strategic challenges, in 2021 Enel Américas adopted gentle leadership, an approach that considers that the main attribute of a leader is his/her capacity of motivating and mobilizing people within a flexible and diversified organization. A leader who listens, is concerned about people's needs and aspirations, and who works together with the team in pursuit of their objectives, transmitting a sense of "why" and "how" each member's work is relevant.

This redesign of the relationship between leadership and collaboration empowers people to use their soft skills in combination with the necessary technical business skills, and it focuses on results, development and wellbeing.

Argentina joined this transformation with programs such as Self Experience, Management 3.0 and the Inspiring Leaders cycle, all of which are aligned with the Group's gentle leadership manifesto. Also, the program Leader of the Future was implemented to promote and train leaders with a 4D role: (i) as ambassadors of a data-driven culture and of digital transformation; (ii) with strategic vision; (iii) focused on management, and (iv) capable of coaching his/her team.

On the other hand, **Brazil** conducted a series of trainings to develop key practices and behaviors that the Company deems as necessary to lead people and teams, in view of the critical moments that a leader goes through. **Brazil** also launched its *Energías* en Latam project, an initiative aimed at developing and monitoring managers, and preparing them to lead the challenges of the energy transition. This project facilitates the internal rotation of managers between business lines and within different Latin American countries.

**Colombia** considers leaders to be key guides and service people, and therefore, should have the ability to listen, empower, think about the wellbeing of the group, discover talents and promote a relationship based on empathy. The Company created a battery of contents to train its leaders and managers in this new approach. Some of them are The world changes, leaders transform and Growing with coaching.

Finally, **Costa Rica**, continued implementing its leadership workshop LeadUp, which seeks to empower participants and promote an innovative attitude towards strategic planning and execution. Some of the tools that the program uses are diagnostics, workshops, group coaching sessions and working with an App to reinforce recently acquired tools and knowledge.

### People development and motivation

The development of people within the Company is one of the main pillars of People Management, where each person is unique in his or her individual talent, which must be nurtured and made to grow.

Enel Américas supports this approach by tapping into drivers such as identifying talent and critical roles, training leaders and practicing teamwork, fostering internal mobility and completing effective performance evaluation processes. As part of its people development policies, the Company offers the following programs to contribute to the professional evolution of employees:

### **Growing with Coaching**

This initiative began in May 2021, with the objective of building a coaching culture and providing tools to facilitate the day-to-day work of employees. Various talks and seminars were held throughout the year, in which more than 1,000 people participated.

### **Job Shadowing for all**

This open program aims to provide people with the opportunity to engage in a growth-oriented experience, in which a host (with experience in a subject, role or trade) receives a guest to join him/her in the host's day-to-day activities. The rationale is that by observing, working together and/or discussing with the host, the guest will benefit from a transfer of knowledge, skills and experiences.

Based on his or her preferences, the guest identifies areas of interest and establishes contact with a potential host. This program was developed in 2021 through the digital platform Job Shadowing for All, which offers a self-managed, voluntary and completely digital process.

#### Mentoring

Mentoring is a methodology that develops people's potential, encouraging the transfer of knowledge and learning through experience. The program is based on the interaction between the mentor and mentee, where the mentor generates a transfer of models and experiences, both positive and negative, so that the mentee can use them to develop his/her own judgment, and to analyze and search for solutions to the challenges presented by the mentor.





The mentoring program is assigned by two means: The person is selected as a successor to a managerial position and is assigned the mentoring process, or s/he is assigned by Total Rewarding, a program aimed at proactively developing and retaining people.

**Costa Rica** developed a mentoring program for its frontline leaders, which focuses on developing their talent and empowering them in their current position.

### Reverse mentoring

In this transfer program, there is a pool of digital ambassadors, who use different tools to convey their knowledge to a first-line manager -a key position in the Company-, promoting learning among the Company collaborators.

### **Succession plan**

The Succession Plan identifies employees who have the potential to be promoted to management positions within the Group. The objective is to build a peer reference group and to design development options for them to grow and cultivate their talents.

This program is a central, sensitive and strategic process, which has an impact on the Group's KPIs (Key Performance Indicators). It helps to identify and train future leaders, favoring generational change and gender diversity. The process is organized in annual cycles and is carried out in 3 phases: Identification, Sharing with leaders and peers, and Action Plan and communications. Some of the options provided in the action plan are coaching, mentoring and job shadowing, among others.

In **Brazil**, the succession plan introduced the criterion that each position analyzed should consider at least one female candidate. As a result, 187 women entered the process in 2021, a 24% increase compared to 2020. Along these same lines, Brazil also developed the Successors Empowerment initiative, which, through training and recognition, accelerated the careers of 13 women to management positions.

In **Colombia**, the plan identified potential successors who were capable and prepared to assume management positions in the future, thus strengthening the talent and leadership axis. The project pinpointed 176 potential successors for 110 management roles, of which 41 correspond to positions in Colombia and 69, to jobs in other countries. A development plan was devised for each Pipeline Successor (long-term) to enhance their technical competencies and soft skills. During 2021, 91 development actions were implemented.

In the meantime, **Peru** carried out a talent loyalty project, identifying a strategic group of more than 100 people, for whom specific development and retention plans have been developed.

In 2021, **Costa Rica** also implemented the Successor-Ready (short-term) and Pipeline (long-term) programs to prepare professionals who have the competencies and skills required to assume future management responsibilities, by engaging them in support programs to strengthen their talent and leadership.

### Other featured initiatives

### **Teambuilding**

Mostly relying on remote formats, Enel Américas continued its teambuilding program, which consists of a series of activities that promote teamwork and cohesion among employees, according to the needs of the different business lines. In **Colombia**, for example, where these activities were called Indoor Home and, in 2021, they accompanied and tutored six groups.

### Self-awareness assessment

This is an individual interview program aimed at identifying potential talent among leaders and technical experts in the Company. This methodology helped management to map out the Company's personnel, identify areas for improvement and work on them.



### **Acknowledgement Program**

Enel Américas values meritocracy as part of the work culture in all its subsidiaries. During 2021, the Company continued to recognize employees who promote values, practices, initiatives and/or projects that generate value within the Company, making a deliberate effort to acknowledge their impact and commitment.

Our ESG performance

### **CoP (Community of People)**

This initiative was born in **Argentina**, and it is a community of collaborators that comes together to learn and reflect on practical experiences with the aim of developing cooperative knowledge, which is critical to foster agility.

### Performance evaluation

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For Enel Américas, the feedback instances that managers have with people are opportunities to generate greater closeness and transparency, align expectations and support the professional development of employees.

### **New Open Feedback Evaluation**

New Open Feedback, a new performance evaluation model, was implemented in 2021, which involved 100% of the eligible people. It includes Open Feedback Evaluation, which encourages empowerment, people-centrality and a culture of continuous feedback in the entire job network.

This is a model of individual and collective growth based on 15 competencies and includes a year-long participatory evaluation process that calls for quarterly appointments to review interactions with the leader and learn about each person's strengths.

This assessment is informed by a broad and collaborative view of each person's network, unlike the previous model where there was only an assessment by the direct leader.

To disseminate, educate and adopt this new model, ten explanatory talks were given to leaders, three collective talks to all Enel Américas employees and approximately 25 explanatory small-group sessions, alongside a strong acrossthe-board communication campaign.

This model began its official operation in January 2022, and several activities have been carried out to disseminate, educate and adopt this new model. For example, in Brazil, the Company led a communication campaign on its official channels, and the People Business Partner team gave talks to present the project to employees. In the first cycle, more than 80,000 feedbacks were obtained and 98% of the objectives (goals) were entered and verified by the system.

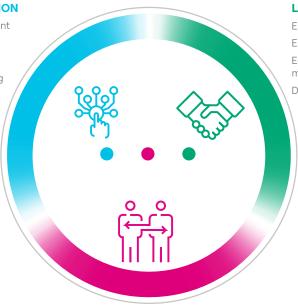






#### **SUSTAINABLE VALUE CREATION**

Safety, well-being and environment
Digitalization and critical thinking
Customer at the center
Flexibility and continuous learning
Inclusion and Interculturality
Data management



#### **LEADERSHIP**

Empowerment and Coaching Entrepreneurship

E-leadership and complexity management

Decision making

## INDIVIDUAL-GROUP-ORGANIZATION BOND

Emotional, social and organizational intelligence

Creation of meaning and Storytelling

New way of working in teams

Creativity - Disruptive innovation

Results oriented

### **Evaluation**

As in the previous year, the Evaluation process was carried out in the first half of 2021, in which each person is evaluated according to the four Open Power values of the Company (Trust, Proactivity, Responsibility and Innovation), based on his/her performance of the previous period (2020). To this purpose, leaders use a scale of 1 to 5 to identify the person's main strengths and areas for growth.

This year, 99% of employees belonging to Enel Américas and its subsidiaries, who met the eligibility requirements<sup>5</sup>, were evaluated through the Open Feedback evaluation, and over 70% of them had a feedback meeting. In 2021, actions aimed at leaders were also implemented in preparation for the Evaluation process.

### **Action plan**

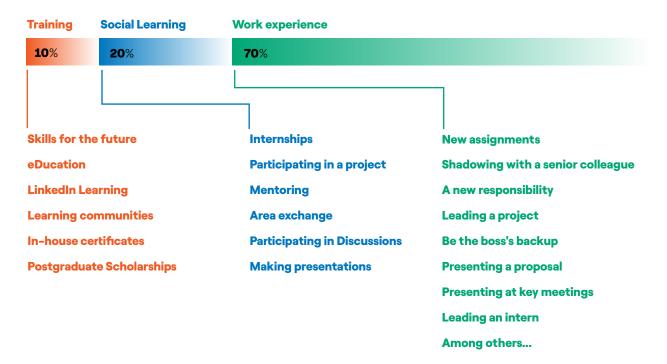
Part of the 2020 Performance Evaluation process was to design an individual action plan to schedule training and development requirements. Each person under evaluation agreed with his or her leader on learning activities, with initiatives focusing on work experience (70%), social learning (20%) and training courses (10%).

To this end, a catalog was made available with a wide range of courses available and examples of actions to implement. This will be part of the results to be considered in a future Performance Evaluation.



<sup>&</sup>lt;sup>5</sup> Eligible persons: those who have a permanent contract and have been in place and active for at least 3 months during the year.

### 2021 Action Plan



### **Evaluation by objectives**

In the different countries where Enel Américas is based, there is also an evaluation tool by objectives, called Management by Objectives (MBO), which seeks to ensure compliance

with the Strategic Plan by assigning each person with four objectives set by the Group. This tool reaches 100% of the managers evaluated, as well as other specific groups by territory.

### **Job training**

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In 2021, the Company delivered 787,422 total hours of training, which is equivalent to approximately 46.96 training hours per person. 81.57% of these were allocated to men and 18.43%, to women.

For Enel Américas, it is important to promote the development of its employees' skills, and to this end, it offers a training plan with two main focuses:

Focuses



Training plan aligned with Enel Américas strategy, focused on achieving organizational objectives.



Self-management of learning and development, where employees are the protagonists.

Strategic pillars for training				
Developing an Open Power culture Sustainability, HSEQ and D&I program				
Preparing for the future: Reskilling Digital transformation and agility				
Customers and data at the center				





# Main activities: Focus on training plan aligned with strategy

### **Developing an Open Power culture**

**Argentina** implemented an annual training plan under the Learning Community value proposition, which encourages transformation through agility, exchange and knowledge management, with the employee as the protagonist of his or her professional development.

Argentina also developed the Smart Leadership program, aimed at providing managers with tools to implement with their teams, moving towards gentle leadership.

In 2021, **Brazil** implemented the Culture Methodology, which measures different indicators related to strategy, leadership, practice and human talent, cultural practices, organizational

architecture, workspaces, processes and technology. Some of the projects developed are Faro, Smart Measurement, Convergences and Saman, among others.

To adapt to the new ways of working and leading, **Colombia** designed a Leadership Faculty that taught contents such as E-leadership: managing complexity and ambiguity (participation, 178 leaders) and Digital intelligence for decision making (participation, 40 leaders). In addition, there were elective contents such as: Managing my team (participation, 17 new leaders); Adaptive Leadership (participation, 40 leaders); Management from innovation and continuous learning (participation, 31 leaders); Collective intelligence and management of conflict situations (participation, 28 leaders). In total, 214 leaders participated, which is equivalent to 78% of all leaders. The average number of hours per person was 4.35.





## **Sustainability, HSEQ and Diversity and Inclusion programs**

**Central America** implemented an occupational safety, health and wellness plan, as well as a Diversity and Inclusion training plan, which were delivered through coaching and mentoring spaces.

## Preparing for the future: Reskilling and Upskilling

### In-house diploma courses

This area of Enel Américas is responsible for implementing specialized training for its business lines. In **Argentina**, three important masterclasses were held on topics related to the regulatory framework, the electricity market, renewable energies and sustainability. **Colombia** promoted its Corporate University, which has four faculties: Open Power (for soft skills), digital transformation, technical training by business lines and diversity and innovation. Within this framework, 138 synchronous and asynchronous training courses were given. In **Costa Rica**, through the Training and Education Policy, scholarships were granted for formal, specialized, technical and managerial studies. In 2021, four female employees received this scholarship.

#### **Technical skills**

In **Argentina**, multiple programs were carried out to develop the technical skills of employees, such as the Human Resources Business Partner (HRBP) development program, whose objective is to strengthen and enhance the role of leaders and strategic partners of the business, developing their capabilities and maximizing their contribution. In 2021, 20 people participated. Another initiative is High Impact Presentations and Storytelling, a course that focuses on employees acquiring techniques and tools to communicate effectively and achieve objectives through their interactions: inform, persuade and act.

**Brazil**, for its part, endeavored to disseminate knowledge among the business and support areas, to which end it held training webinars on specific topics such as: Digital transformation of customer service; Grid Blue Sky: building the road to the future; Clean and sustainable energy, building green energy for the future; Enel CIEN, Energy Interconnection Company.

In 2021, **Guatemala** carried out a competency assessment program for the Operation & Management (O&M) area. 49 employees participated in this methodology to detect additional skills and identify training or retraining needs of leaders and employees.

### **Digital transformation and agility**

### **Digital transformation**

In 2021, Argentina continued developing its training programs with the incorporation of new content and ways of learning. Under the umbrella concept of New Normality, the Company offered Digital Work activities, a basic program to support the digital competencies of teams that had to adapt to new ways of interacting. This program uses work platforms such as Teams, OneDrive, OneNote, Planner, Yammer, SharePoint, Office 365, Digital Pills and e-Ducation. Power Bi is another 2021 initiative, which supports the Global Digital Solutions (GDS) team and the specialists of each business line, benefiting 1,790 participants. Among the courses offered are Business Analytics, in which 95 people participated, and Masterclass Digital Transformation, aimed at all workers in Argentina and through which 108 workers learned about the process of digital changes in the electricity sector.

In **Brazil**, people management processes began using corporate platforms to strengthen global and local integration. In this line, the Company worked on redesigning the digital learning journey through the e-Ducation platform, has served as a self-development tool for employees.

On the other hand, **Colombia** continued to carry out ongoing training initiatives, such as the Digital Transformation Program and, in 2021, focused on various projects in this area; some of them are the Digital Transformation Faculty, the Digital Experience Week, the Digital Olympics, training through webinars and training in Power BI. This latter instance congregated 113 participants, who were divided into seven groups and received 2,200 hours of training in total.

**Central America** carried out the Digital Transformation Program, which promotes the use of e-Ducation to encourage a digital culture. In addition, Company professionals led various training the trainers efforts, which seek to share knowledge and develop digital competencies within the organization. Additionally, this year the Company offered a Power BI course for AFC personnel.

### **Agility**

Aiming to expand a culture of development and continuous learning, and to permeate agility throughout the organization, **Argentina** promoted this methodology through:

- Workshop for Project Team Leaders
- Workshops for ceremonies
- Workshops for product owners
- SCRUM for OnGoing Teams





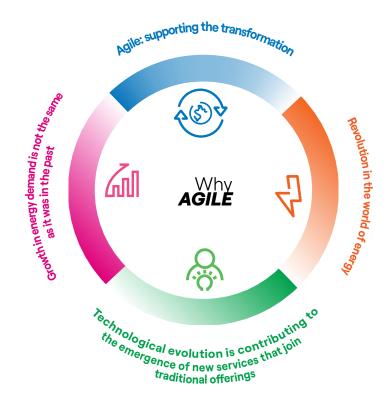
- · Agile team pills
- User stories pill
- · Digital dashboards series
- KANBAN Workshop

The main Agile projects that used Scrum as a framework in 2021 were:

- **a. Argentina Qualifies.** A group of 23 people divided into four teams which are working on qualifying suppliers for bids throughout Enel, evaluating them on financial, legal, reputational, human rights, technical, sustainability and safety issues, as well as on other areas.
- b. River trash collector. A team of 10 people who designed

and tested a pilot collector to optimize the collection of surface waste, using technology based on renewable energy and electrification.

- **c. People Growing.** A team of collaborators heading from People Management, who promote self-development through initiatives like Shadowing, Mentoring and Coaching, to improve professional performance.
- **d. Gender & Equality.** A team of 10 collaborators from People Management who are working to advance the incorporation, empowerment, development and growth of women within the organization, reducing the gender gap. The group promotes mentoring, specific training, communication and awareness-raising initiatives.



**Brazil** designed an Agile training curriculum, consisting of 15 courses that teach agile mindset, culture and methodologies. In 2021, the priority was to train leaders with the Management 3.0 certification. In this line, seven training groups were held, which trained and certified approximately 100 leaders.

New employees now undergo and extra 45-minute activity which was added to the Boas Vindas integration program. In this instance, newcomers are exposed to concepts such as Agile mentality and culture. 706 people have already participated.

In addition, 13 new agile teams were launched in different areas of the organization during the year, which bring together approximately 130 people working with Agile methodologies and tools for problem-solving and continuous improvement.

As a strategy to mobilize Agile culture, **Colombia** implemented initiatives such as sending a playbook and toolkit with the Agile manifesto to all new employees; selecting 32 agile agents for the Distribution business line and one, for the Energy and Commodity management team; fostering the participation of distribution employees



in Agile Rooms; and practicing agile qualification, which include training sessions, working agreements and progress meetings to monitor projects and initiatives. This year, as part of the agility processes, the first group of 23 employees was certified in Scrum Master.

Our ESG performance

**Peru** redesigned the Company's integrated agility strategy by developing a methodology that defines concepts such as Scrum Master and Product Owners for the main lines of business. Additionally, the Company trained leaders in agile productivity, conducted webinars on agile topics and promoted user-centered design tools.

As for Central America, Costa Rica began its digital transformation project in 2020, creating a team of multidisciplinary leaders who attended workshops on training the trainers, Canvas and Scrum Master. This team will oversee the creation of the work plan and will implement, communicate and monitor digital culture. In 2021 there were training sessions for all Company personnel, with alternatives such as workshops, leader videos, digital commitments and an e-Ducation marathon, among other initiatives.

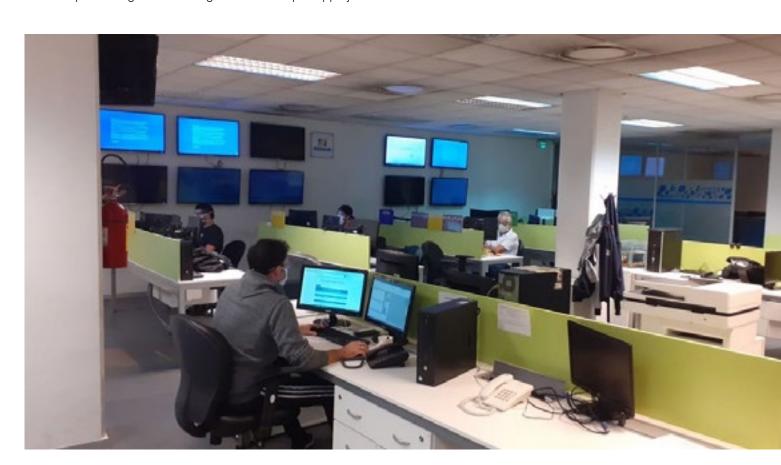
Guatemala initiated a 42-hour online training program on agile methodologies and later established team sessions to explain the concept and nomenclature. Finally, an invitation was issued for employees to participate in an Agile Agents program, which focuses on training workers who will implement agile methodologies in multidisciplinary projects.

### **Customers and data centrality**

Aiming to reduce bureaucracy, empower people in decisionmaking and facilitate access to documents at a global level and in each Enel Américas country, the Company launched a project to simplify processes and reduce the body of documents.

In this line, a 2021-2022 work plan was defined, starting with awareness and communication meetings. During this year, working groups were held in each of the business lines and support areas to analyze and map processes. Using flow charts and creative ideation sessions, each area identified opportunities for improvement that could be tackled with digitalization and automation initiatives, to achieve the goal of transforming and optimizing the body of documents and the reducing bureaucracy.

Brazil led another important initiative relative to the new General Data Protection Law (LGPD), which came into force in 2020 with stronger protection requirements to ensure data privacy for both customers and employees. To ensure compliance, efforts centered on governance, including privacy, controls, and organizational and technical security measures, alongside the Company's data protection monitoring and compliance platform.









### Main activities developed: Focus on selfmanaged learning

Enel Américas recognizes that lifelong learning is key. Beyond formal education, people have a need to learn about different subjects, which helps them remain current and active in their careers.

In this line, the Company has a scholarship program for employees, which consists of an economic contribution to finance training, regularization or improvement studies that contribute to a better performance in present or future functional activities, with special emphasis on those that are relevant to Enel Group's strategic guidelines.

**Colombia**, for example, offers loans and sponsorships to employees wishing to engage in postgraduate studies or specialization courses. In 2021, 40 workers received support

to pursue graduate studies with sponsorship approvals ranging from 20% to 60% of their tuition. 12 of them headed to universities outside Colombia.

The Company also continued the Professionalization Program, which facilitates access to undergraduate courses for workers who do not have a professional degree, providing both economic aid and different job facilities. An agreement was signed with the Politécnico Grancolombiano for the Industrial Engineering program.

### **Investments in training**

In 2021, the Company invested ThUS\$1,673,156.41 in training Enel Américas employees, with an average of US\$99.78 per person (FTE). The total number of hours was 787,422.1, and the average per person, 46.96 hours.



### **Recruitment and selection**

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The recruitment and selection process has a strategy focused on three pillars:

- 1. Digitalization: It involves achieving data-driven selection processes, to monitor metrics that measure impact and enhance improvements.
- 2. People: Offer a personalized approach, to foster a favorable experience throughout the recruitment and selection process, which uses different evaluation methodologies.
- 3. Diverse Talent: Stay committed to a diverse and inclusive environment, to ensure a process that is free of bias and adopts a gender focus that is in line with the sustainability strategy. Company requirements call for selection processes

with parity in the representation of men and women (complying with a 50% representation of women in short lists for 2021 and 2022).

In parallel, and to ensure the transparency and traceability of each selection process, the operating procedure was updated in 2021 to comply with ISO 37001 and ISO 9001 standards, aiming to establish a culture of integrity, transparency and compliance.

In 2021, Enel Américas registered 1,468 new entries. 1,189 vacancies were filled via external processes

Likewise, 148 vacancies were offered internally, through open calls on the Job For You platform

### 2021 job turnover

Gender	Unit	Total	Voluntary	
Men	%	11.50%	4.60%	
Women	%	16.40%	2.70%	
Age bracket				
Below 30	%	25.00%	8.60%	
Between 30 and 50	%	12.90%	3.10%	
Over 50	%	20.20%	0.30%	
Total	%	15.4%	3.1%	

Note: About 70% of the total terminations in 2021 correspond to meter reading jobs at Enel São Paulo's, which was acquired in 2018. In Enel, meter reading has historically been a third-party service, so the Company terminated the contracts of employees in this role, offered to work with them in their relocation and granted them a compensation package which is in excess to what is required by law.

### **Internal mobility**

Internal mobility allows employees to access new positions and undertake new challenges within the organization, and Enel Américas considers it an important aspect of internal management.

In 2021, 1,151 job openings were filled internally (622 by direct selection and 221, by internal competition). This adds up to 6.9% of all Enel Américas vacancies.

	2021	2020	2019	2018	2017
Argentina	0.3%	1.38%	2%	31%	16%
Brazil	6.8%	2.54%	96%	1%	2%
Colombia	15.6%	18.05%	15%	14%	10%
Peru	14.1%	19.87%	13%	6%	13%
Costa Rica	0%	2.70%	2.70%	12.82%	6.98%
Guatemala	10.3%	_	-	-	-
Panama	9.7%	-	-	-	-
Enel Américas	6.9%	5.25%	62%	10%	10%





#### **Osmosis**

The Osmosis program seeks to foster a broader vision of the business among employees. To this end, it offers participants the chance to rotate to different units, achieving horizontal development and a better understanding of the Company as a whole. This program is based on a crossfunctional approach that strengthens transversal profiles and reactivates the Employee Journey.

In **Colombia**, the Osmosis program made it possible for employees with a flexible and open-minded attitude to rotate between business lines and Group companies. In this way, the Company seeks to support the mobility and professional growth of its employees; 22 employees benefited from the Osmosis program. It is expected that the People Blooming initiative will advance Osmosis even further.

### Work environment and engagement surveys

In 2020, Enel Américas developed the Work Climate and Engagement Survey (Open Listening), to take a closer look at the most critical aspects generated by the pandemic context. This instrument gathers the opinion of all employees, exploring their emotions, demands and needs, and it has resulted in specific action plans to collectively create the future of work for all.

The Company inquired after its organizational culture, the technology available and the leadership's ability to inspire the internal culture, with a view to exploring and collecting views

and needs regarding the future of teleworking. This exercise provided a space for open discussion on the integration between work and personal life.

The survey collected information from all Enel Américas employees regarding their degree of satisfaction and issues related to:

- Percentage of work activities that can be performed remotely.
- Evaluation of work performed online and in person.
- Improvement initiatives for the new work scenario.

Countries	% participation 2020	Wellbeing and engagement level 2020
Argentina	82%	93%
Brazil	80%	92%
Colombia	74.8%	94.8%
Peru	71%	95.3%
Costa Rica	100%	98.1%
Guatemala	97.5%	87%
Panama	65%	99%
Total Enel Américas	79.3%	92.9%

Based on the results obtained in the 2020 biannual survey, Enel Américas drafted different action plans, which are detailed below.

Valuing and caring for teams are important premises for **Enel Brasil**. Therefore, in 2021 the Company worked to further improve the actions of the Wellbeing Manifesto, which focuses on fostering body, mind and heart wellness (energy, balance and commitment). As a result, the Company offered guidance and support for employees on issues related to the new work scenario and the implications that the current context has had in their personal lives.

In **Colombia**, the survey revealed that it was urgent to work on training initiatives and to provide care for the psychological and physical wellbeing of workers. Results also

pointed to the need to strengthen traits such as empathy, relationship care, and emotional and change management among leaders. Another instrument, the Happiness project, was also applied in 2020 and came out with low scores, mainly emphasizing issues related to work stress, learning from mistakes, workload and integration of personal life and work.

Even if Enel Américas applies its Work Climate and Engagement Survey every two years, the Company decided that the health emergency and its adaptation needs required further probing. As a result, in 2021 it launched a new instrument called Wellbeing Survey, which points to eight pillars of the new global Wellbeing Model:



- 1. Work-life balance.
- 2. A sense of connection and belonging to a community.
- 3. Mental wellbeing. For example, feeling good about oneself.
- **4.** Intellectual wellbeing. For example, having the aspiration to learn and grow.
- 5. Inspiration to take care of your physical well-being.
- **6.** Ethical wellbeing, expressed in having a person's values align with those of the organization.
- **7.** Economic wellbeing, having trust in the workplace and the value of each person's work.
- 8. Sense of security.







### Value of people diversity

405-1

### Respect for diversity and inclusion

Enel América considers diversity and inclusion essential for the management of people. The Company expresses this commitment through its <a href="Human Rights Policy">Human Rights Policy</a>, the adoption of the seven Women's Empowerment Principles (WEP) and the <a href="Diversity and Inclusion Policy">Diversity and Inclusion Policy</a>, which seeks to advance gender diversity and integrate the LGBTIQ+ community, people with disabilities, interculturality and age diversity. In this line, the Company rejects all forms of arbitrary discrimination, committing itself to ensuring and promoting diversity, inclusion and equal opportunities, making the best efforts to build and maintain a climate of respect for the dignity, honor and identity of each person.

In 2021, Enel became one of the first five electric utilities worldwide to enter Refinitiv's Top 100 Most Diverse and Inclusive Companies ranking. This instrument gauges the performance of 11,000 publicly traded companies worldwide, vis a vis their diversity and inclusion performance.

**Brazil** stands out for its participation in initiatives that promote diversity. For example, it joined the UN in defense of women's inclusion program, and, together with TIM, became

part of the Positive Women initiative, which aims to promote greater participation of women in the labor market.

### Inclusion of people with disabilities

#### The Valuable 500

This is a global initiative involving 500 private companies committing to advance and leverage the business, social and economic value of people with disabilities on a worldwide scale.

Enel Américas joined The Valuable 500 firstly by identifying the gaps that prevent the inclusion of people with disabilities in the Company. This was achieved through an experimental journey across various processes, to determine the physical, technological and cultural barriers that need to be eliminated to guarantee inclusive and non-discriminatory job opportunities for everyone in the Company.

Based on this work, Enel Américas drafted a diversity and inclusion action plan, where the following lines of action have been proposed:

Executive-manager commitment	Infrastructure	Risk Prevention involving People with Disabilities (PWD)	Inclusive employer Brand
Involve senior executives in the Disability Project, so that they assume a greater commitment to the disability agenda, and to raise awareness around the need to achieve a cultural transformation in the Company.	Executing a plan to adapt facilities to ensure universal accessibility.	Develop an Inclusive Protocol and make it extensive to all Company facilities. This includes a specific emergency protocol for each type of disability and incorporating them into emergency procedures.	Participating in online inclusive job fairs and incorporating all necessary accessibility tools to the application process and interview platforms.

Each country where Enel Américas operates complements this commitment to diversity with different actions.

**Colombia** asked for the help of the Pact for Productivity to develop a model for the inclusion of people with disabilities.

Through the transfer of knowledge to the organizational ecosystem, the resulting program seeks to transform the cultural and business context around the notion of disability at work, by implementing good job practices that include people with disabilities.





# People with disabilities

405-1

# **Employees with disabilities - 2021**

Country	Men	Women	No. of disabled employees	Total number of employees	% disabled employees
Argentina	66	20	86	4,064	2.1%
Brazil	230	70	300	8,870	3.4%
Colombia	4	1	5	2,259	0.2%
Chile	0	0	0	57	0.0%
Costa Rica	0	0	0	34	0.0%
Guatemala	0	0	0	94	0.0%
Panama	1	0	1	94	1.1%
Peru	2	2	4	989	0.4%
Total	303	93	396	16,461	2.4%





# **Alliances and partnerships**

Following are some of the activities carried out with other stakeholders to scale up the impact, knowledge and culture of diversity.

# **Argentina**

- Argentine Business Council for Sustainable Development (CEADS). Alliance for work oriented to the verification of the Human Rights Policy. It includes support in diversity and inclusion workshops (ILO Convention 190).
- En Buenas Manos NGO. Joint work to develop a workshop in Argentine Sign Language (ASL) for collaborators, to address communication barriers with hearing-impaired people.
- R.E.D.: Pioneering institution in Argentina, which is

- committed to promoting diversity and inclusion in business organizations. R.E.D. is a collective initiative formed by businesses and academic and civil organizations linked to the Business School of the Universidad Torcuato Di Tella. Through its experts, this institution engages in training and mentoring programs to accompany organizations in their implementation of diversity and gender policies.
- Argentine Business Association (AEA). Collaborates with businesses to promote the role of the mentor. In this case, workers who perform this role in technical high-school projects.
- Workshops and sign language courses. The Company organized a workshop as part of its commemoration of the International Day of Persons with Disabilities. Another sign language course offered by the Company attracted the participation of 20 employees.



### **Brazil**

- Rede Brasil do Pacto Global. Since 2007, this Compact alliance participates in work groups on human rights, energy and climate, SDGs, engagement and communication, and anti-corruption.
- Ethos Institute. Working together with Enel since 2006, Ethos participates in work groups on gender equity, human rights and integrity.
- Sistema Firjan-Federation of Industries of the State of Rio de Janeiro. The Company has been a member since

2007; it participates in the Board of Directors and in the SDG work group.

 WEPS Brazil-Companies Empowering Women. Enel Brasil joined in 2011 and received a WEPS Brazil award in 2019, in the silver category.

# Colombia

 Equipares. Strategic alliance between the National Government and the United Nations Development Program, which seeks to transform work environments



from a cultural and emotional perspective. Thanks to its reduction of gender gaps, the Company achieved a Equipares Gold Seal recertification.

- LGBT Chamber of Commerce of Colombia. Private institution created in 2012. Since then, it seeks to strengthen and empower the LGBTI community in Colombia both economically and socially.
- Gender parity in Colombia. Enel Colombia has been
  participating in this initiative since 2019. The Company
  is part of the national leadership group of this publicprivate alliance, which seeks to promotes progress in
  gender equity, by bringing together organizations that
  are committed to this issue.

### **Peru**

 ELSA Program. The Company participates in this program led by the Inter-American Development Bank and a local consultant, which measures sexual harassment in the workplace.

# **Costa Rica**

- National Women's Institute (INAMU). This institution promotes the effective exercise of women's rights in their diversity, through the signing of a publicprivate agreement on gender equality. The Company is also seeking to obtain the Gender Equality Seal (ISO certification).
- Business Alliance for Development (AED). The purpose of this alliance is to bring together conscious and committed businesses, to make an articulated contribution to a prosperous, inclusive and dignified society that is in harmony with the environment. This alliance works with more than 110 companies.
- WEPS (UN Women-United Nations Global Compact). As part of the company's commitment to promote gender equality and women's empowerment in the workplace, marketplace and community Enel Green Power Costa Rica subscribed the Women's Empowerment Principles (WEPs).
- WEM. Partnership with the Costa Rican Institute of Masculinity, Couples and Sexuality (WEM Institute), an association that works on gender, masculinities, sexualities and couple issues.

# **Guatemala**

 Inclusive Company. Thanks to its innovative practices, the Company was acknowledged in the third edition of the Inclusive Company Recognition.

# **Generational diversity**

For Enel Américas, diversity and inclusion policies also apply to the importance of the contribution of different generations, with young talent and experience both enriching the organization. Therefore, the Company carries out initiatives that reinforce integration without age or gender discrimination in all areas.

**Colombia**, for example, organized two initiatives focused on the organization's young people:

- **1. Students in progress.** 98 students, who carried out their internship within the organization, participated in the Initiating my career at Enel workshop.
- **2. Potential Futures.** Eight young people who did their professional internships at the Company were chosen as Young Talents and participated in a Management Competencies workshop.

Additionally, 61 Enel **Colombia** employees participated in the Building your Future workshop, which prepares employees for retirement and provides tools to face this new stage. The Company also developed an elective university course which focuses on attracting the best talent and disseminating the Company's value proposition, training students in key contents for the business. In 2021, approximately 50 students participated in this elective.

# **Cultural diversity**

Considering that it is present in seven countries, Enel Américas naturally promotes cultural diversity and inclusion, in the belief that diverse origins, educations and cultural backgrounds come together to create a rich and varied viewpoint.

Enel Américas offers mentoring programs for expatriate employees who wish to contribute to the cultural inclusion of people who cross borders to work in another country where Enel Américas operates.

This 2021, **Brazil** developed an inclusive internship program for black and mixed-race people, whose goal was to hire 30% of black and mixed-race interns; the final scope exceeded this goal by 40%.

Additionally, the Company promotes a diverse workplace by greeting employees from different countries on their respective national day. Other important dates are also commemorated, such as the International Day of Zero Discrimination, the International Day for the Elimination of Ethnic Discrimination and the International Day of Indigenous Peoples, among others.





# **Gender diversity**

Enel Américas has defined gender equality as one of the main focuses of its people management practices, developing policies and initiatives to promote it.

Enel Américas firmly believes and fosters gender equity. Of the total number of employees working in Enel Américas, including its subsidiaries, 21% are women, a percentage that has been progressively increasing.

People by gender	2021	2020	2019
Feminine	21%	19%	18%
Masculine	79%	81%	82%
Total	16,461	16,731	17,295

At the end of 2021, women held 28% of all Enel Américas managerial positions. This corresponds to 27.6% of junior management positions and 27.9% of senior/top management positions.

Looking at it from another perspective, 58.4% of management positions are related to the generation of direct income, and women hold 19.6% of these posts.

# **Women's Empowerment**

Enel Américas is committed to achieving the following objectives:

- 1. Strengthen women's leadership at Enel.
- **2.** Promote their empowerment, based on their professional development in the Company.
- **3.** Make its commitment visible, supporting the concept of an inclusive employer brand that promotes gender equality.

Each objective is developed through initiatives designed in three areas of action. The following were relevant in 2021:

- Cultural outreach. "New Masculinities" conference, to reflect on cultural changes in how society understands gender roles.
- Training: Women's Leadership Program, with the participation of 12 Company leaders, to enhance, develop and showcase the leadership skills, organizational and networking competencies of women, and to support them to develop their careers in competitive contexts.

In the case of **Argentina**, the subsidiary carried out the already mentioned mentoring program and developed a Women's Leadership program that included the stages (i) Assessment and succession plan (promoting self-knowledge and development through tests and interviews); (ii) Gender perspective (women with growth potential) and (iii) Development of leadership competencies (empowering

women in current or future leadership positions).

In 2021, Enel **Colombia** implemented gender diversity initiatives such as leveraging the Labor Equity Certification Sello Equipares to advance employment initiatives for women. In addition, the Company engaged in a technical training program for women wishing to learn about the generation and distribution business lines, where a development plan was established with three main focuses:

- **1. Diagnosis:** Analysis of skills and feedback to map out the starting point.
- **2. Training route:** Portfolio of training courses that were defined and prioritized according to business needs, covering technical topics and soft skills.
- **3. Mentoring:** An opportunity to articulate the knowledge acquired and add some practical experience, providing leaders with a chance to see these students in action, generating recognition and opportunity.

97 women participated in the program, who had 31 training courses and 58 tutors to choose from.

Additionally, the Company did dissemination work with its 13 most representative contractors, raising awareness of the importance of working for gender equity. As a result, Equilátera –an allied company– developed a workshop on unconscious biases.

**Peru** developed its Woman Open Power leadership program for women working in Enel, under the flourishing talents approach. Upon developing their talents and leadership skills, attendees were trained to become mentors for other women, inside and outside the Company.

**Costa Rica** introduced additional parental leaves both for fathers and mothers, which were granted as a gift from the Company. Enel also provided support with medical expenses and set up breastfeeding rooms in its facilities.



# **Gender equity**

Our sustainable progress

Enel Américas guarantees gender equity by creating specific projects aimed at improving the experience of parenthood, promoting collaborative programs that encourage the participation of women in STEM (Science, Technology, Engineering and Mathematics) careers, and a healthy work - life balance.

In terms of gender equality, the Company has a specific action plan aimed at increasing the representation of women at all levels of the organization.

Nowadays, 18% of the total number of women working at Enel Américas are in STEM positions, i.e., those related to technical business lines.

In line with its equity commitment, Brazil identified 187 potential female successors, which represents a 24% increase compared to 2020. At that moment, 182 women held managerial positions and 220 were promoted. The Company also developed the Empowering Successors initiative, which, through training and recognition actions, accelerated the careers of 13 women assigned to management positions.

Colombia engaged in its E-Challenge, an initiative seeking to identify the main challenges in gender equity, and to encourage soon-to-be high-school graduates to go down

the STEM route and consider the possibility of working in companies such as Enel. During 2021, the Company also organized a talk focused on energy and the firm's work. In addition, and as part of the Digital Experience Week, employees' children participated in STEM workshops, an instance to explore science, technology and mathematics in a creative and playful way.

For its part, Enel **Perú** established alliances with STEM groups such as WIN (Women in Energy), impacting more than 500 women. Workshops and focus groups were held to fine-tune the diversity plan.

# **Parental program**

401-3

The Company has worked to further establish the concept of parental co-responsibility, which encourages equal and permanent participation of both parents in the upbringing and education of their children. The Parental Program benefits fathers and mothers who accompany their children throughout the entire development cycle, offering nutritional counseling, school benefits and a gradual return after parental leave, among others.

Parental program participants	2021	2020	2019
Argentina	43	68	9
Brazil	213	276	280
Colombia	17	48	65
Peru	19	20	0
Costa Rica	0	NA	NA
Guatemala	0	NA	NA
Panama	0	NA	NA
Enel Américas	292	412	354





# LGBTIQ6 + initiatives

**Argentina**, took advantage of the international day against homophobia, transphobia and biphobia to organize talks on diversity, sharing work experiences that promote gender equality and non-discrimination.

**Brazil** held webinars on the importance of strengthening diversity and LGBTIQ+ rights, in which 727 employees participated. In addition, the Company also commemorated significant dates, stressing the importance of being empowered to fight prejudice and harassment.

Colombia, for its part, celebrated Pride Month in

commemoration of the International Day against Homophobia, Biphobia and Transphobia. The Company offered a cycle of Diversitalks under the concept "breaking prejudices and stereotypes for the inclusion of the LGBTI+ community at Enel".

In **Peru**, an insurance policy was created for the LGBTIQ+ community, and the Company began to offer inclusive language workshops. In addition, the Diversa-Mente program was launched, to promote diversity and inclusion in a natural way in children, through recreational and educational activities such as storytelling and virtual workshops, among others.

# Work-life balance

401-2

The Company has a wide range of benefits to support quality of life and work-life balance for its employees, including the following:

- Extended leaves of absence.
- · Complementary health insurance.
- Specially equipped lactation centers to promote breastfeeding.
- Financial support for child care.
- Scholarship for academic excellence, activities for employees' children.
- Birthday celebrations and career recognition.
- Others

The Company also offers the following additional benefits and initiatives:

# Activities to promote physical health and wellness

In recent years, Enel Américas has developed an extensive program of recreational activities around sports, channeling good practices that promote self-care and healthy habits, such as physical activity classes, annual preventive exams, medical controls and guidance after the preventive exam, nutritional controls, blood donation drives and communication campaigns for the prevention of diseases or pathologies such as breast cancer and respiratory diseases, and HIV awareness campaigns, among other initiatives.

In 2021, **Argentina** continued offering special advantages for employees, such as schedule flexibility to attend their children's first day of school, more vacation time for new employees and economic benefits, such as discounts and gifts for employees. In addition, the Enel takes care of you program was expanded, growing to offer various remote activities such as Enel Family Week, online nutrition consultancy, yoga, breathing and meditation classes.

In 2021, **Argentina** implemented a new benefit for employees and families, which includes assistance in legal, financial, psychological, nutrition and parental matters, as well as coaching for leaders. It also includes professional, free and confidential counseling available 24/7.

In **Brazil**, the Canal Você, which provides support for psychological, legal, healthy pregnancy, social security and other issues, answered more than 33,874 queries from employees and their families during 2021. The Company also implemented the Gympass benefit, to encourage more than 1,000 employees to exercise.

**Colombia** launched corporate experiences, such as a virtual gym, progressive mindfulness teaching, nutrition classes, and events such as the Enel Race or the chess tournament, among others. In addition, remote reunions were organized on special dates and virtual vouchers were given to enjoy experiences both at home and away from home; this extends to Christmas gifts and tokens to mark significant moments in life, such as births, disabilities and deaths. Likewise, the Company maintained its connectivity benefit and the

<sup>&</sup>lt;sup>6</sup>The acronym LGBTIQ+ comprises the initials of the words Lesbian, Gay, Transgender, Transexual, Transvestite, Intersexual and Queer. The + sign at the end usually represents other collective identities that are not currently represented in the acronym.





insurance policy in case of hospitalization due to Covid-19.

Peru carried out talks and activities for employees and their families to help them cope with the pandemic. The Company also engaged in a program to reformulate flexible job hours to better adjust them to specific needs, while also working to avoid scheduling meetings during lunch hours. During this year, **Peru** launched a Digital Disconnection program, through talks and communication campaigns aimed at reinforcing the importance of breaks and rest during and after the workday.

In 2021, Central America organized different recreational activities to promote regional fellowship. For example, Virtual Race Central America, with the participation of 216 workers.

Costa Rica held talks on Covid-19 prevention and care, including recommendations and vaccination advice. In addition, covid-wellness kits were sent to employees. The Company also created social spaces, such as tertuliando, to promote virtual recreational activities for the entire family, providing support through Teams with wellness programs and implementing active breaks.

Guatemala maintained the benefits it launched in 2018, such as flexible schedules, additional leaves for employees to balance work and personal lives, and additional vacation days for seniority, among others.

# Programs focused on mental health

The Company promotes the mental health of its employees and provides specific tools to those who need them, which in the context of the pandemic have become especially relevant.

In this line, Argentina conducted webinars on health and care, with emphasis on stress and anxiety management and the importance of developing emotional intelligence, among other issues. In addition, training and psychophysical healthcare services were provided in the context of the pandemic and to support the new smart work format.

**Brazil** created its Wellbeing Manifesto, a program that offers meditation sessions, lectures on mental health (with the participation of renowned coach Bianca Vilela) and other initiatives devised to help employees adapt to the new ways of working.

Colombia organized talks to address issues such as anxiety, sadness, family bonding and purpose. In addition, the Company created spaces for individual psychological support, where employees and their families can request assistance from a specialist to face different situations, moments or emotions, also reinforcing the benefits of virtual psychological support; sessions were doubled from four to eight per person.

In Peru, "Craft Therapy" workshops were promoted for the entire company, to reduce stress levels by engaging in doing handicrafts.





# Respect for the rights of individuals and union relations

102-41 | 402-1

Enel Américas establishes fair and favorable working conditions for its employees, in line with the legal framework defined by each country's regulations. The Company is committed to responsible management of the labor conditions and rights of people, through collective contracts and instruments arising from collective bargaining processes between unions and the Company, which also contribute to a responsible management of work conditions.

For Enel Américas and its subsidiaries, collective bargaining is a valuable instrument validated by all parties, which facilitates collaborative efforts and emphasizes the positive social impact of the organization, demonstrating the Company's good practices in matters related to freedom of association and fair compensation.

People working at Enel Américas and its subsidiaries have the freedom to associate collectively, forming part of one of the unions existing in each company. In **2021**, 89.44% of the total number of employees were covered by collective bargaining agreements.

# **Unionization at Enel Américas**

406-1

Collective bargaining agreements shall be prepared according to the following guidelines, which incorporate International Labor Organization (ILO) recommendations:

- Respect for and protection of freedom of association and the right to organize (ILO C87)
- Respect for the right to collective bargaining (ILO C98).
- Respect and protection of the workers' representative (ILO C135).
- · Preventing discrimination against workers.
- · Local labor legislation.
- Guaranteeing the effective exercise of union rights in the workplace.

The measures that are in place to inform employees about their union rights are carried out through the union leaders or via personnel from the People and Organization Area. In the event of non-compliance with union labor rights, reports are received from employees through various confidential channels, such as the Ethics Channel, among others. Non-compliance situations are investigated as a first step for subsequent actions, in line with the regulatory demands of each country.

The Ethics Channel or whistleblower channel is promoted annually, both internally and externally, with emphasis on the policies and protocols of the compliance program, the Code of Ethics, the Criminal Risk Prevention Model, Enel Global Compliance Program, Zero Tolerance for Corruption Plan and conflicts of interest concerns.

Enel Américas has an Internal Regulation of Hygiene, Order and Safety and, in the case of Colombia, Internal Policy 283, which contains a detailed description of the procedures for complaints of labor and sexual harassment, as well as the procedures for action in such cases.

In addition, Colombia has a Labor Coexistence Committee, which is responsible for studying the incidents presented, formulating recommendations or, failing that, transferring them to the corresponding area to take disciplinary action if applicable. During 2021, the Committees did not find evidence that the complaints analyzed had constituted harassment.



# **Remunerations**

# 202-1 | 405-2

In line with the UN Sustainable Development Goals (SDGs), specifically SDG 5, the Company promotes gender equity guidelines. Therefore, the salary review process incorporates gender criteria.

and a job evaluation methodology that determines the relative value of each position according to its importance and contribution to the interests of the organization. In this way, salaries are compared objectively with the reference labor market, considering equity criteria.

Enel Américas engages in periodic salary reviews, which is done by applying a job evaluation methodology to determine the relative value of each position, according to its importance and contribution to the organization's interests. In this way, it is possible to compare salaries in an objective manner against the reference labor market and considering criteria of equity, both in terms of gender and peer.

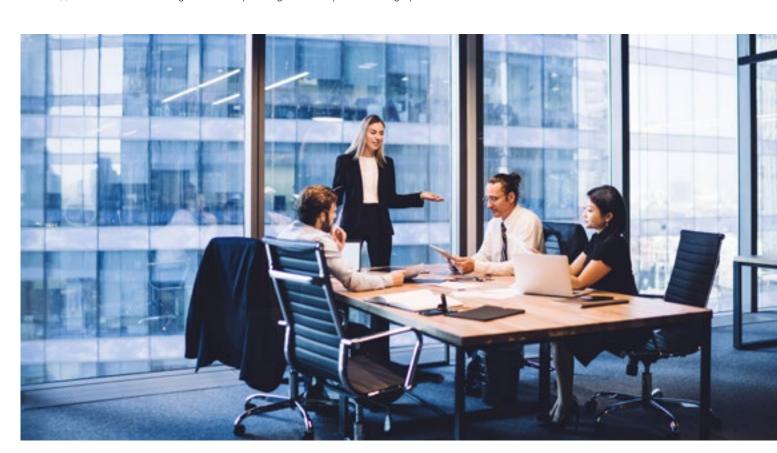
The salary ratio - defined as the average base salary of women in relation to the average base salary of men - is 90.23% at senior/top management level, 101.32% in junior management positions and 96.85% in non-management positions.

The ratio between women and men, considering total salary, is 0.84 at senior/top management level, 1.05 at junior management level, and 1.03 at non-management level.

# Pay equity

	2021 Sala	lary gap (¹)	
Categories	Base salary	Total salary	
Manager	91.45%	90.23%	
Middle Manager	101.08%	101.32%	
White Collar	96.85%	95.89%	
Blue Collar	80.25%	83.25%	
Total	91.63%	95.11%	

(1) Calculated from the average female salary / average male salary for each category.







# **Communities**

103-1 | 103-2 | 103-3



# Primary material issue: Engaging global and local communities

### ¿Cómo se gestiona?

The energy transition implies a joint transformation of countries towards sustainable development in the generation, distribution and use of energy. The purpose of Enel Américas is to build a common path towards sustainable progress with all stakeholders, so that no one is left behind in this important process.

The Company has focused its work with local communities as a response to the main economic, social and environmental gaps that are present in each of the countries where its subsidiaries operate. The first inputs are diagnoses on multidimensional poverty, and poverty or vulnerability associated to energy derived from studies. Based on this, the focus of the relationship is on the empowerment and resilience of the communities that inhabit the territories where Enel Américas develops its business activities, enabling their development with respect to their visions, cultures and realities.

### **Material issues**

- Access to energy.Community consultation in the
- development of new projects.

  Assessment of the impacts of operations
- on communities.Mitigation of impacts of operations on
- communities.

  Protecting the health and safety of
- communities
   Respect for human rights of communities, indigenous peoples and local traditional
- peoples.Social and economic development of communities
- Working together with local communities.

# Importance of good management

To design solutions that respond to social, economic and environmental challenges, a dedicated team is present throughout all Enel Américas countries, representing a relationship based on socialization, listening, transparent dialogue and collaboration, addressing the energy transition in a fair and inclusive manner. The Creating Shared Value (CSV) model allows the Company to diagnose and analyze the risks and impacts of industrial activity in the specific territory where it will be located, to then work with local stakeholders to identify issues and agree on the measures and initiatives that best respond to them and at the same time, address territorial priorities.



# Sustainable Development Goal







# Principles of Human Rights Policy



# World Economic +Forum Risks

# Goals and challenges

SDG	Activity/goal	<b>Goal Plan</b>	2021	Goal 2030*	
		2021-2023*	results*		
4 QUALITY EDUCATION	Number of beneficiaries by educational programs (thousands)	1,090	762	1,104	
7 AFFORDABLE AND CLEAN FRANCE	Number of beneficiaries by energy access programs (thousands)	11,027	6,634	11,057	
8 DECENT WURK AN ECUNOME CROW	Number of beneficiaries under decent work and economic growth programs (thousands)	3,044	1,210	3,087	

<sup>\*</sup> Cumulative beneficiaries since 2015.

Simbology: New Tedefined Redefined





# How the Principles of the Human Rights Policy apply

Respect for the rights of com-
munities

Enel Américas is aware that its activities may have an influence on the communities where it operates, so it is committed to making its investments in a sustainable manner and to promote cultural, social and economic initiatives in local communities to advance social inclusion through education, training and access to energy with the communities towards a just energy transition.

### Respect for the rights of local communities

Enel Américas is committed to respecting the rights of local communities and contributing to their economic and social growth through programs for  $\underline{\text{economic development that integrate local identity, and green jobs.}}$ 

### Respect for the rights of indigenous and tribal peoples

When developing its projects, Enel Américas is committed to involving all relevant stakeholders, including indigenous and tribal communities, as the active participation of the community throughout the process is essential. In this context, the Group works on an adequate social management of the Windpeshi Project.







# **Communities**

The energy transition is presented as a great opportunity to advance towards sustainable development and address climate change by moving towards a Net Zero society. However, it must be managed with an inclusive approach that considers economic, social and environmental variables throughout the process, to leave no one behind and ensure that its benefits reach all stakeholders.

It is essential that the communities are also protagonists of this transformation. Therefore, the focus of Enel Américas' community relations strategy has been to walk together with local communities in the journey towards energy transition, ensuring that it unfolds in a fair and inclusive manner. To achieve this, the Company has a territorial team dedicated to understanding local needs and identifying points of convergence with the corporate strategy, facilitating the creation of articulated solutions together with public, private and civil society actors, in pursuit of the development of the territories where the Company is present.

The diversification of the energy matrix promoted in Latin America represents a significant incorporation of non-conventional renewable generation assets for Enel Américas. At the same time, the region where they are located is characterized by strong urbanization and large cities, with a growing demand for electricity that requires energy development based on strengthening the infrastructure for the supply of safe and quality energy and greater electrification, advancing in the deployment of solutions to improve energy efficiency. In this framework, community relations are essential to reconcile the social and environmental effects that these new facilities may produce throughout their life cycle. The Company seeks to establish early involvement during the development stages of projects, to be able to transform impacts and risks into opportunities and to establish a virtuous relationship with local stakeholders, with a long-term view for the co-design and implementation of actions that strengthen development and generate trust around transparency, dialogue and collaboration. The Company is convinced that this course is key to the success of its business, and therefore is part of the People at the center axis of its sustainability strategy.

The <u>Sustainability and Community Relations Policy</u> defines the principles to advance in the path of sustainable development in the territories where Enel Américas has operations, ensuring permanent management at the territorial and local levels.



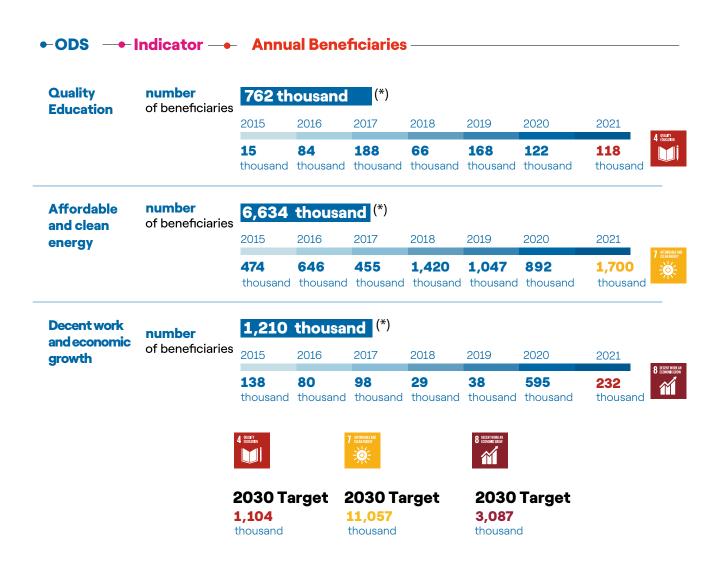
# **Building together sustainable progress for Latin America**

102-43

Our sustainable progress

Enel Américas' commitment is reflected in its Sustainability Plan, where one of the pillars is community involvement. The Company has focused its work on three SDGs, which are directly related to the work of the company and the needs of the communities.

The progress made by Enel Américas in 2021 regarding the three SDGs that guide its sustainability management, and the people to whom it contributes, is presented below.



<sup>(\*)</sup> Cumulative beneficiaries since 2015.





### 203-1

During 2021, Enel Américas contributed US\$ 34.71 million to communities. 89% corresponds to direct investments in communities, 9% to commercial initiatives with social impact, and 2% to charitable donations. Of the total investment, 90% was in money, 9% in time, 2% in goods, and 0.1% in volunteer activities.

During 2021, including the initiatives of the 17 SDGs to which Enel Américas contributes, **nearly 800 projects were carried out with approximately 2.8 million people benefiting from them**.

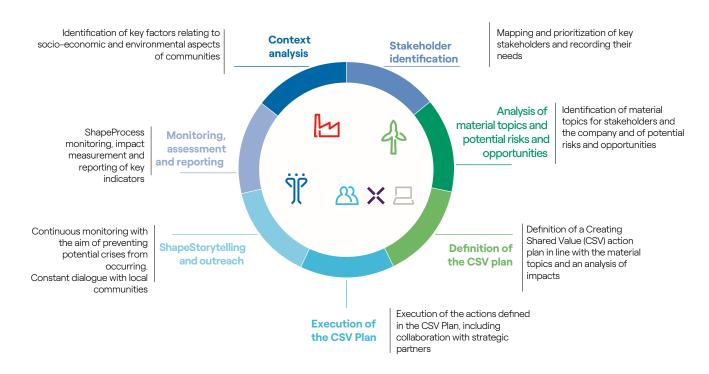
# **Creating Shared Value (CSV)**

Integrating sustainability into its business strategy, as Enel Américas has done, implies not only a cultural and paradigm change within the Organization, but also the design of processes and tools that allow for sustainability to be truly integrated throughout its entire value chain.

The Creating Shared Value or CSV model, developed by Enel Group in 2015, allows the Company to contribute to socio-environmental challenges and issues, so that it can create value and distribute it to all stakeholders. This framework considers a series of analysis, planning and monitoring tools that are implemented in the different stages of the life cycle of the assets, such as business development, engineering and construction, operation and maintenance and decommissioning, allowing the design and implementation of actions linked to the needs of each project and territory, mitigating potential environmental impacts and maximizing social benefits.

In order to achieve effectiveness in the relationship with communities, the following should be considered:

- Identify community leaders with whom to establish contact.
- · Introduce the company.
- Present the projects or maintenance activities to be developed, the possible social and environmental impacts of the work, the mitigation measures to be implemented.
- Open dialogue on the perceptions and expectations of the parties.
- Information about the channels established for the reception of Petitions, Claims, Complaints and Suggestions and to keep a fluid communication with the company, with contractors.
- Training for all employees and contractors who develop interaction activities with the communities on environmental and community management standards, the Enel Declaration of Human Rights, before initiating the activities and then periodically.





The CSV model requires annual planning in each territory where Enel Américas and its subsidiaries operate, based on the following analyses:

- Socioeconomic and 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.

During 2021, 169 applications of the CSV model were implemented to design the various social and environmental initiatives carried out throughout the value chain of the different business lines.

	Thermal generation	Renewable generation	Infrastructure and grids	Market and Enel X	Total
Business Development	0	52	5	1	58
Engineering and construction	1	8	1	0	10
Operation and Maintenance	12	70	17	2	101
Total	13	130	23	3	169

Chart note: The use of at least one CSV tool in relation to an asset or project is already considered an application of the CSV process. CSV applications in the Business Development or Engineering and Construction phases may be related to assets in operation where modernization projects are being carried out.

# **Policy and procedures**

The dissemination and implementation of the CSV model within Enel Américas subsidiaries has required a process of consolidation at the strategic, cultural and operational levels. In this last area, and to regulate the relationship with the various communities, avoiding the risks of heterogeneous or misaligned decision–making, Policy 211 and the PPM System organizational procedure have been established for all Enel companies.

- Policy 211, Definition and management of the CSV process. Defines how to design, implement, monitor and evaluate the sustainability plans that apply to the various territories in which the Company operates, identifying roles and responsibilities. The model incorporates tools to evaluate social, economic and environmental needs, to define projects so that they create value for both the Company and local communities and mitigate any socioenvironmental impacts they may generate.
- PPM System (Project Portfolio Management). This operating instruction (OP 1768) seeks to define, based on the characterization of the various social and environmental investment initiatives, the KPIs and the methodology for calculating impacts. The initiatives are characterized by including CSV (Creation of Shared Value) projects, CSR (Corporate Social Responsibility) projects and instances that fall within the context of philanthropy. Thus, the purpose of these instructions is to highlight the relationship between the projects and the Company's assets, to define a common model throughout the Group for updating KPIs, to ensure the geolocation of each of the initiatives and assets to which they are linked, as well as to develop constant monitoring and measurement and a homogeneous reporting process, in terms of outcomes and impact.





# With communities, towards a just energy transition

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The energy transition brings with it a joint transformation of countries towards sustainable development in the generation, distribution and use of energy. Enel Américas seeks, through its purpose, to build a common path towards sustainable progress with all stakeholders, so that no one is left out of this important process.

A systemic and transversal vision of the main challenges to which the Company can contribute is provided, to seek synergies between social and corporate development, considering the local reality in all its economic, social and environmental dimensions. For example, the various gaps around multidimensional and energy poverty, along with the vulnerability of each country in the face of the climate crisis. This, always with a gender approach and promoting respect for human rights.

The CSV (Creating Shared Value) model guides the Company's work to address the needs and priorities of the direct environment in which each of its operations is located, in line with corporate strategy.

Enel Américas has determined five lines of work based on this analysis.

Lines of works	Issue / gap to be addressed	Description	
Education for sustainable development	Multidimensional poverty: education, attendance and schooling	Promote access to primary, secondary and higher education through scholarships and disseminate educational content on STEM subjects.	4 COULTY
Energy: Access, quality, safety and efficiency	Energy poverty: access, quality and equity	Access to energy through community energy electrification.	7 AFFORDABLE AND CLEAN DIFFER!
Economic development with local identity and green jobs	Multidimensional poverty: work  Just transition: green jobs	Development and promotion of MSMEs and productive projects.	8 GECENT MODEL AN
	Jack dan oldon, groom jobo	Promotion of sustainable tourism.  Development of sustainable tourism.  Skills training for the energy sector  of the future.	<i>1</i> 111
Housing, services and environment	Multidimensional poverty: housing and surroundings - habitability, services and surroundings.	Enabling infrastructure to reduce gaps in road connectivity, basic services and habitability. Recovering public spaces.	11 SISTAMARIES AND COMMUNICATION OF THE PROPERTY OF THE PROPER
Climate change and conservation of natural resources	Climate crisis: water, waste and materials  Nature-based solutions	Projects and initiatives for climate change mitigation and adaptation, and conservation programs in conjunction with the communities.	13 CUMATE ACTION



# **Education for sustainable development (SDG4)**

This line of work promotes access to education, seeking to improve attendance and schooling rates, as well as to disseminate knowledge that contributes to the comprehensive education of young people. Among the main educational topics promoted are science, technology, engineering, mathematics (STEM), and the environment.



# **Argentina**

In the area of education for sustainable development (SDG 4), in 2021 Argentina implemented measures such as:



Our sustainable progress

# **Energy transition workshop**

Program for final year students at technical schools specializing in renewable energies, electromechanics, electricity, electronics and construction. It is carried out in virtual format through a training platform specially designed for this purpose, which, given the specialization of the topics covered, has already been incorporated into the educational programs.

This program reached 61 technical high schools. 763 students attended, including 92 female students.



# **Electrical workshops**

In partnership with the Universidad Tecnológica Nacional (UTN), workshops were held for electricians who maintain neighborhood grids, with theoretical courses at Edesur's facilities and basic electricity courses for customers, to promote knowledge of electricity and minimize the risk of accidents in the home.

168 people were trained.



# Mentorship programs

P&O, Sustainability, and the AEA (Argentine Business Association) jointly developed an initiative to promote the role of mentors. The objective chosen was to accompany a team of students from a technical school in the development and achievement of a project.

122 students from 21 technical high schools were involved in the development of 24 projects.



## **Recycling with social impact**

Recycling initiatives with social and educational impact were promoted (Enel Generación Costanera). 20 metal drums were delivered to 2 technical schools and 2 vocational training centers, where they are now benefitting 640 students.

Also, to contribute to the digitalization of social entities, the following were handed over 17 unused computers from the Enel Generacion Costanera power plant were delivered to the Lanus Oeste.

Volunteer Firefighters and two other institutions, to contribute to the digitalization of social entities.









# 360° Open Doors Program

This program is developed jointly by the Sustainability Department and Enel Generación Costanera, and it seeks to foster a sense of closeness between this plant and the community.

Due to the pandemic context, this program was reconfigured to be carried out through virtual visits with online lectures, both for public and private organizations and entities, such as educational centers, universities, companies, SMEs, among other organizations interested in learning about the plant's processes.

In 2021, more than **2,000** students from **73** technical schools throughout the Province of Buenos Aires took the 360° Virtual Tour of Enel Generación Costanera.

# **Brazil**

Brazil encouraged education for sustainable development (SDG 4), through the following initiatives:



# **National Electric Energy Olympics**

Four Brazilian distributors aimed at promoting knowledge about conscious and efficient electricity consumption organized the first National Electric Energy Olympics (ONEE), a cooperative pilot project through which schools and teachers had access to two training courses on energy efficiency and gymkhanalike challenges, after which students could access the courses on the website.

The 1st edition was held in 2021, covering only Enel Distribución Ceará. A total of 10,726 students and 852 teachers were involved, totaling 11,578 girls and women.





# **Enel shares Energy at School**

This project seeks to promote changes in the energy consumption habits of school communities. To this end, a bus was adapted with different tools to offer students and teachers active resources to consolidate learning in the classroom, in addition to activities and educational content on sustainable development and energy efficiency.

In 2021, this project reached 5,513 students and 557 teachers, totaling 6070 beneficiaries in 109 schools.



# **Enel shares Creative Schools**

This initiative seeks to contribute to quality education in public schools in the area of influence of Enel's distributors. Aiming to reduce energy consumption, improve school performance and increase students' self-esteem, Enel developed a project that promotes the exchange of experiences between educators and students through the integration of culture and sustainability, with the use of new teaching and innovation technologies.

In 2021, 305 students and teachers benefited from the project, totaling 32 schools.



# Luz e Lápiz Educational Center for Children

Enel Distribución São Paulo contributes to the maintenance of two units of the Centro Educacional Infantil Luz e Lápiz (Light and Pencil Children's Educational Center), which serves children in situations of social vulnerability or families with scarce resources, to provide them with a safe and welcoming environment for their integral education, complementing the actions of the family and the community.

In 2021, 4,494 people benefited, including students, families, employees and volunteers.



# Symphony of Tomorrow Ceará - Beatriz and Lauro Fiuza Institute

This project promotes qualified musical education contributing to social transformation, human development and artistic creation, in the belief that children and adolescents develop intellectually through musical practice. It is offered to children and youngsters between the ages of 10 and 20. During 2021 this program benefited 3,650 people.

# Colombia

In Colombia, several initiatives were promoted to collaborate with SDG 4, education for sustainable development:



# **Educating with energy**

The Educating with Energy program is an initiative of the Enel Colombia Foundation, in partnership with the Organization of Ibero American States for education, science and culture, whose purpose is to strengthen socioemotional and vocational skills, and provide professional orientation processes to young people from public educational institutions, through various strategies that include:

- Developing methodological routes in public schools in Bogota and Cundinamarca. This initiative benefited
  more than 2,500 students from the Guillermo Quevedo Zornoza school in the municipality of Zipaquirá,
  and the Francisco de Paula Santander and Delia Zapata schools in the city of Bogotá.
- Imparting the diploma course "Strategies for strengthening socioemotional skills, orientation and life
  trajectories," a 140-hour program taught and certified by the Politécnico Grancolombiano. In 2021, 129
  temporary and permanent teachers linked to 103 schools in Bogota and Cundinamarca, completed the
  program.
- Offering the Methodological transfer to secretariats program, which provides support to the education or social and economic development secretariats of **7 municipalities** in Cundinamarca, strengthening the personal, technical and strategic skills of the teams, to support the actions of educational institutions in the areas of socioemotional skills, vocational guidance and sustainable development. This strategy benefited **121 officials** of the secretariats involved.









# **Good Energy for your School**

Our ESG performance

This initiative, which was born in 2016, aims to improve the infrastructure and equipment in educational institutions. During 2021, this project was extended to new municipalities to improve conditions for the return of children and young people to the classroom, after the Covid-19 crisis, benefitting nearly 4,000 children from 15 educational institutions.

Along the same line, in 2021 the program worked in 3 educational institutions located in the area of influence of the Bogotá River power plants. The repairs focused on the sanitary units, facades and other miscellaneous needs, benefiting close to 120 students.

Finally, works were delivered in 2 institutions, which include new roofs, repair of electrical connections, general adjustments and painting. Close to 100 students from Ubalá and Gachalá that attend these schools will now do so in better conditions. Likewise, the kindergarten in the municipality of Gachalá is in the process of being built, making it suitable for the provision of services and for access to people or children with disabilities. This will be the first inclusive kindergarten in the region, and it will receive 25 children.

### Peru

In the area of education for sustainable development (SDG 4), Peru implemented:



# Strengthening Education in I.E.20487 Santa Elena de Piedritas

Since 2005, Enel has been committed to promoting the educational quality of the Santa Elena Educational Institution. Considering the distance, support is provided for the transport of students when there are on-site classes. During 2021 and due to the pandemic, Enel provided 95 tablets and school kits for the students of the institution. Also, the Company joined forces with the NGO Crea+ to train teachers in TACs and strengthen virtual classes. All these activities benefited 151 kindergarten and elementary school children at the Santa Elena de Piedritas School.



# Enel and Sinfonía por el Perú connect through Enel Nucleus

This program began in 2012 and seeks to promote music education in children and adolescents in the concession area, strengthening their artistic skills through classical music, fostering values such as confidence, innovation and personal development, among others. The Enel Nucleus has 19 participants with special abilities such as autism, Asperger's, ADD and epilepsy, among others. The program has had great results and has benefited an average of 300 children per year, 56% of whom are girls.

More than 1,500 children and adolescents from Lima have participated.

In 2021, there were 3 virtual concerts and the participating children showed improvement in their school grades despite the pandemic context.



# School Campaign and contribution to digital education

In 2021, school kits were delivered to more than 6,000 children from Piura, Junín, Lima, Ica and Moquegua. The children from the Santa Elena School, located in Talara - Piura, also received 95 tablets to complete the availability of electronic equipment in the institution, for students to be able to attend online classes. Teachers, students and parents were trained in TACs in alliance with the NGO Crea +.

In Ventanilla - Callao, the Company also got involved in the provision of a virtual reinforcement training course called Check. This program seeks to contribute to the teaching of mathematics using digital tools. More than 600 students and teachers benefited from this program.







# **Computing for all**

In 2021 and due to the pandemic, there was a great opportunity to implement this project virtually, adapting the curriculum to the teaching of digital tools for advertising design and online sales, among others, to contribute to the revival of the economy of many small businesses and entrepreneurs.

The program benefits **1,500 people annually**, and by 2021, thanks to virtuality, it will have benefited almost 2,500 people including children, young people and adults in the communities of San Ramón, Chanchamayo, department of Junín. 65% of the program's participants are women.

## **Costa Rica**



# **Educational Strengthening Program**

This program aims to facilitate access to education for children and adolescents in the areas of influence, addressing the major obstacles they face in their respective geographic areas.

For primary school students, at the beginning of the school year, a kit of school supplies is provided, as requested by the Ministry of Education, and children are equipped with uniforms and shoes so that they can attend school. During 2021, this program reached approximately **130 primary school children**.

At the same time, socioeconomic support is provided for high school students, which consists of an annual bonus according to the academic performance of the students, and most importantly, it sponsors transportation for students to school, which is one of the greatest difficulties that parents face in sending their children to school, due to long distances.



# **Conectados Program**

In alliance with the Quirós Tanzi Foundation, the Conectados project provides personal computers to the students of the Chucaz de Mora School, so that they can take advantage of technological resources to enrich their education. In the last year, due to the pandemic, the program has also evolved to virtual formats, where the Foundation has organized webinars and training for students and teachers throughout the country, promoting the use of technology in an attractive way to bring knowledge to students, this has also allowed this initiative to reach more people. **Between students and teachers, this program has benefited more than 3,000 people**.



# **Building Skills for Women**

Enel joined forces with the Municipality of Mora and the Universidad Hispanoamericana to create a training program for women consisting of four workshops aimed at promoting female empowerment and providing tools to support women in their daily lives. The workshops covered topics such as employability, entrepreneurship, tools for self-esteem and leadership, benefiting close to 24 women.



**Appendix** 

### **Guatemala**



Our sustainable progress

# **Play Energy**

The Play Energy program was developed, an initiative based on a multi-user technology platform. Due to the pandemic, Enel undertook the task of updating and expanding the Cooperation Agreement signed with the Ministry of Education (2021-2023) and it is expected that in 2022 the program will be implemented in schools in the areas of influence of Enel's hydroelectric plants in Guatemala, estimating a participation of approximately 100 schools, serving about 150 teachers and three thousand students.

# **Energy: access, quality and equity (SDG7)**

Through this line of work, Enel Américas seeks to address the phenomenon of energy poverty and reduce the gaps that put families in this situation. By tackling issues such as access, quality and equity, and inviting communities to the Company's facilities to promote knowledge about energy, Enel Américas aims to empower communities in the different countries in which it operates.



# **Argentina**

Regarding this line of work, Argentina developed the following initiatives and projects:



# **Community Leadership Network**

This program begins with territorial mapping to identify neighborhood leaders and institutions that are legitimized in their territories, to articulate support actions with them, to ease the process for neighbors to become Edesur customers. The Community Leadership Network is the basis for the articulation of all actions related to counseling, support and implementation of specific projects.

During 2021, the Company continued implementing solutions to the needs identified in 2020 in Los Ceibos (Lanús), including the creation of murals, self-manufactured solar lights in the Santa Inés parish, photovoltaic lighting in the neighborhood sports court, among others, attracting 540 new customers.

On the other hand, in Barrio 3 de enero Villa Fiorito (Lomas de Zamora), the Company donated 5 computers, as well as imparting workshops on responsible consumption, technical inspections, survey of claims and queries, among others, attracting 708 new customers.







# **Energy that adds program**

This program aims at raising awareness among families in vulnerable neighborhoods, who have irregular electricity connections, and helps them to become customers of the distribution company.

Specially trained community agents visit or call prospective new clients and offer them personalized orientations with information relevant to their new status.

The advice focuses especially on raising awareness on efficient and safe energy consumption and on commercial issues such as contact channels, procedures for electro-dependent customers, content of the electric energy bill, information on the tariff chart, use of the virtual office and information on how to apply for the social tariff, among others. **This program benefited 16,080 customers**.



# **Summer Plan workshops**

Within the framework of Edesur's Summer Plan, aimed at mitigating the negative climate impacts on the energy distribution grid, meetings were held with representatives of neighborhoods, to promote good habits towards energy efficiency. For this purpose, brochures and LED lamps were handed out, and a workshop on sustainable energy use was held for **3,450 people who benefited** from these initiatives.

# **Brazil**

To contribute to SDG 7, Brazil promoted programs and initiatives for improvement and combination.



# **Energy efficiency program**

This program aims to exchange new refrigerators, showers and light bulbs, to help customers pay their energy bills, as the new equipment and features are more efficient and consume less energy. A total of **302,689 people benefited** from this initiative in 2021.



# **Enel Compartilha Eficiência - Public/commercial buildings**

An initiative focused on promoting efficient energy consumption, improving the electrical installations of customers. To this end, a public call is held to select energy efficient projects, both for public and private sector customers, schools, hospitals and universities, among others, achieving lower electricity consumption. In 2021, 68,153 people benefited.



# **Ecoenel**

This initiative addresses innovation and sustainability, with the aim of promoting waste collection among customers, thus raising awareness in the communities about caring for the environment and reducing environmental impact through solid waste management. Ecoenel was recognized by the Ministry of the Environment as a benchmark practice for meeting the challenges of implementing the National Waste Policy.

In 2021, **5.7 thousand tons of waste were recycled at the 163 collection points** spread throughout the states of Rio de Janeiro, Ceará, Goiás and São Paulo, generating bonuses for more than \$349,000.00, which were distributed on customers' electricity bills, **benefiting 41,547 people**.









# Colombia

In Colombia, the Company promoted the following initiatives to ensure access to quality energy and equity:



### **Seed Plan**

This initiative seeks to generate development opportunities for young people from vulnerable populations, by increasing their employability factors through comprehensive training in the electricity sector.

In 2021 and for the first time, a virtual and mixed-format training group was opened in which **25 young people** from different municipalities in the Department of Cundinamarca participate simultaneously. Under the title Technician in assembly and maintenance of overhead power distribution grids, these young people are trained in the skills required by the distribution operation in Bogota and Cundinamarca. During 2021, 5 women attended.



# **Support for migrant population**

In 2021, 5 mobile humanitarian assistance offices were equipped with solar panels and photovoltaic systems, which are part of a project led by the IOM that provides orientation and referral services, as well as humanitarian aid to vulnerable populations (migrants and refugees, Colombian returnees and host communities) in several Colombian territories.

These mobile offices can operate on highways and in any area where this humanitarian support is required. This project is expected **to benefit more than 45,000 people per year** and contribute to Sustainable Development Goals (SDGs) 3 (Health and well-being), 7 (Affordable and clean energy), and 10 (Reducing inequalities).



# Training on energy and electrical safety

Through an alliance with Universidad de Los Andes, a course on energy and electrical safety was given to employees of different organizations. This 8-hour course was given by professionals from the electrical and electronic engineering department, in an online format. The **175 participants** in this course were able to improve their understanding of the electrical system, its operation, and the regulatory and institutional frameworks that govern its operation. They also improved their understanding of the responsibilities shared by different actors and institutional sectors in the safety and prevention of conditions that generate or enhance electrical risks.



# **Energy watchers**

This project seeks to promote a culture of efficient use of electricity and household appliances in customers, especially children. **During 2021, 29,886 people were benefited**.



# By your side at the neighborhood

This initiative focuses on finding new ways of relating to the communities. After listening to the concerns of the neighbors, Enel's team is empowered to meet their expectations in an assertive manner. In 2021, a total of 105,504 people were served through this program.



## Safe energy for customers

The Company engages in an inspection circuit between Apogeo, Costa Azul and Tenerife to carry out preventive management of third-party electrical accidents. **This program benefits 80,279 people**.



### Peru

Peru also implemented programs and initiatives to contribute to SDG 7.



# Pachacútec Institute, training with energy

Through an alliance with Nuevo Pachacútec Private High School, Enel offers this project which aims to provide professional technical training in industrial electrical engineering to young people from vulnerable communities. The program lasts six academic semesters and includes complementary training, tutoring, workshops, visits to power generation and distribution facilities, and a job placement program. The aim is to train professional technicians, most of whom are employed by Enel Distribución Perú's contractors.

In 2021, 115 young people (15% women), ranging from 17 to 33, attended online classes. Since the program began in 2006, it has reached 742 young people. Enel's employees contribute by voluntarily participating as teachers and tutors. In 2021, there were 15 Enel volunteer teachers.

This project has been recognized over the years in various contests and rankings.



# **Energy to grow**

Migration in Peru has increased the populations in northern Lima, Callao and Norte Chico, a phenomenon that brings with it an increased electrification demand. The challenge faced is to be able to make a positive contribution to the social and economic situation of vulnerable families that cannot develop because they don't have adequate access to electricity.

Faced with this challenge, Enel created Energy to Grow, a project that seeks to accelerate electrification in Enel Distribución's concession area, with the objective of serving more families and, together with the arrival of energy, opening development opportunities. Enel Distribución has the goal of electrifying 20,000 homes annually, providing opportunities to acquire efficient products and services through Enel X, training new customers in energy efficiency and electrical safety in their homes and public roads. By 2021, more than 16,000 homes have been electrified, benefiting more than 60,000 people.

Furthermore, an agreement has been signed with the Ministry of Energy and Mines, through which the State grants a subsidy to vulnerable families to acquire a meter. This project received the name Energía al toque, and Enel supports it by contacting potential beneficiaries and assisting them in the process.



# **Advocacy Program: Electrical Safety Tips for the Home and Public Roads**

In 2021 we strengthened the safety culture in the home through talks and workshops to customers and future customers. Through this effort, we seek to reduce the risks of home electrical accidents and promote energy efficiency. This program contains various initiatives such as safety videos that are played in virtual meetings, as well as in Enel Distribución Perú's customer service centers, and remote safety and energy efficiency talks. By working with municipalities, online platforms have allowed the Company to reach a greater number of people. In 2021, this program managed to impact 716 people.





# **Economic development with local identity and green jobs (SDG 8)**

Through this line of action, Enel Américas seeks to promote entrepreneurship and the development of skills that enhance the quality of work of local communities, also contributing to the valorization of the knowledge and resources present in each territory, and collaborating in the growth of micro, small and medium-sized enterprises (MSMEs) by financing inputs, machinery, certifications and services, as well as providing skills-development programs. The Company's power plants are located throughout a territory that is rich in cultural diversity, nature and history, and by promoting sustainable tourism in each country, the aim of the Group is to enhance the value of the territory for the communities that inhabit it.

This line of work takes is even more relevant in the face of the Covid-19 sanitary contingency, vis-a-vis the loss of employment and the decrease of income that several families are facing. Enel is looking to contribute to the needs of the communities under the premise of sustainable and resilient reactivation.



**Projects Beneficiaries** 

**232** thousand



# **Argentina**

Argentina and its commitment to economic development with local identity and green jobs (SDG 8), is manifested in the following initiatives:



# We are Green Attitude - Agroecological Vegetables

In an alliance with Aramark and the University of Quilmes, Enel Generación Costanera provides its plant canteen with agroecological (pesticide-free) vegetables and fruits, promoting the consumption of food grown without agrochemicals. The objective of this initiative is to modify the traditional way of cultivation towards the agroecological, which allows for better quality of produce, safer and healthier, and to reduce costs for the producers, providing an outlet for the commercialization of these products and thus improving the prices for the consumer and the profits for the producer.

In this way, the Costanera plant promotes this project with an impact on the generation of employment and economic growth for 104 people and offers employees quality products in the plant's canteen.



### Somos Turismo Sostenible - Villa El Chocón Tourism Corridor

This initiative contributed to the design of a technical project for the tourist development of Villa El Chocón, which was carried out through a diagnosis of the current situation of the place, after which the project identified three tourism circuits, designed and created four levels of informative/educational signage for each of the circuits, and reopened the guided visits to the plant.

For this project, Enel Generación El Chocón contributed with the design of 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 project aims to develop the tourist potential of Villa El Chocón, integrating the power plant as part of the offer and developing its link with the community, among other aspects.

Within this same initiative, the Company donated five electric bicycles to the municipality of El Chocón, to be placed in a common access space within the village for the use of tourists and students, making Villa El Chocón the first electric bicycle stand in Argentina to be used free of charge.





# **Empowering local entrepreneurs**

With the aim of promoting local employment, Edesur sponsors an association of vulnerable micro-entrepreneurs that operates within its concession area, to favor their economic development.

The Company works with the foundation Mejor es dar (better to give) to finance the purchase of tools and other work equipment. This institution finds micro-entrepreneurs with high growth potential, advices them and then monitors them on an annual basis, measuring their development on the one hand, and their collectability and electricity consumption after the intervention, on the other.

This initiative benefited 6 micro-entrepreneurs in 2021, adding up to a total of 36 total beneficiaries.



## **COVIDA Fund**

In partnership with Asociación Civil Sumatoria, Edesur contributed to the COVIDA fund, created to grant credits with facilities for the development of social economy initiatives during the Covid-19 pandemic. Through this alliance, the Company supports the Unión Trabajadores de la Tierra (UTT), to produce 56,400 agro-ecological vegetable and fruit seedlings.

The program has reached more than 300 producers (of which 120 are women), with a total of 1,200 beneficiaries.







# Brazil

Brazil contributed to and promoted the development of communities through initiatives such as:



# **Enel Comparte Entrepreneurship**

This project aims to support the communities surrounding the Company's operations, contributing to the socioeconomic development of the population. The initiative encourages the formation of productive community networks and associations, helping participants to qualify their products, create sales channels, develop their commercial management, and receive structure and inputs. Enel Comparte also advices beneficiaries on environmental and citizenship issues.

This project fosters the formation of productive groups, mostly composed by women, who work under the concepts of circular economy. In Distribution, many social projects supported by the Solidarity Light Program also promote entrepreneurship in the communities.

### In 2021, 8,212 people benefited from this initiative, including 883 women.

On the other hand, EGP worked on training endeavors, mostly focused on entrepreneurship and partnerships, taking advantage of the opportunities granted by the circular economy to reuse materials from construction companies, food production, and to enhance aesthetics and beauty along the way.

Throughout the year, 650 people benefited, including 60 women.



# Orchards under the transmission grid

This is an Enel São Paulo Distribución project, in partnership with the NGO Cidades sem Fome (Cities without Hunger), which seeks to use the strips under transmission lines to plant and grow urban vegetable gardens. The objective of this initiative is to combat malnutrition and improve the quality of life of the communities by facilitating access to healthy and nutritious food, in addition to bringing environmental benefits to the population.

The gardens provide communities with vocational training, employment opportunities and income generation through the sale of products grown by project participants. Similarly, it is possible to mitigate risks related to vulnerable land, reduce land maintenance costs, improve quality of management, and encourage innovative use of assets, among others.

In 2021, US \$49,895 was generated in income for project farmers, benefiting a total of 126 people, including 32 women.



# **Enel Comparte Opportunities**

This initiative aims to train young people and adults for the labor market, through professional technical training, so that they can work in Enel's partner companies, generating shared value. The Company maintains partnerships with companies and institutions to offer training courses and later to provide employment opportunities.

## In 2021, 9,795 youth and adults benefited, with US \$475,108 of generated income.

During the construction stage of power generation plants, the program focuses on empowering local communities to take advantage of employment opportunities in the areas of influence of the plants, providing guidance on registration, CV drafting, selection and hiring processes, and training of the workforce. On average, 50% of the labor force at the plants under construction comes from local communities.

In 2021, 972 people were hired from local communities and 130 people were qualified in Industrial Safety and Carpentry functions.



# Colombia

Colombia promoted economic development with local identity and green jobs (SDG 8) through the following projects.



Our sustainable progress

# Coffee production chain

This project seeks to strengthen the administrative, commercial, and associative potential of productive organizations of coffee growers. It focuses on the standardization of the process flow and on developing markets for micro lots of coffee.

In 2021 this initiative managed to consolidate alliances with municipal administrations and the National Federation of Coffee Growers, to strengthen 85% of the coffee growers in the municipality of Gachalá, who will be the main beneficiaries of the initiative's activities in 2022.

Along these same lines, the Company also participated in the project for sustainable production systems in the municipality of Ubalá in Cundinamarca, which benefits 43 families with one of five systems, such as water harvesting, composting, home gardens, biodigesters and silvopastoral systems.

Finally, the Company materialized a donation to improve the Pomona integral community center, which seeks to benefit more than 1,500 people, including 700 women, from the inspection of Mambita Cundinamarca, providing adequate spaces for cultural activities and promoting the economic development of the inspection and the region.



# **The Cocoa Effect Project**

With the participation of Emgesa, together with strategic allies such as the United States Agency for International Development, Luker Foundation, Luker Chocolate, Saldarriaga Concha Foundation and Eafit University, this project rehabilitated 170 hectares in the department of Huila, reaching 100% of the execution goal. At the same time, 208 hectares were planted, which represents a 95% compliance, for an accumulated total from 2019 to date of 590.8 ha rehabilitated and 340 planted. Currently, productivity is at 306 kilograms per hectare, and regarding cocoa sales, the department increased them by 106%, impacting 394 producer partners. Overall, between 2019 and 2021, the project has trained more than 500 women in entrepreneurship with a gender focus. In the last year, 314 of them participated in 35 workshops in significant training cycles, and 59, received entrepreneurial kits.

# **Peru**

In Peru, the following projects and initiatives were promoted to foster community development.



# Safety course for contractor personnel

This initiative was launched in 2016 to further the work of the Pachacútec Foundation around economic selfgeneration. Enel provided the expertise of its associates and worked to train participants to take advantage of the annual certification of contractors. During 2021, the Institute Nuevo Pachacútec trained 6,223.



# Protein substitution through guinea pig farming

This project seeks to increase consumption of protein, in this case guinea pig meat, and to promote the economic development of local communities. In Peru, guinea pigs are called cuyes and they are part of the traditional ancestral diet. In 2021, participants received 30 training sessions on guinea pig breeding techniques and culinary uses, which included more than 400 personalized technical visits, materials to implement better guinea pig breeding spaces, internships to see successful experiences and participation in local fairs. In addition, breeders are also producing guinea pig guano, a natural fertilizer used to enhance coffee crops.

Thanks to this project, by 2021, the 50 participants will have increased their families' consumption of guinea pig meat, as well as their income from guinea pig sales.







# Contributing to the eradication of fruit flies in Callahuanca

In 2021 and in partnership with the Municipality of Callahuanca and the National Agricultural Health Service (SENASA), the Company initiated a program to control and eradicate the fruit fly in Callahuanca and foster the recovery of local communities affected by the pandemic. Enel provided inputs and specialized personnel to train the more than 500 farmers participating in the program. Forty-five official monitoring traps were installed, and more than 20 group trainings were carried out, all of which reduced the number of flies in the area by approximately 90% according to the monitoring produced as part of the program.



# Training in favor of local hiring

As part of our contribution to local development and the generation of new job opportunities in the communities that are near our projects, The Company provided training in 4x4 Defensive Driving to 15 members of the Justo Pastor – Ica Association of Residents, in a bid to build their skills and improve their employability. In addition, a workshop was held for 14 members of the association, all of them residents of the same Ica Region, where they learned modern resume drafting techniques.

Enel in Central America focused on responding to problems and supporting development:

# Costa Rica



# **Mora Online App**

In response to the need for economic reactivation in the areas of influence, EGP Costa Rica supported the development of a technological application so that suppliers in the canton of Mora can market their products and services using this technological tool.

In partnership with the Municipality of Mora and the civil organization Mora Unida, this customized application was developed to promote the purchase of products and contracting of services from local suppliers. Upon entering the app, customers will find various categories of service, such as restaurants, groceries, pets, health, sports, among others, so they can make their purchases online and manage their home delivery or on-site collection, thus generating movement in the local economy and maintaining Covid-related prevention measures. Nearly 40 suppliers and local producers benefited in 2021.

### **Guatemala**



# Family vegetable gardens

The implementation of home gardens aims to mitigate the negative impact of the global pandemic, providing food security to the most vulnerable population. The project is developed in partnership with the following public organizations: Ministry of Agriculture, Livestock and Food (MAGA), Secretariat of Food Security and Nutrition (SESAN), Institute of Technology and Training and Productivity (INTECAP) and the Municipal Women's Offices of the municipalities of Zunil and San Jeronimo. In 2021, families managed to harvest 2 vegetable crops, which mean monetary savings and better diets. **Nearly 170 families** distributed in the communities of the municipality were benefited.



# **Business Development Centers**

This program seeks to create technical training opportunities to promote employability among young people, working in two municipalities to strengthen occupational skills and empower participants to achieve labor market insertion. In 2021, **2 groups of 60 neighbors were trained** in clothes-making, beauty, baking and cooking. Most beneficiaries are women.





# **Cutting of vegetation and trees in transmission line easements**

This program consists of the total cutting of regenerating vegetation within the transmission line right-of-way. It also considers the partial and total cutting of trees outside the transmission line easement, which means a reduction in the risk of de-energization and destruction of electromechanical structures due to falling trees. For the 8 communities benefited by this program, **this means an income of around US\$10,000, which is distributed among 800 families**.

# Other projects

# **Argentina**

# Planting of vegetation barrier

This initiative seeks to promote the creation of a biodiversity corridor that unites the Costanera Sur Ecological Reserves and the Costanera Central.

This Biodiversity Project allows the Company to contribute to SDG 15, on terrestrial ecosystems.

220 specimens of 6 native species were planted, which translates into 516 square meters of plantation, with an absorption of 1,540 kg of CO<sub>2</sub>.

# Microalgae Project - Enel Generación Costanera and FAUBA (Faculty of Agronomy of UBA) Alliance

An agreement was signed with the Universidad de Buenos Aires to develop a feasibility study for a microalgae production plant that uses combustion gases from the power plant as a source of CO<sub>2</sub>. Studies to find a financing line for the design of a preliminary pilot plant is currently underway.

### **Brazil**

# **Enel Comparte Sports and Leisure**

Peripheral regions lack social, leisure and sports infrastructure and therefore not many people practice these activities, which is why the Company contributes to fostering social inclusion and sustainable development in urban areas by promoting sports.

The main objective of the program is to strengthen the leadership of young people through sports and cultural activities which serve as educational tools, in addition to promoting access to leisure spaces and activities in the cities. In 2021, **19,023 people benefited from this initiative**.

# **Enel Comparte green attitude**

The program brings together environmental education projects with a practical approach and a target audience comprised of employees, teachers, students and the population of local communities, with a focus on issues of relevance to the region of the beneficiaries, such as the preservation of fauna, flora and the socio-environmental environment. In 2021, **6,559 people benefited**.

# **Enel Comparte infrastructure**

This program brings together initiatives for the installation or improvement and conservation of infrastructure with a focus on the social and economic development of communities. To this end the initiative advocates for the restoration or restructuring of public and/or community spaces. In 2021 the program continued to focus on public health infrastructure, to contribute to the fight against Covid-. About 30 thousand people benefited from the improvement of the infrastructure used in the fight against Covid, and a further 1,500 people are enjoying other local social projects.

# **Enel Comparte grid leadership**

This initiative promotes access to energy through relationships with customers living in outlying regions, based on partnerships with community leaders who then share information related to the safety of the population and act as facilitators of community relations with the company.

The project includes a set of activities that were devised to ensure access to energy and to promote safety among the population. This initiative is part of a new relationship strategy between Enel and its customers, **benefiting 786,634 people in 325 Brazilian municipalities in 2021**.

# Colombia

# Vital

Through an alliance with the Siemens Foundation, the Company has been involved in the Vital program since 2019. This initiative aims to install water purification filters in rural areas in territories where Enel-Codensa and Enel-Emgesa operate. During 2021, and with the support of public companies of Cundinamarca, 2 filters have been installed in the municipalities of La Vega and La Calera, **benefiting more than 800 people**. Meanwhile, the installation of filters in the municipalities of Guaduas and Puerto Salgar has already





been settled and the installation date is being coordinated. Finally, the Vital team is analyzing the feasibility of installing filters in the municipalities of Viotá, Tibacuy, Guavio and Villavicencio.

### Peru

# **Bamboo and pine reforestation project**

With a view to contributing to the reduction of deforestation in the localities near the operations, the Company provided training and technical assistance to the communities of Unión Condorbamba, Marancocha and San Juan de Uchubamba within the framework of a reforestation project using pine and bamboo. Through this initiative, 10 hectares have already been reforested with pine and 8 more, with bamboo. This will contribute to the recovery of local ecosystems and generate employment. This project involves the participation of 50 local people and benefits more than 300 people in the area.

### **School breakfasts**

For more than 10 years, children from low-income families located in towns near hydroelectric power plants have periodically received milk, cereals, fish protein and guinea pig meat to prepare their school breakfast, thus improving their nutrition and reducing anemia. In 2021, 135 children from the towns near the Yanango and Chimay power plants were benefited.

# **Costa Rica**

# **Support to the Costa Rican Red Cross**

During 2021, the Company continued its support to the Costa Rican Red Cross operating in San Miguel de Sarapiqui, near the Don Pedro and Rio Volcan hydroelectric power plants. The aim is to ensure that there is proper care available in times of health emergencies. The contribution, which amounts to US\$3,200, is focused on maintaining safe and stable access to health services.

# **Guatemala**

# For the forest and your health

This project will purchase 30 clean heating stoves -which burn considerably less firewood-, in a bid to reduce the use of firewood by up to 52%, as the excessive use of wood causes deforestation, soil erosion and environmental damage.

# **Agroforestry nursery**

This project built a comprehensive agroforestry nursery, in which biofortified corn was planted, thus **benefiting 15 communities** distributed in three regions of the municipality. 2021 saw the planting of 2,000 forest and fruit trees for the recovery of 2 hectares.

# Water purification

This semi-industrial chlorination project improved the water distribution network for human consumption and repaired faulty systems that were causing loss and contamination of water resources. The initiative also undertook actions for basic sanitation, such as the chlorination of 2 distribution tanks containing water for human consumption.

### **Water for summer**

This project delivers plastic containers to store water from rain and other sources. This water is meant to be consumed by each family in times of liquid scarcity (over the summer). The program will last 3 years; 50 families from the Cumbre de Pan Muk community were benefited in 2021, this is an important stakeholder of the Transmission Line.

# Progress of the Social Management Plan for the El Quimbo hydroelectric plant

During 2021, several projects were developed in the area of influence of the El Quimbo hydroelectric power plant. Regarding environmental education in the municipalities, the Company performed **180 actions** to promote environmental awareness, such as training in electricity issues, environmental activities with communities and with public and private institutions, visits to promote environmental practices in resettled families, collective training for resettled families, coordination efforts between ecological groups and institutions, advice and support in project formulation to ecological groups, and generally strengthening social and community organizations.

Likewise, the Company also carried out **57 actions** aimed at strengthening organizations that are somehow related to the plant's operations, including technical assistance and training.

To provide follow-up and assistance on technical issues related to the processes and their dynamization, a specialized team **visited 341 productive projects**. 82.4% of these visits were for the purposes of monitoring and supporting the agricultural production system, while the other 17.5% sought to strengthen processes through technology transfers.



# Cooperation agreements with municipalities and organizations

Our ESG performance

# 1) Garzón Municipality

In 2021, the Company materialized the agreement for the "Acquisition of land for the construction of a wastewater treatment plant in the municipality of Garzón-Huila". The purchase called for an **investment of US\$ 181,672 and will benefit the 96,296 inhabitants** of the municipality, when the plant is built and comes into operation.

### 2) Gigante Municipality

Agreement **159 signed between Emgesa and the Municipality of Gigante** was realized in 2021 with the delivery of the roasting equipment that will be used by more than 200 members of the ASODESARROLLO association, considered the largest in the municipality. This new equipment will strengthen coffee production in this locality, which is adjacent to the El Quimbo Hydroelectric Power Plant.

# 3) Tesalia Municipality

The project "Strengthening the production and marketing of cherry tomatoes through protected crop technology in three associations: Agroprosur, Asocapa and Asosanjose of the municipality of Tesalia, department of Huila" was launched. This initiative aims to directly involve more than 90 beneficiaries of the respective associations, for an estimated time of 5 years.

The investment for this project is US \$105,476, and it brings together the municipal administration of Tesalia, the three beneficiary associations, the hydrocarbon company Hocol represented by the Alto Magdalena Foundation and Enel – Emgesa, with a contribution of US \$54031, equivalent to 51% of the total value of the project.

# 4) Paicol Municipality

In 2021, the project "Bovine genetic improvement to strengthen the productive capacities of 100 small and medium-sized cattle ranchers through agricultural science, technology and innovation for peace, in the municipality of Paicol-Huila" was approved.

The initiative seeks to strengthen the productive capacities

of 100 small and medium-sized livestock farmers through genetic improvement and cattle restocking, delivering pregnant recipients through bovine embryo transfer. The Municipality of Paicol's will participate beyond the initial stages by providing continuing technical support for the management of the cows and the genetically improved offspring, which will be guaranteed through the operator ASOMSURCA.

# Windpeshi Project-Colombia La Guajira

Enel Green Power is at the forefront of the movement to provide Colombia with a diversified energy generation mix, promoting and supporting the development of nonconventional renewable energy sources.

That is why, in 2019, five Enel Green Power projects, three of them wind and two solar, were awarded around 740 GWh/year in the Reliability Charge tender. The three wind farms correspond to Windpeshi, Tumawind and Chemesky, which are in the department of La Guajira, a region characterized by a significant presence of indigenous communities, which represents 20% of the total Colombian population. Historically, it is a region with very high rates of unsatisfied basic needs, including access to potable water, energy and education.

In relation to the Windpeshi plant, the Enel Group has begun construction of both the wind farm and a transmission line. In both cases, consultations were held with the communities involved, where opportunities have been identified to develop projects that promote access to drinking water and education. In particular, with reference to:

- Access to drinking water. The Windpeshi public water system was inaugurated, which was devised as a sustainable system to facilitate access to the region's dispersed rural communities. The project will benefit 3,000 indigenous Wayuu people and will obtain water, treat it, make it potable, store and distribute it, improving the population's quality of life. A second water system, Amalipa, will benefit communities in the area of influence of the transmission line. Finally, to enable the use of water for other purposes, wells are being built and rehabilitated to facilitate access to water sources in the department of La Guajira.
- Access to education. An agreement was signed with SENA
   (National Learning Service) to initiate training processes
   for people looking for work or to develop sustainable
   entrepreneurship initiatives in communities in the area
   of influence of the projects. Another focus is to provide
   locals with the skills needed to work in project activities.
   65 people received training in construction.

An agreement was also reached with the University of La Guajira for the preparation of an intercultural manual, which will represent a fundamental tool for the interaction of the different projects in the Wayuu territory, as it will advance the understanding of the dynamics and particularities of local ethnic communities. In addition, through an agreement with Artesanías de Colombia, Wayuu weaving crafts are being promoted in the area of influence of the Windpeshi wind farm.









## **Volunteering**

Everywhere it operates, the Company promotes corporate volunteering programs to involve Company associates in different projects that have a social focus. The purpose is to integrate different stakeholders in collaborative endeavors, seeking mutual benefit and getting all parties involved in social matters that are relevant to the community. The issues addressed are consistent with Enel Group's commitments to the Sustainable Development Goals (SDGs), with emphasis on goals 4, 7 and 8.

Our ESG performance

#### **Argentina**

#### **Volunteer Mentoring Program**

In 2021, the Volunteer Mentoring Program was implemented by the People and Organization and Sustainability Management together with the Argentine Business Association (AEA). This program has 27 mentors from the company who serve as mentors and support a group of students on a voluntary basis.

#### Brazil

#### **Rede do Bem**

This Enel corporate volunteering program in Brazil was launched in March 2012 with the aim of fostering citizenship and a culture of social involvement and, since then, has made a difference in the lives of employees and hundreds of children, adults and the elderly. The program's website contains campaigns to address hunger, encourage education to inspire young talents and promote microentrepreneurs who need support especially during the pandemic. Another aspect of the project is the Women of Energy program, which focuses on increasing gender equity in Brazilian schools and universities.

Furthermore, volunteers can also promote their own social initiatives on the platform, through the Independent Volunteer Actions section and, after achieving great results, share them with everyone through Rede do Bem. In 2021, the program benefited 16,000 people thanks to the work of 2,000 volunteers in 35 activities.

#### **SER - Network sustainability**

In 2021, this program achieved **10 thousand participations**, surpassing its goal of 4 thousand participations and managing a 127.7% growth compared to 2020. Enel Brasil has encouraged the adoption of sustainable attitudes and the creation of shared value among thousands of employees through 56 events contained in the pillars: Being Human, Being Social, Being Environmental and Being Economic.

Since its launch in 2015, the program has reached more than 30,000 participations in 305 activities.

#### **Enel comparte entrepreneurial spirit**

The socioeconomic recovery plan has put an emphasis on actions to support socially vulnerable people. One of the ways to achieve this is through training and entrepreneurship, which is where the electricity, maintenance, gastronomy, beauty, computer and sales courses fit in. In addition to the courses, the Company also donated 120 kits consisting of bicycles and thermal bags so that small entrepreneurs can expand their businesses by offering delivery of their products.

In November 2021, the Energy collection campaign was launched, with garments made from Enel uniforms and those belonging to a partner airline. The resulting Energy collection is being produced by the NGO Sewing Dreams, with the support of Enel Distribuição São Paulo, and all the money raised from the sale of its pieces will be reversed to the NGO Costurando Sonhos

#### Colombia

#### **Corporate Volunteering**

By donating their time and knowledge, employees join this program to support various economic, social and environmental causes. Some of the 2021 initiatives revolved around training, mentoring, recreational activities and the implementation of adopt an angel, through which company employees gave a Christmas gift to children and young people in vulnerable conditions.

#### 1) Excel training

With the participation of **46 volunteers** from Enel Codensa - Emgesa in Colombia, and from Enel in other countries around the world, students from the Arborizadora Alta school were trained in basic and intermediate Excel.

#### 2) Educando con Energía vocational experiences

With the participation of Enel volunteers from Italy and Mexico, the Company created a space for **175 young** people from the Delia Zapata school in Bogota to exchange experiences with participating associates. The objective was to strengthen the vocational and professional orientation processes that were already underway through the program Educando con Energía, organized by the Enel Colombia Foundation and the Organization of Ibero-American States (OEI).





#### 3) Mentoring SOS

With the participation of **15 volunteers** from Enel Emgesa and Enel in Mexico, Italy and Guatemala, as well as **17 volunteers** from other entities such as Corporación Minuto de Dios and Accenture, a 35-hour mentoring process was provided to strengthen the skills and competencies of **33 entrepreneurs** in different parts of Colombia. This initiative was carried out in partnership with Youth Business International and its local ally Fundación Corporación Minuto de Dios.

#### 4) Celebrating special occasions

In coordination with the psychology area of the Talleres Esperanza Foundation and a group of **18 Enel volunteers**, the Company commemorated the day of love and friendship, in an activity in which **65 people participated**, including volunteers, apprentices of the Foundation's trades and employees of Enel Codensa - Emgesa. This activity allowed all participants to share and create a greater and better knowledge and understanding of intellectual disability.

#### 5) Adopt a little angel

This project gave Enel employees the possibility of giving a Christmas gift to children and young people in vulnerable conditions. The Adopt an Angel campaign managed to collect **800 gifts** and deliver them to areas served by foundations and educational institutions in different parts of Colombia.

#### Peru

#### Enel Perú Volunteering Let's lead by example

To promote initiatives of social value, environmental protection, and education and culture, the Enel Perú Volunteer Program Let's lead by example, allows Enel employees to participate in one volunteer activity per year during a workday.

In 2021, the volunteering program was carried out virtually. In alliance with the NGO Asociación Trabajo Voluntario, 11 Enel employees participated in the multi-business initiative Kallpachay, a reinforcement of school classes that benefited **57 students from 3rd to 6th grade** of the primary school Santa Elena in the Piedritas community, within the area of influence of the Malacas thermal power plant. On the other hand, 15 Enel employees shared their knowledge and experience by giving virtual lectures to **44 students** of the Industrial Electrical Engineering course of the Nuevo Pachacútec High School.

Also, in alliance with the NGO Youth Business International, 17 Enel employees became mentors of **17 small local businesses**, helping them strengthen and improve their businesses, an initiative that benefited 68 people. Finally, Enel sponsored the virtual race "Running for a happy childhood" promoted by Aldeas Infantiles SOS, whose purpose is to contribute to the care and protection of children in vulnerable situations

During 2021, the volunteer program reached a total of **1,169** beneficiaries, and was built on the participation of **32 Enel** employees.



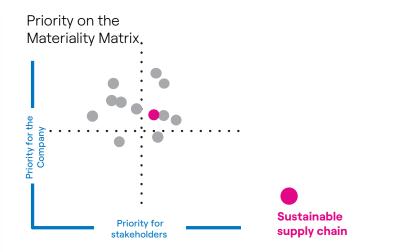






## Sustainable supply chain

103-1 | 103-2 | 103-3





#### Primary material issue: Sustainable supply chain

How is it managed?

Material issues

Enel Américas aims to be a strategic partner in the path to a just transition, promoting a virtuous relationship with its suppliers and contractors, based on values such as ethics, transparency, health and safety, environmental protection, anti-corruption measures and respect for human rights, with the goal of integrating them in the proposals for improvement based on innovative responses and more sustainable practices, in line with the Open Power vision.

 Respect for human rights in the supply chain.

Responsible management

of purchases of goods,

services and works.

Based on these objectives, management is organized around three axes: inclusion of ESG sustainability criteria in the selection of suppliers (environment, health and safety, and human rights, among other aspects), promotion of a circular economy and supporting good practices in suppliers, therefore improving the parameters of the industry in general.

#### Importance of good management

Efficiently managing its supply chain allows the Company to contract and execute services in due time and form and under Enel Américas' standards, while at the same time mitigating risks that could impact results and corporate reputation.

Regarding its contracts for the purchase of supplies, services or works, Enel Américas includes clauses that oblige suppliers to follow principles and policies mainly associated with human rights, labor standards, environmental protection and the fight against corruption, to prevent potential associated risks, such as bribery, incompatible negotiation and corruption among private parties.

Likewise, communicating the code of ethics and good practices to suppliers will improve standards in the provision of services and the delivery of products throughout the supply chain, minimizing criminal and reputational risks for the entire market, especially in environmental or social, human rights and labor issues. This, in turn, could lead to a shortage of suppliers with qualified labor in terms of quality and quantity, directly affecting the business.

Given these risks, Enel Américas reviews its mechanisms and applies incentives that promote the incorporation of new proposals that stimulate healthy competition, in line with the goal of moving towards a just energy transition by incorporating sustainability indicators in the bids.



## Sustainable Development Goal









## Principles of Human Rights Policy



# World Economic Forum Risks



## **Goals and challenges**

SDG	Activity/goal	Goal Plan 2021-2023	2021 Results	Goal Plan 2022-2024
12 ESPECIAL ROBATINA COMMUNICATION TO THE PLANT AND STREET OF THE PLANT AND ST	% of suppliers qualified in human rights aspects.	100%	100%	100%
3 SOURCELLES 12 DECEMBER DESCRIPTION DE	% of suppliers qualified in health and safety aspects.	100%	100%	100%
12 REPORTER ROPERTOR ROPERTOR	% of suppliers qualified in environmental aspects.	100%	100%	100%

Simbology: New + Redefined

Privacy

How the principles of the Huma	n Rights Policy apply
Rejection of forced or compulsory labor and child labor	Enel Américas requires suppliers to adopt best practices in human rights and labor conditions, they must adhere to the company's <u>Human Rights Policy</u> and follow Enel's global guidelines.
Respect for diversity and non-discrimination	Enel Américas promotes the principles of diversity, inclusion and equal treatment and opportunities, and is committed to guaranteeing the right to working conditions that respect personal dignity. The Company does so by monitoring and evaluating compliance with the principles of its <a href="Human Rights Policy"><u>Human Rights Policy</u></a> during the term of the contract with third parties.
Health, safety and welfare	Enel Américas requests suppliers to adopt best practices in occupational health and safety, incorporating sustainability criteria in <u>supplier bidding and contracting</u> processes and in <u>supplier performance management</u> .
Fair and favorable working conditions	Enel Américas requests suppliers to adopt best practices in human rights and labor conditions, monitoring and evaluating compliance with the principles of its <u>Human Rights Policy</u> during the term of the contract with third parties.
Environment	Enel Américas requests suppliers to adopt best practices in environmental responsibility, incorporating sustainability criteria in <u>supplier bidding and contracting</u> processes, <u>supplier performance management</u> and in the promotion of a <u>circular economy</u> .
Respect for the rights of local communities	Enel Américas works with suppliers and contractors that respect human rights and contribute to the socio- economic development of the communities where they operate, through joint work with small and medium- sized enterprises (SMEs) and local workers.
	Enel Américas respects the confidentiality and the right to privacy of its stakeholders and is committed to the

correct use of information and personal data of those who work in the organization and any other interested party. It monitors all third-party companies that may have access to the personal data of customers and employees; therefore, specific clauses are included in contracts with partners that use personal data.





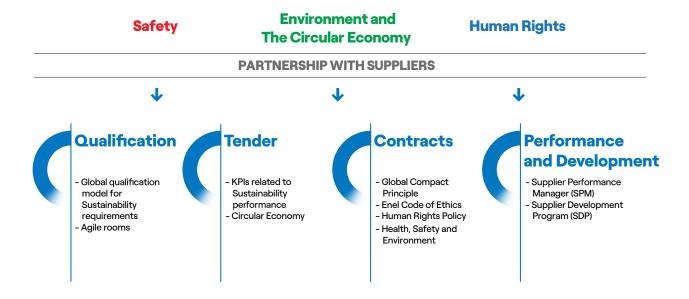
## Sustainable procurement strategy

102-9 | 102-10

To maximize the creation of value for those involved in the supply chain, Enel Américas promotes strategic drivers such as circular economy principles, and innovation and sustainability throughout the entire process, so that partners assume these objectives and values as their own.

Open Power is the vision that inspires Global Procurement to build a sustainable future, in line with the Sustainable Development Goals (SDGs). To this end, it is based on three pillars of action: social sustainability, and circularity and innovation.

#### Promoting sustainability in sourcing



During 2021, Enel Américas contracted a total of 4,439 Tier  $1^7$  supplier companies.

Payments to suppliers for the supply of goods and services represented an amount of US\$ 11,674 billion in 2021, compared to US\$ 8,186 billion in 2020. These payments

correspond to imports only when the required good or service was not available in the country (as in the case of solar panels, wind turbines, or distribution infrastructure), and to domestic suppliers in each of the countries. The increase is mainly explained by the incorporation of EGP Américas as of April 2021.



<sup>&</sup>lt;sup>7</sup> Level 1 companies are those with contracts over 25,000 euros.

## Payment to suppliers by country

Country	Generation	Distribution	Total 2021	Total 2020	Total 2019	
Argentina	98,723	355,280	454,003	607,317	940,226	
Brazil	2,743,183	6,213,524	8,956,707	5,464,753	6,273,407	
Colombia	380,029	764,037	1,144,066	1,014,788	1,048,795	
Peru	427,704	577,629	1,005,333	1,034,952	1,034,632	
Central America	70,005	-	70,005	-	-	
Others <sup>1</sup>	-	-	43,451	63,751	46,419	
Total Enel Américas	3,719,644	7,910,470	11,673,564	8,185,560	9,343,479	

<sup>1.</sup> Includes Enel X, acquisitions by Enel Américas' parent company and intercompany eliminations.

## Total number of tier 1 suppliers

Country	Generation	Distribution	Total 2021 (1)	Total 2020	Total 2019	Total 2018
Argentina	186	173	359	286	286	201
Brazil	125	254	1,025	1,114	1,182	1,070
Colombia	276	342	518	671	687	638
Peru	NA	NA	578	501	530	476
Total	587	769	1,902	2,572	2,685	2,385

<sup>(1)</sup> The value corresponding to Total 2021 includes additional business lines to those reported in Enel Generación and Enel Distribución.

## **Contractors' employees**

	Total 2021	Total 2020	<b>Total 2019</b>	Total 2018
Argentina	4,659	4,127	3,776	5,101
Brazil	57,848	46,084	49,143	30,848
Colombia	12,503	14,267	13,719	13,674
Peru	7,593	7,320	5,712	6,895
Total	82,603	71,798	72,350	56,518



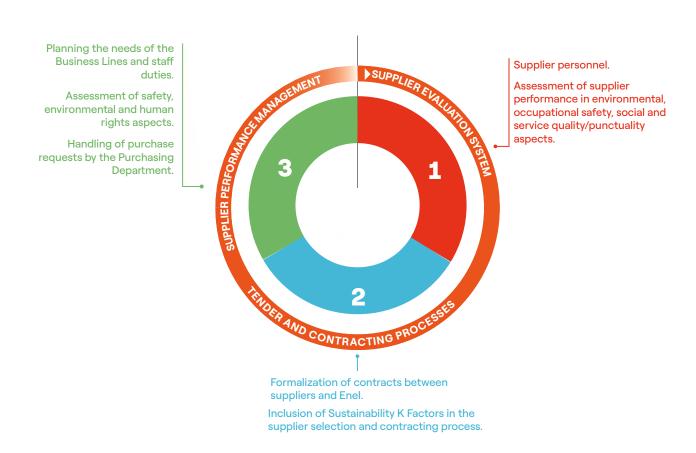




## Responsible management process and sourcing evaluation

308-1 | 412-1 | 414-1

To ensure that its suppliers of materials and services are the most suitable, Enel Américas addresses the purchasing process in its entirety, from an understanding of the needs of each business line to the management of supplier performance, to achieve an efficient supervision of the supply chain.



#### **Qualification of suppliers**

Since 2017, Enel Américas applies the "Global Rating Model for Sustainability Requirements", which identifies sustainability risk factors in the supply chain via mapping the risk level of the various groups or families of purchases. Based on this process, a framework is defined to assess supplier compliance with sustainability requirements (including construction contractors) for all vendors who wish to qualify for registration or to renew their qualification. This process includes several categories of control and quality standards, such as, for example, ISO 45001 and ISO 14001 certifications.

Therefore, as part of the qualification process, the supplier must undergo a specific and mandatory assessment of legal, technical, integrity, environmental, health and safety and human rights requirements. In the case of activities considered to be of high technical, safety or environmental risk, the process calls for an on-site assessment to verify these aspects.

Only with a positive overall evaluation, the supplier will be included or remain in the Register of Qualified Suppliers and will be considered for participation in bidding processes. If the potential vendor is not admitted, the supplier may submit a new request for qualification. During 2021, Enel Américas' supplier qualification activity increased by **19.8%** compared to **2020**, reaching **1,982** qualified companies.



In 2021, Enel Américas reached a qualification coverage of 94.9% of the total amount awarded, 1.9% percentage points above the defined target (93%).

Number of qualified suppliers	2021	2020	2019
Argentina	327	305	99
Brazil	547	569	315
Colombia	539	487	355
Costa Rica	73	-	-
Guatemala	116	-	-
Panama	103	-	-
Peru	277	294	94
Total	1,982	1,655	863

#### **Bidding and contracting of suppliers**

To incorporate sustainability in the bidding processes, the Group defined factors or KPIs that recognize suppliers' sustainability practices. These given the name K for Sustainability and involve social, environmental, health and safety, and circularity aspects.

#### **Execute initiatives with** measurable social impact in

the areas of education, labor or economic growth, among others, that promote corporate volunteering, respect for human rights, among others.

**Health and safety** projects that allow measurable monitoring of the indicators as well as being innovative.



Propose circular economy initiatives, such as the adoption of the environmental product declaration as an instrument to measure and disclose the impacts throughout the life cycle of the service offered or product manufactured.

#### Propose a mitigation of environmental impacts,

through initiatives that reduce waste, use renewable materials, among others.

Incorporate an internationally certified management system in aspects associated with sustainability, such as ISO 14001.

Through the Sustainability K-Factors, Enel Américas generates incentives in tenders so that companies that bid directly do so considering the hiring of local labor to provide support services to their operations.

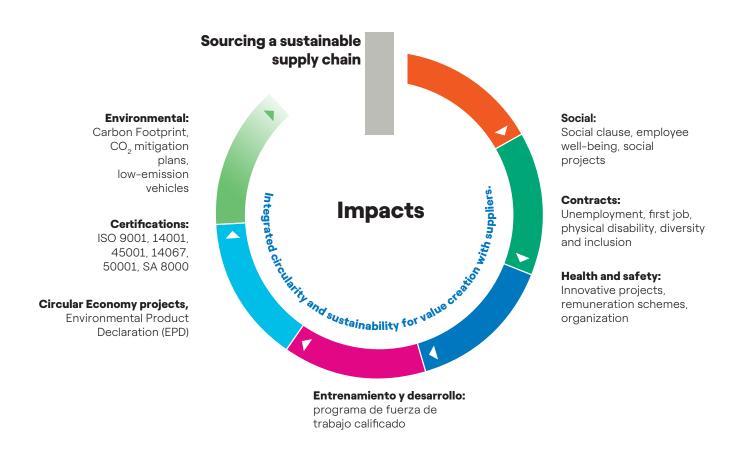




# Percentage of newly qualified suppliers that were evaluated according to sustainability criteria

308-1 | 414-1

Evaluation area	2021	2020	2019	2018	2023 goal
Health and safety	100%	100%	100%	100%	100%
Environmental	100%	100%	100%	100%	100%
Human rights	100%	100%	100%	100%	100%



Contracts include specific clauses that are periodically updated for suppliers to record their adherence to the Supplier Code of Conduct, as detailed in the principles of the documents required by the Company. Additionally, each supplier is required to adhere to and commit to the Health, Safety and Environmental (HSE TERMS) contract document, which contains collaboration tools that enable the supplier to identify areas for improvement in its HSE performance.



#### **WeBuy Platform**

In 2021, new functions were added to WeBuy, the Enel Group's Procurement Platform, to make better use of the tool and ensure process traceability. For this purpose, we added a follow-up stage to the online bids through a technical evaluation platform that enables a prioritization mechanism for the selection of the supplier to be awarded (Ranking Strategy), and a functionality that helps the business coparticipate in the calculation of the expected value or baseline of the bidding process, directly on the platform.

This platform guarantees the transparency, accessibility and traceability of the purchasing process, it is a single point of access for all suppliers interested in offering their products or services to Enel.

During 2021, a total of 1,256 bidding processes were carried out through the platform.

WeBuy bidding processes	Argentina	Brazil	Colombia	Peru	CA
Total number of completed processes	332	358	209	162	195

#### Supplier performance management

The process implemented in the Company to evaluate the performance of suppliers and contractors is called Supplier Performance Management (SPM) and consists of measuring and monitoring six categories of indicators: quality, punctuality, safety, environment, human rights and correctness, and innovation and collaboration.

The process collects the evaluation data from the different business systems. Subsequently, the Supplier Performance Manager (SPM) calculates the categories, which are monitored and updated on a frequent basis, and based

Phases of Supplier Performance Management (SPM)
Data collection and standardization
Calculating indicators and reports
Managing the consequences

on the results of this assessment, the Company can take consequence management actions, both to recognize suppliers with outstanding results, as well as to take actions to mitigate risks and improve supplier performance.

In **2021**, the Company worked on evaluating suppliers to increase SPM coverage, with **2,483** measurements out of a total of **3,440** suppliers with active contracts, achieving **72%** of coverage.

#### **Development of suppliers as strategic partners**

414-1

In 2021, the Supplier Development Program for goods and services (SDP) was launched to increase the universe of qualified suppliers, including from a sustainability perspective, for the different purchasing groups. This joint work between the Company and suppliers seeks to foster a new form of relationship and new communication channels to develop relationships with new partners.

The focus of the contractor development programs is to strengthen the human capital of the companies that provide the Group with services through the development of competencies, and by managing the work environment and assessing commitment

To this end, the following focuses of action have been defined:

- **1.** Designing a Scouting Plan to identify new suppliers interested in establishing business relationships with Enel Américas.
- **2.** Identifying critical aspects that hinder the growth of existing suppliers and implement solutions to these problems.





Through the information gathered in interviews with suppliers, the Company has focused on ensuring that they understand how its purchasing and qualification structure works and that they become familiar with the qualification and performance evaluation process. Enel Américas also informs them of the bidding calendar so that they can start the qualification process in a timely manner, promoting the

use of the Global Procurement website.

This joint work between the procurement area, the business lines and suppliers seeks to foster a new relationship and new communication channels, to develop sustainable relationships with new partners.

## Suppliers Day 2021

In December, the Group held its Suppliers Day 2021 in countries where sanitary conditions allowed it, given the pandemic restrictions that were still in force in some of them. The event also had a virtual version, for Company's suppliers and contractors to learn about procurement evaluation methods, the purchasing model towards a sustainable supply chain and the value creation levers that Enel Américas has introduced to improve its purchase management. On the occasion, the heads of each of the various areas updated the Group's policies and concerns on sustainability and circular economy, integrity and compliance, and occupational health and safety.

In Argentina, the activity was done in virtual mode, with the participation of more than 100 supplier companies and around 300 participants. Some of the topics addressed were the qualification process, WeBuy portal, policies, procedures and circular economy, among others. Meanwhile, Brazil, Colombia and Peru will hold the event in 2022, given the restrictions of the Covid-19 sanitary emergency.

#### **Training**

As part of its commitments to its strategic partners, Enel Américas carries out a complete training plan for workers of contractor companies. In this way we address different topics, such as technical aspects related to the service and development of behavioral skills, to improve the conditions of workers and the service they provide.

This year, nearly 50 technical and self-care sessions were held to support contractor workers, given the special conditions that arose during the year. In addition, these are some of the country-specific initiatives that took place during the year:

#### **Argentina**

More than 200 suppliers of Enel Argentina participated in a webinar which included presentations on progress, changes and improvements with respect to Covid-19, HSEQ (Health, Safety, Quality and Environment) issues, compliance and sustainability. The Company also launched an internal campaign called Supplier Journey, to inform about the new Supplier Performance Management (SPM) system. This tool allows the Company to educate suppliers in consequence management and how this aspect affects results.

Along this same line, 5 virtual training sessions were held

this year, which addressed three topics: operational changes in terms of access to new registration and qualification tools; new guidelines on the evaluation of sustainability and environment, and safety and human rights. Finally, 24 training sessions gathered approximately 15 companies per session, who learned from qualification specialists.

#### **Brazil**

Enel Brasil organized programs to train suppliers throughout the value chain in health and safety issues. One of these initiatives is the Supplier Development Program, which provides benefits to companies to support their development and consolidation in the market, while also implementing initiatives to improve processes and sustainability. A GPG and three I&N suppliers were chosen to participate in the project, which is currently under review to define the most suitable counterparts to each of the participating supplying companies.

Collaborating companies were evaluated through a qualification process on indicators such as environmental performance, safety, quality, punctuality, social responsibility, innovation and collaboration, as well as KPIs established by the business in the material or service contracts. These measurements were carried out on the Track & Rate digital platform



Both the Supplier Development Program and a Supplier Day were held in 2021, to disseminate the purchasing evaluation methods to supplying partners.

#### Colombia

In 2021, various training sessions were held with suppliers to improve the service experience, strengthen relationships and generate synergies, some of which are:

- First pilot of the "Supplier Service Center," to improve the company's relationship with its suppliers, the pilot started with 10 companies. The Company also conducted two satisfaction surveys focused on the perception that suppliers had of the registration and qualification process, the results were used as inputs for the pilot program.
- The online supplier development program engaged 46 new companies.
- The Proveernos strategy was showcased in 20 virtual spaces that were coordinated with suppliers and where more than 500 companies could learn about the supplier qualification process.

#### Peru

Enel Perú held a workshop with its suppliers on Supplier Performance Management to disseminate the use of the tool that evaluates the performance of its suppliers during the execution of contracts, to give them feedback and motivate them to continuously improve their performance.

## **Responsible Partner Program**

Brazil designed the Responsible Partner Program with the aim of promoting the sustainable development of the supply chain and contributing to the fulfillment of the UN Agenda 2030 goals. As part of the initiative, four webinars were held during 2021 with the participation of 374 companies and 1,234 participants, in addition to Enel employees, buyers and contract managers. At the last meeting, the best suppliers were awarded in the categories "Best Performance in Sustainability" and "Best Practices in Sustainability" in the areas of Human Rights, Environment, Supplier Development, Innovation in Sustainability and Safety. The program also promoted the training of 40 SMEs on the Integrated Management System (IMS), internal purchasing processes, contracts and human rights in supplier management.

Along the same lines, the virtual event "Let's make contact" gathered more than 170 representatives from recurring suppliers, who were encouraged to participate in bids looking for services different from their usual ones, as well as to contact new suppliers, reminding them of the Company's main requirements in terms of safety and sustainability.

Another noteworthy event the virtual meeting Impulsores de la Sostenibilidad (Sustainability Drivers), where 38 companies that submitted their sustainability report through the GRI (Global Reporting Initiatives) methodology were recognized, as well as the three suppliers who won the second Circular Economy contest, in the categories Circular Design, Value Recovery and Optimal Use.



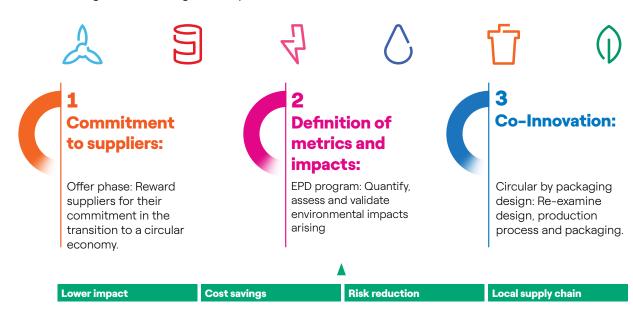


#### Promoting a circular economy

To advance the objective of its Circular Procurement strategy, Enel Américas incorporated circular economy parameters to serve as valuation tools and decision drivers in corporate purchasing processes. As part of their service offer, suppliers can implement initiatives that consider, for example, calculating the carbon footprint and carrying out mitigation actions, or using low-emission vehicles, among others.

## CIRCULAR PROCUREMENT STRATEGY

Payment for works, goods and services, with the objective of reducing environmental impacts and waste generation during the life cycle.



Along the same lines, the Company implemented the Circular Economy Initiative for Suppliers Engagement, to certify the environmental impact of suppliers' products throughout their life cycle, and so increase their commitment to circularity. This is done by means of a declaration through which manufacturers commit to report comparable data, objectives and verification of the environmental performance of their products and services, which allows the Company to calculate the impact of its purchases for each line of business, encouraging suppliers to carry out concrete actions in this area.

## Suppliers and human rights

412-1

Following the Group's global guidelines, contractors, suppliers and business partners of Enel Américas must adhere to the company's Human Rights Policy, paying special attention to circumstances of high risk and conflict such as the hiring of child labor or the existence of forced labor among the workers of a company supplying goods and services. To comply with the above, we include a special questionnaire in the bidding process.

The Company monitors and evaluates compliance with the principles of its Human Rights Policy during the term of the contract with third parties. In 2021, the Group added issues related to the perception of labor and social security compliance, to prevent a violation of the labor rights of contractor workers.



## Support to small and medium-sized enterprises (SMEs) and local workers

204-1

To encourage the participation of local suppliers and entrepreneurs in Enel Américas' bidding processes, new supplier qualification models have been created, such as the New Innovative Firms initiative.

Through Global Procurement, the Company has created spaces for local suppliers and entrepreneurs to participate in its purchasing processes. In this line, the Company created differentiated qualification requirements for suppliers, depending on the levels of safety risk and integrity associated with the type of supply or service required, with higher requirements for more complex services.

Startups are considered ideal partners to interpret markets insightfully and approach them with fast and dynamic tools that empower the Company with ideas that have concrete development possibilities. In view of this, Enel Américas generated a special process for the qualification of startups, following various criteria defined by the Company, such as years of seniority, number of employees and absence of profit sharing. These companies are then evaluated considering minimum requirements and are offered a simplified route to start a collaboration.

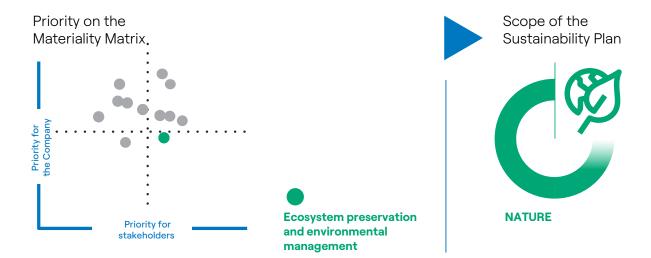






## **Environmental Sustainability**

103-1 | 103-2 | 103-3



#### Primary material topic: Ecosystem preservation and environmental management

#### How is it managed? Material issues

In Enel Americas' strategic sustainability plan, the environment is one of the pillars on which the implementation of all business axes is based. Management consists of environmental governance with policies that promote going beyond regulatory compliance in each country, encouraging the search for innovative and sustainable solutions throughout the value chain.

The Company has defined procedures with high standards that facilitate proper identification and evaluation of impacts, applying protection, reduction and mitigation plans, if necessary. It also promotes the dissemination and exchange of best practices, encouraging continuous improvement and committed to the conservation of natural resources, generating solutions based on nature.

- Waste management
- Water management
   Protection of biodiversity and natural capital
- Environmental governance
- Atmospheric emissions (excluding CO<sub>2</sub>)
- Energy use.
- Soil, subsoil and groundwaters

#### Importance of good management

Good management ensures an operation based on the conservation of natural resources. Enel Américas' environmental management consists of the integrated management system, already consolidated within the company's processes, the different environmental standards applied and audited annually. At the same time, the life cycle analysis of assets, services and products is being integrated into the different business lines in order to identify the industrial processes in which it is necessary to intervene to avoid environmental impacts at different stages and throughout the company's value chain. Thus, Enel Américas adds more elements to environmental risk management in order to prevent impacts.



## Sustainable Development Goal









## Principles of **Human Rights Policy**



#### World Economic Forum Risks



#### Goals and challenges

SDG	Activity/goal	Enel Group goal plan 2021–2023	Enel Américas results 2021	Enel Group goal plan 2022- 2024
12 DESPONSIBILE 13 CLIMATE ACTION ACTION	Reduction of specific SO <sub>2</sub>	-90% in 2030 compared	0.061 g/KWheq	-94% in 2030
AND PROJUCTION	emissions	to base year 2017	(-22% vs 2017)	compared to base year 2017
12 DESPONSIBLE ASSESSMENT NAME	Reduction of specific NOx	-70% in 2030 compared	0.191 g/KWheq	-70% in 2030
emissions	emissions to bas	to base year 2017	(-28% vs 2017)	compared to base year 2017
12 DESPONSIBLE 13 CLIMATE	Reduction of specific dust	-97% in 2030 compared	0.0042 g/KWheq	-98% in 2030
ANOPROLUCTION	emissions	to base year 2017	(-61% vs 2017)	compared to base year 2017
6 CLEANWAITER 12 DESPONSIBLE DISSIDETINE AND PRODUCTION	Reduction of total	-65% in 2030 compared	0.11 l/KWheq	-65% in 2030
AND PRODUCTION	specific water	to base year 2017	(-44% vs 2017)	compared to base year
• 00	withdrawals			2017
12 PESPONSIBLE ODESUMPTON 13 COMMUTE	Waste reduction	-65% in 2030 compared	220 thousands ton	-87% in 2030
ANDPONUCTION		to base year 2017	(-25% vs 2017)	compared to base year 2017

Simbology: New + Redefined





#### Material issue and principles of the Human Rights Policy

Respect for	the e	envir	onmen	t

The protection of the environment and natural resources, as well as performing climate action and contributing to sustainable economic development are strategic factors in the planning, performance and development of Enel Américas's operations. For this reason, Environmental governance issues guidelines, and actions are implemented for the efficient use of energy and water, proper waste management and a constant commitment to biodiversity.

#### Respect for local communities

Enel Américas is committed to considering its environmental footprint, through appropriate environmental and social impact assessments, as well as considering respect for human rights in the areas where the projects will be developed, in the design and construction of infrastructure projects, through reuse initiatives and reduction of final waste disposal.





#### Towards a nature-based model

The protection of natural capital and the fight against climate change are the basis of business strategy and of the values by which a company's sustainability is measured. Preserving ecosystems and species means respecting life, the planet's natural heritage and the places and symbols of communities. An additional commitment is the need to address the increasing loss of biodiversity.

Enel addresses these aspects as strategic and integrated factors in the planning, operation and development of its activities to promote sustainable economic development in the communities where it operates. As an energy company, Enel's operations depend on natural resources and have an

impact on them. Therefore, the Company is concerned with integrating the assessment of risks and opportunities in its decision-making processes and governance, with specific objectives and goals that are in line with its environmental management systems and its commitment to safeguarding the Company's environmental assets. The reduction of pollution (air, water and soil pollution, as well as circular waste management) and the decarbonization of the energy mix are therefore key elements of Enel's Strategic Plan, as are the reduction of impacts on nature, the restoration of habitats and the distribution of the benefits of ecosystem services in the communities with which it interacts.

## Identification of dependencies and pressures on biodiversity

The identification of potential impacts on biodiversity and nature is fundamental to define the most effective strategies to avoid, minimize, remediate or compensate the associated effects that these impacts might cause, in accordance with the Mitigation Hierarchy. Similarly, identifying biodiversity and natural capital dependencies also paves the way to recognizing the most appropriate strategies to reduce the risks that the Company is facing from these dependencies. The main dependencies are associated with ecosystem services and the use of resources and raw materials necessary for the construction and operation of infrastructure:

- Maintenance of the water cycle, which allows the operation of hydroelectric power plants.
- Regulation of the climate and climatic phenomena on which the operation of all assets depends.
- Soil stabilization and erosion control, important for hydroelectric basins, and the transmission and distribution infrastructure.
- Protection against floods and extreme environmental events, which are a major cause of failure and unavailability of distribution facilities.
- Use of water in production cycles, mainly in thermoelectric production.
- Use of raw materials (mineral and non-mineral) for the construction and operation of a generating plant.

Enel's decarbonization strategy, focused on the growth of renewables and especially wind and solar energy, allows the Company to reduce most of its dependence on raw materials. Moreover, by reducing the risk of climate change, it contributes to ensuring the continued availability of ecosystem services.

On the other hand, the main pressures on nature are summarized in the following categories: Use and modification of ecosystems (terrestrial, freshwater, marine); Use of resources (mainly water extraction); Climate change; Pollution; Disturbance and introduction of invasive species. These categories are inspired by those identified by the Scientific Based Targets for Nature (SBTN) and are the starting point to analyze the actions put into place to mitigate the associated risks.

In this context, Enel deploys its environmental resources and efforts to safeguard the ecosystems in which it operates, broadening and deepening its knowledge of the territory and adapting responsibly and consciously to the needs of the environment.



## **Environmental governance**

The strategic factors in the planning, implementation and development of Enel Américas operations include the protection of the environment and natural resources, focused on supervising that all environmental activities are carried out through a specific structure in each business unit, correctly managing the environmental compliance and oversight processes.

Enel Américas has two formal policies approved since 2018 by its Board of Directors, these are the Environmental Policy and the Biodiversity Policy, which consolidate its commitment to environmental protection and conservation of natural resources.

Through an Integrated Management System (IMS), the company's policies are duly implemented with procedures and tools that identify, monitor and continuously improve operational environmental variables updated and disseminated to all stakeholders in the available communication channels (internal and external communication media such as RRSS, websites, television, radio, among others).

During 2021, each environmental area of each business line took responsibility and managed compliance with both environmental legal obligations and voluntary commitments acquired by Enel Américas. This applies to all business lines and operations present in each country, as well as to commitments adopted by subsidiaries in the processing of new projects.

The Enel Americas Group has made the following commitments:

- Support the Energy Transition strategy and the Group's commitment to Net Zero.
- Respect and care for the environment, in addition to the protection of biodiversity.
- Adopting an Integrated Management System in compliance with international standards ISO 9001, ISO 14001, ISO 50001 and ISO 45001.
- Implement, manage and maintain the facilities in accordance with the best available practices and technologies, in compliance with the established times, costs and energy efficiency, integrating occupational health and safety issues, environmental protection in decision making and management of activities, considering the analysis of the life cycle of products and services in a circular economy strategy framework, in the pursuit of a harmonious and sustainable development perspective.
- Implement everything necessary for the mitigation or elimination of occupational health and safety risks, to avoid or reduce environmental impacts through continuous risk assessment, in compliance with defined operating procedures.
- Select suppliers and contractors carefully, making them part of the Group's quality, safety, health, environment and energy objectives in a synergistic and shared manner, including permanent feedback and collaboration.





## **Environmental Management Strategy**

The environmental management strategy requires controlling any possible impact on processes and protecting all environmental components involved in the territory (people, water, soil, air and biodiversity, among others), ensuring compliance with applicable regulations and making rational use of available natural resources. The four areas of work are summarized below:

<ul> <li>Enel Group Environmental Policy.</li> <li>Biodiversity Policy</li> <li>Assessments and Extra Checks on Site (ECOs) to control environmental risk and minimize impacts derived System (IMS).</li> <li>Stop Work Policy and Integrated Management System (IMS).</li> <li>Assessments and Extra Checks on Site (ECOs) to control environmental risk and minimize impacts derived from activities. Environmental risk management is based on the evaluation of operational aspects (noise, waste, hazardous substances, contractor management, detection of archaeological</li> <li>Enel Group Environmental audits and inspections.</li> <li>Atmospheric emissions</li> <li>Reduction of atmospheric emissions.</li> <li>Promote Water management</li> <li>Efficient wastewater treatment.</li> <li>Reduce water requirements.</li> <li>Managing water scarcity</li> <li>Waste management</li> <li>Waste management</li> <li>Reduction of hazardous and non-hazardous waste.</li> <li>Recovering waste for reuse.</li> </ul>	and culture
Policy.  audits and inspections.  Atmospheric emissions  Atmospheric emissions  Reduction of atmospheric emissions.  Proceeding the first of the evaluation of operational aspects (noise, waste, hazardous substances, contractor management, detection of archaeological  Atmospheric emissions  Reduction of atmospheric emissions.  Proceeding the first of the process of the emissions.  Reduction of atmospheric emissions.  Reduction of atmospheric emissions.  Proceeding the first of the process of	
<ul> <li>Biodiversity Policy</li> <li>Assessments and Extra         Checks on Site (ECOs) to         Stop Work Policy and         Integrated Management         System (IMS).</li> <li>Management is based on the evaluation of operational aspects (noise, waste, hazardous substances, contractor management, detection of archaeological</li> <li>Assessments and Extra         Checks on Site (ECOs) to         control environmental risk         and minimize impacts derived         from activities. Environmental risk         and minimize impacts derived         - Reduction of atmospheric emissions.         - Promote awaren         - Waster management         - Managing water scarcity         - Waste management         - Reduction of hazardous and non-         hazardous waste.         - Reduction of hazardous and non-</li></ul>	oyee training plan cular Economy
Integrated Management System (IMS).  Integrated Management System (IMS).  Integrated Management System (IMS).  Integrated Management	gram Education
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In addition, as stated in Enel's Policy, there is a strong commitment to carbon neutralization and permanent collaboration with the Energy Transition strategy, focusing efforts on having zero incidents in environmental terms, implementing the best practices and technologies available, incorporating the concepts of life cycle and circular economy in management. The work philosophy for each

subsidiary and business lines of Enel Américas seeks that environmental control aspects are inherent to any activity, as are the concepts of quality, safety and health.

All this identifies opportunities for improvement to implement projects developing innovation, digitalization and corporate sustainability.



Improving and promoting the environmental sustainability of products and services.

Creating shared value between the company and its stakeholders.

Adopting and complying with voluntary commitments, promoting ambitious practices in environmental management across the value chain.

It also contemplates ten strategic objectives for the operation, among which "going beyond legal obligations" is particularly relevant. Enel Américas is committed to voluntary actions and behaviors for the protection of the environment, even if they are not provided for in local regulations, for example, making agreements with communities and institutions to preserve water or biodiversity.

(\*)Enel Américas's Environmental Policy extends to the entire value chain and applies to: all production phases of each product and service, including the distribution and logistics phases, in addition to related waste management; to each site and building; to all relationships with external stakeholders; all mergers and acquisitions; each key business partner (including partners related to non-management operations, joint ventures, subcontracting or external producers); all suppliers including service providers and contractors; and all due diligence processes.



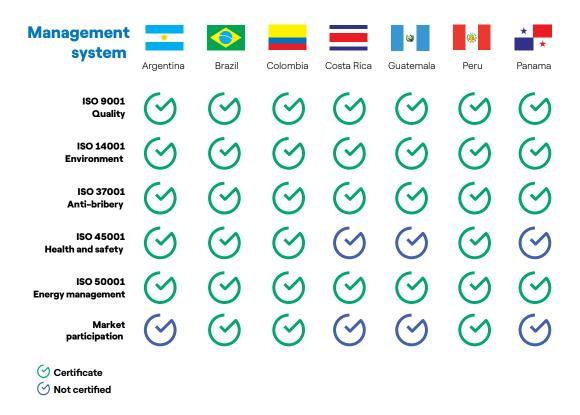




## **Integrated Management System**

102-11

Enel Américas implements the Integrated Management System (IMS) that allows ordering, documenting and improving procedures, activities and operations in the Company, improving organizational business systems and the performance of all its subsidiaries, measuring performance indicators in health, occupational safety, quality and environment in order to establish continuous improvements in the short, medium and long term. The ISO Standards that Enel Américas adopts in its MIS are:



#### **Brazil**

Environmental licenses and authorizations for all Global Power Generation plants in Brazil are managed by senior professionals and monitored centrally in licensing activities, making these licenses available in a central repository, accessible to all, with flowchart activities that regulate the management of licensing processes.

In Distribution, environmental permits are also available/open to the public for consultation with full transparency. These can be consulted with the environmental agency when in environmental processing, and in the official gazette after publication in the State where such processing is registered.

The information is available at the following link.

#### Colombia

The Environmental Compliance Reports (ICA) are public and can be consulted on the environmental authority's platform

or requested directly from the corresponding entities. These entities are in charge of periodically monitoring the Environmental Management Plans (PMA) and the Permits or environmental management measures. In addition, Emgesa discloses and socializes the Environmental Compliance Reports to the community.

#### Peru

During 2021, we continued with the execution of environmental commitments and compliance with current environmental regulations. To improve the management of this, the AMATIA digital tool was used to organize and systematize the verification of compliance, as well as supervisions and audits by supervisory bodies.

In addition, in line with environmental responsibility and sustainability goals, we continued with the initiative to identify Polychlorinated Biphenyls (PCB), a chemical substance included in the list of Persistent Organic Pollutants of the Stockholm Convention, in 100% of the transformers.



This project is in line with current industry regulations related to this pollutant, which require the presentation of a PCB Environmental Management Plan to the Ministry of Energy and Mines, which defines the actions to be taken. At the end of 2021, no equipment with PCBs had been identified in the company.

Our ESG performance

In addition, the Enel X subsidiary obtained recognition from the National Society of Industries (SNI) for having certified and maintained an adequate Environmental Management System in accordance with the requirements of ISO 14001:2015.

#### **Costa Rica**

During 2021 we continued with the execution of the commitments established in the environmental plan of the Central Chucas Project. These commitments are monitored monthly in the reports of the environmental regent in the execution of his monthly field visits.

This environmental regency is a legal requirement at each of the Operation and Maintenance sites.

Annual inspections are also carried out by the client Instituto Costarricense de Electricidad, where the environmental commitments of the site and improvements that can be developed according to the field inspection in this annual visit are supervised.

#### **Panama**

Through the existence of an inspection program in the Fortuna Forest Reserve (RFF), Forest Management is allowed with approximately 200 surveillance and supervision in the RFF (terrestrial), trails, cleaning of trails, tours to camps, avoiding hunting, illegal logging and appropriation of virgin areas. Regarding land management, there are approximately 100 Surveillance and Supervisions to the Special Management Area, recycling (12 annual /1 x month), MIAMBIENTE inspections (1 monthly), attention to requests for logging permits through ENEL for authorization by MIAMBIENTE, attention to environmental complaints, inspection of projects managed by the HSEQ department such as vetiver nursery for erosion control with living barriers, Erosion Control Program, water quality monitoring program, among others.

#### **Emissions**

305-1 | 305-2 | 305-3 | 305-4 | 305-5

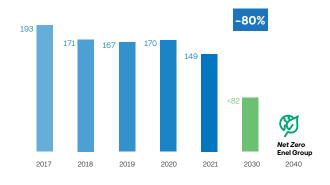
The reduction of environmental impacts associated with the operation of plants is a strategic objective for Enel Américas. In this area, the Company applies the best international technologies and practices for the reduction and neutralization of its emissions, identified as CO<sub>2</sub>, SO<sub>2</sub>, NOx. SF<sub>6</sub> and PM (Particulate Matter).

#### **Greenhouse gas emissions (GHG)**

The main greenhouse gas (GHG) emissions from Enel Américas's industrial activities are attributable to thermoelectric generation from fossil fuels, considering also insignificant emissions, such as sulfur hexafluoride (SF<sub>8</sub>) leaks in the distribution grid.

For Enel Américas, its GHG performance indicator corresponds to the ratio between Scope 1 emissions generated, according to the GHG Protocol, and the net generation produced by the company, defined as specific CO<sub>2</sub> emissions, which for the year 2021 was 149 gCO<sub>2</sub>eq /kWh. This represents a 12% reduction compared to 2020, which is mainly due to lower coal consumption in the only coal plant in Colombia.





Actions to reduce GHG emissions along the value chain include:

#### **Argentina**

Enel Generación Costanera, the largest thermal generation plant in Argentina, and the Faculty of Agronomy of the UBA (Fauba) agreed to evaluate the installation of a carbon dioxide fixation plant using microalgae cultures in the power plant. Thanks to this agreement, a study will be carried out by





university professionals based on the plant's emissions data. In case of feasibility, a technical project will be developed for the construction of the harvest.

These algae are microorganisms developed in waters capable of photosynthesis in the presence of oxygen. Through this process they capture  $CO_2$  and store it in their biomass.

Microalgae absorb  $CO_2$  10 to 15 times more than terrestrial plants and can reproduce easily and quickly in the right environment; therefore, they are the subject of study of several sustainable innovation projects. They are also used in the production of fertilizers, inputs for the pharmaceutical and agri-food industries, biofuels and bioplastics, among others.

This environmental and sustainable initiative promoted by Enel Generación Costanera, in alliance with educational stakeholders, will promote the production of microalgae through the injection of CO<sub>2</sub>, allowing the revaluation of the plant's emissions.

#### **Brazil**

## Follow-up of the 2020 initiative, acquisition of electric vehicles

The project is led by Línea Global de Generación and consists of replacing a conventional vehicle with an electric vehicle, which to date has traveled approximately 8,444.0 km, avoiding the emission of 1,207 tCO<sub>2</sub>eq. The project contains an economic saving of approximately US\$1,000 in fossil fuel purchase costs.

#### **Electric truck**

In 2021, Enel Distribuição São Paulo presented the first electric basket truck with zero carbon emissions, a project framed within the strategic pillar of directing efforts towards actions related to electric mobility, which support the reduction of emissions, contributing to sustainable development. Among the advantages of the electric vehicle, the low need for preventive and corrective maintenance and internal systems overhaul stands out, in addition to the possibility of the aerial basket performing operational tasks with greater agility, safety and simplification. Another benefit is related to the technical attributes due to the working autonomy of the vehicle, which can be up to 15% greater than combustion vehicles. Both the aerial basket and the truck chassis run on electricity, contributing to greater energy efficiency. On the other hand, in Enel Green Power, more specifically in Cachoeira Dourada, a 100% electric vehicle stands out, which, in addition to minimizing GHG emissions, traveled approximately 8,444 kilometers using renewable energies.

#### **Carbon credits**

Enel Distribución São Paulo stands out in the year for the purchase of carbon credits, a project that was part of the Climate Change Working Group, which by 2021 offset an amount of 3,000 tons of CO₂ equivalent, at a cost of US\$20,700. The project associated with the carbon credits is:

Cikel Brazilian Amazon Redd Apd Project Avoiding Planned Deforestation: considers the preservation of the Amazon Rainforest, through the associated company Carbon Reset (REDD+: reducing emissions from deforestation and forest degradation, forest conservation, sustainable forest management and increase of forest carbon stocks). Thanks to this project, the company contributed to the conservation of 27,434.9 hectares of native Amazonian forest, promoting local socioeconomic development. This project is registered in the <u>Verra Registry</u> under number 832, where the project's technical data can be consulted.

#### Colombia

For Enel Codensa and Enel Emgesa, it is essential to control, mitigate and offset the greenhouse gases generated by their activities. Reaffirming the commitment to act against climate change, both companies joined the Carbon Neutral Electricity Sector Alliance for 2050, led by the Ministry of Mines and Energy, and the Carbon Neutral Colombia Program led by the Ministry of Environment and Sustainable Development. Enel also subscribed to the Pacto por el Aire in the city of Bogotá, developed by the Capital District, in which the different actors commit to concrete actions to help improve air quality.

On the other hand, to mitigate the environmental impact derived from the use of SF<sub>6</sub> in power equipment, during the year 2021, Supply Chain began to develop a pilot project, whose relationship with the recovery and regeneration of SF6 gas as an alternative for its management, minimizes the purchases of this gas required to operate High Voltage equipment and avoids its release into the atmosphere. Thus, it contributes to the mitigation of the carbon footprint with the reduction of greenhouse gases generated by the operation.

As a result of the pilot, 127 cylinders were analyzed, of which 80 were found to be suitable for reincorporation in equipment, promoting circular economy principles. This project had an investment of more than US\$ 53,000 for the year 2021 and it is expected to continue with the activities during the year 2022, including the SF<sub>6</sub> gas regeneration service in the new waste operation contract.



#### **Peru**

Enel X was recognized by the Ministry of Environment (MINAM) with the First Star of "Carbon Footprint Peru", for achieving an exhaustive collection of information and calculating the greenhouse gas emissions for the years 2019 and 2020. Through this recognition, Enel X became the first company of the Enel Group in Peru to obtain this award, contributing to Goal 13 "Climate Action" of the UN SDGs. This highlights Enel X Peru's commitment to environmental protection, being a strategic ally for its customers by responsibly fighting against climate change.

Our ESG performance

In 2021, the first Medio Mundo digital transmission substation was inaugurated, allowing to electrify the Caral archaeological complex and the nearby population, with the highest safety and environmental standards, and to strengthen the electricity service in the area, benefiting 100 thousand families and companies in the province of Huaura. In addition, the technology implemented required less intervention in the land, both in terms of earthworks and schedules, thus reducing the impact on air quality compared to a conventional substation.

The vehicle fleet was renewed, including the use of 8 electric vehicles and 6 electric chargers.

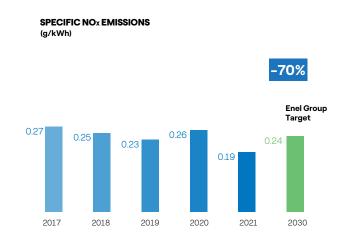
The company continued to reuse waste through a company authorized to do so, obtaining more than 95% of waste electrical elements that are reused in other production processes.

## SO<sub>2</sub>, NO<sub>x</sub> and Particulate Matter

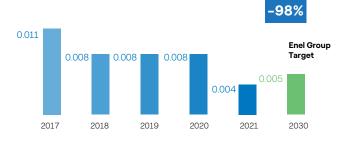
305-7

Over the years, Enel Américas has carried out technological optimizations and practices that meet international standards with the objective of improving the environmental performance of thermoelectric plants (specifically regarding emissions), always considering the local context, its regulatory framework and operational aspects of each technology. All these considerations require the Company to take care of environmental monitoring and performance through a continuous measurement tool that facilitates traceability and transparency before public and accreditation agencies, paying special attention to emissions of atmospheric pollutants associated with thermoelectric production: sulfur oxides (SO<sub>2</sub>), nitrogen oxides (NO<sub>x</sub>) and P articulate Matter (PM).

With the incorporation of Enel Green Power in April 2021, renewable energy generation increased by 11 GWh and is expected to continue to grow in accordance with the 2022-2024 Investment Plan with a consequent reduction in emissions intensities, thus contributing to the Enel Group's global goals.













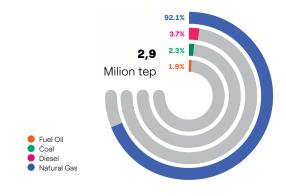
## **Energy consumption**

302-1 | 302-3

The efficient use of energy is a constant commitment for Enel Americas throughout the value chain, from production to distribution; in particular, the consumption reduction strategy that includes investments to increase the energy efficiency of all its activities, from interventions to maximize the efficiency of generation plants (thermoelectric and renewable) to the operational improvement of the distribution network, but also through the dissemination of greater awareness in behavior. In 2021, process efficiency activities continued and the implementation of operational excellence programs remained in the various business lines.

Energy consumption is mainly represented by fossil fuels for the operation of thermal power plants, which represent 33% of total generation, mainly natural gas. Total direct energy consumption for electricity production reached 121,553 TJ (equivalent to 2.9 million toe or Mtoe). During the year there was an increase of approximately 4% in fuel energy consumption compared to 2020, reflecting an increase in thermoelectric production of 4% compared to 2020.

# Fuel consumption for thermoelectric production



ENERGY INTENSITY (MJ/kWh)

2021

# 2019





#### **Water resources**

303-1 | 303-3

Population and economic growth, changing lifestyles and climate change are increasing pressure on the world's water resources, threatening both people and nature through lack of responsible water management.

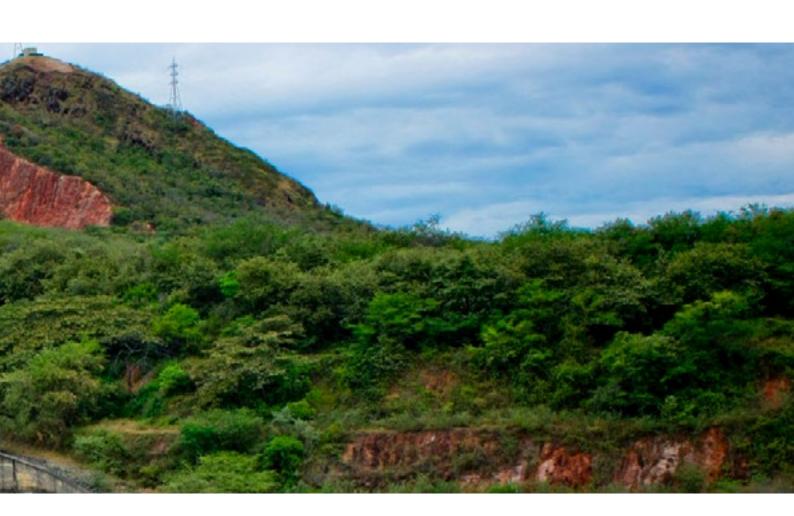
Users in agriculture, energy, industry, cities and their citizens recognize the urgency of increasing the sustainable management of the water resources on which they depend. In some parts of the world, water scarcity is threatening social, environmental and economic health. By 2030, 47% of the world's population will live in areas of high water stress.

According to the World Resources Institute "Aqueduct Water Risk Atlas", Enel Americas is present in countries with medium-high water stress zones. It should be noted in this regard that withdrawals in water stress zones reached 0.487 million m³, representing 8% of the total water used by the company.

For the Company, the availability of water resources is essential to develop the hydroelectric generation business and is a risk due to the variability in rainfall patterns and changes in flow regimes, which have increased due to climate change, being key the adaptation of Enel Américas in relation to its geographical diversity and various technologies, thanks to which the intensity of water withdrawal has been reduced, contributing to the goal of the Enel Group.

## SPECIFIC WATER WITHDRAWAL (I/kWh)









## **Outstanding Initiatives**

#### **Argentina**

At the Dock Sud power plant, the Mistras system was put into operation, which consists of continuous acoustic monitoring, detecting failures in the steam generator pressure system. It was installed in boilers and has improved the early detection of possible failures in order to reduce plant shutdown times and demineralized water losses.

Installation of robotic faucets in the bathrooms, which improve the management of potable water use and consist of installing faucets with a normal closed valve and motion sensors that are responsible for opening and closing the valve for water flow. This reduces water loss and/or waste.

Coordination of the necessary actions with the company AySA (Agua y Saneamientos Argentina) to implement the change of the drinking water flow meter installed in the main inlet trunk to the plant. This allows recording data with greater accuracy and traceability with respect to water consumption.

#### **Brazil**

The Fortaleza thermal power plant is the only Enel Américas plant located in water stress zones according to the GRI 303(2018) definition referred to the World Resources Institute "Aqueduct Water Risk Atlas". The generation of this plant represents 0.8% of the total generation for Brazil, and 8.3% of total water withdrawal or withdrawals by 2021. In order to reduce the impact generated by thermal generation emissions in relation to its water management, Enel Brasil, together with the state of Ceará (CGTF), implemented two water saving projects:

#### **Project 1: Cooling Tower Blowdown Recovery.**

The recovery of wastewater (Blowdown) is carried out through a plant with a combination of 5 treatment technologies: Microfiltration, Nanofiltration, Reverse Osmosis, Membrane Distillation and Electrodialysis. This plant was designed to receive a feed flow of  $10 \text{m}^3/\text{h}$  and recovery of  $8 \text{m}^3/\text{h}$  for the process, which means that, operating throughout the year, the water recovery is 0.17 million  $\text{m}^3$ . The project has been operational since January 2021, so in the last year only  $3 \text{m}^3$  of water was reused, which is significant progress.

# Project 2: Blowdown measurement of HRSG's reused in the cooling tower.

The project consists of the reuse of HRSG wastewater, after a chemical/microbiological analysis and temperature equalization with water from the cooling tower pond. A flow meter was installed to quantify the reuse portion, where the reuse of the water resource was 7,637 m<sup>3</sup>.

#### Peru

During 2021, Enel Perú focuses its efforts mainly on reducing the consumption of industrial and non-industrial water, as in the case of the Distribution subsidiary, so permanent communication campaigns are carried out to raise awareness for the care of water to staff, applicable both in Enel's facilities and in the homes of customers and employees. In relation to the industrial use of the resource:

The implementation of the WAVE program is maintained, focused on reducing water consumption, through an intelligent chemical control system in the cooling tower at the Ventanilla Thermal Power Plant. From May to December, well water has been reduced by 304,296 m³ and 143,944 m³ of water has not been discharged into the sea.



## Waste management

306-1 | 306-2 | 306-3

Our sustainable progress

Waste management for Enel Américas in 2021 has two main focuses; the first, within the Company where the Circularity of products and services are part of the business, which has been enhanced during this year. In relation to contractors, the focus was strengthened in the treatment and management of waste and substances resulting from those processes, which is the result of a permanent work with contractors in the field.

This effort has focused on bringing the concept of "circularity" to both internal and external collaborators. To this end, since 2020 the Company began to incorporate sustainability indicators in the bids for some contracts, mainly related to proper waste management, reuse and recycling of excess material in the works, which has resulted in better performance and has been reinforced during 2021.

With respect to the Company's total waste generation, there was a decrease of 5% compared to 2020, improving environmental performance in the reduction of waste generation, increasing by 8% the recycling of hazardous waste. On the other hand, the reduction of 42% in relation to the amount of waste generated in the base year 2019 stands out, demonstrating a real commitment throughout the value chain of the Company and its responsibility in the management of the impacts generated.

**WASTE GENERATED** (thousand t) -87% 380 320 294 321 **Enel Group** Target 2017 2018 2019 2020 2021 2030

Enel Américas has worked during 2021 on a waste management program called "Zero Waste", whose objective is: "to reduce waste generation and increase recovery to minimize the amount of waste sent to final disposal". In 2021, Enel Américas generated 219,954 tons of waste (13,036 tons of hazardous waste and 206.918 tons of non-hazardous waste), 4.8% less than what was generated during 2020. This program includes quantitative waste recovery targets for the Company, where the result for the year 2021 corresponds to 41% recovery of waste generated by the Enel Américas group. Some of the initiatives carried out in the different countries are highlighted below.

#### **Argentina**

In 2021. Enel Chocón reaffirmed its waste collaboration agreement with the company NEU-COR, establishing the following metrics:

The Central el Chocón recycling campaign was born in 2020, where it collaborates with the shipment of paper and cardboard, using these as inputs for the realization of packaging. Considering the above, it is worth mentioning that 0.529 tons of paper and cardboard have been recycled. On the other hand, and in relation to plastic waste, Enel has been working since 2019 in collaboration with the environmental area of Villa el Chocón, recovering to date 0.16 ton of plastic packaging.

It is important to mention about the so-called Special Recovered Waste, due to the hazardous characteristics that this type of waste has. In the case of the El Chocón and Arroyito sites, the stream that is reused is that of oils, which is considered 100% reusable.





#### **Brazil**

In Distribution Brazil, the circular process of reusing tree pruning waste continued in 2021.

Approximately 7,300 tons of waste were reused in São Paulo, through partnerships with NGOs, parks, associations and authorized companies. Pruning residues, such as branches and leaves, when shredded and recycled, acquire a new role in the environment. The material is then provided for partners to use in composting, maintenance of parks and green areas or as energy reuse.

The São Paulo Zoo stands out in this area, since they use the material to incorporate it into the process of the Organic Compound Production Unit (UPCO) existing in the institution, generating tons of organic fertilizer monthly. The final destination is the Rural Production Division, a farm that the Zoo maintains in Araçoiaba da Serra (SP), producing vegetables, fodder (among other animal feed), available material for gardening and also used as substrate for open spaces in the reptile sector (turtles and alligators).

Another example is the partnership with neighborhood associations such as AME Jardins, which uses shredded waste to cover the soil and maintain its squares and green areas.

In the case of waste destined for biomass, this can be used in the form of wood chips or briquettes and is mainly destined for furnaces and boilers.

This initiative is linked to Sustainable Development Goals SDG 8 - Decent Work and Economic Growth, SDG 9 - Industry, Innovation and Infrastructure, and SDG 11 - Sustainable Cities and Communities, which are part of the UN 2030 Agenda to which Enel America is committed.

Finally, Enel X's subsidiary in Brazil has arranged for the reuse and recycling of solid waste in all its operations and in relation to B2B customers, currently reaching the 92% recycling mark.

#### Colombia

#### **Management of PCB-contaminated equipment**

Enel Codensa is committed to the development of the Integral PCB Management strategy, within the framework of environmental legal compliance (established by Resolution 222 of 2011, partially modified by Resolution 1741 of 2016 of the Ministry of Environment and Sustainable Development). Thus, identification activities are developed corresponding to marking and sampling of equipment with oil content, replacement of equipment contaminated with PCB and its corresponding treatment and disposal.

By the end of 2021, 63% progress was recorded in the process of identifying PCBs in equipment in use, disuse and waste; in the previous period (2020) Enel Codensa exceeded the goal established by the standard, 60%.

For the integral management of contaminated equipment and waste, 20 tons of the casings generated during 2020 and 2021 were decontaminated by ultrasound, and 16.5 tons of dechlorinated oil. As a result, the disposal costs of these wastes have been reduced by up to 52% over the value that their conventional treatment (export) would have implied in the country.

**63%** progress has been made in the process of identifying and marking equipment.

20 tons of carcasses decontaminated through the ultrasound technique implemented by the company LITIO SAS.

16,5 tons of dechlorinated oil decontaminated by dichlorination.

For the proper treatment of waste generated in Enel Colombia, Emgesa has a specialized supplier that is responsible for complying with the environmental regulatory framework in terms of storage, disposal/treatment and transportation of waste. In 2021, a total of 118 tons of waste were transported, without generating an increase in waste generation with respect to 2020, demonstrating a good performance in the **Zero Waste** program.



Roofing of the Huampaní canal, whose purpose is to reduce the generation of waste from the Huampaní cup during the 2021 period, with a generation of 29 tons of waste that the canal waters transferred to the power plant. To date, the canal is operating at 100%, thanks to the reduction of waste generated by the raking of the Huampaní Cup. During 2021 the Company continued with the reuse of waste electrical elements through the recovery of these residual materials in a circular economy model and the quarterly preparation of the quantitative report of the process with a goal equal to or greater than 95% of waste generated, which enter new production processes. This results in a lower environmental impact of operations. In 2021, 33% of this waste was reused, an improvement over the previous year of 50%.

During **2021**, the strategic alliance with Aldeas Infantiles continued, through which the Company donated close to 10 tons of recyclable material (plastic and paper) in favor of this NGO, whose social work is focused on improving the quality of life of children in vulnerable situations.

Enel X Peru entered into a strategic alliance with a collective system for the management, handling, treatment and disposal of its waste electrical and electronic equipment (WEEE), making us the first company of the Enel group in Peru to enter into this agreement. The purpose of the initiative is to establish the general guidelines for collaboration between the parties to develop activities aimed at the adequate treatment of WEEE, establish general management policies for this specific type of waste for better environmental management, as well as implement and execute actions aimed at raising public awareness and social responsibility related to environmental care in order to avoid risk situations and negative impacts on human health in accordance with the provisions of Legislative Decree 1278, Article 6, Section H), Law of Integral Management of Solid Waste and its amendments.





#### **Panama**

In 2021, an initiative was started to give a second use to the tires that have been discarded by the company, establishing a program to collect them and use them as erosion control measures (Dead Barriers), instead of disposing of them in a landfill. These were placed in areas of the reservoir impacted by waves and strong breezes in the area. The initiative succeeded in creating a dead barrier that supports the soil, preventing erosion and giving the reservoir a longer useful life, using 180 tires that were going to be discarded.





## Towards a circular economy and life cycle analysis

#### **Brazil**

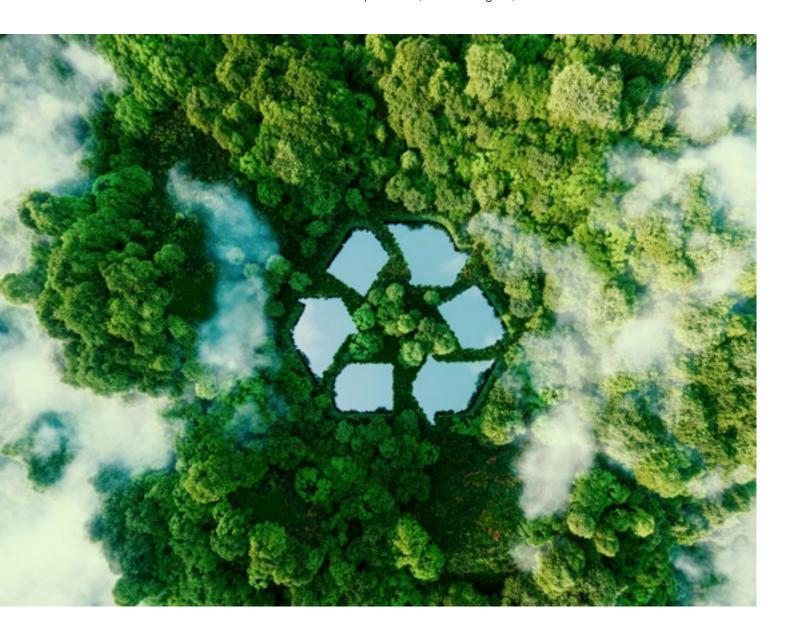
Enel X in Brazil implemented the Circular Economy Boost Program, focused on maximizing the application of products and services in the Circular Economy pillars, measuring the starting level and identifying new opportunities and expanding them, using Sustainable Innovation. Industrial Photovoltaic technology was studied, targeting B2B customers. Finally, a set of new initiatives was proposed to increase the level of product circularity.

Progress of the Urban Futurability project in Vila Olimpia, a neighborhood in São Paulo, which aims at a more sustainable city, integrating several aspects of the circular economy in its initiatives. For example, 321 poles were recycled by June 2021, generating around 321 tons of waste between concrete and metal. Some 255 tons of concrete were already

reused in civil construction and part of the excavated soil has been reused on site and in other maintenance and reclamation activities, totaling almost 500 m3 so far.

A manhole is expected to recycle 99% of all the material in the pit, in view of the massive presence of 100% recycled plastic in its composition. Around 4 tons of recycled plastic will be used to manufacture the manholes that will have production in 2022.

Another project of great relevance is the Smart Meter, in São Paulo, which has reused 29,356 electronic meters, avoiding a cost of US\$830,000, and has recycled 43,295 meters, representing 32,089 tons of waste. As for electromechanical meters, 123,460 were recycled, representing 150,392 tons of waste (47,497 tons of metal, 31,188 tons of plastic and 71,707 tons of glass).







Our ESG performance



#### Colombia

Enel Codensa installed 22 ecological poles in the town of Usme, the first of their kind in Colombia. Each one of these weighs, on average, 1,300 kg, where 70% corresponds to natural aggregates (gravel and sand) of which 137 kg from recovered concrete were incorporated for the manufacture of these new prototypes; a figure that becomes more relevant considering that annually about 10 thousand energy distribution poles are installed and that, in the future, could avoid the extraction of 1,365 tons of sand and gravel from the rivers. This initiative is part of the Enel Group's Circular Economy strategy by using recovered materials in the manufacture of new infrastructure (circular inputs) and ensures the recovery of residual material for the creation of new elements (new life cycles). In addition, the Company reaffirms its commitment to the United Nations 2030 Agenda, especially Sustainable Development Goals (SDGs) number 9 (industry, innovation and infrastructure), 12 (responsible production and consumption) and 13 (climate action).

This demonstrates the contribution of companies in the sustainable development of the environment through the application of the circular economy in the value chain.

These ecological poles have the same capacity, strength and durability as traditional poles, being able to support low and medium voltage power grids, telematics and transformers. In addition, their useful life also reaches 20 years and 90% of the concrete can be recovered for the manufacture of new infrastructure.

In 2021, a pilot project for the use of Construction and Demolition Waste (CDW) was developed to test the technical and economic feasibility of replacing natural aggregates with recycled aggregates in the civil works executed by Enel Codensa in Bogota.

The recycled aggregates used correspond to granular materials used for backfilling in excavations that must be carried out during subway network channeling works. These aggregates come from recycling companies, whose process involves transforming CDW into new granular materials in compliance with the technical specifications established by entities such as the Urban Development Institute, for use as backfill in the works.

This achieved an average use of recycled material of 60% and an average disposal of construction and demolition waste of 49%. Thus, part of the activities of the operation in 2021 in Enel Codensa, a total of 8.2 tons of Construction and Demolition Waste was used, reusing the excavated material generated in the works and purchasing recycled material from Recycling Centers. This initiative has reduced the procurement of new materials from quarries by 52%.

#### Peru

During 2021, Enel Américas in Peru continues to develop actions for the use of electrical waste, recovering them in a circular economy model and the quarterly preparation of the quantitative report of the reuse with a goal equal to or greater than 95% of waste generated, which enters new production processes. This results in a lower environmental impact of operations. By 2021, 95% of this waste will be reused.

The strategic alliance with Aldeas Infantiles also continued, through which the company donated 10,432 tons of recyclable material (plastic and paper) to this NGO, whose social work is focused on improving the quality of life of children in vulnerable situations.





## Soil management

Enel Américas reaffirms its commitment to the protection of the environment and all its components, including soil. Therefore, the preventive actions taken by the Company are necessary for an environmental performance in accordance with the current demands of society and the regulatory framework where Enel operates. The Company seeks to minimize any negative environmental impact caused by the construction, operation and dismantling of civil works, applying best practices in these.

#### Colombia

Thus, in 2021, Enel Codensa is working on strengthening operational controls to reduce environmental risk due to environmental incidents, disseminating measures and immediate actions in the event of a situation of spills of both dielectric oils and fuels to protect the environmental components present in the environment of the operations, specifically soil and water. These measures are consolidated in the protocol for handling dielectric oil and fuel spills. In addition to disseminating this protocol, kits are implemented to control massive spills, currently located in substations and operating facilities, and testing response times in the event of a potential incident by executing environmental drills, whose purpose is to have personnel prepared to respond in a timely manner in the event of a contingency of this nature.

Enel Colombia has developed a disaster risk management plan, adopting general guidelines of the local regulatory framework where possible events of natural, anthropogenic, socio-natural and technological origin have been analyzed and evaluated in a section of the electrical infrastructure, allowing to know the threats, the vulnerability of the operation and the infrastructure, determining the risk levels on a larger scale, for disaster risk management. Such determination will lead to establish the risk monitoring actions and the basis for the comprehensive response actions required and applicable in the updating of the organization's Disaster Risk Management Plan - PGRD, in line with the TCDF and risk analysis of the CDP.

#### Peru

Implementation in Enel Perú of the Oil prevention program, which allows the development of matrices to identify components with potential spills and environmental impact in thermal and renewable energy plants, the results of which have been validated with each of the plants and have been designed with the required action and improvement plans. This includes the review of technology in the systems and routine inspections to identify potential leaks and other situations. To date, 97.5% of the action plans have been defined and 48 inspections have been carried out.

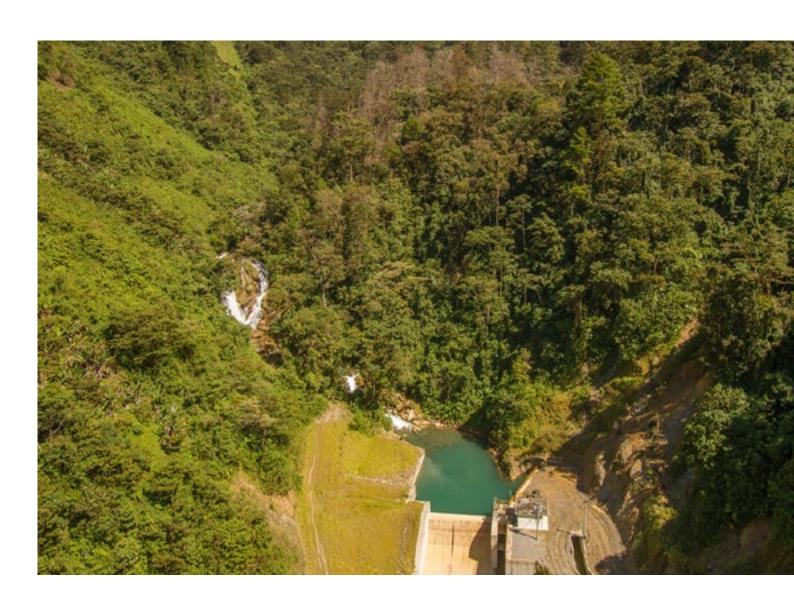
#### **Panama**

Implementation of a hillside erosion control system consisting of planting and revegetation of Vetiver (Chrysopogon zizanioides)\*, at the Fortuna Hydroelectric Power Plant. This, for the necessary work of planting, cleaning, fertilization and pruning of shrubs, hand in hand with the local community. In addition, the HSEQ (Health, Safety, Environment and Quality) team implemented a nursery for this plant species.

Another strategy to control erosion has been the implementation of dead barriers to reinforce soil resistance. To this end, following circular economy principles, 44 pipes of 1.50 meters in diameter and 6.10 meters long, which were discarded due to imperfections during the power plant's transfer project, have been reused, making it possible to transform a waste product into a material of great importance to control soil degradation.

This has achieved that from 2015 to 2021, more than 1,700 meters of dead barriers have been built, more than 23,000 meters of live barriers, with the Vetiver plant to control degradation of the edge of the lake. An example of this is the reforestation carried out in one of the 17 tributaries of the Chiriqui River, in the Frank Creek.





## **Biodiversity management**

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

## **Enel's commitment to biodiversity**

Biodiversity protection is one of the strategic objectives of our environmental policy, and it is governed by a specific policy adopted by Enel Américas, which reflects the Group's guidelines and the principles with which it operates.

The Company's Biodiversity Policy reflects the highest international standards and principles described in the United Nations (UN) Convention on Biological Diversity (CBD), the UN Strategic Plan for Biodiversity 2011–2020 and CBD's Aichi Biodiversity Targets. Enel's Biodiversity Policy seeks to observe the mitigation hierarchy principle. Firstly, this plan calls for the prevention of negative impacts on biodiversity

and, if this is not possible, to mitigate and remediate their effects. On the other hand, residual negative impacts must be offset by implementing measures that respect the principle of no net loss of biodiversity and, where applicable, a positive net balance.

For each new facility, the Company drafts a prior impact study containing a systematic evaluation of the possible effects of works and operations on local ecosystems, looking to avoid operations in areas with high biodiversity value, and adopting the best possible solutions to mitigate foreseeable impacts on biodiversity in all territories.





	Projects				Type of project			
Country	Number of projects	Mandatory	Voluntary	of which voluntary	Monitoring	Conservation (species)	Restoration (habitats)	Research and other purposes
Brazil	42	31	11	26%	17	8	15	2
Colombia	16	9	7	44%	3	7	6	-
Guatemala	8	5	3	38%	5	-	3	-
Peru	7	3	4	57%	3	4	-	-
Total Americas	73	48	25	34%	28	19	24	2



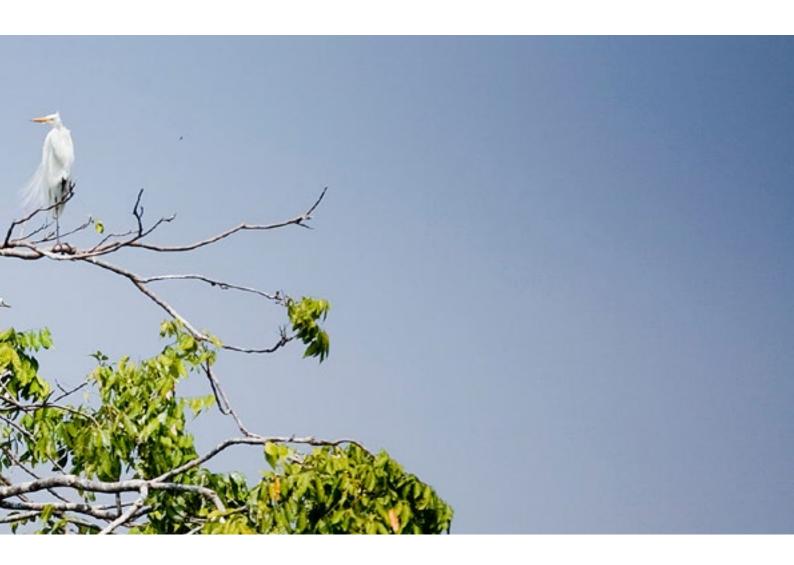


**Ecosistemas** 

Species concerned

Menos críticas

Terrestrial ecosystems Marine Coastal ecosystems Aquatic	Terrestrial Acuatic Avifauna	Ichthy	yofauna 🥰	Chiropte	era  Po	ollinators	Terrestrial Flora
	The Red List, compiled by the International Union for Conservation of Nature (IUCN), provides information on the conservation status of various species.	Endangered	_	Vulnerable (VUL)	111100101100	Least Concern (LC)	
Ecosystems	Species		Nui	nber of sp	ecies in dan	ger	
Туре	Class	CR	EN	VU	NT	LC	Total
Terrestrial (Forest; Grassland; Savanna; Shrubland)	A CO PO D	1	13	33	88	525	660
Terrestrial (Forest; Shrubland); Aquatic (Inland wetland; Coastal Marine)	D D AR Q	2	7	15	11	313	348
Terrestrial (Forest); Aquatic (Inland Wetland)	D Q AR W	2	3	3	4	45	57
Terrestrial (Desert; Forest); Aquatic (Inland wetlands/ rivers and freshwater lakes)	Q FR	-	-	-	1	3	4









# **Biodiversity policy**

With its <u>Biodiversity Policy</u>, Enel Américas aims to comply with the United Nations Convention on Biological Diversity, the Strategic Plan for Biodiversity 2011–2020 and the Aichi Biodiversity Targets, as well as the national biodiversity strategies of the different countries in which the Group operates.

#### **Enel Américas:**

Manages activities in accordance with the principle of mitigation hierarchy, whereby priority is given firstly to preventing or avoiding negative impacts; secondly, if impacts cannot be avoided, to reducing and remediating their effects; and lastly, to compensating for residual negative impacts.

In case of residual impacts, implements compensatory measures that respect the principle of no net loss of biodiversity and, where applicable, with a positive net balance.

For each new facility, evaluates impact studies, including a systematic assessment of the effects on ecosystems, their biotopes, fauna and vegetation species, to avoid operations in areas with high conservation value in terms of biodiversity, and adopts the best possible solutions to reduce pressures and impacts on biodiversity everywhere.

Works with local communities, academic institutions and NGOs to value biodiversity and develop studies and projects for its conservation and ecosystem restoration.

Monitors the effectiveness of the actions it undertakes.

Regularly reports on its biodiversity performance.

# **Protection of the Natural Capital**

Biodiversity protection is one of our company's strategic objectives and is regulated by its specific policy adopted by the entire Enel Group as of 2015.

This commitment is aligned, with the objectives identified in the European Union's Biodiversity Strategy 2030, starting to operate with these principles from 2025.

With reference to direct actions, and linked to the No Net Loss objective, Enel has decided to assume a greater commitment to the conservation of forests in accordance with the "No Net Deforestation" principle, recognizing the importance in terms of biodiversity richness and the role they play in terms of carbon capture and storage in the long term.

Finally, regarding the safeguarding of protected areas, Enel will not build new infrastructure in UNESCO World Heritage Sites. For more information, see page 214 of the <a href="Enel SpA Sustainability Report 2021">Enel SpA Sustainability Report 2021</a>.



Within the framework of the Sustainability Plan, Enel defined the following objectives aimed at preserving biodiversity in the regions where it operates:

- Improvement of business processes for risk assessment and management of biodiversity in plants and assets.
- Definition of Group indicators and adoption of the biodiversity performance monitoring process.

# **Biodiversity Projects**

# **Argentina**

Enel Generación Costanera is located near the Costanera Ecological Reserve, which gathers the largest amount of biodiversity in the city of Buenos Aires and extends over 350 hectares. At the end of 2020, an agreement was signed between the plant and the Secretariat of the Environment of Buenos Aires, which is responsible for the reserve, to develop joint biodiversity projects, thus materializing the commitment. During the year 2021, a vegetation barrier was implemented in Enel Generación Costanera together with the National Institute of Agricultural Technology (INTA), avoiding the sinking of a sector of the coast of the Power Plant, a greater soil adequacy and favoring the creation of the biodiversity corridor that integrates the Reserve and the Power Plant. The project considered the planting of 220 plants of 6 native species, which meant 516 linear meters and the absorption of 1,540 kg CO<sub>2</sub>/year.

In 2021, Edesur carried out the planting project of native species in the Integral and Mixed Natural Reserve Laguna de Rocha, which is one of the most important green lungs of the Matanza-Riachuelo Basin, located in the province of Buenos Aires. The objective is to collaborate in the restoration of degraded sectors of this reserve within the concession area. The ecosystem is composed of water bodies, grasslands and forests in a territory that covers more than 1,400 hectares, of which only 640 are protected by Law 14,488(2013). To preserve the genetic material, only seedlings (small plants ready for transplanting) taken from the reserve are allowed to be planted. A total of 270 seedlings, taken from neighboring areas, were replicated and planted. This activity has the potential to capture 2 tons of carbon per plant over a period of 45 years, equivalent to 1 m<sup>3</sup> of forest biomass. The net stock of carbon added to the reserve after 45 years is estimated at 450 tons of CO2eq.

In 2021, as part of Biodiversity for El Chocón and Arroyito,

3 infographics were installed at the viewpoints of Central Chocón and 2 at Central Arroyito. Each signage has a QR code that the visitor scans and is redirected to Enel's website where he/she will find more information. On the other hand, a Handbook was produced to raise awareness on issues related to the environment and biodiversity present in the concession area.

#### **Brazil**

Lear's Macaw Experimental and Monitored Release Program, a project that contributes to conserving the biodiversity of this endangered species (Anodorhynchus leari)\*, according to the IUCN - International Union for Conservation of Nature, MMA - Ministry of the Environment, and which is included in the CITES list - Convention on International Trade in Endangered Species of Wild Fauna and Flora. This endemic species of the Caatinga currently only occurs in two locations in the semi-arid region of Bahia, and is the subject of a specific Conservation Action Plan defined by the government. In addition to monitoring, Enel voluntarily decided to make an effort to reintroduce macaws bred in captivity (victims of trafficking or in need of rehabilitation), installing a nursery in the Wild Animal Release Area (ASAS) of the Cercadinho community, to introduce six (06) individuals of this species, from the Canary Islands of Loro Parque Fundação, through the Soft Release methodology. The reintroduced macaws contain a medal that achieves the tracking of their movements by GPS, which allows identifying their movement pattern and discovering important places of refuge, feeding and reproduction.

To date, wild macaws have been recorded in a total of 23 different locations; captive macaws have been recorded in 31 locations. Of the 23 locations where wild macaws have been recorded, captive macaws have already been recorded in 14 of them.

In addition, important awareness-raising work is being carried out with the local communities. The team's direct and continuous contact with several communities in Boqueirão da Onça has increased local receptivity to the release project, so that residents have actively participated in bird registrations; for both, these registrations already exceed 20% of the total number of enlistments. Enel also promoted the implementation of a well and a water distribution system for the Cercadinho community (ASAS implementation area – wild animal release area).







Vegetation Recovery Program via Agroforestry Systems, which was recommended in the Environmental Impact Study of the Ituverava and Horizonte Solar Parks Watersheds. This consists of planting trees and agricultural species (in the style of Agroforestry Systems) in rural properties owned by third parties in the area of water influence of the Ituverava and Horizonte Solar Parks. Enel's Agroforestry System (SAF) pilot project implemented this initiative in the period between 2020 and 2021, located around the aforementioned Solar Parks.

The recovery of 23 hectares was achieved with a consortium of native vegetation and agricultural species in the areas considered. In addition, seven rural producers in the vicinity of the parks signed an alliance with Enel, which supported them in acquiring inputs for planting, in the planting activities themselves, their maintenance and in technical training to advance in maintaining the plantations and harvesting, within this agroforestry model.

In 2021, there are 22 operating companies contemplated with biodiversity management actions. Most are in rural or natural areas, and some are close to Conservation Units or located in areas of great biological richness. Throughout the year, our employees and partners found, rescued and reintroduced 46 specimens into the wild. At least 1,236

species of Brazilian fauna were recorded in the monitoring programs, 26 of which are endangered and 81 are endemic (species that only occur in the project biome). A total of 611.41 hectares are being reclaimed to meet environmental license requirements or on a voluntary basis. The biological groups covered by these actions range from native flora species, to fish, plankton, mussels, snails, birds, mammals, amphibians, reptiles and terrestrial invertebrates such as butterflies, moths and ants. It is possible that the control of green areas by the PMT, with the prohibition of hunting, illegal fishing, deforestation and fire monitoring, is contributing to the increase in the number of fauna records.

The Program acted as a factor in the environmental awareness of these rural producers, in addition to strengthening their food sovereignty and generating an income alternative for them to sell their surplus crops. It works in line with 5 of the SDGs of the UN Agenda, namely: 1 (eradication of poverty), 2 (zero hunger and sustainable agriculture), 10 (reduction of inequalities), 13 (action against global climate change) and 15 (terrestrial life).

For information on other projects, please visit <a href="https://www.enel.com/investors/sustainability/daily-commitment/enviromental-sustainability/biodiversity">https://www.enel.com/investors/sustainability/daily-commitment/enviromental-sustainability/biodiversity</a>



### Colombia

A Biodiversity Strategy called Enel Biodiversa has been formulated and is being implemented, which seeks to enhance and make visible the actions developed in Colombia in the area of biodiversity. This strategy is based on strategic axes such as conservation, restoration and protection, value creation, communication, visibility and knowledge management, which integrate the actions developed for the protection of the environment and natural resources, the fight against climate change and the contribution to sustainable development.

Enel Biodiversa seeks to strengthen its commitment to the sustainable development of the environment, contributing to Sustainable Development Goals number 13: Climate Action, 14: Underwater Life and 15: Terrestrial Life and Ecosystems. At the same time, it seeks to contribute to the objectives of the United Nations Convention on Biological Diversity (CBD) and the Priorities for Action of the Ministry of Environment and Sustainable Development for the construction of Biodiver-cities.

Within the framework of National Wildlife Day, Enel launched the company's biodiversity protection and conservation program called Enel Biodiversa, and presented the Safe Networks for Wildlife project, which carried out an intervention in electrical networks to mitigate the risks they represent for wildlife, while working to guarantee their protection through rescue, rehabilitation and release actions.

As part of the project, protocols and strategic alliances were developed to provide technical assistance in the event that animals were found, as well as the implementation of mechanisms or devices to protect them. A total of 320 flight diverters were installed on the high voltage lines, 48

conventional transformers were replaced with transformers layered with vegetable oil, and 9.4 kilometers of bare cable were replaced with sheathed or corked cable.

In addition, biological covers or insulating elements were applied, among others, so that 100% of the high voltage transformers now have this type of protection.

The voluntary planting and conservation of more than 79,000 trees since 2007, as a conservation initiative for the habitat of the fauna in its area of influence, adding, during 2021, 3,000 more trees as voluntary compensation.

Another relevant milestone for the year 2021 was the delivery to the Regional Autonomous Corporation (CAR) of the planting of 42,400 trees in the municipality of Pacho (Cund) as compensation for the maintenance activities of electrical infrastructure, planting 5 trees for each of those felled. The effort and results obtained by Enel Codensa in this activity were highlighted by the CAR at the International Congress on Environmental Research and Innovation 2021.

As part of the strengthening of the environmental culture of Enel Codensa employees and stakeholders, videos were developed on environmental management, planting and management of final disposal of PCB-contaminated equipment to be disseminated internally and externally through the enabled channels such as Facebook and Twitter.

In addition, a booklet was developed for vegetation management and considerations associated with electrical risk, which was shared with interested external entities. This becomes a tool for environmental authorities and other interested parties, in order to contextualize aspects related to the electrical risk and the trees present in the area of influence of the electrical infrastructure.









Within the framework of environmental awareness, actions such as the Environment Week were developed between May 31 and June 4, through activities in conjunction with the different business lines of Enel, in order to encourage good environmental practices that contribute to reducing the environmental impact generated from the company and from each one, achieving the participation of approximately 100 people in each webinar held.

In addition, on September 14, Enel Codensa's Infrastructure and Networks Environment Division held the VIII Meeting of Environmental Leaders, a space dedicated to highlighting the importance of environmental leaders and their role, both internally in the Company and in the collaborating companies. The event was attended by 429 participants, including internal personnel and I&N contractors.

For information on other projects, please visit <a href="https://www.enel.com/investors/sustainability/daily-commitment/enviromental-sustainability/biodiversity">https://www.enel.com/investors/sustainability/daily-commitment/enviromental-sustainability/biodiversity</a>

#### Peru

As part of the UN's biodiversity initiatives, on October 9 the Company commemorated Migratory Bird Day with the webinar "Sing, fly and soar like birds!", with the participation of more than 120 people and the presence of a special guest, Mr. Juan Pablo Culasso, an ornithologist capable of recognizing birds through their songs. This event allowed the strengthening of the BIRD program.

BIRD is the umbrella strategy that brings together initiatives and actions in the areas of Biodiversity, Innovation, Natural Resources and Decarbonization. The motto is: "We give the planet the best we have". It is worth mentioning that newsletters are periodically issued to inform about project updates.



Enel X Peru, in agreement with the Metropolitan Municipality of Lima, developed the Municipal Program for the Recovery of the Historic Center of Lima (PROLIMA), the Lima Park Service (SERPAR) and the Lima Municipal Real Estate Company (EMILIMA). In addition, it established its first biodiversity project called "Bicentennial Nest Boxes" which consists of the manufacture, installation and monitoring of 37 nest boxes located in 11 parks in the Historic Center of Lima for 3 species of urban birds (American Kestrel, Common Cockatiel and the Blue and White Swallow). These structures were manufactured by a group of artisans from the Enel Group's concession area using wood waste from the Santa Rosa Thermal Power Plant, thus contributing to 4 of the 17 SDGs promoted by the UN. This initiative makes Lima the first city in the country to integrate spaces for the conservation and reproduction of urban birdlife.





#### **Panama**

The Fortuna Hydroelectric Plant, located within the Fortuna Forest Reserve, part of Panama's Atlantic Mesoamerican Biological Corridor (CBMAP) and Panama's National System of Protected Areas, is home to some 1,900 species of animals and plants, and 500 ha of buffer zone, which is inhabited by peasants and indigenous people dedicated to basic agriculture. This reserve has a 1,000 ha reservoir, which supplies the water needed to operate the Fortuna Hydroelectric Plant, the country's largest power plant. This hydroelectric plant is committed to supporting the monitoring of the protected area, where there is an annual program of supervisions with visits to the communities in

areas near the Fortuna Forest Reserve and its installations, to achieve sustainable development and support the proper management of this protected area. Also, to make the uses and activities planned in this territorial management program more visible.

There is a forest area monitoring program to reduce negative impacts on the different environmental components by monitoring the Fortuna Forest Reserve (RFF), preventing illegal activities such as hunting, logging, extraction of plant material (moss, orchids, medicinal plants, etc.) and minerals (kaolin, among others) and conducting operations against poachers and extractors of flora and fauna from the forest, verifying that they are not colonizing Fortuna Forest Reserve lands.







# **Environmental Litigation**

308-2

The relevant current environmental lawsuits are those described below, with no material environmental crimes. For more information, please refer to the Enel Américas 2021 Annual Report.

### **Brazil**

#### **SHP Casca II and III**

## 1) Reason for litigation

Casca II and III were fined in 2020 for alleged non-compliance with municipal legislation in the Municipality of Chapada dos Guimarães, in the state of Mato Grosso, in relation to the release of fingerlings. Due to the exorbitant fines applied, Enel Green Power is in administrative discussions with the municipal environmental agency.

#### 2) Current status of the litigation

On November 21, 2021, the Municipality of Chapada dos Guimarães filed a foreclosure of the fine applied to Casca III without observing the due legal process and regular administrative procedure, since it did not evaluate the administrative appeal filed by the Company.

## 3) Enel's position

Enel Brasil will defend this case in court with the help of the Legal Department which, as a corporate support area, works on environmental issues:

- **1.** In the preventive and consultative area, following up on relevant legislative changes, issuing recommendations to internal areas, validating documents or statements, providing legal advice on negotiations and interactions with environmental command and control bodies, among other performance formats.
- 2. In a reactive manner, in administrative processes already initiated (civil inquiries and infringement notices), providing relevant information in a transparent manner, where requested, and lawsuits filed against the Company or brought by the Company, representing its best interest and that of its shareholders.

#### Colombia

#### El Quimbo (Enel-Emgesa)

#### 1) Reason for litigation

A "Popular Action" was filed by fish farms against El Quimbo in 2015, alleging that its construction may cause massive fish mortality.

A nullity action against a fine imposed by the national environmental authority (ANLA), because timber and biomass from the field was not harvested before the start of the filling phase (in 2015).

Investigation initiated by the Prosecutor's Office in 2012 for possible environmental damage caused in the construction and operation of the el Quimbo dam.

#### 2) Current status of litigation

The popular action: A first instance judgment was issued which, while recognizing that the oxygenation system implemented by Emgesa mitigated the risks associated with the protection of fauna in the Betania basin, imposed a series of obligations on the environmental authorities involved, as well as on Emgesa itself. In particular, the latter is required to implement a decontamination project 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. This decision was appealed by the parties.

**Nullity of the sanction:** The first instance sentence has been pending since May 2020.

**Criminal investigation:** It is in the preliminary investigation stage by the Attorney General's Office.

#### 3) Enel's position

**Popular action:** The company will appeal the decision once the Court has defined some requests for clarification and complementation of the sentence. It will prove that Emgesa is not a pollutant and with the measures adopted it complies with the oxygen level compatible with aquatic life. The decision of the Council of State (second instance) is awaited.



**Nullity of the penalty:** The fine has not been paid. Emgesa argues that the environmental license states that wood and biomass harvesting could take place during the filling phase.

**Criminal Investigation:** Emgesa is conducting tests as required by the environmental authorities to establish possible impacts or damages to natural resources. Once the tests are concluded, the Prosecutor's Office will be informed and is expected to file the case.

#### El Muña (Enel-Emgesa)

## 1) Reason for litigation

Group action to obtain compensation for damages caused by the pumping of contaminated water from the Bogotá river to the Muña reservoir, used for energy production.

Class action for contamination and cleanup of the Bogotá River and the Muña Reservoir caused by industries and municipalities in the river basin.

Three nullity lawsuits against decisions adopted by the environmental authorities (CAR) that imposed obligations on the Company to ensure the decontamination of the river.

#### 2) Current status of litigation

**Class Action:** It is in its initial phase because more and more companies and municipalities that discharge their waters into the river have been linked as defendants, which implies that appeals will be filed by these companies and municipalities.

**Popular action:** The Council of State, through a 2014 ruling, protected the collective right to a healthy environment and declared as responsible for the contamination of the Bogotá River the industries and municipalities of the basin that have been discharging untreated waste, and, for omission in the control of discharges, various Ministries, the CAR, the Bogotá Water and Sewage Company, municipalities of the basin and others. The ruling is currently being complied with.

**Nullity lawsuits:** Two of them are pending a second instance ruling and one is pending a first instance ruling.

## 3) Enel's position

**Class Action:** Emgesa presents evidence that the operation is not polluting and that the water is already polluted when it enters the reservoir.

Class Action: Pursuant to the ruling, Emgesa is complying with its obligations: (1) signed Interinstitutional Agreement 9-07-10200-0688-2011 of 2011 for the construction, operation and maintenance of the "Canoas" Lift Station for the duration of the water concession for the generation of electricity; (2) coordinate with Empresa de Energía de Bogotá and CAR to carry out the necessary activities for the operation and maintenance of the Muña reservoir. The Environmental Management Plan for the Muña reservoir is being prepared with Empresa de Energía de Bogotá (GEB) and with the support of the CAR, in order to comply with this requirement.

**Nullity Lawsuits:** An appeal has been filed against two of the rulings. However, the Environmental Management Plan for the Muña reservoir is being prepared with Empresa de Energía de Bogotá (GEB) and with the support of the CAR, in order to include some measures that can be used to decontaminate these bodies of water.

#### Peru

## **Tucto Dam to Marcapomacocha Reservoir**

#### 1) Reason for litigation

In April 2020, Enel Generación Perú filed an appeal against a PEN sanction (for approximately USD 1.18 million) imposed by the Organismo de Evaluación y Fiscalización Ambiental (OEFA), which is Peru's environmental regulator. This was for alleged adverse impacts on the reservoir of the Marcapomacocha hydroelectric plant, claiming that the water discharged from the operations of the Presa Tuco dam would negatively affect trout habitat and cause erosion of slopes and soils.

The regulator also alleged that the company has not complied with the corrective measures that had been ordered.

#### 2) Current status of the litigation

Enel Generación Perú stated in its 2020 Annual Report that in February 2021 the appeal filed by the company was accepted and the sanction was left without effect.

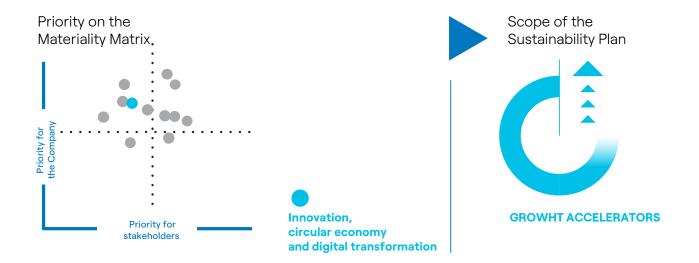
By Resolution No. 00218-2021-OEFA-DFAI, dated February 10, 2021, the OEFA declared the appeal filed by ENEL against the fine of PEN (approximately USD 1.18 million) referring to the alleged failure to comply with the corrective measures at the Marcapomacocha Hydroelectric Power Plant to be well-founded.





# Innovation and digital transformation

103-1 | 103-2 | 103-3



# Primary material issue: Innovation, circular economy and digital transformation

#### How is it managed?

For Enel Américas, innovation is one of the accelerators of the energy transition process, which is leveraged so that the Company's business is growingly more sustainable. Through the Innovation Hub, a bridge is created between the innovation ecosystem external to the Company and the internal needs of the business. This bridge connects startups with the Company, generating solutions that allow both parties to move forward. Another aspect that is addressed is the promotion of an innovation culture within the company through the Idea Hub, a function that promotes creative thinking and aims to unleash the creative potential of the Company's people.

Furthermore, each Business Line incorporates personnel specialized in innovation to facilitate the adoption of solutions aimed at achieving a more efficient and circular performance of the Company, leading the digital transformation and energy transformation. With the integration of digital technologies throughout the value chain, it is possible to conceive new ways of operating and interacting, achieving not only efficiencies and better performance, but also the paradigm shifts required to drive electrification and, therefore, sustainability.

#### **Material issues**

- Innovation and sustainability ecosystem
- Circular economy
- Digitalization and cybersecurity

### Importance of good management

The energy transition that the Company is leading requires agility and adaptability. Innovation, digitalization and circular economy are key to accelerate responses to the transformations that the planet and society demand and need. At the same time, they are decisive to ensure the ability to anticipate customer needs, increase safety and continuity of service and use resources rationally; consequently, they contribute to operational efficiency.

Poor management in this area could delay the transition process by hindering the digitization of assets, electrification and the move towards greater decentralization of energy, where the consumer becomes an ever more active player in energy management, empowering them to be both producers and consumers at the same time. Circularity applied to the design of products and services also avoids or mitigates one of the main risks to the economy, biodiversity loss and its threat to the availability of natural resources. The circular economy in fact avoids the production of waste or industrial materials that cannot be reused in further production cycles; it also generates circular inputs through renewable generation, mitigating the risk of climate change. Finally, the valorization of existing waste matters allows for a reduction in the use of raw materials. All these integrated factors generate competitiveness for the company.



# Sustainable Development Goal





# Principles of **Human Rights Policy**



# World Economic Forum Risks



# Goals and challenges

SDG	Activity/goal	<b>Goal Plan</b>	2021	<b>Goal Plan</b>
		2021-2023	Results	2022-2024
9 NOSSTE PROSULES  11 SECTIONAL CREE  AND COMPANY CREE	Number of annual events to disseminate knowledge on cybersecurity	15	18	15
9 MOSTIVE PROVIDER  11 SESSIBABLICITIES  AND COMPRISES	Number of annual global reviews on information security	800	1,536	800

Simbology: New + Redefined





## How are the principles of the Human Rights Policy applied

En	vire	nc	mei	nt

Enel Américas is committed to accelerating the decarbonization and electrification processes through the application of new technologies that support energy transition through breakthroughs in robotics and digitalization.

The protection of the environment and natural resources are strategic factors in the planning, performance and development of Enel Américas

## Privacy

Enel Américas respects the confidentiality and the right to privacy of its stakeholders, and the correct use of information, and therefore adopts high standards for the protection of personal data.





Enel Américas has two axes through which it promotes innovation work: the first is by developing a culture of innovation, via its Ideas Hub; and the second is by applying its Innovability model®, materialized through the Innovation Hub.

# **Innovation Hub**

The objective of the Innovation Hub is to link the Company to startups that address its challenges, to incorporate innovation into the technical and operational processes of the different business lines. To this end, the strategy focuses on scouting processes that allow us to explore the Latin American innovation and entrepreneurship ecosystem to find the best startups, academies and business partners, among others.

# **Innovation ecosystem**

Innovation is one of the enablers of the Company's sustainability plan, and therefore, together with digital transformation, is part of the key activities to achieve a transition process towards a new energy model that benefits the Company and its customers, thus contributing to the fight against climate change

To this end, Enel Américas has an Open Innovability model – or sustainable open innovation – that creates solutions, products and services with the aim of continuously transforming the current energy model.



In 2021, the Innovation Hubs network conducted its bootcamps remotely, due to the pandemic context. This brought Enel Group's global business lines closer to the local innovation ecosystem which includes startups, academies and business partners, among others. The objective was to find innovative solutions to global challenges and then develop them.

This modality remained active throughout 2021, with the evaluation of more than 100 startups from all over Latin America, which allowed the group to plan various Proofs of Concept for 2022, with the selected startups. A Proof of Concept is a small-scale test devised to put to the test the feasibility of an idea or method.



# **Bootcamp methodology**



Compile the innovation needs of the business line.



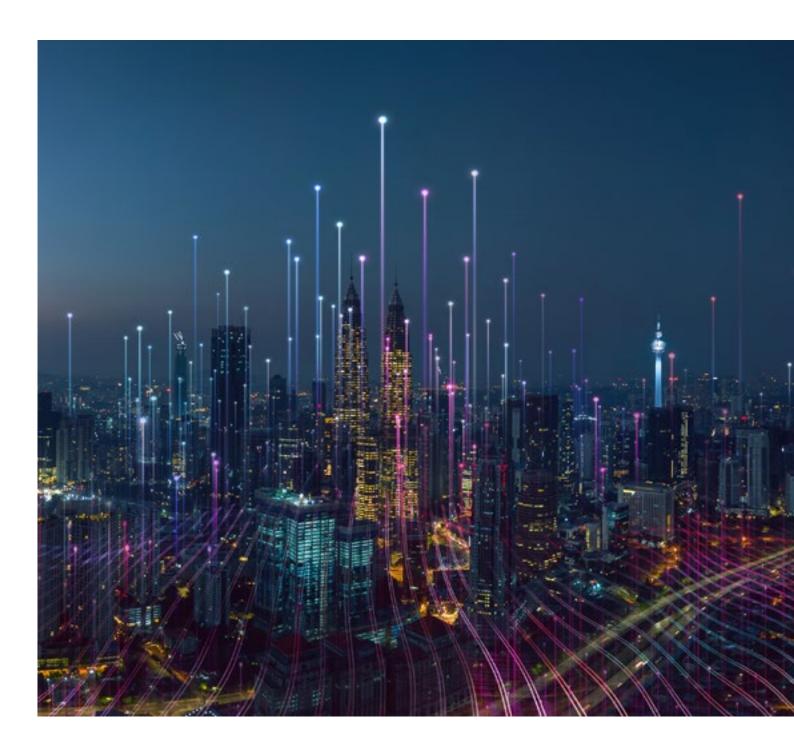
Carry out scouting activities to find startups that solve the identified needs.



Conduct 1:1 meetings with the selected startups, so that the business line challenge. can decide with which of them it wants to do a Proof of Concept.



Test the technology and provide a solution to the

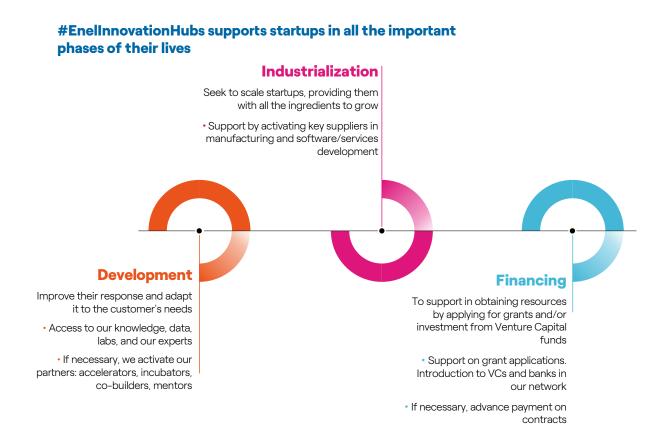






# Support throughout the entire development cycle

Enel Innovation Hub actively collaborates throughout the creative and development process with selected startups, promoting their development, financing and industrialization of their projects.



# **Global linking**

By partnering with Enel Américas, startups gain access to various facilities around the world to test their solutions, as well as to more than **74** million customers worldwide, or to more than **49** GW of installed renewable energy capacity.

At the Enel Group level, there are different levels of interrelated Innovation Hubs:





# **Partnerships**

Some of the main 2021 strategic alliances in Enel Americas' innovation ecosystems:

In **Brazil**, the main Innovation Hub partner has been Distrito Hub, in charge of mapping startups on technologies and topics of interest. Brazil has also connected with other actors such as the National Industrial Training Service (SENAI), with which the Company talked about funding opportunities, training and development of technologies and methodologies; Cubo Itaú, a business generation platform for high impact startups and Energy Hub, a Hub that focuses on the energy innovation ecosystem. The Company has also approached some venture capital funds, to gain understanding of the type of technologies that emerge from the Brazilian ecosystem.

In **Colombia**, as part of the tools available to carry out and mobilize the development of research projects through academia, in 2021 the Group renewed its alliances with the National University of Colombia and the University of the Andes, which kept the 12 framework agreements with academic partners active. Additionally, Enel Colombia is

part of the Connect Bogotá Regional Member Network and actively participates in the ANDI Innovation Committee.

**Peru**, in the meantime, has a collaboration agreement with the Scientific University of Peru to establish a collaboration between Enel companies in Peru and the university to carry out academic activities (including scientific research) on innovation, circular economy and renewable energies, among others. Within this framework, a study of the potential demand for green hydrogen in Peru was carried out and joint work is underway in a position paper that seeks to explore the potential for circularity in Lima. The final version of the document is expected to be launched in the second half of 2022.

In **Central America**, an alliance was established with Idea Hub Colombia to establish the Innovation Ambassadors program, extending it from **Guatemala** to **Costa Rica** and **Panama**. In terms of external entities, an alliance was created with the Galileo University in Guatemala, for the development of a mechatronic project for the inspection of pipes in the country's hydroelectric plants.

# **Activities that drive innovation**

During 2021 Enel Américas, within the collaborative framework of innovation, developed different activities with the aim of promoting an internal culture and developing an external innovation ecosystem, through partnerships with various organizations in the countries where the Company has a presence, and by coordinating webinars and bootcamps, with the objective of culture and innovation ecosystem.

## **Argentina**

During 2021, Enel Argentina applied to the Association of Entrepreneurs of Argentina (ASEA), which seeks to promote entrepreneurship by influencing public policies and supporting entrepreneurs throughout the country.

Regarding the articulation with recognized organizations and institutions, innovation spaces were developed to train internal and external audiences. In 2021 meetings and workshops were organized in these spaces, such as the participation in ASEA, RIL (Local Innovation Network), and different webinars addressing issues of sustainable innovation and circular economy.

## Brazil

Brazil, as the first startup ecosystem in Latin America, houses the Innovation Hub, an important global group structure at the local level. The Innovation Hub aims to discover startups and small and medium-sized enterprises with significant potential to be transformed into business solutions. In 2021, there was an increase in the number of solutions mapped, with 187 startups identified and seven in the process of negotiation.

Another important 2021 milestone was Futuro Rio, an instance in which technologies and their applications in the coming years were discussed, as well as Hack in Rio, an event for amateur programmers, who meet for a weekend to try to solve the challenges posed by companies. On this occasion, accessibility ideas were sought to improve the service experience of visually impaired customers, which was part of <u>Valuable 500</u>.

In Brazil, a partnership was established with the Brazilian Innovation Project Intelligence Center (NIPI), which, using Enel's innovative liquid management model through the participation of the company's Innovation Cells and Agents,





promotes the acceleration and integration of strategies in innovation projects for different lines of business at a country level.

## Colombia

During 2021, Colombia was recognized as a leading company in the energy sector. It was ranked in the 100 Open Startups – Connect Bogota Region, and in the 11<sup>th</sup> slot of the Business Innovation Ranking conducted by ANDI-Revista Dinero. In addition, the company participated in the Sustainable Mobility Call for Proposals – Connect Bogotá, with the presentation of 31 solutions on pitch days, to evaluate the feasibility of executing a pilot project of interest to Enel X.

#### Peru

Enel Perú promoted the Wake-Up Innovator initiative, which featured six webinars to share practical content to develop creativity and innovation among employees. The Company also sponsored the "Kunan Challenge" event, which promoted the platform that drives the social

entrepreneurship ecosystem in Peru. It should be noted that Enel Perú was one of the main partners of the event Festival de Innovación Peruana, an open innovation experience with the purpose of convening 600 talented young people from all over Peru to design solutions for 6 social challenges in the framework of the celebration of Peru's Bicentennial. Thanks to the company's support, the winning idea associated with the Sustainability challenge will implement the "smart LED street lighting" pilot solution.

#### **Central America**

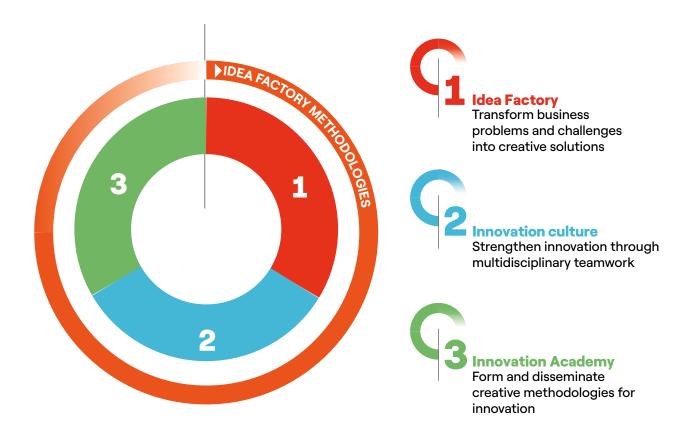
During 2021, Central America committed to innovation by promoting access to education. To this end, it implemented the Agile Awareness program, through which 82 people were trained for a total of 152 man-hours on agile methodologies in communities, suppliers and collaborators. The Digital Volunteering program was also implemented, through which 30 volunteer collaborators gave comprehensive training workshops to more than 141 teachers, students and women entrepreneurs in the rural communities where the company operates.





# **Idea Hub**

The purpose of Idea Hub is to promote a culture of innovation within the Company, by developing internal knowledge to ensure the participation and integration of employees in all business lines. Idea Hub is present in eight countries where the Enel Group operates, fostering the creativity of technical and professional teams by providing them with tools that allow them to develop their capabilities and promote working spaces that drive synergy within the Group. This is achieved by fostering the following areas:







# 1. Idea Factory

Through Enel's Idea Factory, the Company promotes the use of different methodologies that help employees think outside the box, offering them support in the analysis, selection and implementation of the best solutions to the problems and/or challenges they face, to transform workspaces into true innovation laboratories.

# **Idea Factory Methodologies**



2



#### Creative problem solving

Based on the way creative thinking is naturally built. This methodology looks to turn problems into challenges, opening the way to a resolution process that creates a fertile environment for creative ideas.

The construction of thinking emerges as a four-step process:

1 Clarify
2 Ideate
3 Develop
4 Implement

## **Design Thinking**

A "human-centric" way of work that places the customer at the center of everything and uses different tools to co-create the product or service that best suits their needs, changing their habits and improving their experience.

The steps of Design Thinking are:

1 Empathize
2 Define
3 Ideate
4 Create a prototype
5 Test

## Lean Startup

Used for business and product development, it allows shortening the cycles of each process by adopting a combination of hypothesis-driven experimentation to measure product launches to gain meaningful customer feedback, and validated learning to measure how much has been learned.

The phases of the process are:

1 Learn
2 Create
3 Measure

Brazil developed several actions within this framework, to enhance the creative and entrepreneurial abilities of its teams. For example, the Inspire program, which includes Inspire Deu Certo, to promote innovative projects. In 2021, 282 initiatives were presented. Another highlight is Inspire Multiplique, which aims to make the value of innovation tangible by engaging technical and executive committees to monitor Inspire Deu Certo's actions.



## 2. Culture of innovation

Some of the Company's initiatives to promote a culture of innovation that were preponderant in 2021 are:

### a) Innovation ambassadors

This project seeks to improve collaboration by creating a network of people from different areas who can influence, expand and develop the culture of innovation at different levels of the organization. The Company recognizes that transforming culture requires having employees who apply the changes in their daily work generating, distributing or supplying energy.

As an example, during 2021, **Argentina** worked with innovation ambassadors in the project *Pacto Emprendedor:* doná tu capital social, an initiative sponsored by the Government of the City of Buenos Aires (GCBA) to support local businesses and entrepreneurs. Idea Hub provided support and tools for mentoring.

In **Brazil**, the Inspire *Embajadores* program was launched by employees who, with their skills, build the company's innovative DNA. These ambassadors encourage the direct participation of employees in the experimentation and development of innovative solutions. It should be noted that their mission is to promote a Culture of Innovation, highlighting the development of projects through mentoring activities, as well as the promotion and organization of solution design sessions that involve the application of creativity and innovation methodologies, among others. It is important to highlight that, in 2021, there were 129 ambassadors dedicated to innovation activities, with more than 1,100 dedicated hours, making it a benchmark community for Enel.

In **Colombia**, the community of Ambassadors is formed by 30 participants from different lines of business, who, in 2021, coordinated 10 international events and workshops and conducted 55 sessions to solve business challenges or internal processes, such as identifying solutions to boost Circular Economy ideas in business, facilitate business challenge sessions, give support to the P&O selection area in the implementation of its first *RETO* E workshop, which was based on Design Thinking and sought to promote knowledge about the energy sector and Enel as an inspiring company and market leader among ninth graders.

In **Peru**, ambassadors acted as facilitators in the annual Peruvian Hackathon, in which various multidisciplinary teams provide solutions to challenges on a cross-cutting theme for the entire organization. The 2021 Hackathon was the first one in which innovation ambassadors participated as facilitators and mentors of the participating teams, who presented their solutions in the closing pitch day.

In 2021, 32 passionate innovators participated in the community of **Central American** Ambassadors. They organized 22 creative sessions such as *ideación* to solve O&M and Sustainability challenges. They worked with all areas to identify challenges and held creative sessions to generate ideas for Power G. In this way, and through these creative processes, seven challenges were solved, which included commercial, community relations and operational efficiency issues. Within the framework of the Power G Innovation and Continuous Improvement Program, Costa Rica received the third highest number of proposals and was the first in terms of proposals per capita at a global level.

# b) Make it Happen

Corporate entrepreneurship program through which the Company promotes employee participation by encouraging the presentation of ideas that can solve business needs (new businesses) or are geared towards operation (improvement ideas). The goal is to develop a proactive and experimental attitude in Enel's employees around the world, in the understanding that each one of them can be decisive in driving innovation and transformation within the organization. This initiative, launched in March 2019, relies on the support of experts in every phase of the process, and has been allotted venture capital and time to develop the projects. The following Enel Americas initiatives participated in the 2021 event.





Country	Total number of projects submitted in 2021	Total number of projects at design stage	Total number of projects in the implementation phase
Argentina	10	1	1
Brazil	76	3	3
Colombia	22	5	3
Peru	0	0	0
Central America	5	1	0

Two ideas from Chile and Spain also participated in the event. Judging the pitches were Ernesto Ciorra, Global Head of Innovability, Maurizio Bezzeccheri, Head of Latin America, and Lucio Rubio Diaz, Country Manager Colombia. The winning ideas from Colombia were Procurement Supplier Service Center and Raw Material Transformation based on Grid Mining.

c) Innovability week

Organized jointly by Enel Chile, Enel Colombia and Enel Perú, this activity attracted great interest and participation at a global Group level. It provided a platform to showcase the projects under development in the Innovation area. In its second edition, held in November 2021, Innovability Week featured workshops, conferences, contests and a project fair. The themes centered on innovation and circular economy. Participants had the opportunity to learn, live innovative experiences and awaken their creativity by generating important projects. This activity was attended by more than 1,350 people from the organizing countries; Chile, Colombia and Peru; as well as from the guest Central

American countries: Guatemala, Panama and Costa Rica. Brazil, on the other hand, carried out an Innovation Week with on-site and online activities; remote users could explore on-demand contents available in an exclusive Company platform. The week featured knowledge days, workshops, gamification and talks with important market exponents, such as Camila Farani, Brazilian entrepreneur and investor.

# 3. Innovation academy

Enel Américas started its Innovation Academy to enhance knowledge and offer new work methodologies to employees who participate, develop or have an interest in innovation and digital transformation. One of the key elements of the initiative is a "learning by doing" approach, which drives a creative and agile, customer-centric way of working. In 2021, Innovation Academy trained 1,877 people in innovation and creativity methodologies, fostering creative thinking through Design Thinking, Lean Startup and Creative Problem Solving, among others.





Country	Trained people
Argentina	550
Brazil	77
Colombia	426
Peru	742
Central America	82

# **Innovation in Generation**

# **Boosting energy transition**

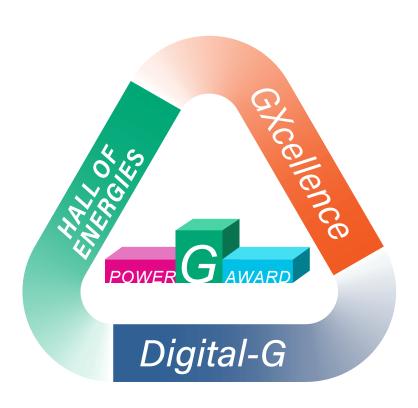
Enel Américas focuses on identifying new technologies that support the energy transition process by using advances in robotics and digitalization, which is one of the main objectives of the innovation area in Power Generation Américas. With a long-term view, it seeks to promote new ways of producing energy through the advantages offered by marine energy, the hybridization of energy production or the procurement of green hydrogen as a new energy vector. Likewise, there is a permanent search for other ways of doing maintenance through the exploration of different technologies that make the least possible impact on the environment.

Enel Américas has a culture of adapting to constant change through internal and external innovation. The former promotes a more horizontal and matristic organization, facilitating communication in the Company, and the latter works with startups and open-call processes, inviting new actors who might be able to contribute new solutions.

### **Power G**

Enel Américas seeks to empower employees to become ambassadors of innovation, through a methodology that encourages Global Power Generation's employees to propose innovative ideas. These are then presented to a committee, which is responsible for selecting the winning proposals, which are recognized and their creators, awarded.

In 2021 three initiatives (Gxcellence, Digital–G and Hall of Energies) were merged into a single program: Power G. This program aims to recognize good behavior in line with Open Power values, recognizing innovative ideas and implementing best practices for adopting new digital tools.







In 2021 and thanks to the support of Idea Hub, a total of 626 projects were submitted from Argentina, Brazil, Colombia and Peru, allowing employees to actively participate in the innovation process, opening a new space for development.

Initiatives by country					
Argentina	Brazil	Colombia	Peru	Central America	
58	148	173	162	85	

In the 2021 Power G version, some of the most relevant projects by country were:

# **Argentina**

- Acquisition of spare sieve for the execution of the "rollin-roll-out" technique.
- River Trash Interceptor project: A project that collects river trash via an interceptor that uses renewable energies to clean a river near the Costanera power plant. This project, in turn, promotes cooperation with government entities to support actions or processes associated with collection and recycling, as well as with the financing of the project.

#### **Brazil**

 BlueROV - Underwater inspections: Underwater inspections project using a BlueROV submarine. This initiative is designed to replace diving activities in hydroelectric power plants, and will be able to inspect previously inaccessible areas, reducing the risks for people and costs associated with an inspection by diving companies. This project was the winner in the Business Improvement category.

In the 2021 edition of Power G, Colombia had five winning innovation ideas, which are currently getting ready to begin their implementation in 2022:

- StringboxSafe
- Fumigator Bird
- Hydrogen recovery system in electrical generators
- Spatial Enel
- Condensate water recovery and reuse in Cartagena Thermal Power Plant generation units.

### Colombia

- A project is being executed that consists of a Roverv robotic platform that safely and remotely inspects confined spaces, measuring the concentration of hazardous gases and sending a warning about the quality of the air, with 360° videos. In 2021, tests were conducted with the designed prototype and the project was approved by the Ministry of Science, Technology and Innovation (MinCiencias) to obtain tax benefits for the 2021 fiscal year.
- The Topobot pilot project at the El Quimbo power plant seeks to replace conventional methodologies with a robotic topographic control system with fixed equipment in the field, measuring and reporting data on an hourly basis without an operator present, in addition to automatically transmitting data from servers that warn of deviations. This project is 90% complete, and the activities underway include stabilizing the system and receiving the first automated data.
- The project for the treatment and disposal of oily water from the Generation Plants seeks to minimize and save costs related to the process of extracting water with oily waste from different processes by filtering mixtures, prior to the delivery to the contractor. The project was planned to be implemented in 2021 but was not implemented due to budget prioritization guidelines for other projects within the plant.

## **Central America**

Central America had 34 projects in its pipeline for 2021, of which 80% have been closed, and the remaining 20% are planned to be closed in 2022. Of all these projects, the SIMPLEX application is one of the most interesting. It was developed to provide timely and digitized follow-up to legal services. Also noteworthy is the digitalization of financial processes, Commercial Back Office processes and the creation of the General Services App.



# **Innovation ecosystem**

In 2021, Enel Américas worked in conjunction with other stakeholders to carry out the following initiatives to promote a local innovation ecosystem around generation:

In **Brazil**, the Company was a guest speaker at some of the ecosystem's innovation encounters, like the event held by Energy Hub and 100 Open Startups.

Enel **Colombia** maintained its alliances and framework agreements with different universities. In 2021, the Ministry of Science, Technology and Innovation (MinCiencias) granted the Company tax benefits to execute 23 Science, Technology and Innovation projects. At the same time, the National Royalties Fund approved the financing of the RENOBAT project, which has the support of important national universities. In addition, two robotics and artificial intelligence projects were developed with the support of the startup Nuxtu, which are part of the 23 projects with the MinCiencias seal of approval.

In **Central America**, and in tandem with Galileo University, the Company engaged in a technological development project investigating a mechatronic solution to inspect pipes with very small diameters located on steep slopes. In 2021, Phase 1 of this project is nearing completion with a testing phase.

# **Innovation in distribution**

Through Network Business Opportunities Development & Innovation, the Company seeks to promote the digitalization, decentralization and resilience of the grids, while at the same time driving electrification and generating multiple advantages, such as facilitating operations and improving the traceability of controls and the integration of applications, and closing the technological gap, with the goal of increasing energy efficiency to give customers more access to electricity.

# **I&Nnovability Challenge**

Enel Group's Global Infrastructure & Networks business line seeks innovative solutions to improve the quality of work, network efficiency and service. To this end, it has a program for all its employees to create solutions based on high value-added technologies such as virtual reality, wearable, robotics, and artificial intelligence, among others.

The proposed solutions are evaluated based on technical parameters, as well as their potential economic and commercial impact for the line of business, with the Company favoring those that can achieve results in the short term, that incorporate new technologies and that feature a sustainable approach.







# **Supporting startups**

Regarding its Distribution line, in 2021 Enel Américas has been concerned with promoting various challenges and working with startups to jointly find solutions and incremental improvements to processes. One of the best examples is **Colombia**, which engaged 31 startups within the framework of the Open Innovation Summit. Furthermore, the Company also participated in the Startups 4.0 Network for the energy transition, with the mediation of the Electric Energy cluster of the Bogotá Chamber of Commerce, of which Enel Colombia is a member. In this event, the Company contacted six companies whose social objective is focused on energy. On the other hand, Enel X Colombia conducted a search for a startup to develop a data analysis and artificial intelligence project to identify actionable potentialities in its B2B customers. Through this process, four startups were approached and will go through the selection process.

# **Featured projects**

# **Argentina**

The Power Apps initiative aims to digitize Edesur's inspection and fieldwork processes by using digital tools programmed by the employees themselves in an application. This project intends for the scalable and progressive implementation of eight digital tools to perform field tasks throughout the concession area. The implementation is expected to be completed in March 2022.

#### **Brazil**

Brazil carried out projects such as:

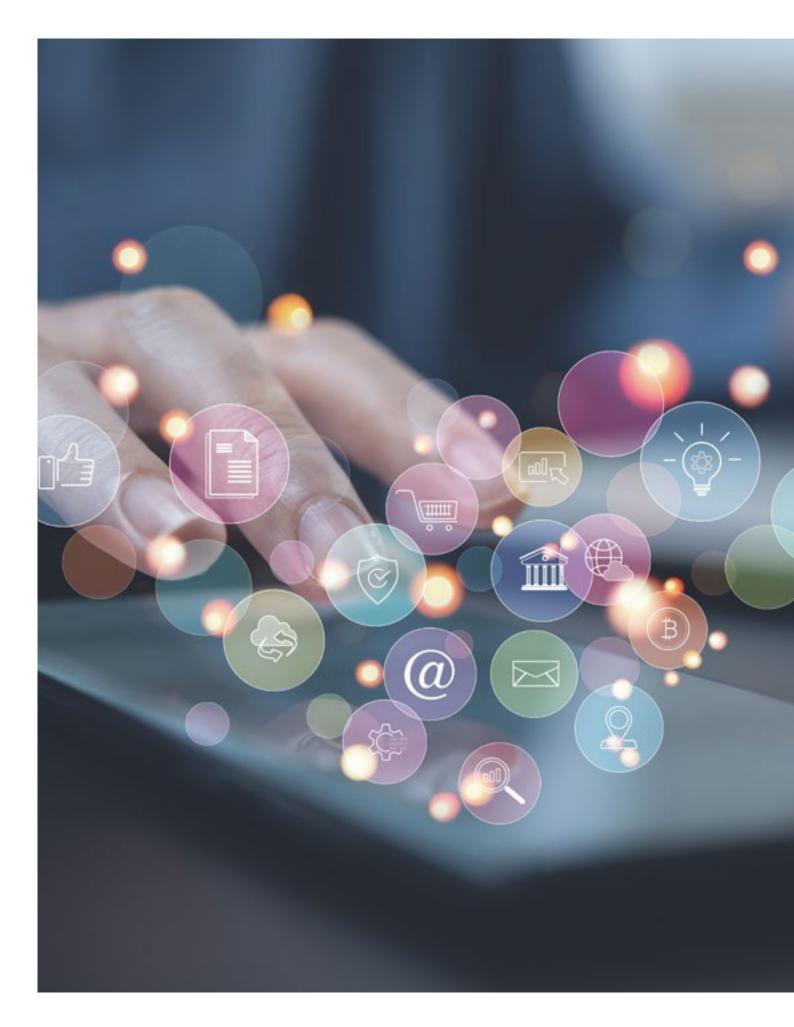
- Innovation Challenge: finding solutions to challenges posed by the Infrastructure and Global Network.
- RoBoost: focused on integrating and promoting innovative robotic solutions for Operation and Maintenance activities, ranging from drone inspections (visual inspection, thermographic inspection) powered by artificial intelligence, robots for underwater inspections and vegetation cutting, to a solar panel cleaning system.
- Data Life: seeks to improve occupational safety by reducing the risk of accidents through the following products: (a) Smart Card, to manage work activities in remote areas, without telephone and internet connection, based on the installation of radio frequency antennas;

(b) Bluetooth Badge (BLE), to manage information related to safety at work, mainly by registering data on training and certifications of Company professionals and contracted companies, and Bluetooth Low Energy (BLE), which integrates into workers' badge to manage data immediately and even in areas without internet connection; and (c) Proximity sensor, consisting of multidirectional Bluetooth antennas to be installed on the four corners of heavy machinery, to identify the proximity of workers, by means of their BLE badge, and prevent accidents.

# Colombia

In Colombia, the Digital Comex initiative won the 2019 Global I&Nnnobability Challenge Program. This project seeks to implement a new "ComEx" foreign trade logistics model for a single supplier to integrate all the operations of importing materials, international transportation, customs operations (clearance or nationalization of goods) and local transportation (from port or airport to CODENSA's warehouses). From this point, and due to the successful results of the new model, Global Procurement decided to adopt it for LATAM, and is designing a regional bidding process in the regional implementation stage.









# Digital solutions and cybersecurity

Digitalization makes it possible to promote economic, social and environmental sustainability, encouraging more conscious consumption, access to energy -especially for the most vulnerable sectors- and environmentally friendly energy use.

To ensure a safe and more sustainable electrification, it is key to promote the transversal adoption of digitalization throughout Enel América's value chain. The incorporation of data-driven digital solutions makes it possible to implement new, greener business models based on platforms, with applications that range from the optimization of assets through the management and maintenance of plants and the distribution and transmission grid, to providing personalized services for customers with new forms of interactions or developing work platforms for workers, among many other possibilities that foster greater flexibility and resilience in all business lines.

The Company's digitalization strategy works on two axes:

- **1.** Digital solutions, related to assets, customers and people.
- **2.** Data Driven, linked to the Platform, Cloud and Cyber Security areas.

# Digital solutions that make the operation more sustainable

Los principales desarrollos en los que se enfocó el Grupo Enel en 2021 fueron:

# **Cloud computing**

For Enel, the cloud is a strategic enabler that has facilitated the use of IT resources, both in terms of infrastructure and applications, when necessary, since by offering enhanced network access possibilities, it reduces the waste associated to the consumption of unused resources. The cloud used by Enel demands, on average, about 16% of the energy required by conventional infrastructures in the facilities, allowing an average reduction of CO<sub>2</sub> emissions of about 88% and an optimized use of water for cooling devices.

## **Unified communications and collaboration**

The Unified Communications and Collaboration (UCC) platform integrates real-time communication services such as instant messaging (chat), IP telephony, audio conferencing and videoconferencing with different means of communication such as answering machine, e-mail and SMS, taking full advantage of the sharing model that allows content to be transmitted online and enjoyed from a personal computer, smartphone or tablet. This reduces the need to travel and, therefore, CO<sub>2</sub> emissions.

# Data exchange and e-API

The e-API (Enel Application Programming Interface) digital ecosystem is the digital environment through which all Enel Group companies can quickly and automatically share information that would normally remain confined within specific vertical applications ("silos" of information). The ecosystem is supported by an API, thanks to which the Company's systems can exchange information flows in real time through standard interfaces and data trails. This ecosystem has contributed to accelerate the adoption of digital solutions, facilitate the reuse and exchange of information, reduce data redundancies within Enel and, in general, lessen the amount of time and resources used in the exchange of information flows. In 2021, 123 new e-API interconnections were created.

# Machine learning and predictive maintenance

Enel Group adopts machine learning technologies to perform predictive analytics in relation to the maintenance of electricity distribution networks and generation plants, identifying potential errors in advance and intervening before failures occur in major components. Reducing



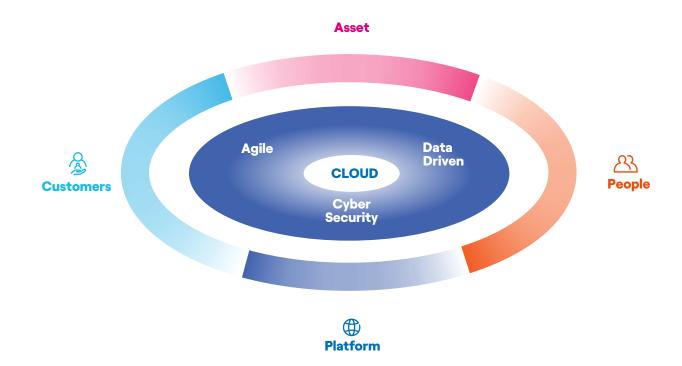
the risk of malfunction has a significant impact not only economically but also on the environment and people's safety. This allows the Company to provide a better quality of service, making it more sustainable over time, while at the same time promoting an optimized use of internal resources and increasing safety levels at work by allowing focused inspections on the equipment most exposed to risk of failure.

# Data driven for new business models

# **Digital circular assets**

The use of platforms makes the management of digital assets more effective in accordance with the principles of circular economy models, helping to maximize recoverable value and providing accurate information on the availability, location and condition of resources. The circular management of digital

assets, in the various countries where the group operates, is carried out by safeguarding both the extension of the useful life of digital devices, through their sale to employees or third parties, and by disposing of these devices in accordance with the principles of reuse and recycling, characteristic of the circular economy.



## Focused on the customer

Through digital technology, customers obtain new platforms from which to interact with the company, for example, through applications such as Smart Invoice for virtual assistance and Unique ID to simplify customer contact. Enel X has also developed recharging platforms such as Salesforce and Smart meters, which simplify the company's relationship with electricity users, optimizing response times to possible outages, data management and associated costs.

There has also been a focus on developing tools for customer relations, with applications such as WhatsApp or RPA (Robotic Process Automation) solutions, which have made it possible to incorporate changes in customer processes.

From the perspective of internal management processes, improvements have been implemented in the collection tasks, facilitating the management of each client's debt, allowing progress in the development of strategies that facilitate payment. Another example is the incorporation of support systems that reduce the manual burden of managing the contribution margin, by providing a single base which allows a full view of the process, with access to reports and control panels.





# **Advances in local programs**

**E4E - Evolution for Energy:** is a global program that aims to radically improve processes in core business lines and processes in administration, finance, controlling and procurement, driving improvements through the exchange of best practices, standardization of models and reduction of fragmentation and complexity of SAP systems. The E4E landscape based on the value chain represents a significant step towards the adoption of a global corporate model and a single system across functions and countries, placing data at the center of everything

RPA Administration: based on GDS Enel's RPA (Robotic Process Automation) platform, virtual colleagues have been made available to the management team in different countries in the region to attend to processes that involve great efforts to comply with the necessary time and quality. These include municipal tax payments in Brazil, energy supplier payments in Chile and bank reconciliation processes in Argentina, among others

Additionally, within the pipeline of projects developed in Central America in 2021, the following initiatives stand out:

- Digitalization of financial processes: An application was developed to inform suppliers of the status of payment procedures. Also, financial reports were consolidated and digitized.
- Digitization of Commercial Back Office processes:
   Software was implemented to digitize the process of creating commercial reports and customer invoicing, helping to speed up the invoicing process by 90% and to prevent errors.
- **SIMPLEX:** An application was developed to keep control, timely and digitized follow-up of legal services. This will allow us to have service metrics and establish an improvement plan.
- General Services App: An application was developed to record and control administrative services such as those provided to employees and vehicle fleet management, among others.

# **Cybersecurity**

Enel Group has a systemic model of action and management of cybersecurity, which covers all the companies that comprise it, including Enel Américas. This model is promoted by Senior Management and involves the participation of all corporate business areas and the areas responsible for the design, management and operation of IT systems.

Enel Américas, as part of the Enel Group, has a global cybersecurity unit that oversees the issues of each country and reports directly to the Chief Information Officer (CIO), Carlo Bozzoli, who works under the Chief Information Security Officer (CISO), Yuri Rassega, a team responsible for ensuring governance, coordination, control of cybersecurity issues, and the definition of strategies, policies and guidelines in accordance with current regulations. This system is designed to ensure timely decisions at a global level, including Enel Américas, in a context in which the response time is critical

The cyber security governance model establishes the need to use world-class technologies, design ad-hoc business processes, increase employee cyber awareness and generally go beyond cyber regulatory requirements.

The Company has been applying a cyber risk management model since 2017, which is valid for the entire Enel Group and therefore for Enel Américas. This model makes risk analysis the basis for all strategic decisions.

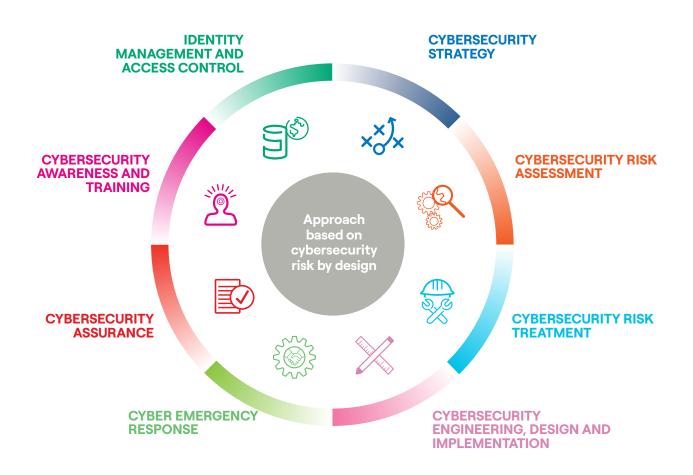
This cyber defense model is based on a methodology that applies to all types of IT systems, identifying, prioritizing and quantifying cyber security risks associated with the use of such systems.

IT systems involved:

- Information Technology (IT), from the cloud to the data center
- Operational Technology (OT), everything related to the industrial sector, such as remote plant control.
- Internet of Things (IoT), the extension of communication and intelligence to the world of objects).

The final objective of the model is to identify and adopt the most appropriate security actions to minimize and mitigate risks. In line with this methodology, Enel Américas identifies information systems that require such risk analysis, from which the appropriate mitigation actions are established according to the type and severity of the risk.





Organizational documents relevant to cybersecurity issues:

- Policy No. 17, "Cyber Security Framework".
- Policy No. 25, "Management of Logical Access to ICT Systems".
- Policy No. 344, "Application of the General Data Protection Regulation (EU Regulation 2016/679) within the scope of the Enel Group".
- Policy No. 347, "Personal Data Breach Management".
- Policy No. 358, "Cyber Security in Industrial Control Systems".
- Organizational Procedure No. 204, "CERT Cyber Emergency Readiness Team".
- Policy No. 1815 Incident and problem management.

- Operating Instruction No. 944, "Cyber Security Risk Management Methodology".
- Policy No. 33 "Information Classification and Protection".
- Organizational Procedure No. 36 "Solution Development & Release Management".
- Policy No. 1075 "Secure Decommissioning of IT/OT Assets" and related Security Guideline (SGL) No.15 "Secure Media Sanitization Guideline".
- Policy No. 1026 "IT Service Continuity Management" and related Operating Instruction (OI) No. 2415 "Remediation of severe outage in laaS".
- Policy No. 1097 "Rules of Behavior for Digital People".
- Policy No. 1742 "Admin to User Management".





# Preventing and monitoring cyber-attacks

102-15

The speed of technological development brings with it great challenges, even more so when the frequency and intensity of cyber-attacks is increasing and with a strong tendency to target critical infrastructures and strategic industrial sectors.

In recent years, Enel Américas has promoted an important digitalization program, with special focus on its assets, which has been implemented through an agile design of the main processes of its business lines. In this context, the Company is aware that digital transformation cannot progress without going hand in hand with cybersecurity. Cyber-attacks have grown exponentially, and their degree of sophistication and impact is increasing. Supported by the pandemic context and the exacerbation of the digital world, the design of digital security has become vital for operational continuity

In 2021, data-driven smart work and platforms were consolidated in the Company, allowing most of its employees to operate remotely, developing a new organizational paradigm that emphasizes cybersecurity. As cyber-attacks very often target the human factor, or use it as a bait, it became even more crucial for employees to take appropriate measures to make safe use of digital resources and to recognize incorrect behaviors that may involve cyber risks and personal data breaches.

For the prevention and monitoring of possible threats, the Company has a Computer Emergency Response Team (CERT), a team composed of a group of experts in charge of managing cybersecurity incidents at a global level.

This team established a strategy to prevent cyber-attacks on the Group's industrial and digital assets, and on its critical infrastructures, maintaining a team in each territory and working in synergy and collaboration with them to respond to digital security threats.

CERT focuses on preparedness capabilities and has three main processes:

1. Cyber Incident Response: Through a systematic and structured approach to cyber security incident management, CERT and its internal stakeholders communicate continuously with each other. This approach delineates phases that contain the necessary capabilities to deal with a cyber-attack before, during and after it occurs.

- **2. Cyber Threat Intelligence:** Focuses on finding/detecting privileged information and translating it into useful actions to prevent, mitigate or manage a potential cyber incident.
- **3. CERT Information Exchange:** Allows internal stakeholders and, in some cases, external counterparts, to share privileged information while maintaining confidentiality and trust in the line of communication, preserving the confidentiality of the information.

When CERT detects any type of information security risk or incident, it analyzes and classifies it according to its seriousness. When the incident generates a crisis that affects business continuity, the company's profitability or its reputation, the Company immediately carries out the necessary actions, in accordance with existing policies on crisis management and security emergencies.

Enel Américas also has a Security Operation Center (SOC) that continuously -24/7- monitors events in IT systems, as well as traffic in communication networks.

The main activities carried out in 2021 by the Enel Group's cybersecurity area were:

- CERT strengthened its methods to protect the Enel Group's perimeter, both through the improvement of technological solutions in the Machine Learning field, as well as through the permanent provision of training courses for employees (cyber exercises) in all Enel Group countries.
- In 2021, the Cyber Security Unit participated in the drafting of three World Economic Forum (WEF) 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".
- The Cyber Security unit began to prepare cybersecurity courses for all Enel Group employees.



The most outstanding cybersecurity training and education initiatives of 2021 were:

- Training to enhance the cybersecurity skills needed in the professional environment. Most courses were conducted in e-learning mode, so that they could remain constant and always usable, offering an awareness-raising path that fosters internal capabilities on strategic issues, thus addressing eventual upskilling and reskilling needs.
- Awareness-raising aimed at all employees to reduce the risk of cybersecurity threats linked to human factors. TheRedPill Group tool was launched, providing different functionalities (challenges, simulated phishing campaigns and other contents addressing a wide range of cybersecurity topics) to strengthen, support and accompany the entire Enel population.

No incidents of non-compliance with physical or cybersecurity rules or regulations were recorded in 2021.

# **Protection of personal data**

418-1

The General Data Protection Regulation (GDPR) of the European Union, in addition to the Law on the Protection of Privacy (Law No. 19,628), impose compliance obligations on the entire Enel Group, which are addressed by a Data Protection Office that is required to be professionally autonomous and Independent.

Although these regulations are not applicable in Latin America, Enel Group chooses to raise the standards of personal data protection in each of its subsidiaries to go beyond what local regulations provide.

During 2020, Enel Americas continued to work on the implementation of a compliance model that foresees the figure of a <u>Data Protection Officer</u> (DPO), who reports directly and works in coordination with the holding DPO office.

The Personal Data Protection Governance Model provides assigns roles and responsibilities in this area to the first and second line of each Company, who oversee the secure management of personal data, of the applications that process the data, and of the follow-up and registry of all data processing performed in the Group. Compliance with security and data protection policies and controls apply to all employees and third-party contractors of Enel Américas.

Data processing operations that present the highest risks are subject to a data protection impact assessment, carried out with methodologies designed to international standards and in compliance with local law.

The DPO supports the general manager and the businesses so that processes and operations comply with privacy by design and by execution. S/he defines policies and operational instructions for the protection of personal data, including data protection in the codes of conduct and security measures with respect to third parties to whom Enel Americas delegates the management of personal data, and is responsible for contractual design, so that privacy standards and cookie regulation are included. Finally, the DPO manages security incidents affecting personal data, in collaboration with the cybersecurity and information security functions.

Furthermore, the Group established channels to respond to the exercise of rights by the holders of personal data, and new and modern data protection compliance platforms were developed to ensure and demonstrate the Company's compliance with the legislation

This role also organizes training and dissemination activities for Company associates in personal data protection, and acts as a point of contact for the management of claims and provisions of the holders of personal data, the Data Protection Authorities and the Company

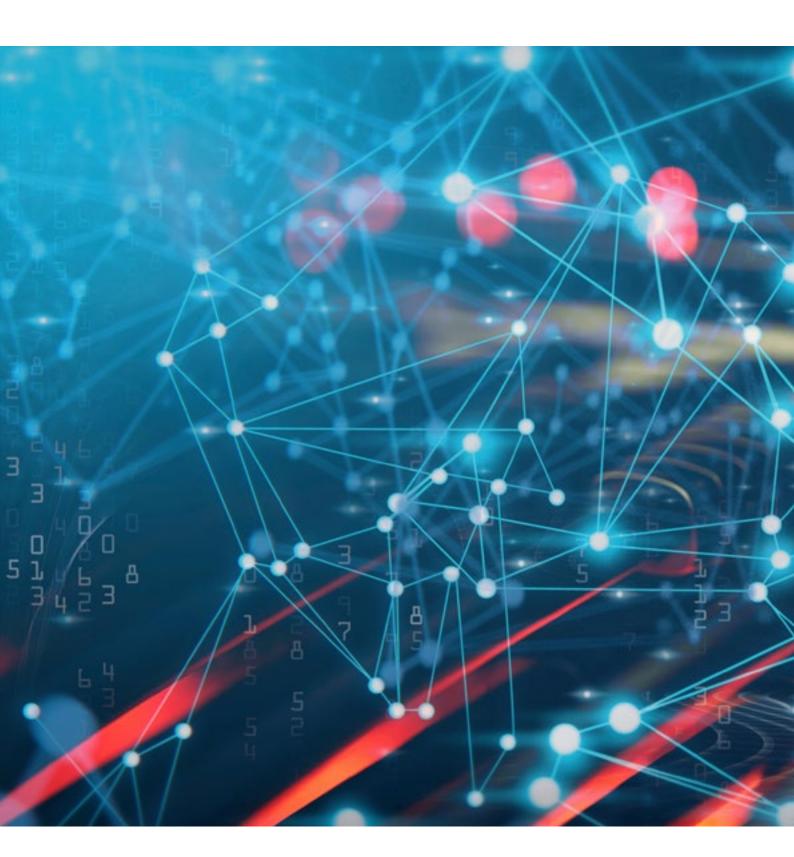
During 2021, there were no substantiated complaints about breaches of customer privacy in Enel Américas.





# Information security

The Group has continued its work on the design and implementation of tools for control, in addition to strengthening the policy of classification and protection of information at the subsidiary level, which has been done via a comprehensive campaign for the protection of information, data protection and cybersecurity, together with a joint review with the cybersecurity units and the Data Protection Office, so as to address the risks of information processing for the different lines of business in Enel Americas.





No security breach or incident of cybersecurity or security of infrastructure regarding customer or employee information were recorded in 2021. No fines were registered during this period.







# **Circular economy**

The circular economy is part of Enel América's Strategic Plan. The Company considers it an accelerating element of the energy transition and the electrification of consumption. It is an accelerator because it drives decarbonization, as well as the efficient use of energy and resources in industrial processes. Along the same lines, the circular economy is a tool that aims to break down and analyze production processes throughout their life cycle, detecting the gaps between their linearity and their circularization potential. It is an important change that requires an internal review of the conventional way of thinking about the relationship between the business, the market, customers and the planet, integrating the principles of circularity to generate economic, environmental and social benefits. The circular economy is seen as a competitive advantage for companies that integrate it into their business model.

Specifically, the circular economy is presented as a paradigm shift that revolutionizes the way in which goods and services are designed, produced and consumed. The linear model based on raw material extraction, production and finally waste is a model that has generated irreversible impacts on the biosphere. For this reason, it is necessary to move from this linear model to a circular model based on eliminating

waste from the design of a product or service, maintaining products and materials in use over time, repairing, reusing or recycling them and contributing to regenerating natural systems.

For the integration of the circular economy in the business model, Enel Américas has defined a team specializing in sustainability issues in each country, which collaborate with all business lines to promote a change of perspective in all Company processes throughout the value chain, for which it has defined an action plan focused on four axes.

## 1. Cultural change management

Disseminate information and create a culture of circular economy throughout the Company's value chain. The change of vision involves rethinking the engineering of a project, the purchase of a product or materials for the company's works, the construction processes and finally the long-term operation. The entire life cycle of Enel América's infrastructure, product or service must integrate a circular vision, which is why this axis is developed throughout the Company.





# 2. Link to the ecosystem

Considering that the circular economy is a systemic objective, it is necessary to work towards collaborating and building networks that seek cooperation with different institutions and organizations, and work with them to define tools and processes to accelerate the circular transition in the country and in the region.

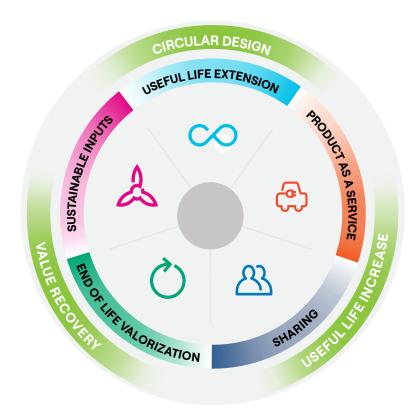
Our ESG performance

# 3. Circularity metrics

An integral part of the Company's circularity strategy is the metrics, the measurement of the impacts over the life cycle of an infrastructure, product or service. It is essential to define indicators and methodologies to improve environmental management and the economic performance of circular business models in the Company. Enel Américas capitalizes on the work developed by the Enel Group with the creation of its own circularity measurement model called Circulability Model.

# 4. Transforming the value chain

Putting the circular economy into practice demands a reevaluation of the value chain from the supply stage to the end of life, for which Enel Américas promotes innovation through this axis, integrating the 5 strategic pillars of circular economy in new business projects. This work has given rise, among others, to initiatives associated with incorporating reused material in distribution infrastructures or giving new life spans to systems and parts or equipment used at renewable energy plants.



This redesign is based on the integration of five pillars that promote circularity:

- 1.Sustainable inputs: Incorporate renewable energies, renewable materials, biomaterials, reused and recycled materials as inputs.
- 2. Useful life extension: Design and manage products in such a way as to extend their useful life and facilitate their reuse in consecutive cycles, e.g., through modular design, repairability or predictive maintenance.
- 3. Product as service: Business model in which the customer acquires a service for a limited period, while the company maintains property of the products used to provide it, therefore maximizing the utilization factor and seeking to extend their useful life.
- **4. Shared use platforms:** Share an underutilized product among multiple potential users, to increase its actual usage. Can be supported by information technologies.





**5. New life cycles:** All solutions aimed at preserving or increasing the value of a product at the end of its life cycle via reuse, regeneration, upcycling or recycling.

Finally, integrating the circular economy into the Company's business model can have an important effect on mitigating

environmental risks linked to the vulnerability of the biosphere, as this model seeks to decouple growth from the extraction of non-renewable resources (raw materials and fossil fuels), recovering the natural ecosystems that form the basis for the prosperity of the planet, society and the economy.

# Managing cultural change









# **Enel's LATAM Circular Economy School**

In 2021, the Group held the second and third editions of Enel's LATAM Circular Economy School, with more than 200 professionals in attendance, heading from all business lines and from 7 countries (Argentina, Brazil, Colombia, Costa Rica, Chile, Guatemala and Peru). The objective of this School is for employees to have the chance to incorporate a comprehensive circular economy strategy into their activities, therefore becoming managers of change.

The theoretical and practical program, which involved more than 20 experts in circular economy and public and private entities, covered strategies, circular design, business models, metrics, finance, governance and circular cities. Additionally, a workshop using a methodology known as circular design thinking, resulted in the drafting of more than 150 circular ideas.

At the same time, two editions of the Circular Economy Open School were held, an instance of dialogue available to all stakeholders in Latin America. Each edition included four sessions that covered key contents to understand the circular economy such as finance in the energy transition, social impacts of the circular economy, the role of innovation in the circular economy and circular cities in the framework of COP26.

Among other initiatives that were carried out during 2021 within this educational framework, one that particularly

The LATAM Circular Economy training program contributes to the achievement of the Sustainable Development Goals, mainly: SDG 4, Quality Education and SDG 12, Responsible Production and Consumption. It also contributes to SDG 9, by addressing issues of Industry, Innovation and Infrastructure; SDG 11, through the area of sustainable cities and communities; and SDG 17, since its implementation involves different stakeholders for the organization and the participation of different countries, business lines, companies and the public sector.

stands out is the participation of **Argentina** in the module for companies in the second edition of the Circular Economy Diploma offered by the Universidad Tecnológica Nacional (UTN), and in the Circular Economy capsule dedicated to university students. The latter was promoted as part of the collaboration between the company and the school fostered by the Argentine Electrotechnical Association and the Directorate of Technical Schools of the Province of Buenos Aires.

Enel **Brasil** carried out several activities throughout the year, in a quest to inspire its internal public to join the Circular Economy culture. This included events such as the celebration of Ser Econômico, with the participation of more than 400 employees, and training courses such as



the one given to the Innovation Ambassadors, an important community of company employees whose mission is to replicate the concept of Innovability within the different business lines.

Our ESG performance

Enel Colombia participated in collecting waste electrical and electronic equipment through the RAEES campaign. Also, the Company developed the corresponding phases of the E&CM Supplier Development Plan (period 2021-2023), aimed specifically at coal and ash management suppliers. In addition, it developed and disseminated, both externally and internally, the document "Enel Colombia's Vision and Position on Circular Economy."

In Peru, two masterclasses were held on this issue, they were open to all Company employees.

In Costa Rica, through the circular economy project "The Classtainer", containers that had served as offices during the construction of the project and were in disuse, were given new uses. By the end of 2021, two containers had been delivered to schools in nearby areas, helping to create safe spaces for students. This project impacts the life cycle extension pillar and has prevented the generation of 6.6 tons of waste.

### Metrics for the circular economy

### **CirculAbility Model**

Enel Américas has been applying the CirculAbility model since 2018. This is a system that is based on the measurement of the material and energy flows required for operations and incorporates the five pillars of the Company's circular economy strategy. CirculAbility values innovative solutions that help increase the useful life and utilization factor of products.

Through this model, the Company is pioneering the measurement of circularity, making it possible to calculate indicators to evaluate the current state of circularity, as well as to identify critical points and plan improvement actions.

These indicators are:

- Circularity index (%)
- Circular input (%)
- Circular output (%)
- Unit resource flow (kg/MWh)

The following is a summary of the main benefits provided by the circular economy projects developed by the business lines in 2021:

	Avoided virgin input	Water saved (km³)	Energy saved (GWh)	Reclaimed tailings (km³)	Recovered materials (tons)	Emissions avoided (CO <sub>2</sub> e tons)
	(tons)					
Argentina	-	0.351	N/A	-	1,068	10.3(2)
Brazil	1,026³	25.61 <sup>5</sup>	9.21(4)	-	50( <sup>6</sup> )	8,700(7)
Colombia	88	4	_	0.5	4,094	-
Peru	76	448	5.5	_	347	11
Central America	4	8	1.42	_	102	1,745

- 1. This KPI was constructed only for assessing wood pole reuse and electronic invoicing.
- 2. This KPI was constructed only for assessing wood pole reuse and electronic invoicing.
- 3. This result considers the recycling of the transformer oil at Enel Distribuição São Paulo, considering oil with and without PCBs.
- 4. The result considers the generation of energy from Enel X's solar plants and the Mercado Energía Interrumpible project.
- 5. The considered result refers to the EGP Photovoltaic Panel Cleaning process.
- 6. Result related to the sale of EGP's hydroelectric residues.
- 7. The result considers the CO2 avoided by the transformer oil recycling process, by the Enel X solar plants and by the Energía Interrumpible project.

### Some of the most notable circular economy initiatives that Enel Americas countries advanced in 2021 are:

### **Argentina**

To promote circular economy practices in waste management and at the same time obtain an associated benefit, lighting poles were given a second useful life, allocating 1,000 unused concrete poles for sale, with a focus on their reuse as a material for the construction sector.

Along the same lines, the Company sold wooden poles as an input for bioconstruction, in alliance with the Argentine Network of Bioconstructors for urban projects. 2021 saw the first stage of the project, with sales to 3 suppliers.

As for the dissemination and incentive to promote this economic model, the Company launched the second edition of the Circular Economy diploma in partnership with the Universidad Tecnológica Nacional-Facultad Regional





Delta, with the participation of professionals from all areas interested in learning about and applying this model.

#### **Brazil**

For the reuse of natural resources, the Company implemented two actions in relation to water resources: the renovation of transformers and the reuse of their oil, which, as of September of this year, resulted in more than 780,000 liters of decontaminated oil, and the launching of the sustainable construction of substations program in Río de Janeiro, implementing circular initiatives such as the reuse of soil and water condensed in air conditioners.

In the same line of water efficiency and given the success of the Green Power initiative, this year the Company continued the mechanized panel washing project, which promotes water savings in this area.

Other important milestone is the consolidation of energy projects, such as Enel X with the "Renewable as a Service" model, which consists of supplying energy to other companies that have entered into a commercial agreement with the Company, through the construction of a renewable power plant. The generation produced by this plant will then be shared among different consumption units. In addition, the Energía Interrumpible project was consolidated in Sao Paulo and Ceará, expanding the supply of energy from the grid to replace the use of diesel generators in large customers during peak hours.

### Colombia

With the commitment to ensure the recycling and second useful life of natural, digital and material resources, this year Colombia achieved the reuse of rainwater and wastewater, a digital transformation that saved 14.8 tons of paper in billing and saved 0.5 tons of paper annually. As for transformers, it had an impact on 784 pieces of equipment and 155 tons of materials per year, which are now being recovered and reused.

In the same line, it also bears noticing the reuse of residual

elements from public lighting, recovering and selling 977 tons per year of these residual materials. Under this same concept, 23% of the Christmas lighting infrastructure was remanufactured

In relation to the use of waste materials from the operation, 185 tons per year were obtained, such as the biomass removed from reservoirs, recovering 70,000 m³ of waste per year.

#### Peru

In Peru it is possible to find initiatives such as the promotion of adherence to the Declaration of Circular Cities of Latin America and the Caribbean; the formation of a legal, environmental and circular economy work team to conduct an in-depth analysis of current regulations in the country to identify opportunities and administrative obstacles to implement circular economy projects; the development of the Circular Economy Contest for contractors where 16 projects were received, and sponsoring a competition for journalists in the Circular Economy category.

### **Central America**

To promote the circular economy, projects were implemented in Central America, such as the formation of an alliance in **Guatemala** with the recycling company Green Plastic and Plastimax, to give a second life to the plastic extracted from the rivers where the Power Plants operate; the Class-trainer project developed in Costa Rica, with the purpose of extending the useful life of the containers used as camps during the construction of the Chucás hydroelectric plant; the loan of equipment and machinery to the local governments of the municipalities where the Power Plants operate in Costa Rica, so that neighboring communities can use the equipment for civil works activities for the benefit of the entire community; the creation of two huts in **Panama** for security guards at construction sites, providing them with solar energy to give photovoltaic equipment a second life; the E-Station project in Panama, which seeks to establish charging stations in communities that lack access to energy, reusing equipment that otherwise would have been discarded.



# Transforming the value chain

Enel Américas is integrating, at different stages and levels, the principles and strategic pillars of circular economy, incorporating new processes, creating innovative initiatives and measuring their impact. Some of the most outstanding and relevant initiatives are described below.

Country	Project	Description	KPIs	Environmental impact	Social impact	Main pillar
Argentina	Reuse of concrete poles	Progress was made with the recovery of reinforced concrete monopoles. Given the complexity of the material, costs and impact, The Company sought alternatives for its circular management. This first phase identified non-conventional solutions to keep concrete at its maximum value in other production processes, in what is known as "open loop" projects.  The second phase is currently in progress, which consists of an alliance with a local supplier that shares this circular vision, to recover concrete and reintroduce it into the manufacture of new concrete components, as well as using it as an input for the construction industry.  The Company's partner in this project manages approximately 90% of the waste, always applying a circular economy model, which means inserting the waste into its production circuit. They reuse the construction aggregate generated by the operation through a recycling system, thus obtaining an eco-aggregate suitable for use	235 tons of concrete were recovered.			Circular inputs. Useful life extension. New life cycle.
	Electrical and electronic waste.	in new works.  The Company continued its alliance with the worker cooperative "Reciclando Trabajo y Dignidad" (Recycling Work and Dignity), to recover 98% of the elements that make up electrical and electronic waste, and reintroduce them into other production processes.  During 2021, the Company developed an operating manual in tandem with the Digital Solutions, Environment and Sustainability department to structure what was learned and to establish a circular procedure for the management of other materials. This made it possible to include all Edesur facilities, as well as the ENEL Generación Costanera plant, which works with the same supplier.	14.3 tons of e-waste recovered.	-	Total 200 beneficiaries.  The project generates a positive impact on 45 families working in the cooperative, by providing income from the valorization of materials.	Circular inputs.     New life cycle.
Brazil	Energía Interrumpible (Interruptible Energy) Solar Power Plants (Energy as Service) Water Use at São Gonçalo EGP Plant planta São Gonçalo EGP	In the market, the Energía Interrumpible project has been consolidated in São Paulo and Ceará. This project seeks to extend the power supply of the grid, to replace the use of diesel generators during peak hours for large customers.  In 2021, another highlight in the business line is the consolidation of the "Renewables as a Service" model, through which renewable energy generation plants are built to share this energy among different consumption units.	CO <sub>2</sub> saved and Energy Sold (generated by solar power plants) -Environmental EBITDA-Economic/ Water Saved-Environmental EBITDA-Economic.	918 tons and 2,328 mW / 2,734 ton and 4,773 MWh/ 25,614 m <sup>3</sup>	94 kEUr/394 kEUr/ 47.5 kEUr	Circular Inputs
Colombia	Manufacturing of posts and joists with recycled aggregates	This project was born to create a management plan for concrete poles at the end of their life, to crush the residual concrete and turn it into recycled aggregate that is used as an input in the manufacture of new concrete poles and joists, reducing the consumption of natural aggregates such as gravel and sand, thanks to the use and reuse of CDW (construction and demolition waste).	Tons of recycled aggregates used in the production of new concrete poles.	2,992 kg of recycled aggregates, which were incorporated in the manufacture of 22 new poles (136 kg each pole).	The cycle generates jobs in charge of tasks such as the destruction of poles at the end of their life, separation of concrete, concrete crushing and manufacturing of new poles and joists	Circular Entries     New Life Cycles





### Collaborating with the ecosystem

One of Enel América's goals is to participate and collaborate actively in instances that promote the development of a circular economy in the region and within the industry.

In 2021, **Argentina** participated in the Circular Economy working groups with the private sector, with the aim of sharing their best practices, challenges, technical considerations, tools, relations with stakeholders and any experiences that could be of use to other member companies to identify opportunities to implement a circular model in their organizations. The Company also actively participates in the circular economy roundtables at CEADS and the local Global Compact Network. Additionally, Edesur participates in the local committee organized by IRAM (ISO member organization for Argentina) for the development of the ISO circular economy standard. This standard aims to generate a reference framework for the circular economy, as well as to provide guidance, support tools and requirements for the implementation of activities in the

business environment. Through it, the Company participates in global roundtables on ISO/TC 323 "Circular Economy", which includes experts from the public, private and academic sectors from more than 65 countries.

**Colombia** reports to the Ministry of the Environment and Sustainable Development on 10 of the company's circular economy initiatives, which contribute to the Ministry's circular economy project bank. It also participates in eight external circular economy events.

In turn, **Peru** has a research agreement with *Universidad Centifica del Sur*, that aims to promote research in innovation and circular economy, and to facilitate exchange between institutions. In 2021 Enel Perú participated in the Energy 2021 Conference - Elements towards a sustainable energy transition in a framework of energy poverty organized by UCSUR.





### **Circular cities**

Enel Américas has placed the circular economy at the center of its global strategy and is strongly focused on the circular city vision, in a bid to improve people's quality of life and move towards Net Zero. Cities are large consumers of resources and as such, are responsible for more than 70% of global CO₂ emissions; therefore, they are also a key starting place if the energy transition process is to be accelerated. This is possible through the progressive electrification of energy consumption, while simultaneously working towards a carbon neutral electricity industry.

Cities are complex systems and need to be treated as living organisms that require energy and material and information flows, which are essential to their development. Being relatively new concepts, it is important to understand that there is a basic distinction between a smart and a circular city. The smart city concept focuses on the role of information technology, while circular cities have a more holistic orientation, incorporating all dimensions and aligning them with established objectives of competitiveness, environmental sustainability and social inclusion.

Enel believes that circular cities represent the only opportunity to push cities towards sustainable development, addressing the changes that will put an end to a linear model and culture that have generated significant impacts on the biosphere.

### **Play Energy**

Focusing on the development of circular cities, <u>Play Energy</u> was launched in 2021. This is a contest for young people between 14 and 20, consisting of seven challenges that encourage them to rethink the cities in which they want to live. This contest closed in 2021 with the participation of representatives from Argentina, Brazil, Colombia, Greece,

Italy and Peru. **Brazil** shined in the final stage of the project, during the Campus Party Spotlight, with two Brazilian teams taking 1st and 3rd place.

### Initiatives for circular cities

Enel Argentina ECLAC and IILA organized the event Global and local challenges: the role of circular as part of the 10th Italy-Latin America and the Caribbean Conference. On the occasion, the Company invited the Head of Government of the City of Buenos Aires, Horacio Rodriguez Larreta, and the Minister of Public Space and Urban Hygiene, Clara Muzzio, to participate. Ms. Muzzio made a presentation where she highlighted the Buenos Aires Recycles program and the Circular Economy strategy behind it, while the Head of Government signed a commitment to deepen the work that the Company is doing to promote and accelerate the transition to a circular model in the city.

**Brazil** developed a project on intelligent circular meters, which have been rethought with an emphasis on circularity from the design stage by considering the use of circular inputs in the production process, reducing the use of natural resources, extending the useful life with a sturdier structure, aiming for easier updating and incorporating the disassembly phase at the end of their useful life in the design of the product. In addition, the millions of meters that will come out of the network after the pilot phase will also have circular solutions.

On the other hand, **Colombia** participated in the Global Study of Circular Cities conducted by Enel and Arup, which involved four global cities (Milan, Genoa, Glasgow and Bogota) and in which the Company collaborated with the information related to Bogota.

### Circular economy and electrification

As issues, electrification and the circular economy emerged from different areas, but then followed a path of rapid convergence. Circular economy considerations have permeated the entire value chain, tightening its connection with electrification with an increasing awareness that if new business models are set up to contribute higher emissions than the current model, there is no possible circularity.

To electrify the economic system, it is insufficient to follow an approach based solely on renewable energy sources and greater efficiency, it is also necessary to rethink the entire model considering all phases of the life cycle: extraction, production, use and closure. Therefore, electrification targets should not only be linked to direct emissions and offsetting measures but should also encompass all aspects of the





economic model. Initial studies foresee that the impact of this approach is key and that a circular economy mindset can make an essential contribution to the achievement of electrification targets.

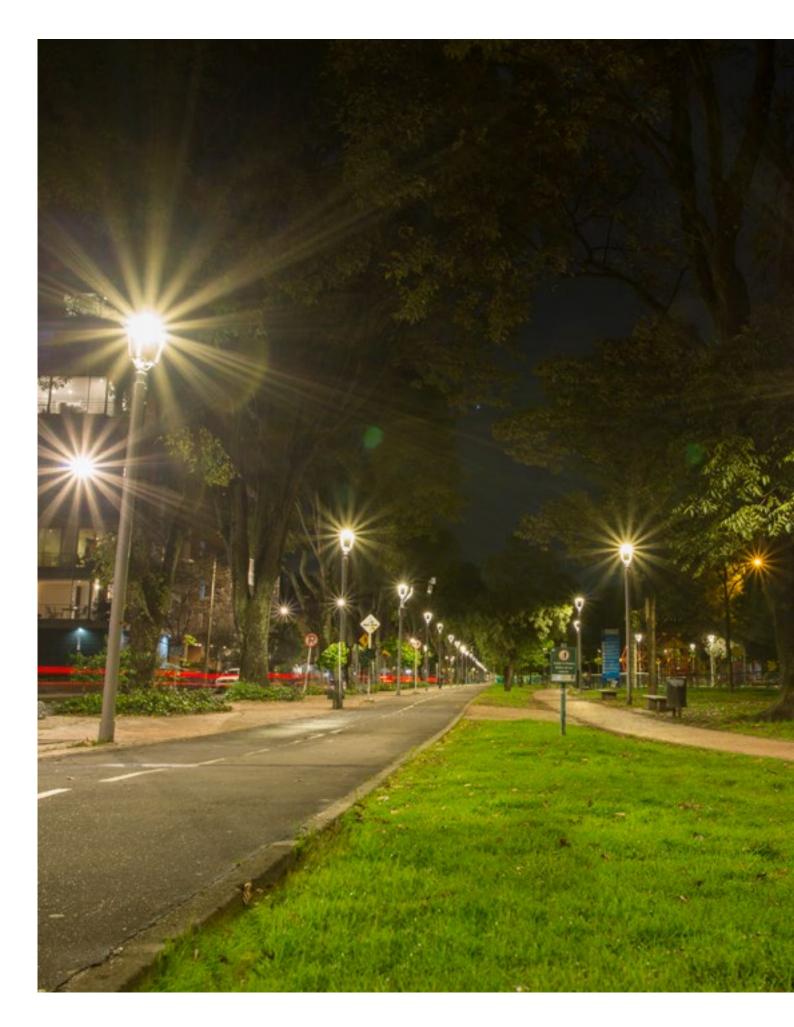
As a concept, circular economy should complement the energy transition process to address climate change in a more effective manner, by re-evaluating the various facets of the situation from a circular perspective.

One example is **Brazil**, where Enel X and the largest parking network in Brazil created the first Brazilian semipublic charging network for electric and hybrid vehicles - ECOVAGAS. With a forecast of 250 semi-fast charging stations - 80% of the battery in 3 hours - at 100 points in

23 cities. Digitalization is another pillar. By using the app and in real time, the customer can visualize the stations and choose the more convenient to recharge their vehicle. The recharging service will be free of charge for customers of the project's partner companies.

**Colombia** installed ecological poles that were manufactured from recycled raw materials, applying the pillars of "New Life Cycles" and "Circular Inputs". It should be noted that each ecological pole has an average weight of 1,300 kg, 70% of which corresponds to natural aggregates (gravel and sand) and 136 kg come from recovered concrete. In addition, they have a 20-year useful life and the same capacity, resistance and durability as traditional poles.



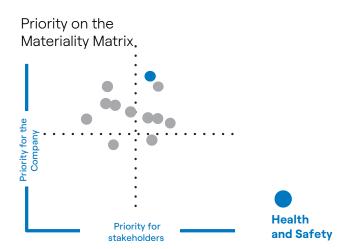






# Occupational health and safety

103-1 | 103-2 | 103-3





### Primary material issue: Occupational Health and Safety

#### How is it managed?

Enel Américas applies a "Zero Accidents" standard. Every decision considers the ongoing protection of people's health, always keeping a preventive approach that aims to minimize risks and promote workers' health and wellbeing.

To this end, the Company has an Integrated Management System and a plan that incorporates four main lines of work:

- Operational control
- Digitization and process analysis
- Culture and training
- Culture and safety

This Plan is updated annually, and it is pertinent both to employees as well as to contractors that operate in each of the lines of business, with a view to continuous improvement.

#### Material issues

- Promoting employee health and wellbeing.
- · Safety of employees.
- Safety of contractors operating at Enel Américas
- Respect for human rights in matters pertaining occupational health and safety.

### Importance of good management

The essence of a sustainable business and of Enel Américas is to ensure the wellbeing, integrity, health and safety of people. Enel Américas places people at the core and as the foundational base of its Strategic Plan.

The safety of people is a determining factor, it constitutes a Company value and is one of the guiding principles of the Code of Ethics and the Human Rights Policy of Enel Américas. At the same time, this matter has significant impact on the operational continuity of the business, thus ensuring the Company's value creation. In addition, ensuring the safety of people contributes to the welfare and development of employees and their families, who are pillars of society.

At Enel, the main risks are associated with operational activities in the generation plants and in the infrastructure and distribution grids. During the last two years, the containment of the health crisis caused by Covid-19 was an extra area of concern.

On the other hand, the health of employees, contractors and stakeholders is liable to suffer from non-compliance with laws, regulations and procedures applicable to workplaces, or from mismanagement of structures, assets and administrative processes.



### Sustainable Development Goal



### Principles of Human Rights Policy



### World Economic Forum Risks



### **Goals and challenges**

SDG	Activity/goal	Goal plan	2021 results	Goal plan	
		2021-2023		2022-2024	
3 SOODHEATH  AND WELL-SEING	Accidents among Enel workers	Reduce compared to previous year	+9%	Reduce compared to previous year	
3 GOOD HEALTH AND WELL-BEING	Accidents among contractor workers	Reduce compared to previous year	+43%	Reduce compared to previous year	
3 GOOD HEALTH  AND WELL-FRING	Extra on site checking over the period	66	76	90 (30 per year)	C

Simbology: New + Redefined )





### How do the Principles of the Human Rights Policy apply

Rejection of forced or compulsory labor and child labor	Enel Américas rejects the use of any form of forced or compulsory labor, slavery or human trafficking. In addition, the implementation of its occupational health and safety <u>strategy</u> upholds safety conditions in the workplace.
Health, safety and wellbeing	Enel Américas is committed to developing and disseminating a solid culture of health, safety and wellbeing throughout the Company. To this end, it develops <u>programs for the promotion of health and wellbeing</u> , and for the <u>promotion of safety</u> , seeking to ensure that workplaces are free of health and safety hazards.
Fair and favorable working conditions	Every person working at Enel Américas has the right to working conditions that respect his or her health, safety, wellbeing and dignity. For this reason, the Company works with a preventive approach based on the compliance of its occupational health and safety <u>strategy</u> .
Respect for the rights of communities	Enel Américas is responsible for ensuring that its products and services are designed to safeguard the safety and physical integrity of its customers, to a reasonably foreseeable extent. To this end, it develops periodic campaigns for community and third-party safety.





### **Strategy**

Enel Américas safeguards that occupational health and safety conditions are respected in the workplace. In this line, the Company works with a preventive approach, promoting a safety culture based on risk awareness and encouraging employees to practice self-care and display a responsible behavior. To this end, it holds informative sessions, and provides training and other activities for employees.

Work in this area is guided by the Enel Group's Statement of Commitment to Health and Safety, and its main focal areas are:

- Adopting the best safety norms and standards, in addition to compliance with regulations.
- Ongoing commitment from senior management, to promote a strong safety leadership culture.
- Continuous improvement of the Health and Safety Management System, in accordance with new international standards and industry best practices.
- Reducing accidents and occupational diseases through the implementation of relevant measures and programs, as well as verifying their efficiency and effectiveness.
- Assessing health and safety risks, using a systematic approach to eliminate them at source or, wherever not possible, minimize them.
- Implementing quality-based work methods through training, to reinforce technical and safety aspects.
- Promoting information initiatives to communicate and consolidate a culture of health, safety and organizational wellbeing.
- Promoting a safe and responsible behavior at all levels of the organization.
- Adequate design of workplaces, and supply of equipment and tools to ensure greater safety, comfort and wellbeing for the completion of work activities.



- Choosing and managing suppliers and contractors, encouraging their participation in health and safety continuous improvement programs.
- Keeping a constant focus on communities and all those who work at or are in contact with Enel América's activities, through the promotion of a culture of health and safety protection.
- Annual definition of specific measurable objectives that are subject to continuous monitoring.



### Strategic management pillars

Our ESG performance

At Enel Américas, the management of health and safety is based on the following four pillars:

## Operational control

Audits and inspections, tracking indicators, permitting nonconformities and action plans are carried out.

#### Main activities:

Safety inspections; evaluation of contractor companies; Extra checking on site (ECoS); analysis of accidents or incidents; and contractor company performance evaluation groups.

### **Digitization** and process analysis

Improvements are made to processes by learning from incidents, detecting causes, and defining across-the-board improvements: preventive tools are also used to identify and assess risks: and the set of computer tools to support the complete HSEQ cycle is implemented and developed.

#### Main tools:

AIDA, SHE Sta, APP 5RO and Wise Follow applications.

## Culture and training

It guides the behavior of the organization and its employees towards the goal of "Zero Accidents," reinforcing the Company's commitment to safety. To do so, the sense of self-care and the value of leadership are reinforced.

#### Main campaigns:

Safety Walks, weekly safety talks, meetings with contractors, among others. Additionally, to ensure that operating personnel are accredited in terms of competencies, a qualification process is established through the Center for Operational Excellence (CEO) and the IT platform.

Strengthening the commitment to safety culture for all levels of the Company by defining the standard of behavior required by all people working at Enel Américas.

#### Main campaigns:

Actions to eradicate unsafe behavior, consistent with the Company's global programs. This is done with ongoing communication with employees, working together to collect concerns and share best practices. Self-care is encouraged and safety is integrated into all business processes. Operational (CEO) and the IT platform Wise Follow.



The Company applies a Stop Work policy, which is in line with the organization's commitment to health and safety. In 2021, this policy included measures to manage the Covid-19 crisis, taking an active position in the protection of health, safety and the environment. In this way, all workers, whether Enel employees or contractors, can intervene or stop any activity that poses a risk to workers' health and safety. Furthermore, any unsafe behavior or any omission or situation that could lead to a potential accident must be reported to the immediate supervisor as soon as possible. Stop Work notifications do not carry sanctions for whistleblowers, and the Company applies a good-faith principle to persons who report a critical situation or stop an activity, even if this action is subsequently proved to have been unnecessary.





In 2021, the work on occupational health and safety was oriented to:

- Strengthening a culture of self-management regarding occupational health and safety.
- Promoting innovation and best practices in occupational health and safety issues.
- Improving intrinsic safety conditions and increasing safety controls and hazard identification capabilities in classified areas and confined spaces and strengthening the competencies of personnel working in these areas.
- Improving intrinsic safety conditions in electrical installations, increasing the corresponding controls; identifying associated electrical hazards and strengthening the competencies of personnel exposed to electrical risk.
- Improving intrinsic safety conditions in firefighting systems, increasing the corresponding controls and hazard identification capabilities, and strengthening the competencies of personnel who operate, maintain, and activate these systems.
- Linking operational control of business risks and intrinsic safety in equipment and facilities, with a view to developing safer energy generation processes.
- Managing contingencies, emergencies and the Covid-19 situation, as a pillar of the business continuity plan.
- Achieving high performance of Company personnel regarding road safety.
- Helping contractor companies to develop health and safety capabilities.
- · Providing training based on Health and Safety.
- Supervising behaviors by implementing self-care programs and increasing near miss (risky incident) reportability and safety observations.
- Paying attention to people, advancing training opportunities and developing competencies: Program to strengthen the safety culture, Health and medical surveillance program.

 Paying attention to facilities and contractors: Safety moving pool program, Enel index asbestos program, Safety assessment plan, digital accreditation of contractors, management of work permits, risk assessment on E4E platform, intrinsic safety project for global power generation, HSEQ 4U safety inspection entry platform.

# Occupational health and safety governance

403-1 | 403-8

The Health, Safety, Environment and Quality (HSEQ) departments operating in Enel Américas' subsidiaries supervise, guide, coordinate and promote good practices within the Company, as well as identifying opportunities for improvement and risk reduction.

The HSEQ management in each subsidiary is responsible for the Occupational Health and Safety Management System, which is part of the Integrated Management System and is certified under the ISO 45001:2018 standard (replacing OHSAS 18001), under which the entire Company is certified.

Additionally, this area promotes programs and good practices related to environmental care, to generate opportunities for improvement and ensure a continuous commitment to reducing risk and exposure.

# Occupational health and safety risk management

403-2

Regarding accident management, Enel Américas applies its Policy 106 "Classification, communication, analysis and reporting of incidents", which defines functions and protocols for the timely communication of accidents, the process of analyzing the causes, the definition of improvement plans to prevent repetitions, and the monitoring of these plans, all according to the type of event involved. To comply with this policy, a group of experts is appointed to analyze events that have the potential to cause serious harm and that could have affected employees. These experts are also entrusted with investigating all serious and fatal accidents, as well as events considered relevant or with the potential to significantly change people's lives.

Events that endanger the integrity of workers are previously identified in the corresponding risk matrices that are drafted for each activity. These matrices indicate the controls that



must be adopted to mitigate such risks, as well as training activities, courses or education credentials required to perform more complex or high-risk tasks.

Ongoing inspections to the sites of works under execution are carried out to monitor the correct adoption of control measures. Other specific projects also serve the purpose of exerting risk control.

Regarding the type of risks, the most common and relevant are associated to activities involving works in electrical installation grids, whether inside confined spaces or in overhead grids; and in activities requiring work at heights, mainly in technical and commercial operations of the grid, such as maintaining public lighting and installing closed-circuit television. In the case of generation, its main risk is linked to geographic heights.

In addition, the current context poses an increased risk of Covid-19 infection due to the exposure of employees while supervising or performing field work. To this end, global and local pandemic policies and procedures have been strictly enforced.

### **Promoting health and wellbeing**

403-3 | 403-4 | 403-6 | 403-7

Enel Américas is committed to safeguarding the integral health of its employees; therefore, it is concerned with promoting their care by encouraging healthy lifestyles.

### **Health benefits**

403-10

All Enel Américas subsidiaries share transversal actions aimed at promoting health and wellness among employees. Some of them are providing training and audits, fostering healthy habits and offering preventive health opportunities and selfcare campaigns, among others.

In 2021, there were 4 cases of occupational diseases among Company workers and contractors, none of which resulted in fatalities.

### **Training and Audits**

Enel **Argentina** conducted audits and advisory services to contractor companies on occupational health matters. These companies were provided with a matrix containing medical studies to be submitted. For this purpose, a classification of examinations was developed for each position.

Throughout 2021, **Brazil** Generation, Distribution and Enel X engaged in 157 Contractor Safety Assessments. These were conducted to assess adherence to the health and safety guidelines under Enel policies. In addition, the Quality department performed internal audits to verify Enel's integrated management system and its application in the plants.

In **Colombia**, the Company conducted training sessions on various health-related subjects, including a workshop on breast cancer (with 495 attendees), a course on ergonomics at home (with 304 participants), a course on CPR and AED at home (with 193 attendees) and a conference on healthy habits and prevention of cardiovascular diseases (with 605 attendees), among others.

In Enel **Perú**, training and preventive protocols, including their dissemination, are part of the Annual Occupational Health Plan, which reinforces a culture of care and promotes healthy lifestyles, reducing the risk of occupational diseases, while at the same time promoting the following axes: growth and brand, people, digitalization and customers.

### Promoting healthy habits

In **Argentina**, the Company offered online consultations to promote healthy nutrition habits.

Enel **Perú**, through its Go Wellness program, implemented actions and developed tools to strengthen, guide and encourage the emotional, mental and physical wellbeing of employees. In this context, 49 employees participated in the resilience trip, consisting of 88 active breaks aimed at people who work both in person and remotely; also, 157 employees got involved in the comprehensive nutrition program.

In **Colombia**, 820 associates answered a survey on physical activity and eating habits, 15 attended a class held in the Renace Forest on vitamin N and its therapeutic properties, and 65 joined the gym during the year.





**Brazil**, on the other hand, offered its Enel na Medida program, through which the Company set up a gymnasium for employees and their families, in addition to holding thematic conferences.

In **Central America**, Enel engaged in the regional activity Reto de Pasos (Steps Challenge), which seeks to encourage physical activity and healthy competition among employees through walks. Particularly noteworthy is the work that **Costa Rica** is carrying out, with a series of activities that are part of the Healthy Company program which the Company offers to promote health, wellbeing and personal care to prevent diseases, in addition to conducting a study on health-related habits. For its part, **Panama** implemented a workout plan, offering remote physical activity classes and training sessions.

### **Promoting safety**

403-7

To ensure compliance with safety protocols at Enel Américas and its subsidiaries, the Company implemented different initiatives with the purpose of exerting risk control:

### 1 hour for safety (1H4Safety)

In 2021, Enel Américas implemented the 1 Hour for Safety (1H4Safety) initiative and did so across the board. This project aims to improve risk perception and to raise awareness of the Company's health and safety policies and procedures. The format calls for face-to-face meetings to promote open discussion. In the meetings, workers address the main risks of their activities, discuss lessons learned and make suggestions to improve protocols.

For example, **Argentina** held 2 events, **Brazil** organized 23 sessions in which 659 employees participated, and in **Colombia**, a total of 112 events took place, of which 72 correspond to Codensa and 40 to Emgesa. Finally, **Peru** held 48 meetings in 2021.

### **Extra Checking on Site (ECOs)**

The Company also continued to promote the Extra Checking on Site (ECOs) initiative. This program evaluates the pertinency of the organization and its processes in specific areas of operation, which is accomplished via an "additional check-up" or ECoS, carried out by a group of expert professionals. This assessment verifies the correct application of procedures, the working condition of safety equipment, behaviors, risk management and availability of

emergency support teams. As part of the process, seven analysis clusters are reviewed, identifying best practices and opportunities for improvement, and designing action plans to correct gaps observed in the execution of tasks. In 2021, there were **76** ECOs. Given the restrictions imposed by the pandemic, they were carried out in mixed modality, i.e., remote and on-site, and they proved a useful tool to control and improve the safety of operations. In 2020, there were only 64 ECOs.

Country	ECoS
Argentina	11
Brazil	40
Colombia	15
Peru	9
Central America	1

Following are other safety-related activities that were carried out in **2021**, in each of the countries where Enel Américas operates.

### **Argentina**

Enel Argentina engaged in monitoring and control of occupational accidents, prevention campaigns, identification of hazards and risk assessment. Some of the occupational safety initiatives that were developed through training and dissemination are:

- Together por safety. 29 companies and a total of 89 people attended this event, which focused on sharing best internal and external practices with contractors, aiming to grow through collaboration.
- You help me and I help you. This program addresses technical issues and develops soft skills among employees.
- Video capsules. This is a socializing instance among collaborators, with the objective of raising awareness on safety issues.
- On-site safety meetings with collaborators

Some additional initiatives undertaken to promote safety are:

 Near Miss App. By developing work zones, this app was integrated into the Enel Group system.



 Analysis, monitoring and recording of occupational accidents in Edesur. During 2021, 26% of accidents were classified as commuting accidents and 74%, as on-the-job accidents. Regarding their typology, 74% corresponded to traumatisms.

#### **Brazil**

Enel Brasil has carried out specific initiatives to promote safety through analysis and dissemination projects.

- Hipo Pro Action Project. Weekly analysis sessions with the objective of learning to avoid new incidents. These include interviews to employees as well as to senior management.
- TSH Project Technical @ Safety Harmonization. This
  project simplifies and standardizes work instructions
  and disseminates knowledge and know-how within the
  organization.
- Zero Accidents Campaign. The objective is to provide knowledge and to encourage safe behavior among all employees.

Some additional initiatives undertaken to promote safety are:

- Golden helmet trophy. Award given to employees working in the operational area, for adopting outstanding safety attitudes and behaviors, and for avoiding accidents, noncompliances and complaints.
- Work Equipment. Implementation of a personal voltage detector to reduce the probability of an occupational events or its severity.

#### Colombia

During 2021, Enel Colombia implemented initiatives responding to the needs and priorities of its subsidiaries.

#### Codensa

For the Infrastructure and Grid (I&N) business line, the following needs and priorities were identified: risk anticipation, operational safety, contractual assurance management, institutional management, training and competencies, digitalization, technology and innovation, and finally safety culture.

Regarding the Enel X and Market business, it evidenced the following needs and priorities: HSEQ participative leadership and high-performance culture, preventive and occupational medicine, health and safety risk management, management of environmental aspects, operational control to contractors, quality management, processes and operational excellence, innovation in processes and in the prevention of occupational accidents and occupational diseases.

#### **Enel Emgesa**

Yearly, the Company engages in planning its HSEQ Integrated System, a process led by the CEO.

Emgesa has Joint Occupational Safety and Health Sub-Committees (SubCopasst) in place, specifically designed to manage the activities of the Cartagena, Termozipa, Río Bogotá, Guavio, Betania and El Quimbo plants. The members of the committees receive training in current Colombian legislation on Occupational Health and Safety, Management Systems and Regulations, Safety Inspections and Hazard Identification and Risk Assessment.

### **Peru**

The focus on **2021** was to ensure prevention protocols and to take care of employees in the face of Covid-19. In the same way, the Company seeks to enhance its health and safety management in relevant issues for the business, centering on the following concerns and programs:

- Contractor Partnership. Contractor engagement for a safer workplace.
- SHE Factory. Chain of commitment and exponential growth in safety, health and the environment.
- HSE without borders. Transversal organization between business lines, with synergies with external stakeholders.
- SHE Intrinsic Safety. Safety standards for tools, equipment and processes; intrinsic safety.

At a Group level, including Enel subsidiaries, two programs were implemented: We all take care of us all and Safety allies. They were created to empower workers to operate safely, and to raise the safety standards of associated companies. There were also other initiatives focused on accident prevention.

Enel X Peru implemented the X-Contractor Challenge program, with the aim of evaluating the criteria that each contractor company applies in the areas of occupational health and safety, and environmental.





### **Central America**

In 2021, the Company engaged in external and internal audits, which contributed to update and promote occupational safety protocols. The event Together por safety also sought to stress the importance of safety in the workplace.

**Enel Costa Rica** promoted initiatives such as Intrinsic Safety both among collaborators and contractors, whose objective is to evaluate all equipment, safety tools and processes within facilities.

On the other hand, Enel Panama used a simulator to conduct emergency rescue drills in confined spaces.

### **Safety indexes**

403-9

### **Enel Américas safety indexes**

### **Staff Enel Américas**

# **Lost time injuries (LTIs)** 2021





### **Contractors**

2021 95 2020 63

















The combined Lost Time Injury Frequency Rate (LTI FR) among Enel Américas employees and contractors increased in 2021, with a total of 122 injuries per million hours worked, a figure that is 33% higher than in 2020.

Likewise, there were 20 high potential accidents (HPO) in 2021, 1 involving Enel Américas employees and 19,

contractors. This was a decrease compared to 2020, when there were 27 HPOs.

Enel Américas and its subsidiaries have taken decided measures to promote a culture of safety, by increasing audits and accident analysis.



# Developing a safety culture: training and information

403-5

Enel Américas is committed to ensuring the best occupational health and safety conditions for its employees and contractors. To this end, the Company promotes the dissemination and reinforcement of a culture of care and prevention in this area, through activities that aim to raise risk awareness and foster responsible behaviors.

In 2021, more than 568 thousand hours of health and safety training and information were delivered to Company employees and contractors, including all subsidiaries.

Country	Hours of training
Argentina	28,000
Brazil	294,894.41
Colombia	210,971
Peru	34,403.81
Central America	NA

### **SHE programs**

Enel created the SHE 365 project, which focuses on health, safety and the environment. The acronym stands for Safety, Health and Environment, with health at the center.

This global program gave rise to SHE, Our way of working in Safety, Health and Environment, which is at the basis of Enel's safety strategy in **Peru** Distribución and GPG, and whose main pillars are:

- **SHE Factory.** Chain of commitment and exponential growth in safety, health and the environment.
- HSE without borders. Transversal organization between business lines, with synergies with external stakeholders.
- SHE intrinsic safety: Safety standard for tools, equipment and processes; intrinsic safety.

Additionally, within the framework of this program, Peru carried out the Contractor partnership initiative, which is a commitment to contractors for a safer workplace.

On the other hand, Enel **Brasil** organizes SHE Days for Enel Green Power's Operation and Maintenance projects. This activity aims at promoting prevention and safety, and is carried out over a monthly day, which is set aside for all members of the facility to engage in actions that foster safety, wellbeing and care for the environment. Activities

include awareness-raising meetings and others such as signage adjustments, storage and inspection of tools and, in general terms, implementation of good practices.

Following are some of the feature projects that Enel Américas and its subsidiaries carried out throughout 2021.

### **Argentina**

During 2021, Enel in Argentina provided 26,500 hours of training, both online and in person. Following are some of these initiatives.

- Fire Brigade.
- Self-protection Plan (emergency plan and evacuation plan), use of fire extinguishers in case of fire, risk of explosion and explosive/toxic atmospheres.
- First aid and Cardiopulmonary Resuscitation (CPR). Use of Automatic External Defibrillator (AED).
- · Occupational Safety.
- Qualification of technical personnel for Low Voltage Work (TCT), resolution 3068.
- Operational instruction N°716 on work permits.

Additionally, there were safety onboardings at the Enel Generación Costanera plant, where 1,805 workers from contractor companies were trained.

In the Infrastructure and Grids area, senior management and middle management representatives, as well as analysts completed courses on the Company's Integrated Management System. The training sessions emphasized the link between the contents and Enel values and garnered a lot of interest and participation.

Finally, El Chocón power plant offered workshops on working at heights, the Integrated System, environmental management, first aids, electrical risk, use of fire extinguishers and defensive driving, among others.

#### Brazil

Enel in Brazil developed a project to standardize the training of contractors, with evaluation mechanisms at the beginning and during the hiring process, to ensure reliability. The Company put forth 4,260 hours of onboarding training in total, with around 213 employees participating.

### Colombia

In 2021, the Company focused on initiatives to reduce operational risks, mainly via the implementation of technological tools to monitor the work of contractors and, at the same time, through a training plan to strengthen the technical competencies and soft skills of employees.





Other technological projects and the Sprint Plan were also reinforced throughout the year, to enhance the Company's culture of safety.

Some of the most outstanding initiatives are listed below.

- Center of Operational Excellence (CEO, by its acronym in Spanish), which held 66 meetings.
- More than 350 follow-ups.
- Safety leadership courses for safety managers, with a total of 28 graduates.
- Approximately 15 adult-learning workshops on safety planning.
- 2 communication workshops for direct collaborators and contractors.
- Buddy Mentor course for 37 Enel employees.
- Development and implementation of training courses with five Golden Rules for personnel trained on E-Ducation and SURA Risk College platforms.
- 109 people trained as safety inspectors.
- 15 people trained in NFPA 70E.
- 8 people trained in electrical safety to increase their skills.

#### Peru

Enel in Peru launched the movement We all take care of each other and the Allies of safety program, with more than 5,000 workers, both internal and contractors, participating in them. The objective is to strengthen the Company's safety culture and to promote mutual care among collaborators.

On the other hand, the Company provided specific safety training courses throughout the year, to control the risks that employees face in their day-to-day work activities. Following are some of the most relevant.

- Defensive driving
- Noise prevention
- Regulations on Carbon Dioxide Extinguishing Systems
- First aids
- Firefighting, handling of fire extinguishers
- Ergonomics: Prevention of musculoskeletal injuries
- Matrix to identify hazards and assess risks
- · Working in confined spaces
- · Working at heights and risk management

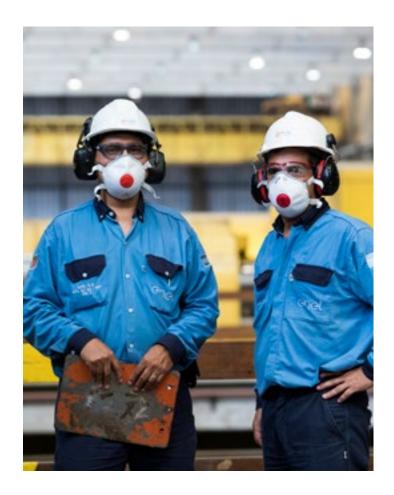
Finally, the Company developed and executed 44 coaching sessions for leaders and plant managers, to strengthen security leadership.

### **Central America**

Central American subsidiaries carried out different initiatives to promote a safety culture. Costa Rica organized the Together for Safety program for contractors, which seeks to train them in Company policies and the zero accidents standard. On the other hand, an external organization, INTERTEK, was hired to perform the Contractor safety and Assessment programs, to monitor compliance with all safety and environmental guidelines and policies.

In **Guatemala**, some of the most important initiatives were Together 4 safety, 1 hour for safety and hand safety. The Company also prioritized supervising contractors and instilling in them Enel's safety culture.

Finally, **Panama** focused on promoting safety issues with operations personnel, mainly through workshops on different topics: confined spaces, electrical works, working at height, risk of entrapment and impacts with objects, among others. These workshops seek to improve risk perception and to reinforce the workers' knowledge of health and safety policies, and work procedures. Participants learned to interpret different work situations in a homogeneous and safe manner.





### Supply chain safety

A crucial part of the Company's health and safety strategy is to manage operations involving contractors, which is why this aspect is integrated throughout the process. The performance of contractors is measured and monitored both at a preliminary level via the qualification system, and all throughout the life of the contract. This is done through

Our ESG performance

exhaustive and extensive controls reported through the Supplier Performance Management (SPM) tool.

This supervision allows the Company to support suppliers and contractors in identifying areas for improvement in terms of safety, environment and quality, and to look for ways to improve and optimize their performance.

### Supply chain safety

#### 1 Fatal Risk Index (FRI)

This index classifies contractors based on their safety performance, considering the number and severity of incidents and findings raised during safety inspections. The FRI indicator allows for operational shortcomings pertaining to safety to be identified on time, and to focus actions to prevent accidents.

### Supplier Safety Assessment Specific audits carried out at

suppliers' facilities. They are performed at the beginning of the qualification for each new company or in critical cases such as serious and/or fatal accidents during the term of the contract. The objective is to ensure adequate safety standards and that commitments are established to remedy eventual

### Contractor Safety Assessment Safety Support Team

This initiative provides a detailed qualification of contractors, with a focus on checking compliance with Enel's Occupational Health and Safety Management System; it it applies to contractor companies identied as highrisk purchasing product categories. This rating is based on a mathematical calculation that represents the level of the contractor business in terms of occupational health and safety.

This is a support team of Enel safety experts who work with contractors with a low CSA evaluation. These companies are encouraged to carry out an analysis of their occupational health and safety management, a process which includes an action plan, follow-up meetings and a final evaluation to measure results. This process is carried out on Enel's WeBuy platform, with several areas interacting in the qualification, to obtain a homogeneous and balanced measurement. This initial qualification is used by the purchasing area.

gaps, as necessary.

All these tools allow the Company to work together with suppliers and contractors to identify areas for improvement in terms of Safety, Environment and Quality, seeking continuous improvement and the optimization of their performance.

<sup>\*</sup> Purchasing product categories: Product categories (materials, labor, services) of interest to Enel and subject to a qualification and registration process.





Country	Safety Supplier Assessments
Argentina	7
Brazil	112
Colombia	20
Peru	74
Central America	NA

Country	Contractor Safety Assessments (CSA)
Argentina	51
Brazil	160
Colombia	170
Peru	67
Central America	25

### **Argentina**

In 2021 there were evaluations at the El Chocón and Costanera power plants. At Edesur, the evaluation was carried out on contractors, which implied a complete safety audit.

Contractors were also evaluated in terms of knowledge, with Company executives participating in the process.

#### **Brazil**

To promote safety in Enel Brasil's extended chain, the Company engages in assessments, Safety Support and, in cases of highly risky situations that may lead to accidents, special support.

Additionally, the Organization develops a Responsible Partner program, which focuses on training contractors on Integrated Management Systems.

Lastly, there are safety inspections on operating teams, as well as cross inspections, ECoS and others, to verify that work is being performed safely and is up to standards.

### Colombia

To make its safety culture extensive to its entire supply chain, in 2021 Enel Colombia carried out 15 contractor audits on electrical risk, 14 on load lifting and 15 on work at heights.

The Company also continued developing 5RO, an app devised to document that the work done on an overhead or underground high-, medium- or low-voltage electrical installation or equipment is done under safe conditions. The app had 16,564 updates in 2021 and reviews of 100%.

During the year, Enel Colombia also implemented the Safety Report tool and the Safety Learn program, a platform created to manage information on instruction processes, education and the training of contractor personnel on occupational health and safety issues. In 2021, Enel Colombia trained 6,100 contractors, completing 183,000 hours of training.

#### Peru

In 2021, Enel Perú developed a Health and Safety Program for contractors, to extend its culture of risk prevention to external companies with a high impact on the safety of operations. Some of its pillars are:

- · Leadership and commitment
- Identification, evaluation and compliance with legal and corporate requirements
- Hazard management
- Response to emergencies
- · Preventive safety campaigns

Additionally, the HSE (Health-Safety-Environment) program was implemented to motivate and engage contractors in health, safety and environmental management. To this end, they were included in the We all take care of each other Movement. This is a relevant 2021 management milestone.

On the other hand, the most representative companies of the Group received performance evaluations. Qualifications were based on inspections, non-conformities and accidents, if any had taken place. Action plans and a continuous monitoring process were drafted for companies that came out with substandard results.

### **Central America**

In 2021 Enel **Costa Rica** applied field controls through the HSEQ4U tool, which validates that the work performed by external personnel complies with safety and environmental guidelines.

In **Guatemala**, there were daily on-site inspections for contractors to evaluate machinery and personnel. These instances afforded the possibility to apply preventive controls and corrective actions where and when needed. In 2021, Company officers carried out 1,831 inspections and 2,615 observations.



### **Digitization of safety management**

Technological innovation is an essential tool in the continuous improvement of health and safety processes and for this reason Enel Américas is already on a digitization route. Some of its milestones are listed below.

#### HSEQ4U

The HSEQ4U application is a mobile digital platform that measures and monitors the performance of contractors in their activities, allowing for environmental and safety events to be checked and reported. The application chooses a contractor, and s/he is informed of the type of activity that will be inspected. Resulting scores translate into the Contractor Safety Index (CSI), an indicator that is closely followed by Enel.

During 2021, **Argentina** enhanced this tool by adding the new version of the Five Golden Rules. Enel Argentina uses the app to perform daily field controls; if it detects an anomaly, HSEQ4U notifies the Company to prompt an intervention.

**Brazil** uses the App to keep an ongoing evaluation process of suppliers and contractors; workers can also use HSEQ4U to report job-related hazards and safety observations. The platform also contributes to raise awareness regarding Enel's Stop Work Policy, which guarantees that every worker has the right to stop any activity that poses a risk to themselves or other workers, without suffering retaliation.

On the other hand, Enel **Perú** uses the platform to generate checklists that ensure compliance with protocols in the field; these checklists also come in handy for safety inspections. In 2021, there were 3,077 safety inspections were recorded, which were subsequently analyzed and managed with the corresponding companies, as part of the commitment to ongoing improvement in the prevention of accidents.

Finally, **Costa Rica** and **Guatemala** used the HSEQ4U platform in 2021 to record all inspections and observations made on the daily work of contractors.

Countries that are part of Enel Américas also developed other specific initiatives, some of which are listed below.

### **Argentina**

Argentina began using the HSEQ4U tool in 2021, and is now available to register deviations, whether they are safety observations, first aid requirements, near-misses, incidents, Stop Work situations or suggestions regarding health and safety issues. This tool is also an aid for on-site inspections,

as it provides a checklist to record compliance with each item; it was particularly useful to carry out inspections to check compliance with Enel Argentina's Covid-19 protocols. The resulting data is collected and stored in the E-DIANA platform, which translates each deviation or observation into a statistic.

The App5ro tool, which was implemented four years ago, is essential to take care of workers and contractors. This application guides operators in the step by step of the 5 golden rules and allows them to reconfirm the necessary controls before executing each task.

It should be noted that there is a complete implementation of the SHE START platform underway. This tool is used to follow-up and control compliance with all HS actions.

#### **Brazil**

Enel Brasil uses the APR Digital platform, which facilitates routine inspections by applying checklists and checkpoints, and allowing access to the necessary documents in a simple and digital way. This platform also enables the digitization of reports and forms, creates users for Enel employees and contractors, improves the identification process, contributes to risk management and reduces the hassle of documentation checking.

### Colombia

Some of the most innovative digitalization projects developed in Colombia are:

- **GroundBox.** Grounds low-voltage grids in the junction boxes without piercing the insulation.
- MonoFas. Clamp or ring placed on the SPTTs; upon detecting the passage of current, this device emits an audible and luminous alert in the event of a risky ground.
- SafeLid. Facilitates the lifting of the concrete covers that
  protect the inspection boxes of underground electrical
  grids with the least contact and risk for collaborators.
- BlockBelt. Allows for mechanical and automatic cutting devices to be blocked.
- Innovation programs for collaborating companies.
   Evaluates innovative safety ideas or projects coming from collaborating companies, to capitalize on their ingenuity and bring about operational improvements.





 Personal voltage detector. Controls electrical hazards in activities with or without energized circuits, and when safety distances are trespassed.

#### Peru

During 2021, Enel Perú carried out the following initiatives:

- Go Pro Camera. This tool is used for remote inspections; it was particularly useful during the pandemic, as it allows observation of operational activities and facilities. Among others, it was used by the Occupational Health and Safety (OHS) Committee during maintenance operations.
- AIDA. This digital tool is used to manage and follow-up on accidents and safety events. It also provides a mobile APP for field reporting and effective communication. This platform allows the Company to manage actions in a comprehensive manner, sending notifications to interested parties for follow-up and compliance needs.
- Amatia. A tool designed to manage legal requirements.
  By creating activities to ensure compliance and follow-up,
  it keeps the legal matrix updated. In the context of the
  Covid-19 health emergency, in 2021 this tool accumulated
  more than 540 occupational health and safety legal
  standards.

- Version two of PTW (Permit to Work) through SAP. This
  platform generates work authorizations after considering
  safety issues (hazard identification, risk assessment and
  controls), environmental measures, blockades in place if
  safe work is not possible and, at the end of the activities,
  reestablishes the previous installation conditions.
- REDE-X. This web platform makes it easier to report near misses, stop work instances and 5 golden rules, tools that are necessary to manage preventive safety. REDE-X tackles this need in a playful and innovative way which is easily accessible to operational staff and contributes to promoting safety among contractors and Enel X's staff.

#### **Central America**

In 2021, **Costa Rica** used a series of platforms to digitize safety management, one of which is the **Intrinsic Safety digital platform**, a digital repository that maps all the equipment and work areas within an operation site, to validate and verify opportunities for improvement and minimize or eliminate any risk situation.

On the other hand, **Guatemala** digitizes its most frequently used documents, such as attendance lists, work permits and safety analysis. This makes for a smoother and environmentally friendlier process of approval, review and transmission. The Company also uses Smart Glasses on-site, to carry out inspections, ECoS and other safety procedures digitally and remotely.





### **Community and third-party safety**

Enel Américas builds its generation plants and substations under the highest quality standards and in compliance with legal regulations. All plants, equipment and machinery have systematic and periodic maintenance controls to ensure their proper operation. In addition, the Group and its subsidiaries have monitoring schedules in place to measure aspects such as the level of noise, vibration and dust generated by machines in production plants, distribution and processing cabins. All the above, with a view to safeguarding the health and safety of employees and mitigating possible environmental impacts of operations.

Seeking to ensure health and safety, as well as to reduce the impact that various activities may have on the environment surrounding the operations, the Company carries out periodic campaigns to measure and monitor the level of noise, vibration and dust generated by machines in production plants and distribution and processing cabins. Other environmental issues which are also monitored are atmospheric emissions and air quality, the level of electromagnetic fields generated in the substations, discharges into surface waters and water quality, production, recycling, reuse and disposal of waste, soil quality and possible impacts on biodiversity.

These measurement processes are carried out periodically to reduce and control risks within regulatory parameters and protect and guarantee the safety of communities located in the vicinity of Enel Américas operations. In this way, the Company seeks to comply with its environmental commitments

### **Emergency management**

Enel Américas applies an emergency management system that evaluates the impact of each critical event using a standard three-level reference scale. High impact events are controlled centrally, while those with a medium or low impact level are managed within the specific organization. The Crisis Committee defines strategies and actions to face specific critical events, in addition to coordinating the activities to contain damages to Enel Américas' property, profitability and reputation.

Additionally, a security process has been established for personnel traveling abroad, whereby they are provided with information about the destination country and the conditions that may pose risks to their health and safety (e.g., political unrest, terrorist attacks, crimes and health crisis, among others). Likewise, the Company provides guidelines and behaviors to be followed, which are supplementary to the activation of the necessary security measures, according to the level of risk identified for that specific destination.

### Health and safety labor relations

Enel Américas seeks to strengthen a culture of safety and promote models of conduct and social dialogue that are consistent with the Company's guiding principles, promoting participation and dialogue with employee representatives. With this objective in mind, the Group has created committees in each country where it operates to monitor relevant projects; these committees include executives from People and Organization and they analyze the main initiatives to optimize protocols, training programs and prevention projects.

Enel Américas has joint committees and a Psychosocial and Occupational Risk Committee. The joint committees, representing all employees, are entrusted with the mission

of promoting a safety culture, reviewing and eventually investigating accidents.

### **Argentina**

Carries out instances of employee participation and consultation to develop, implement and evaluate occupational health and safety management systems. Relevant information is disseminated for feedback, and activities are carried out to manage health and safety committees in all companies.





The purpose of the committees is to:

- Ratify occupational health and safety policies, standards and documents.
- Monitor compliance periodically against occupational health and safety plans and programs.
- Put forward effective measures to generate improvements and results, with the aim of safeguarding the physical and psychological wellbeing of workers, improving their quality of life and minimizing occupational risks.

Monthly meetings are held with the participation of permanent advisors, specialists, representatives of the Company, the Occupational Health and Safety team and the personnel and unions associated with Enel Argentina's activities.

Employees and contractors can ask questions about health and safety concerns at any time through their representatives, who are in constant communication with the companies by e-mail, chat and via monthly meetings.

### Workers' representatives

The representation is composed of specialists in the areas of health and safety, and supervisors responsible for occupational safety or area supervisors (for contractor personnel). Representatives are responsible for informing personnel of new developments in occupational health and safety, and plans and projects, among others; they also receive and process queries or suggestions for improvement. Contractors are required to have an internal process for transmitting information and handling queries.

#### **Brazil**

In 2021, in the context of the health emergency, weekly online meetings were held. These were convened by the Company's senior management and provided an opportunity for local managers to share accident prevention indicators and initiatives, as well as the results of their respective Daily Safety Dialogues (DDS), and the conclusions of safety meetings with contractors.

At the same time, the Company created a Central Safety Committee in Rio de Janeiro, entrusted with safeguarding the health and safety of all employees; this is the instance where executives from all business lines come together to integrate global policies with local development and monitoring of indicators. This committee also coordinates projects under development by all companies, for which it has the support of the Internal Commissions for Accident Prevention (Cipas). Cipas teams act transversally in all operations and facilities,

and are responsible for preparing the annual safety plan, incorporating inspections and improvement initiatives. During 2021, 100% of employees were represented by one of the formal health and safety committees.

#### Colombia

As part of the tools for employee participation, Emgesa's Joint Occupational Health and Safety Committee (Copasst) is involved in a permanent effort for continuous improvement. This committee meets monthly and is responsible for monitoring compliance with occupational health and safety rules and regulations. Its active members receive annual training in current occupational health and safety legislation, management systems, occupational accident analysis and auditing.

Likewise, the Company promotes a close link between the committee's work and all collaborators, through the following configuration:

#### Codensa:

- Joint Occupational Health and Safety Committee
- In addition, there is an HSEQ Committee for each submanagement, whose purpose is to function as a means of participation and involvement of employees in the Integrated Management System.

### Emgesa:

- Central Joint Committee on Occupational Health and Safety at Work
- SubCopasst Central Cartagena
- SubCopasst Central Termozipa Plant
- SubCopasst Central Río Bogotá
- SubCopasst Central Guavio
- SubCopasst Betania El Quimbo Plant

#### **Peru**

Enel Perú has an Occupational Health and Safety Joint Committee in which both the Company and employees participate. Its objective is to promote and monitor compliance with current occupational health and safety legislation. In 2021, the Committee convened 12 times to address issues related to the review and approval of documentation, and to analyze relevant situations in this area.

Likewise, to face the pandemic, the Covid-19 Emergency Committee or Task Force was created, whose purpose is to effectively manage the consequences of the health emergency.



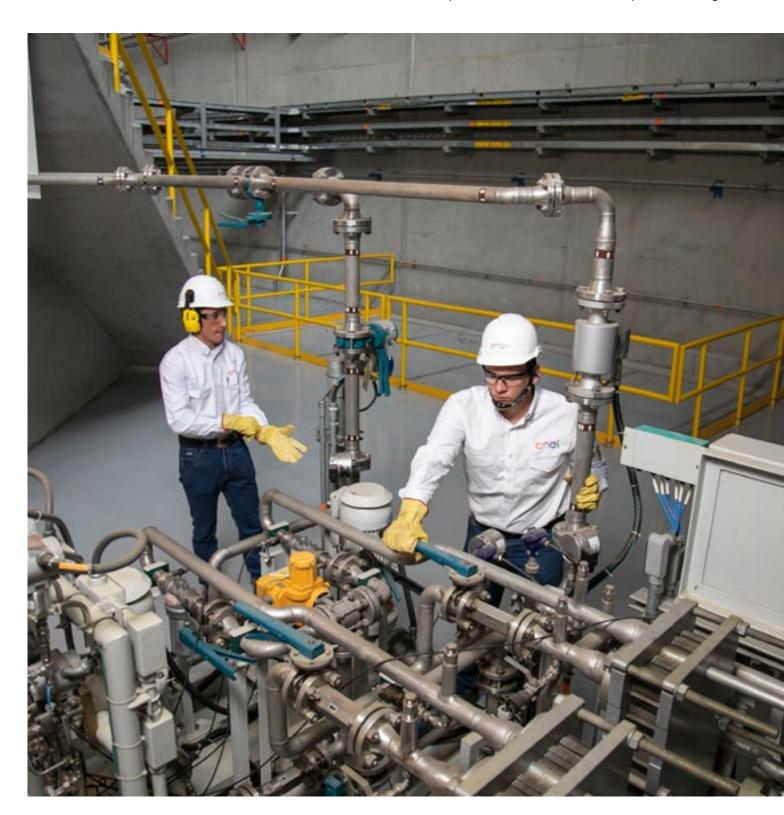
### **Central America**

In 2021, subsidiaries in the region organized several virtual meetings that brought together the Company's senior management with local managers, to address issues related to the Integrated Management System and the Covid-19 situation, among others.

Our ESG performance

Furthermore, weekly meetings were held with the Operation and Maintenance (O&M) area to follow up on improvements in operations regarding health, safety and environmental issues, uploading of observations, field inspections, contractors on site, compliance with Covid-19 protocols and weekly field planning, among others.

There are also occupational health and safety committees in all operation areas, which hold monthly virtual meetings.

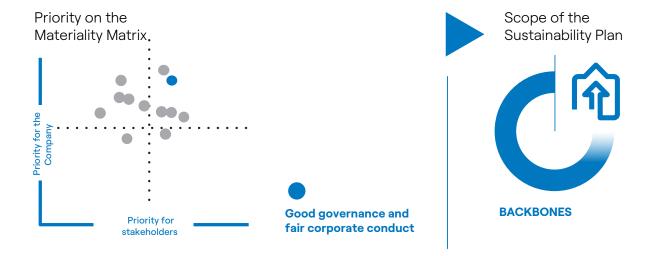






### **Governance**

103-1 | 103-2 | 103-3



### Primary material issue: good governance and equitable corporate behavior

#### How is it managed?

Through a solid corporate governance structure, the guidelines and policies that guide Enel Américas' actions are defined to create and distribute value to all its stakeholders.

Different levels of oversight of the Company's management have been defined and are based on robust principles of transparency, fairness, ethical conduct, responsibility and accountability, which enable the Company to achieve ambitious environmental and social objectives, in addition to its business objectives.

Additionally, the Company has implemented a Global Compliance model and policies that promote conduct in accordance with the most demanding international standards, as well as national regulations.

### Anti-Corruption

**Material issues** 

- Board of Directors and senior management structure
- Fair competition
- Fiscal transparency
- Fairness and transparency in communications
- Fairness in management conduct
- Good organizational model and compliance programs
- Transparency in the relationship with institutions
- Management of legal issues

#### Importance of good management

Good corporate governance practices foster sustainable growth. In the case of Enel Américas, this is one of the four foundations of the Sustainability Plan, whose objective is to ensure efficient and reliable management that encompasses excellent risk management. This, with a view to creating long-term value for shareholders and ensuring business continuity.

The risk of not having a solid governance structure is that it could result in non-compliance with legal norms and give way to eventual inappropriate conduct, with the consequent negative impact on the Company's reputation and results. All this would result in a loss of confidence from stakeholders, mainly investors and shareholders, in addition to loss of value. Sound governance is the cornerstone of an adequate decision-making process that integrates environmental and social aspects.



### Sustainable Development Goal





### Principles of Human Rights Policy



### World Economic Forum Risks



### **Goals and challenges**

SDG	Activity/goal	Goal Plan	2021	Goal Plan
		2021-2023	Results	2022- 2024
16 PEACE JUSTIDE AMOSTRONG INSTITUTIONS	Maintain ISO 37001 anti- corruption certification.	Maintain the certifications obtained. Recertify Brazil and Peru.	Done	Certify, Maintain or Re-Certify the ESMS.
16 PEAGE JUSTIDE AND STRONG INSTITUTIONS	Continuous improvement of the Compliance Program/ Criminal Risk Prevention Models.	Update risk and control matrices in accordance with Law 20.393. Execute the Compliance Road Map.	Done	Update risk and control matrices in accordance with Law 20.393. Execute the Compliance Road Map.
16 PEACE JUSTICE AND STRONG PISTITUTIONS	Training on the Criminal Risk Prevention Model and the Enel Global Compliance Program.	16% of employees.	14%	16% of employees.
17 PARTIMERSHIPS FOR THE GOALS	Conduct a human rights due diligence process and follow- up plan.	Conduct a human rights due diligence process and follow-up plan.	In progress	Conduct a human rights due diligence process and follow-up plan.

Simbology: New + Redefined )





Principles of the Human Rights Policy	
Fair and favorable working conditions	At Enel Américas, each person who works throughout the value chain has the right to conditions that respect their health, safety, well-being and dignity. To this end, the Company has a <u>Code of Ethics</u> , which includes ethical commitments and responsibilities in business management.
Integrity: Zero tolerance for corruption	Enel Américas rejects corruption in all its forms, both direct and indirect. To this end, it has standards and ethical conduct guidelines that include a Zero Tolerance for Corruption Plan.
Privacy	Enel Américas respects the confidentiality and the right to privacy of its stakeholders and the correct use of information and their personal data, and therefore includes these issues in the risk taxonomy for the entire Enel Group.
Communications	Enel Américas is committed to ensuring that institutional communications are non- discriminatory and respectful through good <u>institutional relations and participation in</u> associations.





### **Sound governance**

102-5

Enel Américas is an open stock corporation listed on the Santiago Stock Exchange, the Chilean Electronic Stock Exchange and the New York Stock Exchange, whose capital is divided into 107,281,698,561 shares distributed among 22,970 shareholders including institutional investors and

individuals, both domestic and international. The investor base includes pension funds, mutual funds, insurance companies and local and foreign investment funds, thanks to which Enel Américas has adopted the best practices of transparency and corporate governance.



(\*) The market capitalization figure corresponds to December 31, 2021

For further details, please refer to the Enel Américas 2021 Annual Report.

### Investor and financial community relations

Enel Américas has corporate structures and an Investor Relations Policy that frame the dialogue with investors and the financial community in general, based on principles of fairness and transparency, in accordance with the definitions of the Financial Market Commission (CMF) and the US Securities Exchange Commission (SEC), always in line with international best practices.

Through the Investor Relations Department, which is now part of the Administration, Finance and Control Department, the Company provides transparent, timely and quality information to the market on its main financial, strategic and operational issues. This unit is authorized to respond to shareholders and investors' queries and its management prepares the Company's equity story and organizes meetings between Enel Américas' management, institutional investors and financial analysts. Furthermore,

In 2021, Enel Américas held more than 300 meetings with investors, considering both one-on-one meetings requested by investors, as well as roadshows and conferences. All IR activities were executed remotely, in view of the restrictions imposed by the Covid-19 pandemic.

it supervises the documentation to be submitted to the latter for the disclosure of periodic financial data to the market and updates the Group's Strategic Plan as part of the Investor Day.

Additionally, various regular activities are carried out, such as group or individual meetings, conference calls and interaction with investors and analysts, to support them in



their analysis, both financial and regarding environmental, social and governance (ESG) issues, as well as to facilitate the correct valuation of the Company by the financial community. In turn, the Investor Relations Department, in collaboration with the Sustainability and Community Relations Department, also analyzes ESG issues and informs investors in a timely manner.

Finally, Enel's website (<u>www.enelaméricas.com</u>, "<u>Investors" section</u>) contains economic, financial, environmental, social and governance information; updated data and documents of interest to this community, thus providing a multidisciplinary and integrated view of the Company.

### **Investor Day**

In 2021, Enel Américas held a remote <u>Investor Day</u>, with the participation of more than 177 local and foreign investors connected online. At the event, the new Strategic Plan 2022-2024 was unveiled, through which the Company seeks to ratify its leadership in the energy transition process and the decarbonization of the regional countries that are part of Enel Américas, via a robust investment plan.

For further information, see the Enel Américas 2021 Annual Report.

### **Governance structure**

102-18 | 102-22 | 102-24

Enel Américas has its Corporate Governance Guidelines, a manual that, among other aspects, establishes the general principles on which its corporate governance is based, together with the guidelines for its implementation, with the objective of having it applied uniformly in all the companies that make up Enel Américas. The Company also follows the guidelines set forth by Enel SpA, which is subject to the Corporate Governance Code of the Milan Stock Exchange, an entity that is recognized for promoting the best international practices.

#### **Enel Américas Board of Directors**

Enel Américas' highest governance body is its Board of Directors. Responsible for establishing the guidelines that define the business strategy; this body approves the mission, corporate values, code of conduct, policies, business plans and risk management. It is composed of seven professionals with experience in the electricity sector, acquired through a trajectory as directors or executives in companies within the industry.

The Shareholders' Meeting chooses the Directors individually for a period of three years after which they can be reelected, in accordance with the skills and characteristics required, and considering independence requirements. If any of the directors resigns before the end of their term, the entire Board of Directors must be re-elected





### **How the Board of Directors works**

In order to ensure a level of operational excellence, the Board of Directors has a continuous improvement process that includes self-evaluation and review by an independent third party, both performed on an annual basis. These processes make it possible to evaluate management in various matters, with special reference to the good governance practices established in NCG No. 385, as so to approved policies, procedures, mechanisms and systems implemented to monitor corporate governance and sustainability practices, risks, and regulatory compliance.

### **Self-evaluation**

During the year 2021, the annual self-evaluation process of the Board of Directors was complete, looking forward to detect and implement possible improvements in its organization and operation. The self-assessment was reviewed and validated by the Compliance Program Certification Company BH Compliance Limitada. For more information, refer to the <u>Annual Report of Enel Américas</u>.

### **Evaluation by an independent third party**

Each year the Company hires the advice of an external expert, who prepares a report for the detection and implementation of eventual improvements or areas for strengthening the Board of Directors of Enel Américas. This process includes interviews with the Company's directors, general manager, tax, internal audit manager and external auditors. These interviews address the functioning of the Board of Directors, the preparation of the meetings and the debates that take place in the Board meetings, among other relevant topics.





# Roles and functions of the Board of Directors

102-19 | 102-20 | 102-26 | 102-31 | 102-32

Even if the Board of Directors is the maximum instance responsible for the economic, environmental and social decisions of the company, it delegates its authority on the General Manager and the main executives of Enel Américas to carry out the administration and management of these issues in the Company. This, in accordance with their designation and the needs of the business, as defined by a validated scheme of powers, which establishes protocols on the competencies required for the matter under discussion.

The Board of Directors is responsible for configuring the framework in which the relationships with stakeholders, who are at the center of its sustainable business model, play out and are maintained. Based on their identification as such and on the reasons why they are Company stakeholders, a methodology was established to define and prioritize the issues relevant to them. In this sense, each management that maintains a direct relationship with stakeholders, such as Institutional Relations, Investor Relations, Communications and Market, and Procurement, among others, is responsible for carrying out this relationship and reporting all relevant results in monthly meetings with the Board of Directors. In these instances, the information reported by the CEO and his executive team is also reviewed, and the relevant risks are analyzed according to an established schedule, until the annual analysis of the risk maps is completed, covering all the processes and activities that are at the core of the Company and the industry.

The Board of Directors also monitors and supervises the Compliance program, the functioning of the Criminal Risk Prevention Model and the results of the Ethics Channel, the control mechanisms for process risks and, in general, the execution of all functions pertaining to the Internal Audit Management, which reports to the Board of Directors at least quarterly.

In accordance with the requirements of General Rule No. 461 of the Financial Market Commission (CMF, by its acronym in Spanish) –which amends NCG No. 30, contemplating sustainability issues in an integral manner and includes corporate governance matters of NCG No. 385, which is repealed–, the Sustainability Management is responsible for presenting, on a quarterly basis, the results of the Company's sustainability performance.

The Board of Directors delegates to the Directors' Committee -consisting mainly of independent members- the function of supervising the main sustainability issues, which is done in conjunction with the management in charge of this area, as well as specific issues related to environmental, climate change and biodiversity performance, or social issues such as health and safety, labor development and governance, transparency, commercial relations, human rights and review of the results of the Ethical Channel, among others.

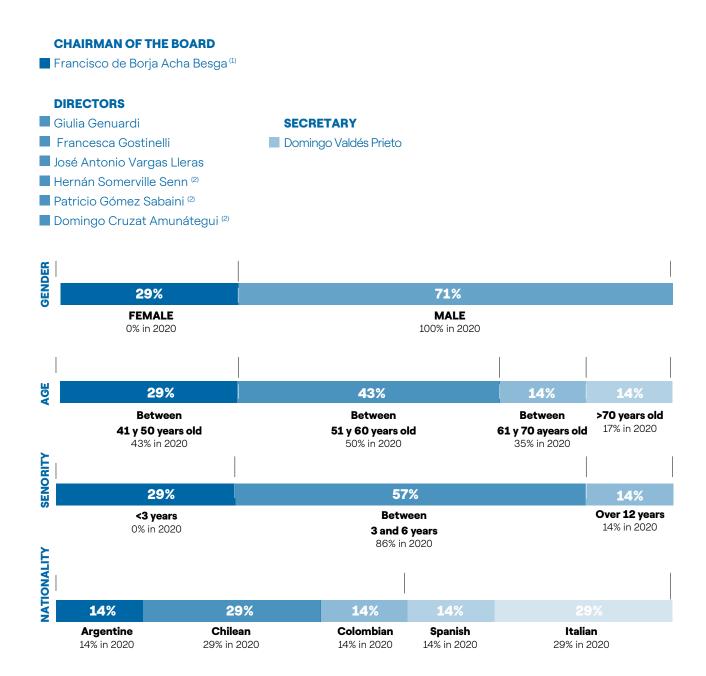
For further information on sustainability and climate change governance, please refer to the sections <u>Sustainability</u> <u>Governance</u> and <u>Climate Change Governance Model</u>.





### **Board Composition and Diversity**

102-22 | 102-23



(1) The Chairman of the Board may not be a member of the committee or its subcommittees unless he/she is an independent director. (2) Independent proposed by the controller.

According to Chilean regulations, three directors are considered independent, for more information, please refer to the <u>Enel Americas 2021 Annual Report</u>.

Details of the experience of each director can be found in the Corporate Governance Report chapter of the <u>Enel Américas</u> <u>2021 Annual Report</u>.



### **Experience**

Director	Experience in environmental issues	Energy sector	Regulation	IT, Security of the and cybersecurity	Audit, finance and risk control	Communication	Corporate Governance, legal and compliance
Francisco de Borja Acha Besga			•		•		•
Francesca Gostinelli	•	•	•		•	•	•
Guilia Genaurdi	•	•	•	•	•	•	•
Hernán Somerville Senn	•	•	•	•	•	•	•
Domingo Cruzat Amunátegui	•	•	•		•		•
José Antonio Vargas	•		•	•	•	•	•
Patricio Goméz Sabaini			•	•	•	•	•

For further details, please refer to the Enel Américas 2021 Annual Report.







# Training and information procedures for directors and shareholders

### **Induction process for new directors**

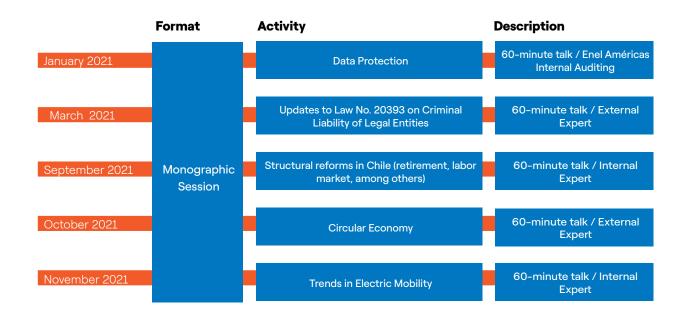
102-27

The new directors of the Company undergo an induction process in which they are provided with all the information regarding the business, strategies and risks that concern the Company. The process also includes a series of meetings with the Chairman of the Board of Directors and with the different divisions, in which the most relevant issues at stake are explained. In these meetings, the Company's mission, vision and strategic objectives are explained, as well as the values and principles that govern the Company. Along with the specific documentation on bylaws, minutes and manuals, among others, training is provided on their duties and responsibilities.

# Process for the ongoing training of the Board of Directors

The Company has a <u>permanent training program for the Board of Directors</u>, whose calendar is approved annually by the Board. The program addresses topics such as risks, sustainability, regulatory changes, pronouncements or sanctions by the authorities, innovation and investments, among others, with the participation of prominent speakers who are experts in these areas.

Hiring expert advisors from outside the Company makes it possible to detect aspects and operations of both the Board of Directors and the Company itself that can be improved or strengthened. When such advice is required at the request of one or more directors, the choice and appointment is made in compliance with Enel Group's internal regulations.



### **Procedure for informing shareholders**

Serves to define the deadlines and the type of information received by the shareholders that will be submitted to a vote either at the ordinary shareholders' meeting, such as information on the candidates for directors, their experience and professional profile, among other significant aspects, or at an extraordinary shareholders' meeting.

For further details, please refer to the Enel Américas 2021 Annual Report.



### Company management

102-19

Pursuant to its powers set forth in the <u>Company's bylaws</u>, the Board of Directors appoints the Chief Executive Officer, a position that is incompatible with that of Chairman of the Board or directors, or Director.

The Company has succession plans to appoint the different executives who are selected according to the preparation and skills required for each position.

#### **Chief Executive Officer**

Mr. Maurizio Bezzeccheri (3)

Identity card: 26.490.357-2 (\*)

Nationality: Italian

**Profession:** doctor cum laude in Chemical Engineering, University of Naples; R&D Development of Steam Generators; Official Professional Qualification for the Practice of Engineering.

Date of appointment: August 1, 2018

Date of birth: July 2, 1958

### **Internal Audit Manager**

Mr. Raffaele Cutrignelli (2) (3)

Identity card: 25.553.336-3

Nationality: Italian

**Profession:** Bachelor in International Business Nottingham Trent University (UK); Master in Audit and Internal Controls

University of Pisa (Italy);

Certificates in Strategy, Innovation, Management and Leadership, Massachusetts Institute of Technology (MIT).

Date of appointment: October 1, 2016

Date of birth: October 28, 1981

### **Administration, Finance, Planning and Control Manager**

Mr. Aurelio Bustilho de Oliveira (3) (4)

Identity card: 26.537.505-7
Nationality: Brazilian

**Profession:** Business Administrator, University of Brasília MBA from Universidade Federal Rio Janeiro/ COPPEAD

Date of appointment: October 1, 2018

Date of birth: July 29, 1968

#### **Treasurer and Secretary of the Board of Directors**

Mr. Domingo Valdés Prieto (1) (3)

Identity card: 6.973.465-0
Nationality: Chilean

Profession: Lawyer, Universidad de Chile

Master of Laws from The University of Chicago (United States

of America)

**Date of appointment:** April 30, 1999 **Date of birth:** March 25, 1964

#### Manager Enel x South America

Mr. Simone Tripepi(3)

Identity card: 25.067.660-3

Nationality: Italian

Profession: Engineer, Universita Degli studi di Roma "Tor

Vergata".

**Date of appointment:** August 29, 2019 **Date of birth:** November 1, 1970

(1) Also holds the same position at Enel Américas.

(2) The Internal Audit Management reports directly to the Board of Directors of the Company.

(3) The executives indicated correspond to senior executives reported to the CMF.

(4) In charge of Planning and Control Management on an interim basis.







CEO ENEL AMÉRICAS

Mauricio Bezzecheri<sup>(\*)</sup>



INTERNAL AUDIT **Eugenio Belinchón Gueto** (\*)(\*\*)

ADMINISTRATION, FINANCE, PLANNING AND CONTROL

Aurelio Bustilho de Oliveira (\*)

PEOPLE AND ORGANIZATION

Liliana Schnaidt Hagedorn (\*)

**COMMUNICATIONS** 

**Carolina Ricke Hunting** 

LEGAL COUNSEL AND BOARD SECRETARY

Domingo Valdés Prieto (\*)

ENEL X SOUTH AMÉRICA

Simone Tripepi (\*)



<sup>(\*)</sup> Chief Executives reported to the CMF.

<sup>(\*\*)</sup> The Internal Audit Management reports directly to the Company's Board of Directors.

## **Risk management**

102-30

Increasingly, companies are exposed to risks beyond financial, such as socio-environmental and governance risks which have interconnected and multidirectional impacts that can affect a company's profitability and its ability to create and distribute value for its stakeholders.

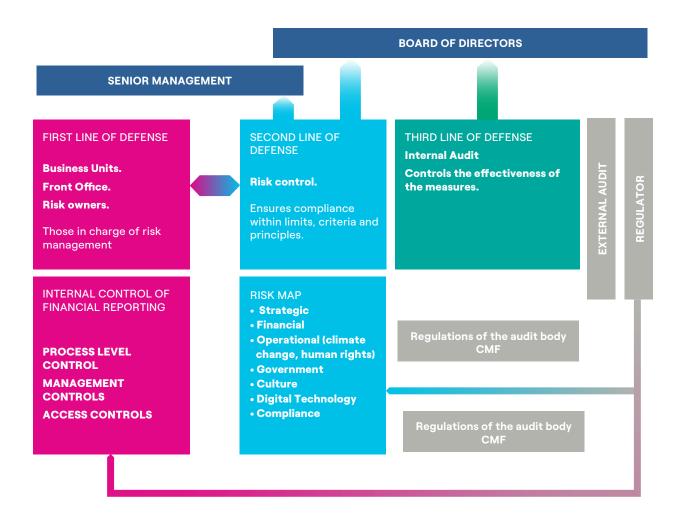
For this reason, it is necessary to act collectively to generate preventive and mitigating action in an integrated manner, to counteract the social and environmental risks that today threaten the prosperity and future of the planet, and consequently the Company's viability.

#### Governance in risk management

102-33

Enel Américas' model of risk management governance is in line with best practices. The following are the bodies and functions that make up this structure:

#### **Risk governance**







#### Monitoring and control

To ensure the effectiveness of the Internal Control and Risk Management System (SCIGR, by its acronym in Spanish), a three-level action model has been defined, called three lines of defense, which segregates functions. The first two lines of defense are responsible for containing and reporting to management, while the third reports to the Directors'

Committee in accordance with international Corporate Governance best practices.

The Board of Directors and the executive team are key internal stakeholders that are served by the lines of defense and are in the best position to help ensure that the model is also applied to the Company's risk management and control processes.

First line of defense	Second line of defense	Third line of defense
Business Unit	Risk Control Area	Internal Audit
These units must manage their risks.	Has the functions of internal controls to ensure optimal risk management and monitoring of compliance.	Independent evaluation that also reports the results of the activity carried out to corporate bodies.

#### **Role of the Board of Directors**

The Board of Directors is responsible for monitoring and controlling the main risks relating to the Company and its subsidiaries - including any risks that may affect sustainability in a medium or long-term perspective - determining the degree of compatibility of such risks with the established strategic objectives.

Among other functions, the Board of Directors approves the guidelines of the Internal Control and Risk Management System (SCIGR) and evaluates its performance; approves the Audit Plan; and reviews reports on actions and procedures for risk control and management.

At least quarterly, it reviews the main strategic risks associated with the Company. This review is in line with the Risk Policies, ISO 31000:2018, internal procedures and external regulations, with the objective of ensuring business continuity.

#### **Committees**

At the executive level, t Enel Américas, Enel Distribución Río and Enel Distribución Ceará have Risk Committees, whose purpose is to define the structure and processes of risk governance in the detection, quantification, monitoring and communication of relevant risks to the Board of Directors. Enel Perú and Enel Colombia have an Audit and Risk Management Committee that meets periodically to review the risks mapped in these companies.

Furthermore, Enel Américas also has a Crisis Committee whose purpose is to ensure clarity, speed and efficiency in decision making. Finally, the Company has a Critical Events Monitoring Office (OMEC, by its acronym in Spanish), which monitors and manages crises in real time, 24 hours a day, 365 days a year, in all the countries where it operates.

#### Risk control and management policy

<u>Enel Américas' Risk Control and Management Policy</u> aims to establish a model to control and manage risks, regulate the control and management model of such risks and identify the main functions. It involves all persons within the Company and directly or indirectly, controlled companies.

#### **Risk culture**

In 2021, Enel Américas conducted various trainings in the framework of its Risk Management Culture, in which more than 330 participants took part, including those responsible for managing the risks of each area or line of business and members of the Board of Directors. Likewise, the members of the Board of Directors of Enel Américas participated in training sessions on Risk Management Culture and Cyber Risks. The Company's CEOs and CFOs also participated in these trainings. For more information, please refer to the Enel Américas 2021 Annual Report.



#### Risks and opportunities related to the Strategic Plan

Our ESG performance

102-29

The Company seeks protection for all risks that may affect the achievement of business objectives. In January 2020, a new risk taxonomy was approved for the entire Enel Group, consisting of six macro categories: **Strategic, Governance and Culture, Compliance, Financial, Operational and Digital Technology.** This document also includes 37 subcategories and incorporates ESG risks.

The analysis includes environmental, social and governance (ESG) risks, described in the Main ESG Risks section, which are analyzed by the Risk Control area in conjunction with the Sustainability area, to identify those that affect or could affect the Company's business, according to its materiality.

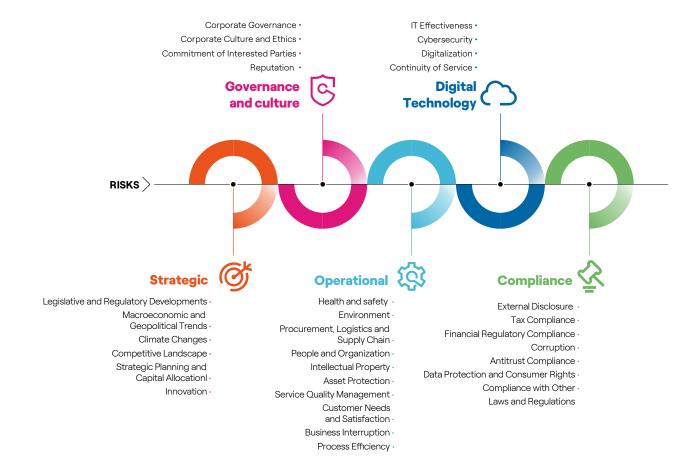
This involves a comprehensive understanding of the value chain, as well as the multidirectional, dynamic relationships

over different time horizons between external variables and each of its stages under different scenarios, considering mega trends and their likely impacts over different time periods.

A structured and systematized theoretical framework is used to identify risks, which considers the contributions of financial analysts, sustainability analysts, perception surveys, guidelines of the Task Force on Climate-related Financial Disclosures (TCFD), results of human rights due diligence, internal, external and ISO audits, among others.

For each risk, a probability of occurrence and impact is estimated, with the participation of the business lines and staff areas actively involved, as a way of creating a culture of risk and sustainability. If necessary, actions are agreed upon at different times to mitigate such risks.

#### Risk taxonomy







#### **SOX internal control**

To identify, treat and preventively monitor the risks that may affect its business continuity, Enel Américas has implemented its Internal Control and Risk Management System (SCIGR). This system is a central part of the corporate governance structure and follows the guidelines of Enel Group, based on the best national and international practices.

Regarding the Sarbanes-Oxley Act, it 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 the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

In addition, 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 because the degree of compliance with policies or procedures may deteriorate over time.

The evaluation 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). According to SOX guidelines, the partner leading the audit of the financial statements is required to change every five years, while the Shareholders' Meeting is responsible for selecting the auditing firm.

For further details on risk management, please refer to the Enel Américas 2021 Annual Report.

#### Internal audit

The Internal Audit Management is responsible for ensuring, in an objective and independent manner, the efficiency and effectiveness of the Internal Control and Risk Management System. This system, and its alignment with the business model, is one of the main success factors of Enel Américas and its subsidiaries.

The objective of the audit processes is to periodically evaluate the Company's operations and to identify areas for improvement, to strengthen the Internal Control System by generating action plans. The results of each audit and

their action plans are reported to the Board of Directors, who supervises the adequate execution of the improvement actions. These audits include control activities associated with the Criminal Risk Prevention Model (MPRP, by its acronym in Spanish), including the Crime Prevention Model according to Law 20,393, to prevent and detect potential risks of illegal acts, fraud and situations of conflict with the ethical principles of Enel Group.

For further information, please refer to the <u>Enel Américas</u> <u>2021 Annual Report</u>.

#### **Ethical standards and conduct**

102-16 Values, principles, norms and standars of behavior

Enel Américas is fully committed to complying with its ethical standards and conduct, as well as with current legislation, both in its internal and external relations. The Board of Directors is the body in charge of supervising compliance with ethical standards and of preventing criminal risks, a task whose follow-up and management is delegated to the Internal Audit Management. To this end, the Company and its subsidiaries have a <a href="Code of Ethics">Code of Ethics</a> that guides the actions, commitments and ethical responsibilities of its members, as well as of its control bodies (Shareholders' Meetings, Directors' Committee and Audit Committee) in the management of

business and corporate activities. The current code was approved by the Board of Directors in the June 2021 session.

The Code of Ethics and other documents that frame the culture in this area (for example, the Zero Tolerance for Corruption Plan and the Global Compliance Program), are communicated to all members of the organization, and are published on the website to allow easy access to their contents.

Specifically, the Code of Ethics defines criteria for ethical behavior; mechanisms for implementation, control and



continuous improvement in compliance; and defines value principles, such as impartiality in decisions, honesty, action in the face of conflicts of interest, confidentiality of information and fair competition, among others.

It should be noted that, to avoid conflicts of interest, the Company complies, on the one hand, with the Corporations Law and, on the other hand, the Board of Directors has adopted the voluntary practice of General Standard No. 461, which covers sustainability issues in a comprehensive manner and includes corporate governance matters.

For further information, please refer to the <u>Enel Américas</u> 2021 Annual Report.

## **Active and passive fight against corruption**

Enel Américas actively opposes any form of corruption, direct or indirect, in the value chain process, in any place where its operations occur, and involving any of its stakeholders. This model covers all the requirements of the Crime Prevention Model defined in Law 20.393 and its modifications under Chilean regulation.

Enel Américas has a <u>Criminal Risk Prevention Model</u> (MPRP), consisting of activities and the definition of expected behaviors of all members and stakeholders. This system is complemented with guidelines defined in the Enel Global Compliance Program, Anti-Bribery Management System (ISO 37001) and the Compliance Management System (ISO 37301). Its main objective is to control and prevent the commission of crimes, as well as to ensure transparent compliance with the standard in all Enel Américas' actions.

The Board of Directors approves the documents that make up this model, relying on the Crime Prevention Officer for its implementation. This body also periodically evaluates and monitors the implementation and improvement of the programs, analyzing possible deficiencies in the company's internal control and risk management system.

The Crime Prevention Officer has the necessary organizational autonomy, empowerment and resources for the proper development of its functions. Periodically the Board of Directors evaluates and monitors the implementation and improvement of the programs at the level of the company's processes, through sessions where the Crime Prevention Officer reports the main activities related to its execution and proper functioning.

In 2021, Enel Américas and its subsidiaries managed to certify the Criminal Risk Prevention Model until 2022 through an authorized external entity, according to the requirements of Law No. 20,393.





#### Legislation in force in Enel Américas subsidiaries

ODS	Meta Plan 2022-2024
	Law on criminal liability for legal persons - Law 27,401. Establishes criminal liability of legal persons for corruption offenses and concussion, among others. In October 2018 the anti-corruption office published detailed guidelines to comply with this law.
<b>(</b>	Anti-corruption Law 12,846/2013. Establishes the civil and administrative liability of legal entities for committing acts against the national or a foreign public administration.
	Law 1,778 of 2016. Establishes rules on the liability of legal persons for acts of transnational corruption and others. Complements Law 1,474 of 2011, Anti-Corruption Statute.
ŵ	Legislative Decree 1,352 of 2017. Gives administrative (criminal) liability to legal persons for crimes of corruption, money laundering and financing of terrorism. The Peruvian Government established a new regulation to develop the minimum elements and concepts of the Prevention Model.
0	Law No. 8,422 against Corruption and Illicit Enrichment in the Public Service of October 6, 2004.
U	By means of Decree number 31-2012 (November 22, 2012), Guatemala included a reform to the Criminal Code regarding the Criminal Liability of Legal Entities, increasing the penalties for crimes related to Corruption.
*	Through Law 23 of April 27, 2015, Panama included new subjects, controls and mechanisms to be applied for the prevention of money laundering, financing of terrorism and the financing of the proliferation of weapons of mass destruction.

# ISO37001 Anti-Bribery Management System Standard

In compliance with the tenth principle of the United Nations Global Compact and SDG 16, under which companies commit to fight corruption in all its forms, including extortion and bribery, Enel Américas contributes to the fulfillment of this commitment through the implementation and maintenance of the pillars of the Anti-Bribery Management System in accordance with ISO 37,001 standard.

Enel Américas applies and maintains the Anti-Bribery Management System according to the ISO 37.001 standard, in accordance with international policies. This standard specifies best practices to prevent, detect and

address bribery through the identification, control and communication of standards of behavior in operations considered at risk, such as negotiations and execution of contracts with third parties.

As part of Enel Américas' commitment to implement best practices worldwide, during 2021 the Company and its subsidiaries maintained the certification of the system under international standard ISO 37.001: 2016.

#### **Subsidiary certifications**

The following are the most relevant Enel Américas subsidiaries that are ISO 37001 certified:

Argentina	Brazil	Colombia	Peru	Central America
Edesur, Central Dock Sud, Enel Generación El Chocón and Enel Generación Costanera.	Enel Brasil, ED Ceará, ED Rio de Janeiro, ED Goiás, ED Sao Paulo, Enel Brasil, CIEN and CGTF	Emgesa, Enel Condensa and Enel Green Power Colombia	Enel Generación Piura, Chinango S.A.C. and Enel X Perú S.A.C.	Enel Green Power Costa Rica S.A.; Enel Green Power Guatemala, S.A.; Enel Fortuna SA; Enel Green Power Panamá SA.



#### **Zero Tolerance for Corruption Plan**

Enel Américas demands that its employees are honest, transparent and fair in the performance of their duties, in accordance with its Code of Ethics. These commitments translate into the following general principles:

Our ESG performance

- Enel Américas rejects all forms of direct and indirect corruption.
- Enel Américas applies a program to fight corruption called Zero Tolerance for Corruption Plan (TCC, by its acronym in Spanish) that strengthens the commitment to prohibit bribes, donations to political parties, favored deals and gifts. Furthermore, it regulates donations to charities and other forms of sponsorship.

#### **Supply Chain Compliance System**

Enel Américas promotes the prevention of crime and the fight against corruption through specific trainings to participants of its supply chain, since the condition of supplier or contractor collaborator implies adhering to the General Contracting Conditions, as incorporated in the Code of Ethics and the Zero Tolerance for Corruption Plan, among others. The Company also has protocols to guarantee and validate the integrity and consistency of the services contracted and executed, especially regarding consulting and professional services, whose providers receive communications and are trained to strengthen their commitment to integrity and to the company's Open Power principles.



#### **COMMUNITY/CUSTOMERS**

Convey the Group's commitment to transparency and integrity in carrying out its activities in order to build trust with communities and customers.





Convey our culture and commitment to Ethics and Compliance and jointly establish and/or strengthen good practices associated

with this matter.



#### **OUR PEERS**

Learn about best practices in the electricity industry and markets while promoting standards that are carried out fully within the Group. These actions will add value to our corporate and industry governance.





### **Compliance Road Map**

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Evaluation and monitoring of internal and external implementation is carried out through the Compliance Road Map (CRM), which defines a work and planification methodology aimed at organizing medium-term activities associated with the Compliance Management System and the Criminal Risk Prevention Model (MPRP). Its objective is to monitor, evaluate and improve Enel Américas' Criminal Risk Prevention Model (MPRP), as well as to contribute to the Group's corporate governance and sustainability strategy. The Compliance Road Map has several pillars of action involving different stakeholders:

During 2021, compliance activities focused on early identification and mitigation of the risks of corruption, bribery and other crimes contemplated in Enel Américas' Compliance Model, with a focus on potential conflicts of interest or unethical conduct in all processes, through the following tools:

- Fraud Risk Assessment (FRA) Matrix: This tool updates
  the corruption risk assessment for all the Group's business
  units, making it possible to identify and evaluate all types
  of fraud events that could occur in the organization.
- Evaluation of the Risk Matrix of the Criminal Risk Prevention Model: During 2021 the documents, risks and controls were updated considering the extension of the scope of Law 20,393, which includes a new crime related to the prevention and protection of workers' health.
- Risk Assessment Matrix: This instrument assesses
  risks in all processes that involve Enel Américas and its
  subsidiaries, through the C.O.S.O. methodology. In 2021,
  the risk typologies considered were updated in line with
  the Company's operating strategy.

 Ethical Channel: Enel Américas made this channel available to all its stakeholders. This externally and independently administered instrument offers guarantees of confidentiality, non-retaliation and anonymity to whistleblowers.

#### Compliance management system

102-17

The implementation of the Compliance Management System is inspired by the international standard ISO 37301:2021, Compliance Management Systems – Requirements with guidance for use (hereinafter ISO 37301) to develop an effective ethical culture in the face of compliance risks. This standard specifies the requirements to implement, develop, evaluate, maintain, audit and improve the Compliance Management System, and provide guidelines regarding measures and practices to integrate processes that act to prevent bribery through the implementation of controls and standards of behavior in operations considered risky. It is part of Enel Américas' Compliance Program and has the Board of Directors as its highest governing body.

#### **Enel Global Compliance Program**

Enel Global Compliance Program (EGCP) is a tool that reinforces the proactive prevention of corporate criminal liability, in accordance with Italian Legislative Decree 231. It is designed to strengthen the Company's commitment to the highest ethical, legal and professional standards, to enhance and preserve its reputation and to contribute to prevent any criminal liability on behalf of Enel Américas. This document is inspired by the most relevant international regulations on this subject, among which are: ISO37001 Standard, Foreign Corrupt Practices Act (USA) and Bribery Act (United Kingdom).



#### **Training**

205-2

The Code of Ethics policy is communicated to employees through the intranet (e.g., dedicated sections on the intranet), organizational documents (e.g., copies given to employees) and legal documents (e.g., clause on its adoption in all contracts), and communication activities to ensure its correct understanding. An annual training plan is also implemented to strengthen this culture among employees and suppliers.

During 2021, the Company and its subsidiaries conducted 40 trainings related to the Criminal Risk Prevention Model, in which 7,250 employees participated (on average, 60% of staff), and of these, 4,828 were trained in Sexual and Labor Harassment issues (on average, 30% of staff). These

activities focused on the prevention of corruption and unethical behavior, use of the Ethics Channel, Anti-Bribery Management System (ISO 37001) and, in general, knowledge of the Company's Compliance System. In addition, the Company organized an Ethics Week for employees, which included training events, and activities to reinforce values, transparency and the ISO 37001 Anti-Bribery Management System.

Moreover, during 2021, training activities were also carried out for all suppliers of Enel Américas and its subsidiaries, such as the Alliance for Integrity on good integrity practices, and the annual Supplier Day, to reinforce the dissemination of the Ethical Channel and its principles of transparency.

	Employees trained in anti-corruption policies and Code of Ethics	Scope	Total hours	2021 training goals
Argentina	520	13%	1,062	14%
Brazil	4,128	46%	6,717	14%
Colombia	1,612	69%	3,199	14%
Peru	895	91%	989	14%
Central America	53	57%	107	14%

#### **Participation in external initiatives**

102-12

Enel Américas voluntarily participates and adheres to various initiatives to measure the effectiveness of its compliance programs, evaluate its performance and apply best practices in corporate governance and sustainability management, such as:

- Adherence to the Global Compact.
- Member of the Transparency network ChileTransparente (Chilean chapter of Transparency International) for the definition of best practices in business-government relations.
- Belongs to the community of companies certified with ISO 37001 Anti-Bribery Management System.
- Belongs to the community of companies with its Criminal Risk Prevention Model certified according to Law No. 20,393.

- Member of the Compliance Circle of the Chilean-German Chamber of Commerce and Industry (CAMCHAL).
- Member of the LatAm Regional Working Group of Alliance for Integrity.

Additionally, in 2021 the Company actively participated in several dissemination events, some of which are:

- · LatAm Alliance for Integrity Regional Working Group.
- Transparency International in the United Kingdom: talk on the role of companies from a corporate and governance perspective, in relation to business, human rights and corruption.





#### **Argentina**

- ISO 19,600 Certification.
- Participation in the Argentine Association of Ethics and Compliance, in which the Company has sponsored the V International Congress of Compliance 2020, among other activities.

#### **Brazil**

· Pro-ethical Initiative.

#### Colombia

 The Company promoted 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 disseminating tips for responding to and managing these excuses in the energy sector.

- Collective Action for Ethics and Transparency in the Electricity Sector, an initiative founded in 2015 to promote healthy competition, trust and sustainability among companies and the sector, considering best practices in transparency, anti-corruption and regulatory compliance.
- The Company is a member of the Compliance Officers'
  Grid and constantly engages in anti-corruption worktables
  together with Global Compact, the United Nations Office
  on Drugs and Crime (UNODC), Transparency for Colombia
  and the Transparency Secretary of the Presidency of the
  Republic.

#### Peru

- ISO 37.001 SGAS Certification.
- The Company provided lecturers on ISO 37,001 and Antibribery Management System, who collaborated with the Pachacutec Institute and the University of Piura for its Senior Management Program - PAD.

#### **Ethical Channel**

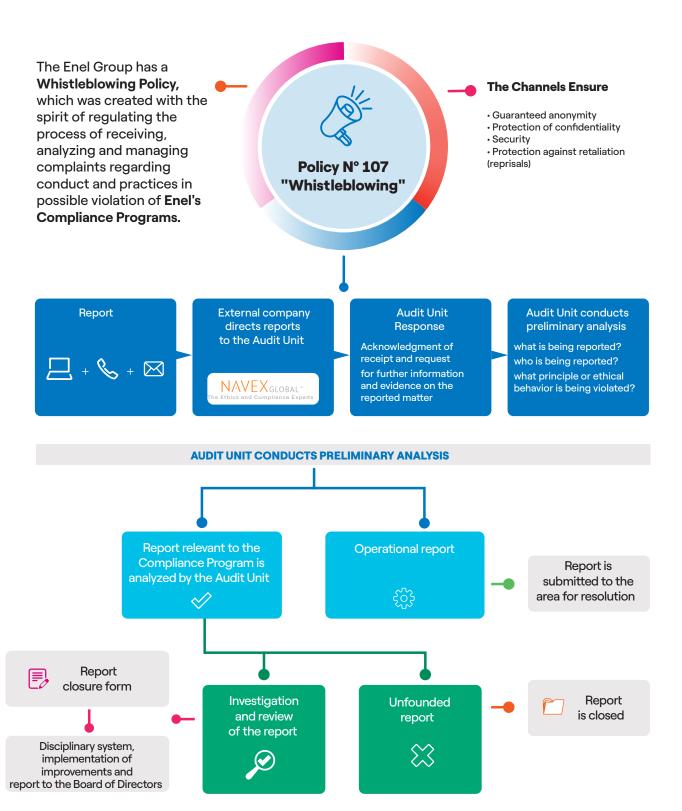
102-17

Enel Américas has an ethical mailbox to report bad practices confidentially and anonymously. The existence of an <a href="Ethics Channel">Ethics Channel</a> has been duly disseminated within the Company and is extensively known by employees, contractors, suppliers, customers, communities and other interested

parties, and can be accessed by telephone, in person or remotely via the Company's intranet and website. This way, the whistleblower can use the channel to provide information related to the reported situation, as well as receive feedback and queries from those responsible for managing the case.



Our sustainable progress







#### Whistleblower protection

#### 205-3 | 206-1

Regarding the Ethical Channel, and through Global Policy No. 107 on Whistleblowing, the Company ensures anonymity, protection against retaliation of the whistleblower and protection against bad faith whistleblowing, through a solid and effective management system for reporting irregularities, consistent with the principles of trust, impartiality and protection of whistleblowers. The Ethics Channel is managed by the Internal Audit Management and administered by an external company (Navex). This channel also allows the reporting of irregular conducts that are contrary to the principles of the Criminal Risk Prevention Model, the Code of Ethics or that may come into conflict in other areas such as accounting, money laundering, terrorist

financing, bribery, corruption, receiving, misappropriation, incompatible negotiation and environmental crimes, among others. Complaints received are investigated internally and reported to the Directors' Committee.

During this period, 75 complaints were received under the scope of Enel Américas and its subsidiaries, which resulted in 16 violations of a non-significant nature to the Company's Code of Ethics, in matters of contract management and Health & Safety. It should be noted that in the last five years, Enel Américas has not had any confirmed cases of corruption and bribery against it, nor has it received fines related to anti-competitive practices over the same period.

KPI	UM	2021	2020	2019	2018	2017	2021-2020	%
Complaints received (1)	n.	75	93	110	93	68	(18)	-19%
Non-compliances related to episodes of:	n.	16	21	25	13	21	(5)	-24%
Conflict of interest/ corruption (2)	n.	3	2	4	3	3	1	50%
Misuse of assets	n.	2	12	7	6	12	(10)	-83%
Labor climate	n.	4	7	11	3	5	(3)	-43%
Community and society	n.	-	-	-	-	-	-	-
Other motivations (3)	n.	6	-	3	1	1	6	100%
Workplace and sexual harassment	n.	1	-	-	-	-	1	100%

<sup>(1)</sup> During 2021 there was a slight reduction in reports related to potential non-compliance with the Code of Ethics.

#### **Analysis of complaints to the Ethics Channel**

The Directors' Committee analyzes the report submitted by the Audit Manager together with all the complaints received through the Ethics Channel that were analyzed in each period. The committee provides guidelines to be followed regarding the corrective measures to be implemented. The Directors' Committee analyzes the report presented by the Audit Manager with all the complaints received through the Ethics Channel that were subject to analysis in each period. The committee provides guidelines to be followed regarding the corrective measures to be implemented. In this regard, it should be noted that there have been no situations of non-compliance or violations to the code of ethics in issues pertaining to labor or sexual harassment, whose behaviors have been typified in the Policy on Labor and Sexual Harassment, and duly communicated through internal publications on the intranet.

#### Where to report?

#### **Corporate Web**

https://www.enelamericas.com/es/inversionistas/a201609-canal-etico.html

#### Internet

#### Direct ethical channel:

https://secure.ethicspoint.eu/domain/ media/es/gui/102504/ index.html

#### In person or in writing

#### **Enel Américas**

Internal Audit Management, Santiago, Santa Rosa 76, 9th floor.



<sup>(2)</sup> The three cases reported correspond to situations of conflict of interest, which were investigated within the established 90-day period, and consequently, the corresponding disciplinary measures were taken, in accordance with the internal regulations of each company. Corruption is the abuse of power for private gain and can be carried out by individuals in the public or private sector. It is interpreted to include corruption practices such as bribery, extortion, collusion, conflicts of interest and money laundering. No cases of corruption have been reported.

<sup>(3)</sup> Other motivations refer to control weaknesses in technical processes or non-compliance related to contractors. The six cases reported were investigated within the established 90-day period, and the sanctions were applied in accordance with the company's internal Code of Ethics.

<sup>(4)</sup> Regarding the case reported, this corresponds to inappropriate individual verbal conduct towards an Enel employee by a collaborator of an external company, it was investigated within the established 90-day period, and the sanctioning measures were applied through the channels established for this purpose.

## Institutional relations and participation in associations

Relationships with local, national and international institutions allow Enel Américas to represent its interests, promoting its stance and good practices on issues such as sustainable development of the energy sector, in addition to making an annual contribution for its management.

Our ESG performance

Enel Américas and its subsidiaries forge scenarios of participation and collaboration with stakeholders and the civil society, where they share practices in transparency and probity, and promote sustainable growth in the region with relevant actors in the field, such as Alliance for Integrity, Generación Empresarial Foundation, Instituto Ethos in Brazil, the Secretary of Transparency of Colombia, and the Argentinean Association of Ethics and Compliance, among other organizations.

Through Institutional Relations, companies can learn about legislative, political, regulatory or administrative issues that -in one way or another- could affect their business and their interests in the market. At the same time, they provide information on the commercial scenario of various industries, the entry of new investors, trends and prospects, among other aspects. Associations also act as a defense mechanism for business interests, especially in crisis situations, and expand the circle of influence of companies, by allowing their executives, managers or partners to interact with the government or with other commercial agents, on the understanding that the more connections a company has, the more options there are to close deals in the short, medium or long term. Thus, having a solid Institutional Relations management is key to building a good brand reputation, where the defined strategy must be coherent and capable of adapting the conversational model that the organization keeps with its stakeholders.

In this context, Enel Américas seeks to maintain a fluid and constant relationship with authorities, within a legal framework that guarantees the transparency and probity of Enel Group in this interaction, in accordance with its Compliance Program, and the Criminal Risk Prevention Model and all its components. For institutions to be in a good place for decision-making, all activities with these entities are registered and controlled in accordance with Law 20,730, which regulates lobbying and efforts to represent private interests before authorities and officials. For this purpose, the Company keeps internal procedures and manuals, which are mandatory for any member, representative or contractor of the company, who is related to members of State institutions.

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	2021	2020	2019	2018
Contributions over the last four periods	US\$1,295,433	US\$ 1,223,198	US\$ 949,581	US\$ 1,172,089

<sup>\*</sup>Enel Américas and its subsidiaries have not made any contribution related to lobbying, interest representation or similar, political campaigns / support to organizations / contributions to local, regional or national candidates or others (e.g., expenses related to ballot measures or referendums), in compliance with Law 20,900, as well as with the Group's internal policies.

In 2021, the three most important contributions made to associations were to the Brazilian Association of Electric Energy Distributors (Abradee; US\$ 175,821), the Colombian Association of Energy Distributors (ASOCODIS; US\$ 154,206), and the National Association of Public Utilities and Communications Companies in Colombia (ANDESCO; US\$ 79,991).

The institutional dialogue of the trade and business associations in which Enel Américas or its subsidiaries engaged in 2021, focused on providing support to the regulatory and consultation processes on the following main topics:

- Development of energy policies. Includes perspectives on energy strategy, energy efficiency, growth of renewable energy, development of smart grids and energy prices, among other related issues. The contribution made to this topic in 2021 was US\$ 844,532.
- Increased business competitiveness. Includes, but is not limited to, tax regulation, labor regulation or environmental policies. The contribution made to this item in 2021 US\$ 450.901.

<sup>\*\*</sup> Data coverage corresponds to 100% as a percentage of income for the four years.





## **Memberships and associations**

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#### **Argentina**

- AAEC Argentine Association of Ethics and Compliance
- ADEERA Argentine Association of Electric Power Distributors
- AEA Argentine Electrotechnical Association
- AEA Argentine Business Association
- Argentine Association of Electric and Alternative Vehicles
- AGEERA Association of Electric Power Generators of Argentina
- CAC Argentine Chamber of Commerce
- CACIER Argentine Committee of the Regional Electric Integration Commission
- CACME Argentine Committee of the World Energy Council
- Italian Chamber of Commerce in the Argentine Republic
- CAP Argentine Committee of Dams
- CEADS Argentine Business Council for Sustainable Development
- Corporation for the Research and Technological Development of the Electric Sector
- CSA Chamber of Corporations
- IAE General Mosconi General Mosconi Argentine Energy Institute
- IAIA Argentine Institute of Internal Auditors
- IARSE Argentine Institute of Corporate Social Responsibility
- IDEA Institute for the Entrepreneurial Development of Argentina
- IRAM Argentine Institute for Standardization and Certification
- United Nations Global Compact Network
- United Nations Global Compact Argentina Network

#### Brazil

- ABRAGE Brazilian Association of Electricity Generating Companies
- ABRAREC Brazilian Association of Company-Customer Relations
- ABRADEE Brazilian Association of Electric Power Distributors
- ABEEólica Brazilian Wind Energy Association
- ABSOLAR Brazilian Association of Photovoltaic Solar Energy
- ABRAGET Brazilian Association of Thermoelectric Generators
- ABRAGEL Brazilian Association of Clean Energy Generation

- ABVQ Brazilian Association of Quality of Life
- Abraceel Brazilian Association of Energy Traders
- APINE Brazilian Association of Independent Power Producers
- CCIRB Rio de Janeiro Italian-Brazilian Chamber of Commerce
- ENEL Distribuição São Paulo Electric Power Consumers Council (Conselho de Consumidores de Energia Elétrica de ENEL Distribuição São Paulo)
- CREA-SP Regional Council of Engineering and Architecture
- FIESP Federation of Industries of the State of São Paulo
- · ABRINQ Foundation Sustainability
- CESP Energy and Sanitation Foundation
- FGV Getúlio Vargas Foundation
- ABRADEE Energy Institute
- Acende Brazil Institute
- Ethos Institute of Social Responsibility
- Global Compact Global Compact Brazil Network Institute
- SindiEnergia São Paulo State Energy Industry Union
- ABRASCE Brazilian Association of Shopping Centers
- SENAI National Industrial Learning Service
- FIRJAN Federation of Industries of the State of Rio de Janeiro
- CNI National Confederation of Industry
- ISPCV São Paulo Institute against Violence
- TAPA Business Leadership Group Ltd.
- COGE Brazilian Electric Sector Foundation
- ABDIB Brazilian Association of Infrastructure and Basic
  Industries
- ABRAFAC Brazilian Association of Facilities, Property and Workplace Management
- GEI Brasile Gruppo Espponenti Italiani
- ABNT Brazilian Association of Technical Standards

#### Colombia

- Association Network of Business Leaders Against Climate Change
- ProBogotá Region
- Colombian Association of Carbon Market Stakeholders
- Colombian Association of Energy Distributors
- Colombian Association of Electric Energy Generators
- Human Management Association of Bogota and Cundinamarca
- Colombian Institute of Tax Law Association
- National Association of Colombian Businesspeople
- National Association of Public Utility and Communications Companies



- Colombian Chamber of Construction
- Colombian Hispanic Chamber of Commerce
- · Colombo-Chilean Chamber of Commerce and Industry
- Italian Chamber of Commerce for Colombia
- Colombia Inteligente
- Commercialization Advisory Committee
- CIER Colombian Committee
- WEC Colombian Committee
- Connect Bogota Region
- National Operation Council
- Research and Technological Development Center of the Electric Sector Corporation
- United Nations Global Compact

Enel Américas participates in the Global Compact in the countries where it operates as a sign of its commitment to implement the principles of sustainability and take concrete actions to achieve the goals of the United Nations throughout its value chain.

Likewise, Enel Américas shares and carries out actions aligned with Enel Group commitments.

#### **Engagements of The Enel Group**

Bussiness Ambitions for 1.5°C

**Carbon Princing Champions** 

**Caring For Climate** 

**CEO Water Mandate** 

**CFO Principles** 

**Global Compact Board Programme** 

**Global Compact LEAD** 

**Human Rights and Labour Working Group** 

**Science Based Targets (Approved)** 

**Target Gender Equality** 

**Women's Empowerment Principles** 

#### Peru

- · Official Spanish Chamber of Commerce in Peru
- Italian Chamber of Commerce in Peru
- Association for the Progress of Management
- National Society for Mining, Petroleum and Energy
- Global Compact

#### **Central America**

#### **Costa Rica**

- EAD Business Alliance for Development
- Signing of the Empowerment of Women Principles UN Women
- Global Compact
- · Costa Rican Chamber of Industries

#### **Guatemala**

- Guatemalan Center for Cleaner Production
- Renewable Energy Generators Association
- · Guatemalan Chamber of Industry

#### **Panama**

- Chamber of Industries and Agriculture of Panama
- American Chamber of Commerce (Commercial relations with the United States)
- Panama Industrial Union
- Panamanian Association of Business Executives
- Sumarse UN Pact, SDGs
- Panamanian Solar Chamber
- International Chamber of Commerce
- Regional Electric Guild
- Panamanian National Association of Generators
- Italian Chamber of Commerce (recently founded)





## Fiscal transparency

#### Fiscal strategy

207-1

Enel Américas adheres to <u>Enel Group's Tax Strategy</u>, which is based on a set of principles and guidelines inspired by values of transparency and legality in tax management, assuming the responsibility to ensure its knowledge and application

#### Tax strategy objectives and principles

Enel Américas' Board of Directors approved the Group's tax strategy, with the objective of ensuring that taxation is managed in a uniform way across all Company subsidiaries. Its objectives are:

- **1.** To determine and liquidate taxes due in a correct and timely way, in accordance with the law and complying with corresponding obligations.
- **2.** Manage tax risk, which is understood as the risk of incurring in any violation of tax regulations or abuse of the principles and purposes of the tax system.

In turn, the strategy outlines the following principles as guidelines for Enel Américas and the different subsidiaries of the Group, to support their business activity and keep it consistent with the fiscal variable, adopting the appropriate processes to ensure their effectiveness and application:

- Values: The Company's tax management is aligned with the values of honesty and integrity, as the Company is aware that tax revenues are one of the main sources of contribution to the economic and social development of the countries in which it operates.
- Legality: The Company pursues a behavior oriented towards compliance with applicable tax regulations and is committed to interpreting them with respect to both form and substance.
- Tone at the top: The Board of Directors has the responsibility to lead a corporate culture based on the values of honesty and integrity, and the principle of legality.

- **Transparency:** The Company maintains collaborative and transparent relations with tax authorities.
- Shareholder value: Considers tax to be a business cost and, as such, believes that it should be managed in accordance with the principle of legality, with the objective of safeguarding the Group's assets and pursuing the overriding interest of creating value for shareholders in the medium and long term.

#### **Compliance**

Enel Américas must respect the principle of legality, promptly applying tax laws to ensure that the applicable tax regulation or regime is fully respected. Likewise, Enel Américas does not engage in national or cross-border conducts or operations that result in purely artificial constructions that do not reflect the economic reality and from which it obtains undue tax advantages, coming in conflict with the purpose or spirit of the tax provisions or system in question.

The Company must respect the principle of legality and promptly apply the tax laws of the countries in which it operates to ensure that the wording, spirit and purpose of the applicable tax rule or regime is respected.

#### Intercompany transactions

All intercompany transactions follow a transfer pricing policy, which has been adopted by Enel Group, in line with the arm's length principle, an international standard established by the Model Tax Convention and referred to in the OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations.

In this regard, intercompany relations are structured at market prices and conditions, ensuring the creation of value in the locations where Enel Group operates. To minimize tax risks, and in line with applicable regulations, the Group encourages the signing of Advance Pricing Agreements (APAs) with local tax authorities when establishing transfer pricing methods, when allocating profits and losses to permanent establishments, and when applying the rules on cross-border flows between Group entities.



For intercompany financial transactions, Enel Group has adopted a centralized financing model for its subsidiaries, which requires the Group's two financial companies, Enel Finance International (EFI) and Enel Finance América (EFA), to centralize part of their treasury activities and access to financial markets, and to act as the main point of reference for the management of financial or liquidity needs generated by operating entities.

In the operations that Enel Américas has or may contract with both financial companies, these intercompany debts may be recorded either at amortized cost, using the effective interest rate method, or at fair value as required by IFRS 13.

#### **Tax jurisdiction**

Enel Américas does not invest in or through countries considered tax havens for the sole purpose of reducing its tax burden. Such investments may only be proposed if they are supported by well-founded economic-strategic reasons and are aimed at the development of the activities included in the Group's corporate purpose.

#### Tax incentives

Tax incentives are a key mechanism for a development-oriented economic policy. They are employed by states to stimulate growth and attract investment. The use of tax incentives generally results in a reduction of tax liabilities in the long term. In this line, Enel Américas only uses tax incentives of broad application, respecting all specific regulations and taking care that the incentives are in line with its industrial and operational objectives, and are consistent with the economic substance of its investments.

#### **Fiscal Governance**

207-2

Enel Américas' Tax Affairs Management oversees the implementation of the Group's tax strategy. It is responsible for managing and ensuring compliance, planning and monitoring these matters at a regional level. This extends to every country in which Enel Américas operates.

The Company has also adopted a set of rules, procedures and standards that are part of the Enel Group's broader

system of organization and control. These are applicable both at the Group level and at the local level of each subsidiary. These documents are published on the company's Intranet, are accessible to all employees and constitute the general rule of conduct applicable in tax matters for the development of Company activities. In addition, there are specific organizational documents – both at global and regional levels – on tax compliance processes, tax planning, tax monitoring, transfer pricing and tax risk management.

#### **Tax risks**

To provide clear and consistent guidelines to address an effective approach to tax risk management within the Company, Enel Américas has a Tax Control Framework (TCF). This framework establishes guidelines and methodological rules to consistently assess, control and manage tax risk, in accordance with the principles and guidelines established in the tax strategy. Aware that Enel Américas subsidiaries operate in different jurisdictions, each one of them adopts the TCF respecting the specific corporate context and internal regulations of their own country. In this regard, the Company has adopted a Tax Risk Policy whose main objective is to provide the tax units with unambiguous and consistent guidance when implementing the TCF locally.

The TCF seeks to identify the sources of tax risk that could arise, taking compliance with tax regulations as a framework. To this end, it maps the respective processes and activities, identifying possible risk events, to then links control measures to each of them. This is done periodically, and results are made known to all relevant corporate functions and bodies, to establish the most appropriate way to mitigate such risks.

For further details on tax risks, please refer to <u>Enel Américas'</u> <u>2021 Annual Report</u>.

#### **Transparent relationship with stakeholders**

207-3

Enel Américas ensures transparency and integrity in its relations with tax authorities and acts with a transparent and collaborative approach with all institutions and associations involved in carrying out an effective tax system. Likewise, the Company is committed to absolute transparency on tax

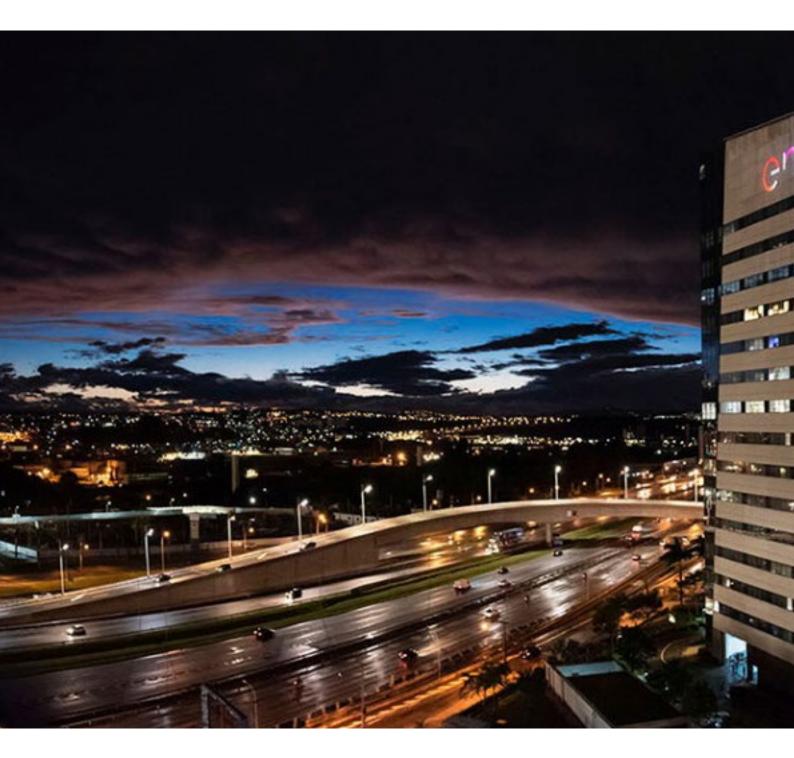




issues that may be of interest to third parties as well, trying to maintain updated and available information for anyone who wants to consult it on its website. In addition, since 2018, Enel Américas publishes its Total Tax Contribution Report annually, which can also be downloaded from the Company's website.

Furthermore, the Company has internal channels through which possible tax violations can be reported. The Group's Code of Ethics serves as the framework within which Enel Américas operates in this arena, which contains appropriate provisions to ensure its effective implementation, and requirements that must be considered to cover the provisions of the tax strategy.

For more details on the tax contributions made by the Company, see the <u>Enel Américas</u> website.



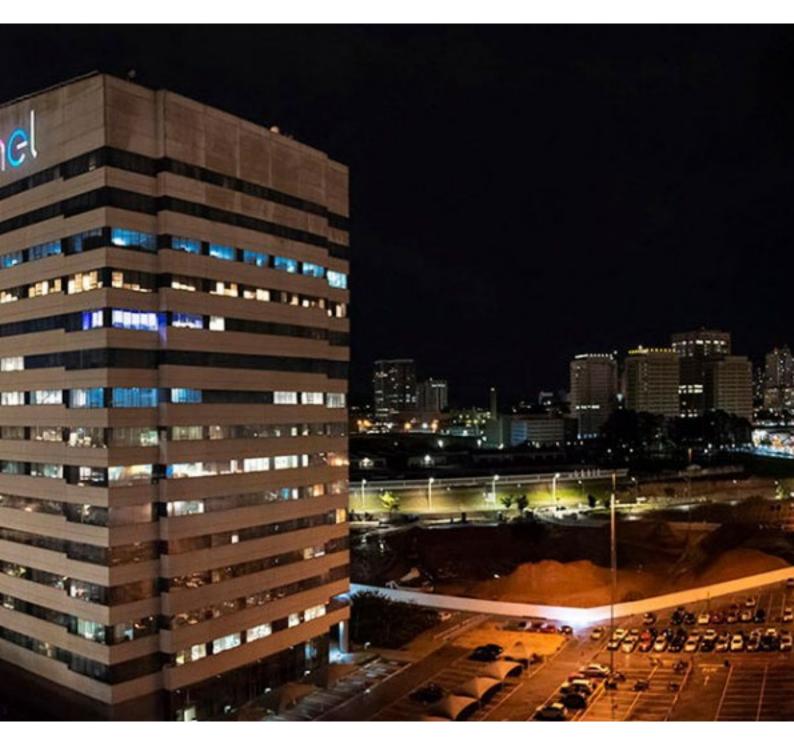


## Some figures

207-4

The following are the relevant consolidated 2021 figures for Enel Américas.

	million US\$
Revenues from sales to third parties	14,534
Income from intra-group transactions with other tax jurisdictions	1
Profit / loss before taxes	1,941
Tangible assets other than cash and cash equivalents	28,806
Corporate income tax paid	865
Corporate income tax accrued on profits or losses	640







## Management for human rights

407-1 | 408-1 | 409-1 | 412-1

The respect and promotion of human rights is a fundamental element to enhance sustainable progress. That is why Enel Américas, together with its stakeholders, applies a business model that seeks to create value through innovation, achieving excellence leveraged by respect for human rights throughout its entire value chain and in all the territories where it operates.

Constructive and participatory dialogue with different stakeholders provides unique opportunities to reconcile the movement towards Net Zero and the social impacts it entails. Enel Américas' human rights approach considers the Guiding Principles on Business and Human Rights of the United Nations (UN), which since 2011 establishes the authorized global standards for assessing management systems and

human rights risks related to business activity and states that organizations have an obligation to respect them, acting in accordance with due diligence to avoid violating the rights of others and to address the adverse impacts in which they could be involved

In 2013 and upon approval by the Board of Directors, Enel Group adopted the UN Guiding Principles for Business and Human Rights approach to "Protect, Respect and Remedy", through the drafting of a policy dedicated to human rights in each of its companies. This commitment strengthens and deepens the values and pillars of Enel Américas' corporate ethics, based on the Code of Ethics, the Zero Tolerance to Corruption Plan and the Enel Global Compliance Program.

PROTECT	RESPECT	REMEDY
Ensuring human rights through	Understanding and disclosing human	Take remedial measures through
appropriate policies and standards.	rights impacts, as well as mitigation	judicial and non-judicial approaches.
	and corrective measures.	

#### **Protect**

Enel Américas has established a Policy approved by its Board of Directors, which was updated in November 2021 to adapt to the evolution of international reference frameworks and to its own operational, organizational and management processes. This Policy establishes the commitment and responsibilities that all people working in Enel Américas and its subsidiaries assume in relation to human rights, and especially those that apply to its business activities and industrial operations, as well as asserting the standards to be met by all stakeholders. It also promotes the adherence of its contractors, suppliers and business partners to the same principles, paying particular attention to conflict and high-risk situations.

The 12 principles of the updated Human Rights Policy, available on the <a href="https://www.enelaméricas.com">www.enelaméricas.com</a> website, are grouped into two macro themes: "Work practices" and "Community and society". The Policy also focuses on how environmental issues and climate change are interconnected with human rights, since the implementation of measures to mitigate

their effects cannot be carried out without giving their social impact due consideration.

#### Work practices:

- Rejection of forced or compulsory labor and child labor and any form of slavery and human trafficking.
- 2. Respect for diversity and non-discrimination.
- 3. Freedom of association and collective bargaining
- 4. Health, safety and welfare
- 5. Fair and favorable working conditions

#### Community and society:

- 6. Environment
- 7. Respect for community rights
- 8. Respect for the rights of local communities
- 9. Respect for the rights of indigenous and tribal peoples.
- 10. Integrity: zero tolerance for corruption
- 11. Privacy
- 12. Communications



The principles included have been selected for their relevance to Enel Américas' business activities and relations, and the updated version is the result of a consultation process at a global level and within each country, which were carried out in line with the UN "Guidance for Business: How to Develop a Human Rights Policy" and involved employees, suppliers, human rights experts, think tanks, NGOs and other companies.

Some of the most relevant additions to the text are:

- Introduction and integration of the scope of application of the Policy in terms of stakeholder categories specifically correlated to Enel Américas' value chain.
- Reinforcement of the principles "Respect for diversity and non-discrimination" and "Health and safety". The latter now includes a specific reference to respect for physical and psychological well-being, as well as the integration of work and personal life.
- Three principles were added to the "Communities and Society" section:
  - "Environment", in the understanding that a safe, clean, healthy and sustainable environment is integral to the full enjoyment of a wide range of human rights, ensuring alignment with the <u>Environmental Policy</u> and introducing the notion of respect for biodiversity.
  - "Respect for the rights of local communities" and "Respect for the rights of indigenous and tribal peoples" (the latter, in line with Convention No. 169 of the International Labor Organization, ILO), which were previously included in the principle "Respect for the rights of communities".
  - The "Privacy and Communications" principle was divided into two distinct principles, "Privacy" and "Communications", with the ensuing strengthening of each of its messages, as well as of the correlation with customers, which was covered in more detail.

The principles expressed in the Policy are inspired by the Universal Declaration of Human Rights; the International Convention on Civil and Political Rights; the International Convention on Economic, Social and Cultural Rights; and the principles relating to fundamental rights set forth in the International Labor Organization's Declaration on Fundamental Principles and Rights at Work.

In line with the United Nations Guiding Principles on Business and Human Rights, Enel Américas has a complaints mechanism where internal and external stakeholders can report a situation in which they believe their fundamental rights are being violated. This is done in accordance with the principles of Enel Américas' Human Rights Policy, through the Internal Audit Management or through the Ethics Channel.

If a violation of the principles contained in the Human Rights Policy is found following a complaint, the corresponding procedure provided for in the Code of Ethics will be applied.

Enel Américas ensures that whistleblowers are not subject to any act of retaliation and that their identity remains confidential, unless otherwise required by law. For more information on the whistleblower channel, see <u>Governance</u>.

Enel Américas is committed to monitoring the implementation of the Policy with different instruments i) through a specific due diligence process, ii) by promoting practices in line with a fair and inclusive transition, and iii) by reporting evidence of the actions identified in the Improvement Plan to prevent and remedy possible noncompliance instances.

Particularly, as required by UN guidelines, a specific human rights due diligence process has been developed (which is described below). This process covers the entire value chain throughout the territory in which Enel Américas is present and aims to identify whether any of its operating procedures and processes requires an improvement plan to strengthen its Management System, to ensure compliance with the commitments made in the Human Rights Policy.

An organizational and corporate governance model that establishes well-defined objectives, tasks and responsibilities of the main governing bodies, management and areas of the Company, ensures that sustainability and, therefore, respect for the commitment to human rights, is an integral part of the corporate decision-making process.





## Respect

# Due diligence process as a human rights management mechanism

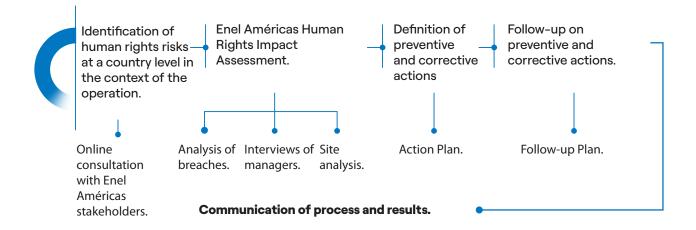
In order to apply the commitments contained in the Human Rights Policy, and to ensure their implementation and monitoring, and in accordance with the "OECD Guidelines for Multinational Enterprises" and the "Due Diligence Guidance for Responsible Business Conduct," Enel Américas implemented specific due diligence processes in 2016, which are executed in three-year cycles, and which consider the entire value chain for all business lines and operations, including the activities of generation, distribution, transmission and commercialization of electricity, as well as the management of the supply chain and corporate functions.

#### Steps in the due diligence process

- 1. Identification of the risks perceived by key stakeholders at country level, with respect to labor, local community and environmental rights. Some of the stakeholders covered in this due diligence process are local communities, indigenous people, migrants, women, our employees, among others.
- 2. Perform a gap analysis aimed at evaluating operational and risk monitoring processes, to identify the actual and

potential impacts of Enel Américas' activities on human rights.

- 3. Perform out Improvement Plan actions to cover the gaps and areas for improvement identified in the previous stages.
- 4. Follow-up on the progress of the implementation of the remediations included in the Improvement Plan.



Through its due diligence process of the Human Rights Management System, Enel Américas can evaluate 100% of the adopted policies and operating procedures to identify the risks of direct and indirect operations along the entire value chain, and for new business relationships of Enel Américas (e.g.,

acquisitions, mergers, joint ventures, among others).

Another human rights due diligence process took place in 2020, which is presented below.



#### 1. Perceived risk assessment

Enel Américas surveyed relevant stakeholders such as workers, contractors, suppliers, local communities, customers, representatives of indigenous peoples, migrants and experts from different sectors, including women in all categories. This consultation was held in 2020 to outline the reality in each country, understand the context in which the Company operates in terms of human rights, and identify the most relevant risks related to the business

Our ESG performance

This consultation identified relevant issues in nine categories: Fair working conditions; Diversity; Child labor including child trafficking; Forced labor including human trafficking; Freedom of association; Occupational safety; Community; Indigenous communities; and Environment.

In each category, respondents were asked to indicate the level of impact and likelihood, in accordance with:

- Impact if a certain situation is not complied with in your country, according to the following classification: 1: Very low impact / 2: Low impact / 3: Medium impact / 4: High impact / 5: Very high impact.
- Existing probability that this situation will not be complied with in your country, according to the following classification: 1: Unlikely / 2: Somewhat unlikely / 3: Likely / 4: Moderately likely / 5: Very likely.

Results obtained in each country indicate that issues related to corruption, environmental impacts and diversity and inclusion in the organization, present a high priority risk assessment and issues related to labor practices and mitigation of impacts on local and indigenous communities with which the Company coexists, present a to be monitored risk assessment

From the point of view of protecting local communities, the issue is of greater importance in Latin American countries, in line with what had already emerged in the previous evaluation cycle. On the other hand, health and safety in the workplace continues to be perceived as a crucial issue to monitor in all countries where Enel Américas operates.

#### 2. Evaluation of Enel Américas' impacts

Enel Américas carried out an analysis of the entire value creation chain, to evaluate the practices and policies that the Company has adopted on human rights, and to analyze the organization and control systems that it has in place to identify the current and potential impacts that the Company has on each of the aspects included in the Human Rights Policy. To this end, Enel Américas acted on two levels:

#### Gap analysis

Enel Américas engaged in a self-assessment process, which included an analysis at the operational level of the Company's policies, procedures, systems and practices in each area of its value chain, through the consideration of more than 100 indicators. The assessment examined four parameters defined by the UN Guiding Principles on Business and Human Rights.

- · Public commitment to respect human rights.
- Adoption of a due diligence process for human rights issues.
- Development of Action Plans to remedy any impacts identified in the due diligence process.
- Adaptation to local context and rules.

#### In-depth interviews with managers

In-depth interviews were conducted with senior management to analyze the level to which this echelon integrates respect for human rights as key to Company processes, thus identifying potential risks and opportunities for growth.

The analysis shows that Enel Américas has a solid set of mechanisms and management systems in place to monitor potential human rights violations, allowing it to adequately manage the risks identified.





The implementation of a comprehensive work on human rights has had a very positive evolution in the rating of the risks analyzed in the 2020 due diligence survey for all countries. Following is a chart with the results obtained.

Issues	Average perceived risk	Human rights system	Main policies and procedures for the protection of human rights
Employment practices			
Freedom of association and collective bargaining	Medium risk to be controlled	Robust	Enel is committed to respecting the freedom of association and collective bargaining of its employees. Particularly, Enel recognizes their right to create or participate in organizations aimed at defending and promoting their interests; recognizes that they are represented by trade unions or other forms of representation, therefore counteracting any action of discrimination in the exercise of this right; recognizes the value of collective bargaining as a privileged tool for the determination of contractual conditions and for the regulation of relations between company management and trade unions.
Rejection of forced labor	Medium risk to be controlled	Robust	Contracts regulate working conditions in their entirety by clearly defining workers' rights (working time, remuneration, overtime, benefits,
Fair and favorable working conditions	Medium risk to be controlled	Robust	<ul> <li>allowances). Each employee is guaranteed an employment contract translated into his or her native language. Human resource management systems and procedures ensure the absence of minors in the workforce. Internship and school-</li> </ul>
Rejection of child labor	Medium risk to be controlled	Robust	to-work projects are also implemented.
Diversity and inclusion	Medium risk to be controlled	Robust	For further information see chapter "People".
Health and safety	Medium risk to be controlled	Robust	For further information see chapter "Occupational Health and Safety".
Community and society			
Community relations	Medium risk to be controlled	Robust	For further information see chapter "Communities".
Environmental impacts	High-priority risk	Robust	For further information see chapter "Environmental Sustainability".
Corruption	High-priority risk	Robust	For further information see chapter "Active and passive fight against corruption".



## Remedy

#### **Action Plans**

The risks and opportunities for improvement identified in previous phases lead to the definition of specific preventive and corrective actions that are part of an Action Plan to address, mitigate or control each risk and/or situation detected. A total of 118 actions were defined, with 48% progress in the 7 countries.

The following are the major gaps identified in each country's due diligence process, and the main actions implemented also by country.

#### **Argentina**

The largest gaps are in the areas of health and safety, and freedom of association with 87% and 95%, respectively.

To continue working on maintaining and improving the standards achieved, an Action Plan was developed which includes training and dissemination activities, data protection, health and safety, diversity and inclusion, value chain and transparency. As a result, during 2021 the Company reached 75% progress in the Action Plan for the remediation of the risks identified in the Due Diligence stage.

#### **Brazil**

The issues with the largest gaps were environmental and diversity with 86% and 89%, respectively.

The Action Plan implemented included 15 initiatives including dissemination, training, operational instructions, reporting and monitoring of the behavior of both Company employees and third parties. This plan began to be implemented in 2021 and will continue throughout 2022. Some the initiatives highlighted and developed as of December 2021 are training security providers in human rights and disseminating the whistleblower channel throughout the supply chain.

During 2021, the Company achieved 93% progress in the Action Plan for the remediation of the risks identified in the Due Diligence phase.

#### Colombia

The issues with the largest gaps were health and safety (83%), forced labor (92%) and community (94%).

Even if the results were considered robust, the Company detected opportunities for improvement, for which an Action Plan including 13 activities was drawn up for the period 2021–2023, which focuses on four areas of work:

- **1.** Dissemination of the updated policy on Human Rights and the ongoing commitment of the Company.
- **2.** Prevention of potential impacts, advancing the implementation of procedures for addressing human rights complaints (no complaints received in 2021).
- **3.** Activities with the supply chain to improve the evaluation of its human rights practices. The Company strengthened the policy of including human rights issues in tenders and in the Sustainability Ks for bidders' proposals.
- 4. Incorporation of risk assessment in new projects.

In 2021, the progress in the Action Plan to remedy the risks identified in the Due Diligence phase was 80%.

#### Peru

The largest gaps were identified in the areas of community and freedom of association with 69% and 86%, respectively.

During 2021, 100% progress was achieved in the Action Plan for the remediation of the risks identified in the Due Diligence stage. Therefore, during 2022 a communication plan will be developed to disseminate the Policy internally and externally, to ensure that all stakeholders are aware of it.





#### **Costa Rica**

The issues with the largest gaps were community (72%) and diversity (86%). The Action Plan considered training on human rights issues, which was achieved by introducing these topics in meetings and in communications with local communities.

In 2021, the progress in the Action Plan to remediate the risks identified in the Due Diligence phase was 9%.

#### Guatemala

The largest gaps were identified in the areas of community (69%) and health and safety (83%), and the Action Plan devised to address them included the following activities:

- 1. Re-induction process. The Management of People and Organization area organized this process, which included issues that are relevant both to new employees, as well as to more senior staff. Among them, the fundamentals of Due Diligence, Human Rights and Business, and Strategic Litigation.
- 2. Participation in the Human Rights Committee of the Asociación de Generadores con Energía Renovable (AGER) trade association. This committee formulated, reviewed and approved the Human Rights Policy for AGER, which now applies to all members of this trade association.
- **3.** Participation in the Center for Corporate Social Responsibility CentraRSe, which requested Enel to share its experience in Human Rights and business in a seminar. The company complied by presenting its involvement and management of the issue in a webinar.

In 2021, the progress in the Action Plan to remediate the risks identified in the Due Diligence phase was 9%.

#### **Panama**

The largest gaps were identified in the areas of forced labor (92%) and child labor (92%).

During 2021, 10% progress was achieved in the Action Plan for the remediation of the risks identified in the Due Diligence stage.

#### **Training and information**

Embodying Enel Americas' commitment to human rights, during 2021, about 430 thousand hours of training were developed on sustainability issues, of which human rights are a key part; in particular, the courses provided focused mainly on environmental and health and safety issues for workers, with an average of 26 hours of training per employee.

Through this commitment, the Company pursues sustainable progress, seeking to make both the Company and the communities with which it operates more prosperous, inclusive and resilient, in a concerted effort to leave no one behind







# 3. Appendix

Methodological note
Sustainability statement
Performance indicators
GRI contents index
SASB contents index
World Economic Forum contents index
TCFD contents index











## Methodological note

102-50 | 102-51 | 102-52 | 102-54 | 102-10

The Company presents its sixth annual Sustainability Report, which covers its operations in the electricity generation, transmission and distribution market through its subsidiaries and related entities in Argentina, Brazil, Colombia and Peru. Also, for the first time, the document integrates information on Enel Americas' operations in Costa Rica, Panama and Guatemala, after having incorporated these markets to its perimeter. The report reports on the economic, social and environmental management for the period from January 1 to December 31, 2021.

This report has been prepared in accordance with the Core option of the Global Reporting Initiative (GRI) Standards, in their most updated versions, and, for the second time,

incorporates the Sustainability Accounting Standards Board (SASB), Industry Standards Version 2018–10, Electric Utilities & Power Generators sector.

The Sustainability Report responds to the Communication on Progress (COP) of the United Nations Global Compact, the IIRC (International Integrated Reporting Council) model and the SDG Compass, a guide that facilitates the alignment of sustainability strategies with the United Nations Sustainable Development Goals. The document has been submitted to the external verification process by KPMG, and responds to a structure that is in line with the strategic priorities of Enel's Sustainability Plan.



## Sustainability statement

102-56



Independent Accountant's Report "2021 Sustainability Report Enel Américas S.A."

To
The President and Directors
Enel Américas S.A.

We have conducted a limited assurance engagement of the content and data related to GRI indicators disclosed in the 2021 Sustainability Report of Enel Américas S.A. as of December 31, 2021.

Management of Enel Américas is responsible for the preparation of the Sustainability Report. Additionally, Management of Américas S.A. is responsible for the contents, assertions, scope definition and the management and control of information systems which provided the information reported.

We conducted our review in accordance with the ISAE 3000 standards and the attestation engagement standards issued by the Colegio de Contadores de Chile A.G. A limited assurance engagement is less in scope than an examination, the objective of which is to express and opinion on the "2021 Sustainability Report Enel Américas S.A." Accordingly, we do not express such an opinion

Contents and data disclosed in the "2021 Sustainability Report of Enel Américas S.A." were 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 "2021 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 "2021 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 Enel Américas S.A. in the "2021 Sustainability Report of Enel Américas S.A.", in accordance with the GRI Standard.

Our procedures considered making inquiries of the Management and Business Units of Enel Américas S.A. involved in the process of developing the report, as well as performing other analytical procedures and tests, described below:

- Interviews with Enel Américas S.A.'s key personnel, in order to assess the preparation process of the contents and data disclosed in the 2021 Sustainability Report, content definition and information systems used.
- Verification of contents and data disclosed in the "2021 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 "2021 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 video-conference with those responsible for the process for preparing the "2021 Sustainability Report of Enel Américas S.A."
- Review of the wording of the "2021 Sustainability Report of Enel Américas S.A."

Based on the procedures performed, nothing came to our attention that caused us to believe that:

- Contents and data disclosed in the "2021 Sustainability Report of Enel Américas S.A." are not duly supported with sufficient evidence.
- Contents and data disclosed in the "2021 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 "2021 Sustainability Report of Enel Américas S.A." does not comply with the core option stated by Enel Américas S.A. in accordance with the GRI Standard.

Very truly yours,

KPMG SpA

Karin Eggers

Santiago, April 22, 2022





# **Performance indicators**

#### **Context**

#### **Net installed capacity**

GRI/EUSS	KPI	Unit	2021	2020	2019
GRI EU1	Net Installed Capacity by technology				
	Renewable	MW	10,920	6,253	6,253
	Hydroelectric	MW	7,031	6,253	6,253
	Wind	MW	2,288	N/A	N/A
	Solar	MW	1,601	N/A	N/A
	Combined cycles	MW	2,700	2,701	2,701
	Oil-Gas	MW	2,079	2,090	2,089
	Coal	MW	226	225	225
	Total	MW	15,926	11,269	11,267

## **Generation by technology**

GRI/EUSS	KPI	Unit	2021	2020	2019
GRI EU2	Generation by technology				
	Renewable	GWh	32,844	25,144	25,604
	Hydroelectric	GWh	24,704	25,144	25,604
	Wind	GWh	6,453	N/A	N/A
	Solar	GWh	1,687	N/A	N/A
	Combined cycles	GWh	14,154	13,289	14,215
	Oil-Gas	GWh	1,513	1,374	1,351
	Coal	GWh	227	650	590
	Total	GWh	48,739	40,455	41,760

#### Average plant availability factor by energy source and by regulatory regime

KPI	Unit	2021	2020	2019
Average plant availability factor by energy source and by regulatory regime				
Availability of thermoelectric generation by regulatory regime				
Regulated	%	84.6	86.1	84.1
Non regulated	%	89.2	90.2	88.1
Thermoelectric generation availability by primary energy source				
Coal-fired power plants	%	89.4	80	73.2
Oil/gas power plants	%	85.6	91	92.1
Combined cycle power plants	%	86.8	85.9	81.6
Global thermoelectric generation availability	%	86.4	87.7	85.6
	Average plant availability factor by energy source and by regulatory regime  Availability of thermoelectric generation by regulatory regime  Regulated  Non regulated  Thermoelectric generation availability by primary energy source  Coal-fired power plants  Oil/gas power plants  Combined cycle power plants	Average plant availability factor by energy source and by regulatory regime  Availability of thermoelectric generation by regulatory regime  Regulated %  Non regulated %  Thermoelectric generation availability by primary energy source  Coal-fired power plants %  Oil/gas power plants %  Combined cycle power plants %	Average plant availability factor by energy source and by regulatory regime  Availability of thermoelectric generation by regulatory regime  Regulated % 84.6  Non regulated % 89.2  Thermoelectric generation availability by primary energy source  Coal-fired power plants % 89.4  Oil/gas power plants % 85.6  Combined cycle power plants % 86.8	Average plant availability factor by energy source and by regulatory regime  Availability of thermoelectric generation by regulatory regime  Regulated % 84.6 86.1  Non regulated % 89.2 90.2  Thermoelectric generation availability by primary energy source  Coal-fired power plants % 89.4 80  Oil/gas power plants % 85.6 91  Combined cycle power plants % 86.8 85.9



## Service and quality relationship with our customers

#### **Customer focus**

GRI/EUSS	KPI	Unit	2021	2020	2019			
	Energy loss in Distribution (%)							
	Argentina							
	Edesur	%	18	18.9	15.5			
	Brasil							
	Enel Distribución Rio	%	20.5	22.1	22.5			
	Enel Distribución Ceara	%	16.1	15.9	14			
	Enel Distribución Goias	%	11.3	14.4	12.3			
	Enel Distribución Sao Paulo	%	10.3	10.6	9.6			
	Colombia							
	Codensa	%	7.5	7.6	7.7			
	Perú							
	Enel Distribución Perú	%	8.5	8.8	8.2			
GRI EU3	Number of customers by segment							
	Argentina							
	Residential	Thousands	2,255	2,216	2,195			
	Commercial	Thousands	272	271	274			
	Industrial and others	Thousands	22	21	21			
	Brazil							
	Residential	Thousands	16,426	15,849	15,253			
	Commercial	Thousands	969	979	966			
	Industrial and others	Thousands	1,035	1,236	1,015			
	Colombia							
	Residential	Thousands	3,312	3,222	3,144			
	Commercial	Thousands	330	327	322			
	Industrial and others	Thousands	66	66	61			
	Peru							
	Residential	Thousands	1,400	1,377	1,359			
	Commercial	Thousands	61	47	47			
	Industrial and others	Thousands	32	32	29			
	Enel Américas							
	Residential	Thousands	23,393	22,664	21,951			
	Commercial	Thousands	1,632	1,624	1,609			
	Industrial and others	Thousands	1,155	1,315	1,126			
	Américas Total	Thousands	26,180	25,643	24,686			
	Electricity sold by segment							
	Argentina							
	Residential	GWh	7,666	7,282	5,842			
	Commercial	GWh	3,684	3,466	3,106			
	Industrial and others	GWh	5,385	5,141	7,851			
	Brazil							
	Residential	GWh	32,429	31,191	30,880			
	Commercial	GWh	12,818	14,585	16,656			
	Industrial and others	GWh	35,135	32,138	33,741			





	KPI	Unit	2021	2020	2019			
	Colombia							
	Residential	GWh	5,385	5,407	5,113			
	Commercial	GWh	2,216	2,035	2,508			
	Industrial and others	GWh	6,997	6,391	6,686			
	Peru							
	Residential	GWh	3,185	3,188	3,068			
	Commercial	GWh	719	666	814			
	Industrial and others	GWh	4,226	3,724	4,329			
	Enel Américas							
	Residential	GWh	48,665	47,068	44,903			
	Commercial	GWh	19,437	20,752	23,084			
	Industrial and others	GWh	51,743	47,394	52,607			
	Enel Américas Total	GWh	119,845	115,214	120,594			
GRI EU4	Length of transmission and distribution lines by voltage							
	Argentina							
	Transmission (1)	Km	1.041	1.041	1.039			
	Medium Voltage (2)	Km	8.811	8.717	8.312			
	Low Voltage (2)	Km	18.322	33.415	33.085			
	Brazil							
	Transmission (1)	Km	16.830	16.680	16.556			
	Medium Voltage (2)	Km	342.557	336.219	332.849			
	Low Voltage (2)	Km	133.185	131.508	130.187			
	Colombia							
	Transmission Lines (1)	Km	1.341	1.340	1.319			
	Medium Voltage (2)	Km	30.281	31.455	26.681			
	Low Voltage (2)	Km	43.181	43.113	42.524			
	Peru							
	Transmission (1)	Km	726	727	716			
	Medium Voltage (3)	Km	5.133	5.053	4.945			
	Low Voltage (3)	Km	13.540	13.345	24.016			
	Enel Américas Total	Km	614.948	622.613	622.229			

<sup>(1)</sup> The transmission lines consist of circuits with voltages in the 35–500 kV range (2) Medium voltage lines:  $1\,\text{kV}$  –  $34.5\,\text{kV}$ ; low voltage lines: 110 –  $380\,\text{V}$ .

#### **Estimated unserved population**

GRI/EUSS	KPI	Unit	2021	2020			
GRI EU26	Estimation of unserved population						
	Argentina	No.	N/D	41,167			
	Brazil	No.	6,480	50,041 (1)			
	Colombia	No.	6,571	5,586			
	Peru	No.	N/D	71,390			
GRI EU26	Total population in concession areas						
	Argentina	No.	N/D	5,880,972			
	Brazil	No.	3,290,136	6,925,932 (1)			
	Colombia	No.	3,708,638	3,222,018			
	Peru	No.	N/D	1,451,000 (2)			
GRI EU26	Percentage of unserved population						
	Argentina	%	0	0.007			
	Brazil	%	0.2	0.723			
	Colombia	%	0.2	0.173			
	Peru	%	4.8	4.92			

<sup>((1)</sup> The figures for unserved population and total population in the concession area for Brazil were rectified for 2020.



<sup>(3)</sup> The low voltage network includes street lighting.

<sup>(2)</sup> Total population corresponds to the number of people per housing lot.

## **Electricity accessibility**

GRI/EUSS	KPI	Unit	Argentina	Brazil	Colombia	Peru
GRI EU27	Customers disconnected for non-payment					
	Less than 48 hours	N°	1,980	1,663,030	369,524	725,571
	48 hours - 1 week	N°	601	747,562	51,228	426
	1 week - 1 month	N°	702	458,505	86,317	4,177
	1 month - 1 year	N°	603	172,239	34,418	17,129
	Over 1 year	N°	0	2,087	0	0
	Total	N°	3,886	3,043,423	541,487	747,303
	By time from payment to reconnection					
	Less than 24 hours	N°	3,433	2,764,781	446,616	716,459
	24 hours - 1 week	N°	432	222,231	11,364	28,253
	Over 1 week	N°	21	56,411	2,258	2,591
	Total	N°	3,886	3,043,423	460,238 (*)	747,303

<sup>(\*)</sup> The number of total customers from payment to reconnection is less than the number of customers disconnected for non-payment because there are more suspended customers than reconnected customers due non-payment within the reported period.

## **People**

#### **Parental leave**

GRI/EUSS	KPI	Unit	2021	2020	2019
GRI 401-3	Parental leave				
	Argentina				
	Men	No.	39	62	72
	Women	No.	4	6	6
	Brazil				
	Men	No.	110	172	231
	Women	No.	103	74	49
	Chile				
	Men	No.	3	0	0
	Women	No.	2	0	0
	Colombia				
	Men	No.	32	32	39
	Women	No.	18	14	26
	Peru				
	Men	No.	13	14	13
	Women	No.	8	6	7
	Costa Rica				
	Men	No.	0	N/A	N/A
	Women	No.	0	N/A	N/A
	Guatemala				
	Men	No.	0	N/A	N/A
	Women	No.	0	N/A	N/A
	Panama				
	Men	No.	0	N/A	N/A
	Women	No.	0	N/A	N/A
	Enel Américas Total				
	Men	No.	197	280	355
	Women	No.	135	100	88





## **Diversity**

GRI/EUSS	KPI	Unit	2021	2020	2019		
GRI 405-1	Worker diversity by gender						
	Argentina	No.	4,064	4,064	N/D		
	Women	No.	537	526	N/D		
	Men	No.	3,527	3,538	N/D		
	Brazil		8,870	9,523	N/D		
	Women	No.	1,794	1,685	N/D		
	Men	No.	7,076	7,838	N/D		
	Chile		57	51	N/D		
	Women	No.	16	15	N/D		
	Men	No.	41	36	N/D		
	Colombia	-	2,259	2,150	N/D		
	Women	No.	762	705	N/D		
	Men	No.	1,497	1,445	N/D		
	Costa Rica		34	N/D	N/D		
	Women	No.	9	N/D	N/D		
	Men	No.	25	N/D	N/D		
	Guatemala	INO.	94	N/D	N/D		
	Women	No.	16	N/D	N/D		
	Men	No.	78	N/D	N/D		
		INU.			N/D		
	Panama	NI-	94	N/D			
	Women	No.	30	N/D	N/D		
	Men	No.	64	N/D	N/D		
	Peru	<b>.</b> 1	989	943	N/D		
	Women	No.	303	276	N/D		
	Men	No.	686	667	N/D		
	Enel Américas						
	Women	No.	3,467	3,207	N/D		
	Men	No.	12,994	13,524	N/D		
	Enel Américas Total	No.	16,461	16,731	N/D		
GRI 405-1	Worker diversity by age range						
	Enel Américas						
	Under 30 years old	No.	1,778	2,012	2,446		
	Between 30 and 40 years old	No.	6,136	6,416	6,791		
	Between 41 and 50 years old	No.	5,320	5,129	5,005		
	Between 51 and 60 years old	No.	2,688	2,754	2,682		
	Between 61 and 70 years old	No.	521	418	384		
	Over 70 years old	No.	18	2	2		
	Enel Américas Total	No.	16,461	16,731	17,310		
GRI 405-1	Diversity of workers by nationality						
	Afghan	No.	1	1	1		
	German	No.	1	1	1		
	Argentine	No.	4,067	3,924	3,958		
	Bolivian	No.	-	50	51		
	Brazilian	No.	8,850	9,511	10,093		
	Canadian	No.	-	1	1		
	Chilean	No.	56	54	63		
	Colombian	No.	2,247	2,141	2,097		
	Congolese	No.	1	1	1		
	Cuban	No.	1	1	1		
	Costa Rican	No.	37	1	1		
	American (from the US)	No.	-	5	5		
	Spanish	No.	9	14	18		
				14			
	French	No.	- 1	Т	1		
	Honduran	No.	1	20	40		
	Italian	No.	20	32	43		
	Lithuanian	No.	-	2	2		
	Mexican	4					
	Paraguayan	No.	-	20	20		
	Panamanian	No.	-	1	1		



GRI/EUSS	KPI	Unit	2021	2020	2019
	Peruvian	No.	975	939	918
	Guatemalan	No.	91		
	Panamanian	No.	92		
	Romanian	No.	1	1	2
	Russian	No.	<u>-</u>	1	<u>-</u>
	Salvadorian	No.	1	1	1
	South African	No.	1	2	2
	Uruguayan	No.	1	9	9
	Venezuelan	No.	4	18	20
GRI 405-1	Diversity of workers by seniority				
	Enel Américas				
	Under 3 years	No.	2,437	2,132	2,908
	Between 3 and 6 years	No.	2,423	3,493	3,862
	More than 6 and less than 9 years	No.	3,264	2,847	2,698
	Between 9 and 12 years	No.	2,167	2,116	2,212
	Over 12 years	No.	6,170	6,143	5,630
	Enel Américas Total	No.	16,461	16,731	17,310
102-48	Diversity of senior executives and other	r managers by gend	er		
	Argentina				
	Men	No.	16	26	27
	Women	No.	8	9	6
	Brazil				
	Men	No.	20	38	39
	Women	No.	45	13	13
	Chile				
	Men	No.	8	8	7
	Women	No.	-	0	0
	Colombia				
	Men	No.	28	27	29
	Women	No.	13	12	11
	Peru				
	Men	No.	22	27	29
	Women	No.	7	8	9
	Costa Rica				
	Men	No.	3	N/D	N/D
	Women	No.	2	N/D	N/D
	Guatemala				
	Men	No.	6	N/D	N/D
	Women	No.	3	N/D	N/D
	Panama				
	Men	No.	10	N/D	N/D
	Women	No.	11	N/D	N/D
	Enel Américas				
	Men	No.	138	126	131
	Women	No.	64	42	39
102-48	Diversity of senior executives and other	r managers by age ra	ange		
	Between 30 and 40 years old	No.	29	18	16
	Between 41 and 50 years old	No.	100	78	81
	Between 51 and 60 years old	No.	64	60	56
	Between 61 and 70 years old	No.	9	11	16
	Over 70 years old	No.		1	1
	Enel Américas Total	No.	202	168	170
102-48	Diversity of senior executives and other				<del>-</del>
	Argentine	No.	24	21	19
	Brazilian	No.	65	54	52
	Chilean	No.	7	6	6
	Colombian	No.	36	34	34
	Costa Rican	No.	7	0	1
			6	9	10
	Spanish	No.			
	Guatemalan	No.	6	N/D	N/D
	Italian	No.	10	17	19
	Panamanian	No.	20		





GRI/EUSS	KPI	Unit	2021	2020	2019			
	Peruvian	No.	18	26	28			
	Romanian	No.	1	N/D	N/D			
	Uruguayan	No.	1	N/D	N/D			
	Venezuelan	No.	1	1	1			
	Enel Américas Total	No.	202	168	170			
102-48	Diversity of senior executives and other managers by seniority							
	Under 3 years	No.	37	18	23			
	Between 3 and 6 years	No.	19	14	15			
	More than 6 and less than 9 years	No.	18	11	8			
	Between 9 and 12 years	No.	18	12	25			
	Over 12 years	No.	111	113	99			
	Enel Américas Total	No.	203	168	170			

<sup>(\*)</sup> The job categories are based on the General Rule No. 461 of the Financial Market Commission (CMF), which is different from the requirements of the GRI Standard.

#### Disability

GRI/EUSS	KPI	Unit	2021	2020	2019
GRI 405-1	Employees with disabilities				
	Argentina	No.	86	87	92
	Brazil	No.	300	277	281
	Chile	No.	0	0	0
	Colombia	No.	5	3	3
	Costa Rica	No.	0	N/D	N/D
	Guatemala	No.	1	N/D	N/D
	Peru	No.	4	5	5
	Panama	No.	0	N/D	N/D
	Enel Américas Total	No.	396	372	381

#### Female participation

GRI/EUSS	KPI	Unit	2021	2020	2019
GRI 405-1	Female participation in the total workforce				
	Female participation in the total workforce	%	21	19	18
	Women in management positions (as % of total management workforce)	%	27.89	24.82	24.59
	Women in junior management positions	No.	352	269	264
	Women in senior/top management positions (up to 2 positions below the CEO)	No.	46	42	38
	Women in revenue-generating positions	No.	173	138	150
	Women in revenue-generating management positions with respect to total revenue-generating positions	%	19.59	16.62	18.33
	Women managers in revenue-generating positions with respect to total management positions	%	12.12	11.01	12.21



Our ESG performance

#### **Internal Mobility**

GRI/EUSS	KPI	Unit	2021	2020	2019
GRI 401-1	New hires and separations by country				
	Argentina				
	New hires	No.	126	19	53
	New hire rate	%	3.11	0.47	1.25
	N° Separations	No.	120	54	323
	Brazil				
	New hires	No.	950	413	520
	New hire rate	%	10.71	4.34	5.14
	Separations	No.	2,113	988	1,115
	Chile				
	New hires	No.	9	4	7
	New hire rate	%	16.98	7.84	13
	Separations	No.	8	8	5
	Colombia				
	New hires	No.	242	173(1)	112
	New hire rate	%	10.7	8.05	4.88
	Separations	No.	186	122	139
	Peru				
	New hires	No.	105	71	60
	New hire rate	%	10.7	8	7
	Separations	No.	70	52	48
	Costa Rica				
	New hires	No.	1	N/D	N/D
	New hire rate	%	2.8	N/D	N/D
	Separations	No.	2	N/D	N/D
	Guatemala				
	New hires	No.	14	N/D	N/D
	New hire rate	%	14.9	N/D	N/D
	Separations	No.	6	N/D	N/D
	Panama				
	New hires	No.	21	N/D	N/D
	New hire rate	%	22.3	N/D	N/D
	Separations	No.	26	N/D	N/D
	Enel Américas Total				
	New hires	No.	1,468	680	752
	New hire rate	%	8.9	4.06	4.22
	Separations	No.	2,530	1224	1,630(2)
	New hires by gender and age range				
	Total	No.	1,468	680	752
	Men	No.	1,024	430	515
	Women	No.	444	250	235
	Under 30 years	No.	450	228	297
	30-50 years old	No.	949	437	425
	Over 50 years	No.	69	15	28

<sup>(1) 173</sup> new hires, 170 through an external selection process, in addition to 2 reinstatements and 1 reinstatement following an unpaid leave of absence. (2) Correction in number of 2019 separations.





#### **Turnover**

GRI/EUSS	KPI		2021		2020	
GRI 404-1	Total Voluntary Turnover	Unit	Total Turnover	Voluntary Turnover(¹)	Total Turnover	Voluntary Turnover
	Argentina	%	2.9	0.9	1.3	0.2
	Brazil	%	23.8	4.1	10.9	2.3
	Chile	%	15.1	3.6	17.4	4.3
	Colombia	%	8.2	5.7	5.7	2.5
	Costa Rica	%	5.6	0	N/A	N/A
	Guatemala	%	6.4	0	N/A	N/A
	Panama	%	27.7	4.3	N/A	N/A
	Peru	%	7.2	1.5	5.6	2.5
	Enel Américas Total	%	15.4 (*)	3.1	7.3	1.8

<sup>(\*)</sup> Of the total number of separations in 2021, around 70% correspond to meter reading positions at Enel Sao Paulo, acquired in 2018. In the Enel group, meter reading positions have historically been a third-party service; therefore, the Company ended their contracts, working with those who wished to relocate and offering all of them a compensation package in addition to that established in the law.

#### **Training**

GRI/EUSS	KPI	Unit	2021	2020	2019
GRI 404-1	Training				
	Training hours	No.	787,422.1	659,434.0	711,137.0
	Workers trained	No.	16,767.6	16,367.0	16,042.0
	Training hours (men)	%	81.6	81.0	81.0
	Training hours (women)	%	18.4	19.0	19.0
	Average hours of training	average hours	47.0	40.3	44.3
	Average training hours (men)	average hours	48.1	N/D	N/D
	Average training hours for women	average hours	42.4	N/D	N/D
	Average training hours for the Manager category	average hours	38.8	40.0	N/D
	Average hours of training for the Middle Manager category	average hours	53.0	43.0	N/D
	Average hours of training for the White- Collar Category	average hours	42.9	38.0	N/D
	Average hours of training for the Blue-Collar category	average hours	52.9	38.0	N/D
	Average cost spent per FTE(*)	US\$	99.8	164.0	220.0
	<i>- ,</i>	US\$	99.8	164.0	

<sup>(\*)</sup> Average hours of training per Full Time Employee (FTE).

#### Retirement

GRI/EUSS	KPI	Unit	2021	2020	2019			
GRI EU15	Percentage of employees eligible to retire in the next 5 years out of the total of each labor category							
	Manager	%	10.7	9.4	28.3			
	Middle Manager	%	6.3	5.8	10.6			
	White Collar	%	5.7	4.9	11.4			
	Blue Collar	%	4.5	6.3	10.4			
	Total	%	5.4	5.5	11.2			
GRI EU15	Percentage of employees eligible to retire in the next 10 years out of the total of each labor category							
	Manager	%	26.7	8.5	26.7			
	Middle Manager	%	13.8	6.0	11.2			
	White Collar	%	13.5	4.7	11.2			
	Blue Collar	%	10.4	6.5	10.5			
	Total	%	12.8	5.4	11.1			



Our ESG performance

#### **Salary Gap**

RI/EUSS	KPI	Unit	2021	2020	2019
	Ratio of the basic salary and remuneration of women to men	1			
	Argentina				
	Executives	%	92	84	89
	Middle management - Level 2	%	97	84	84
	Middle management - Level 3	%	94	92	85
	Professionals - Level 1	%	95	99	99
	Professionals - Level 2	%	88	82	85
	Professionals - Level 3	%	85	N/D	N/D
	Administrative	%	97	107	105
	Brazil				
	Executives	%	103	95	90
	Middle management - Level 1	%	94	97	104
	Middle management - Level 2	%	88	102	108
	Middle management - Level 3	%	107	104	104
	Professionals - Level 1	%	103	97	98
	Professionals - Level 2	%	96	104	95
	Professionals - Level 3	%	99	N/D	N/D
	Administrative	%	88	115	113
	Chile				
	Executives	%	N/A	N/D	N/D
	Middle management - Level 1	%	79	88	72
	Middle management - Level 2	%	61	108	128
	Middle management - Level 3	%	N/A	64	67
	Professionals - Level 1	%	77	76	91
	Professionals - Level 2	%	N/A	154	97
	Professionals - Level 3	%	N/A	N/D	N/D
	Administrative	%	N/A	N/D	143
	Colombia	,,,			2.0
	Executives	%	94	107	101
	Middle management - Level 1	%	86	94	94
	Middle management - Level 2	%	96	96	96
	Middle management - Level 3	%	96	97	95
	Professionals - Level 1	%	97	98	99
	Professionals - Level 2	%	103	99	98
		%	N/A		96 N/D
	Professionals - Level 3			N/D	
	Administrative	%	94	100	101
	Costa Rica	0.1			
	Executives	%	85	N/A	N/A
	Middle management - Level 1	%	N/A	N/A	N/A
	Middle management - Level 2	%	86	N/A	N/A
	Middle management - Level 3	%	90	N/A	N/A
	Professionals - Level 1	%	89	N/A	N/A
	Professionals - Level 2	%	89	N/A	N/A
	Professionals - Level 3	%	N/A	N/A	N/A
	Administrative	%	90	N/A	N/A
	Guatemala				
	Executives	%	N/A	N/A	N/A
	Middle management - Level 1	%	80	N/A	N/A
	Middle management - Level 2	%	116	N/A	N/A
	Middle management - Level 3	%	109	N/A	N/A
	Professionals - Level 1	%	100	N/A	N/A
	Professionals - Level 2	%	114	N/A	N/A
	Professionals - Level 3	%	N/A	N/A	N/A
	Administrative	%	N/A	N/A	N/A
	Panama				
	Executives	%	N/A	N/A	N/A
	Middle management - Level 1	%	N/A	IN/A	N/A
	Middle management - Level 1  Middle management - Level 2	%	N/A 108	N/A N/A	N/A N/A
	Middle management - Level 1  Middle management - Level 2  Middle management - Level 3	% % %	108 120	N/A N/A N/A	N/A N/A N/A





GRI/EUSS	KPI	Unit	2021	2020	2019
	Ratio of the basic salary and remuneration of w	omen to men			
	Professionals - Level 2	%	119	N/A	N/A
	Professionals - Level 3	%	N/A	N/A	N/A
	Administrative	%	N/A	N/A	N/A
	Peru				
	Executives	%	114	117	127
	Middle management - Level 1	%	110	104	109
	Middle management - Level 2	%	89	93	90
	Middle management - Level 3	%	100	94	84
	Professionals - Level 1	%	94	102	115
	Professionals - Level 2	%	91	93	94
	Professionals - Level 3	%	87	N/D	N/D
	Administrative	%	92	87	87

The employee categories are based on General Rule No. 461 of the Financial Market Commission (CMF), which is different from the requirements of the GRI Standard.

#### Salary gap by type of position

GRI/EUSS	KPI	Unit	2021
405-2	Ratio of basic salary Women/Men by employee category		
	Ratio of women/men at Executive level (Base salary only)	%	91.45
	Ratio of women/men at Executive level (Base salary + other monetary incentives)	%	90.23
	Ratio of women/men at Managerial level (Base salary only)	%	101.08
	Ratio of women/men at Managerial level (Base salary + other monetary incentives)	%	101.32
	Ratio of women/men at non-managerial level	%	96.85

#### Regular performance evaluation

GRI/EUSS	KPI	Unit	2021	2020	2019
404-3	Performance evaluation				
	Total employees 2021	No.	16,461	16,731	17,202
	Total employees evaluated (1)	No.	12,488	16,229	16,770
	Percentage of employees receiving regular performance evaluations (²)	%	76	97	97
	Total Managers evaluated	No.	148	130	157
	Total Middle Manager evaluated	No.	1,234	1,061	1,079
	Total White Collars evaluated	No.	7,994	15,038	15,534
	Total Blue Collars evaluated	No.	3,112	-	-
	Total Male employees	No.	12,994	13,491	14,020
	Total Female employees	No.	3,467	3,240	3,182
	Men evaluated	No.	9,462	13,124	13,686
	Women evaluated	No.	3,026	3,105	3,084
	Percentage of men evaluated	%	73	97	98
	Percentage of women evaluated	%	87	96	97

<sup>(1)</sup> Eligible persons: those who have a permanent contract and have been in place and active for at least 3 months during the year.



<sup>(2) %</sup> calculated on the total number of employees 2021.

#### Level of well-being and commitment 2020 by gender and age

GRI/EUSS	KPI	Unit	Women <40	Women 40-50	Women >50	Men <40	Men 40-50	Men >50
	Argentina	%	92.4%	97.9%	98.1%	89.7%	92.6%	94.0%
	Brazil	%	91.7%	94.7%	94.9%	90.3%	93.3%	94.6%
	Colombia	%	92.5%	96.4%	96.0%	95.6%	94.8%	94.7%
	Peru	%	93.7%	95.0%	100.0%	93.7%	94.7%	95.7%
	Total Enel Américas	%	92.1%	95.7%	96.1%	91.0%	93.4%	94.5%

<sup>(\*)</sup> No information is available for Central America, as it became part of the consolidation perimeter after the merger in 2021, representing 1.03% of Enel Américas' total workforce.

#### Unionization and collective bargaining agreements

GRI/EUSS	KPI	Unit	2021	2020	2019
102-41	Unionized				
	Argentina	%	84.7	85.0	86.0
	Brazil	%	39.7	39.0	48.0
	Chile	%	0	49.0	64.0
	Colombia	%	43.0	45.0	37.0
	Peru	%	21.8	26.0	29.0
	Costa Rica	%	0	N/A	N/A
	Guatemala	%	0	N/A	N/A
	Panama	%	40.4	N/A	N/A
	Enel Américas Total	%	43.8	50.0	55.0
	Covered by collective bargaining agreements				
	Argentina	%	84.58	85.00	86.00
	Brazil	%	98.47	100.00	99.00
	Chile	%	39.62	49.00	64.00
	Colombia	%	68.93	69.00	68.00
	Peru	%	93.77	94.00	96.00
	Costa Rica	%	0	N/A	N/A
	Guatemala	%	0	N/A	N/A
	Panama	%	40.43	N/A	N/A
	Enel Américas Total	%	89.44	92.00	92.00

#### **Smart Working**

GRI/EUSS	KPI	Unit	2021	2020	2019
	Smart Working				
	Argentina	No.	1,330	1,580	150
	Brazil	No.	4,273	4,153	370
	Chile	No.	54	51	11
	Colombia	No.	1,236	1,411	505
	Peru	No.	845	827	164
	Costa Rica	No.	23	N/A	N/A
	Guatemala	No.	55	N/A	N/A
	Panama	No.	41	N/A	N/A
	Enel Américas Total	No.	7,857	8,022	1,200





#### **Contract Type and Schedule**

GRI/EUSS	KPI	Unit	2021	
GRI 102-8	Workers by contract type and schedule		Men	Women
	Indefinite	%	79	21
	Fixed term	%	60	40
	By specific tasks	%	0	0
	Full time	%	79	21
	Part time	%	40	60
	Adaptability pact (work flexibility)	%	0	0

## **Health and safety**

#### **Accident Rate**

GRI/EUSS	KPI	Unit	2021	2020	2019
GRI 403-9	Accident rate of Enel workers				
	Fatal accidents (FAT)	No.	1	1	0
	Life-changing accidents (LCA) (3)	No.	1	0	-
	High potential accidents (HPO) (4)	No.	1	3	-
	Lost time injuries (LTI) (²)	No.	27	26	45
	Lost-time injury frequency rate (LTIFR) (5)	Index	0.85	0.78	1.19
	Hours Worked (WH)	No.	31,882,618	33,126,686	37,808,827
GRI 403-9	Accident rate of contractor workers				
	Fatal accidents (FAT)	No.	2	6	2
	Life-changing accidents (LCA) (3)	No.	2	0	-
	High potential accidents (HPO) (4)	No.	19	24	-
	Lost time injuries (LTI) (²)	No.	95	63	70
	Lost-time injury frequency rate (LTIFR) (5)	Index	0.62	0.43	0.55
	Hours Worked (WH)	No.	153,623,548	145,108,617	127,739,885
GRI 403-9	Accident rate of Enel workers and contractors				
	Fatal accidents (FAT)	No.	3	7	2
	Life-changing accidents (LCA) (3)	No.	3	0	-
	High potential accidents (HPO) (4)	No.	20	27	-
	Lost time injuries (LTI) (²)	No.	122	89	115
	Lost-time injury frequency rate (LTIFR) (5)	Index	0.66	0.5	0.69
	Hours Worked (WH)	No.	185,506,166	178,235,303	165,548,712

<sup>(1)</sup> For 2021, a change in methodology was made, which incorporates new categories: Life-Changing Accidents (LCA), High Potential Accidents (HPO) and Lost Time Injuries (LTI).



<sup>(2)</sup> Lost Time Injuries (LTI): An incident that has resulted in an injury, with absence from work of at least one working day, excluding the day of occurrence.
(3) Life-changing accidents (LCA): injuries that have resulted in health consequences that change a person's life forever (e.g., limb amputations, paralysis, neurological damage, etc.).

<sup>(4)</sup> High Potential Accidents (HPO): whose dynamics, regardless of the damage, could have resulted in a Life-Changing or Fatal Accident.

<sup>(5)</sup> Calculated as number of injuries with at least 1 day of absence / total hours worked \* 1,000,000.

## **Environmental Sustainability**

#### **Environmental fines**

	KPI	Unit	2021	2020	2019
GRI 307-1	Environmental or ecological penalties in excess of US\$10,000				
	Number of sanctions	No.	36	5.00	10.00
	Number of fines	US\$	388,384 (1)	181,166	729,804
	Allowance	US\$	0	0	0

<sup>(1)</sup> The amounts refer to fines in Brazil, 35 applied to Enel Ceará and 1 to Enel Rio, The most significant fines here reported involve Enel Ceará and are detailed in few reports directed to the environmental agency about some licenses of the transmission lines and substations operated by Enel Ceará, All fines are in administrative litigation before the state environmental agency (SEMACE).

#### **Energy efficiency in thermoelectric power plants**

GRI/EUSS	KPI	Unit	2021	2020	2019
GRI EU-11	Average efficiency in thermoelectric power plants by country				
	Argentina	%	52	49	50
	Brazil	%	49	48	49
	Colombia (coal)	%	27	25	27
	Peru	%	46	47	46
	Average efficiency in thermoelectric power plants by technology				
	Gas efficiency	%	50	48.7	49.1
	Coal efficiency	%	27	25.5	27

#### **Energy consumption**

GRI/EUSS	KPI	Unit	2021	2020	2019
GRI 302-1	Consumption of Generation				
	Coal	Mtoe	0.07	0.20	0.17
	Lignite (Brown coal)	Mtoe	0.00	0.00	0.00
	Fuel oil	Mtoe	0.06	0.10	0.04
	Gas oil (*)	Mtoe	0.11	0.004	0.04
	Natural gas	Mtoe	2.67	2.48	2.71
	Total fuel consumption	Mtoe	2.91	2.78	2.96

<sup>(\*)</sup> Diesel consumption is included in the Gas Oil category.





#### **Materials**

GRI/EUSS	KPI	Unit	2021	2020	2019
GRI 301-1	Materials				
	Consumables				
	Lime	thousand tons	0	0	0
	Ammonium	thousand tons	0.012	0.011	22.641
	Caustic soda	thousand tons	1.414	1.4	730.31
	Slaked lime	thousand tons	0	0	0
	Sulfuric / hydrochloric acid	thousand tons	2.064	1.445	1220.623
	Other	thousand tons	1.122	1.587	1800.374
	Total	thousand tons	4.612	4.443	3,773.948
	From non-renewable sources				
	Coal	thousand tons	116.18	344.37	297.03
	Gasoline (fuel oil)	thousand tons	57.13	98.82	37.7
	Natural gas	thousands m³	3,168.16	2,935.01	4,019.62
	Diesel(*)	thousand tons	98.36	61.22	41.65
GRI 301-2	Materials used - total consumption of each resource				
	Lubricant	tons	402.03	662.42	0
	Dielectric oil	tons	2,185.09	679.54	0
	Ferric chloride	tons	0	0	0
	Printing paper	tons	39.07	40.10	0
	Recycled materials used				
	Lubricant	tons	138.52	48.89	0
	Dielectric oil	tons	1,428.22	291.94	0
	Ferric chloride	tons	0	0	0
	Printing paper	tons	0.52	10.72	0
	Percentage of recycled materials used compared to the total consumption of each resource				
	Lubricant	%	34.45	7.38	0
	Dielectric oil	%	65.36	42.96	0
	Ferric chloride	%	0	0	0
	Printing paper	%	1.33	26.74	0

<sup>(\*)</sup> Diesel consumption corresponds to thermal energy generation.



Our ESG performance

#### Water consumption

GRI/EUSS	KPI	Unit	2021	2020	2019
GRI 303-3	Water management				
	Water withdrawal in areas with water stress (1)				
	Water withdrawal from scarce sources (only the Fortaleza Plant is included for 2020)	millions of m <sup>3</sup>	0.487	0.28	5.2
	Total surface water (from wetlands, lakes, rivers)	millions of m <sup>3</sup>	0.487	0.28	0.37
	fresh water (= <1,000 mg / I of total dissolved solids)	millions of m <sup>3</sup>	0.487	0.28	N/D
	*other water (> 1,000 mg / I total dissolved solids)	millions of m <sup>3</sup>	0	0	N/D
	Total groundwater (from wells)	millions of m <sup>3</sup>	0	0	3.14
	fresh water (= <1,000 mg / I of total dissolved solids)	millions of m <sup>3</sup>	0	0	N/D
	*other water (> 1,000 mg / I of total dissolved solids)	millions of m <sup>3</sup>	0	0	N/D
	Total water from aqueducts	millions of m <sup>3</sup>	0	0	1.69
	fresh water (= <1,000 mg / I of total dissolved solids)	millions of m <sup>3</sup>	0	0	N/D
	*other water (> 1,000 mg / I of total dissolved solids)	millions of m <sup>3</sup>	0	0	N/D
	Water withdrawal from non-scarce sources	millions of m <sup>3</sup>	0	0.014	N/D
	seawater (used as is and desalinated)	millions of m <sup>3</sup>	0	0	N/D
	*desalinated water (=<1,000 mg / l of total dissolved solids)	millions of m <sup>3</sup>	0	0	N/D
	*other water (> 1,000 mg / I of total dissolved solids)	millions of m <sup>3</sup>	0	0	N/D
	From waste (used within the plants)	millions of m <sup>3</sup>	0	0.014	N/D
	Total water withdrawal from different sources	millions of m <sup>3</sup>	0.487	0.29	N/D
	Wastewater (Volume discharged)	millions of m <sup>3</sup>	0.086	0.004	N/D
	Total water used in cooling system	millions of m <sup>3</sup>	0	0	N/D
GRI 303-5	Consumption (Total withdrawals - Total discharges)	millions of m <sup>3</sup>	0.402	0.23	N/D
	Water withdrawal in areas without water stress or	total water			
	Water withdrawal from scarce water sources	millions of m <sup>3</sup>	5.88	5.21	6.73
	Total surface water (from wetlands, lakes, rivers)	millions of m <sup>3</sup>	0.79	0.49	1.85
	fresh water (= <1,000 mg / I of total dissolved solids)	millions of m <sup>3</sup>	0.79	0.49	1.85
	*other water (> 1,000 mg / I of total dissolved solids)	millions of m <sup>3</sup>	0.00	0	0
	Total groundwater (from wells)	millions of m <sup>3</sup>	2.66	2.7	3.14
	fresh water (= <1,000 mg / I of total dissolved solids)	millions of m <sup>3</sup>	2.66	2.7	N/D
	*other water (> 1,000 mg / I of total dissolved solids)	millions of m <sup>3</sup>	0	0	N/D
	Total water from aqueducts	millions of m <sup>3</sup>	2.42	2.01	1.74
	fresh water (= <1,000 mg / I of total dissolved solids)	millions of m <sup>3</sup>	2.42	2.01	N/D
	*other water (> 1,000 mg / I of total dissolved solids)	millions of m <sup>3</sup>	0	0.014	N/D
	Water withdrawal from non-scarce sources	millions of m <sup>3</sup>	0	0.014	0.15
	seawater (used as is and desalinated)	millions of m <sup>3</sup>	0	0	0.15
	*desalinated water (=<1,000 mg / I of total dissolved solids)	millions of m <sup>3</sup>	0	0	N/D
	*other water (> 1,000 mg / I of total dissolved solids)	millions of m <sup>3</sup>	0	0	N/D
	from waste (used within the plants)	millions of m <sup>3</sup>	0	0.014	0.15





GRI/EUSS	KPI	Unit	2021	2020	2019
	Total water withdrawal from different sources (2)	millions of m <sup>3</sup>	5.88	5.22	6.88
	Total water used in cooling system	millions of m <sup>3</sup>	882.09	1.004.41	956.9
GRI 303-4	Wastewater (Volume discharged)	millions of m <sup>3</sup>	884.15	1.006.09	959
	Consumption (Total withdrawal - Total discharge) (3)	millions of m <sup>3</sup>	3.82	3.54	4.77
	Total Specific Water Withdrawal (4)	liters/MWh	0.11	0.1	0.18
	Net Specific Water Withdrawal	liters/MWh	0.078	0.09	0.11

(1) GRI 303 has defined areas with "water stress" as those in which, based on the classification provided by the WRI Aqueduct Water Risk Atlas, the ratio between the total annual withdrawal of surface or groundwater for different uses (civil, industrial, agricultural and livestock) and the total annual supply of available renewable water ("base water stress," understood as the level of competition among all users) is high (40-80%) or extremely high (> 80%), Furthermore, it is specified that thermal plants using fresh water are included in this category, For greater environmental protection, Enel has also considered plants located in areas classified by the WRI as "arid" as being located in areas with water stress, Following a review of the extent of plants located in areas with water stress, the values for 2020 and 2019 have been recalculated.

(2) The value corresponds to the total water withdrawal from different sources, with and without water stress.

(3) The value corresponds to the sum of the total water withdrawn from different sources (2), plus the total water used in cooling systems, minus the total water discharged.

(4) The value corresponds to the total water consumption / net energy production.

#### **Emissions**

GRI/EUSS	KPI	Unit	2021	2020	2019
GRI 305-1	Scope 1 Emissions				
	Direct Greenhouse Gas Emissions (Scope 1)	thousands tCO2eq	6,977	6,826	6,930
	Other CO2 emissions from electricity production and other activities	thousands tCO2eq	299	70	34
	Total direct emissions (Scope 1) (1)	thousands tCO₂eq	7,276	6,896	6,964
	Specific emissions	•			
	Total specific emissions from net production (2)	g/kWheq	149	170	167
GRI 305-2	Scope 2 Emissions				
	Total emissions related to the purchase of electricity from the grid due to losses in the di- stribution network (Scope 2, market-based) (3)	thousands tCO2eq	721	463	730
GRI 305-3	Scope 3 Emissions				
	Mineral coal	thousands tCO2eq	21	62	-
	Coal transportation by ocean	thousands tCO₂eq	0	0	65
	Fuel transportation (gas, biomass, WDF)	thousands tCO₂eq	0	0.841	0
	Raw material and waste transportation	thousands tCO2eq	0.61	0	0
	Energy sales to end customers (electricity market)	thousands tCO2eq	5,817	5,252	5,753
	Energy sales to end customers (gas market)	thousands tCO₂eq	162	NA	NA
	Other indirect greenhouse gas emissions (Scope 3)	thousands tCO₂eq	6,001	5,315	5,819
GRI 305-5	Total emissions avoided	thousands tCO2	22,189	15,480	14,414
GRI 305-7	Other specific emissions				
	SO₂ emissions	tons	2,987	5,828	5,901
	NO <sub>x</sub> emissions	tons	9,328	10,551	9,576
	Dust emissions	tons	206	314	331
	Hg emissions	tons	0	0	0
	SF6 emissions	tons	0.814	0.75	0.51
GRI 305-4	Other specific emissions (intensity)				
	SO <sub>2</sub> emissions	g/kWheq	0.061	0.144	0.141
	NO <sub>x</sub> emissions	g/kWheq	0.191	0.261	0.229
	Dust emissions	g/kWheq	0.004	0.008	0.008

<sup>(1)</sup> The value corresponds to the sum of thermal generation emissions representing 99% and other emissions representing 1%, according to the GHG Protocol standard and in line with the Science Based Target initiative.

(2) The calculation of specific emissions intensity for 2021 corresponds to the Net Production of Américas, which corresponds to 48,739 GWh.



<sup>(3)</sup> The value considers energy distribution losses, indirect emissions from energy production of thermal and hydroelectric plants and self-consumption processes.

Our ESG performance

#### Waste

KPI	Unit	2021	2020	2019
Waste production				
Non-hazardous waste	tons	206,918	224,153	371,534
Non-hazardous waste (ashes only)	tons	15.64	7,723	30,519
Non-hazardous waste (excluding ashes)	tons	206,903	216,430	332,753
Hazardous waste	tons	13,036	6,818	8,213
Hazardous waste containing PCB	tons	1,058	806,07	1,352
Total waste production	tons	219,954	230,971	379,747
Disposal method for non-hazardous waste				
Recovery (including energy recovery)	tons	78,814	203,910	55,426
Waste sent to landfill	tons	128,099	22,170	N/D
Incinerated waste and other disposal methods	tons	5.02	5,874	N/D
Non-hazardous waste recovery rate (1)	%	38.09	91	15
Hazardous waste disposal method				
Hazardous waste recycled or sent for recovery	tons	10,462	4,890	3,910
Waste sent to landfill	tons	1,904	335.45	N/D
Incinerated waste and other disposal methods	tons	670.13	461.51	N/D
Hazardous waste recovery rate (2)	%	80.25	72	48
	Non-hazardous waste Non-hazardous waste (ashes only) Non-hazardous waste (excluding ashes) Hazardous waste Hazardous waste containing PCB Total waste production Disposal method for non-hazardous waste Recovery (including energy recovery) Waste sent to landfill Incinerated waste and other disposal methods Non-hazardous waste recovery rate (1) Hazardous waste recycled or sent for recovery Waste sent to landfill Incinerated waste and other disposal methods	Non-hazardous waste (ashes only) tons Non-hazardous waste (ashes only) tons Non-hazardous waste (excluding ashes) tons Hazardous waste tons Hazardous waste containing PCB tons Total waste production tons Disposal method for non-hazardous waste Recovery (including energy recovery) tons Waste sent to landfill tons Incinerated waste and other disposal methods tons Non-hazardous waste recovery rate (1) % Hazardous waste disposal method Hazardous waste recycled or sent for recovery tons Waste sent to landfill tons Incinerated waste and other disposal methods	Non-hazardous waste (ashes only) tons 15.64  Non-hazardous waste (ashes only) tons 206,903  Hazardous waste (excluding ashes) tons 206,903  Hazardous waste tons 13,036  Hazardous waste containing PCB tons 1,058  Total waste production tons 219,954  Disposal method for non-hazardous waste  Recovery (including energy recovery) tons 78,814  Waste sent to landfill tons 128,099  Incinerated waste and other disposal methods tons 5.02  Non-hazardous waste recovery rate (1) % 38.09  Hazardous waste disposal method  Hazardous waste recycled or sent for recovery tons 10,462  Waste sent to landfill tons 1,904  Incinerated waste and other disposal methods tons 670.13	Non-hazardous waste         tons         206,918         224,153           Non-hazardous waste (ashes only)         tons         15.64         7,723           Non-hazardous waste (excluding ashes)         tons         206,903         216,430           Hazardous waste         tons         13,036         6,818           Hazardous waste containing PCB         tons         1,058         806,07           Total waste production         tons         219,954         230,971           Disposal method for non-hazardous waste         Recovery (including energy recovery)         tons         78,814         203,910           Waste sent to landfill         tons         128,099         22,170           Incinerated waste and other disposal methods         tons         5.02         5,874           Non-hazardous waste recovery rate (¹)         %         38.09         91           Hazardous waste disposal method         10,462         4,890           Waste sent to landfill         tons         1,904         335,45           Incinerated waste and other disposal methods         tons         670.13         461.51

<sup>(1)</sup> The recovery rate corresponds to the ratio of non-hazardous waste recycled or sent for recovery to non-hazardous waste generated. (2) The recovery rate corresponds to the ratio of hazardous waste recycled or sent for recovery to hazardous waste generated.

#### Biodiversity exposure and assessment(1)

GRI/EUSS	KPI	Unit	2021
	Biodiversity exposure and assessment		
	General		
	Sites used for production, extraction or planting activities	No.	112
	Total area	Hectares	127,136
	Last 5 years		
	Sites that have been assessed including biodiversity impact assessments	No.	112
	Total area	Hectares	127,136
	Sites evaluated		
	Sites that contain or are adjacent to globally and nationally important biodiversity	No.	5
	Total area	Hectares	58
	Sites with biodiversity of global or national importance		
	Sites that have a biodiversity management plan	No.	5
	Total area	Hectares	58

<sup>(1)</sup> The hectares indicated do not include hydroelectric dams, Active projects on biodiversity have been taken into account for the biodiversity impact assessment.

#### **Energy consumption**

<b>GRI/EUSS</b>	KPI	Unit	2021	2020	2019
	Fossil fuels (coal, oil, natural gas, etc.) purchased and consumed (for energy purposes)	MWh	33,764,850	32,301,065	34,401,645
	Electricity purchased	MWh	332,370	462,199	184,555
	Non-renewable energy (electricity, heating and cooling) produced	MWh	15,893,778	15,311,816	16,155,238
	Renewable energy produced	MWh	35,448,409	25,143,506	26,567,301
	Total non-renewable energy consumption	MWh	14,210,219	17,451,448	18,430,962
	Total fuel consumption costs	thousands US\$	116,666	137,850	277,117
	Total cost of purchased energy	thousands US\$	7,711,330	5,337,887	6,096,863





#### **Governance**

#### Communication and training on policies and procedures

GRI/EUSS	KPI	Unit	2021	2020	2019
GRI 205-2	Members of the governance body that received training				
	Argentina	No.	19	6	24
	Brazil	No.	0	100	26
	Chile	No.	0	3	0
	Colombia	No.	34	14	3
	Peru	No.	17	16	17
	Central America	No.	N/D	N/A	N/A
	Enel Américas Total	No.	70	139	70
	Workers who received training on anti-corruption			·	
	Argentina	No.	520	1,325	1,581
	Brazil	No.	4,128	8,941	2,906
	Chile	No.	42	34	55
	Colombia	No.	1,612	1,218 704 N/D	814
	Peru	No.	895		673
	Central America	No.	53		N/D
	Enel Américas Total	No.	7,250	12,222	6,029
	Enel Américas Total Proportion	%	44	74	36

#### Diversity of governance bodies and employees

GRI/EUSS	KPI	Unit	2021				
GRI 405	Diversity of the Board						
GRI 405-1 a	Total composition of governance body	No.	7				
GRI 405-1 a.1	Composition by gender						
	Women	No.	2				
	Men	No.	5				
	Women	%	29				
	Men	%	71				
GRI 405-1 a.2	Composition by age range						
	Under 30 years old	No.	0				
	Between 30 and 40 years old	No.	0				
	Between 41 and 50 years old	No.	3				
	Between 51 and 60 years old	No.	0				
	Between 61 and 70 years old	No.	1				
	Over 70 years old	No.	3				
GRI 405-1	Diversity of the Board						
	405-1 a: Total composition of governance body	No.	7				
GRI 405-1 a.1	Composition by gender						
	Women	No.	2				
	Men	No.	5				
	Women	%	29				
	Men	%	71				
GRI 405-1 a.2	Composition by age range						
	Under 30 years old	No.	0				
	Between 30 and 40 years old	No.	0				
	Between 41 and 50 years old	No.	3				
	Between 51 and 60 years old	No.	0				
	Between 61 and 70 years old	No.	1				
	Over 70 years old	No.	3				

<sup>(\*)</sup> The diversity by age range is based on General Rule No, 461 of the Financial Market Commission, which differs from the requirements of the GRI Standard.



#### **Training of security personnel in Human Rights**

GRI/EUSS	KPI	Unit	2021	2020	2019	
GRI 410-1	Security personnel trained in human rights policies or procedures,					
	Enel Américas	No,	38	43	49	
	Enel Américas	%	98.6	95.8	73.7	

#### **Training of workers in Human Rights**

GRI/EUSS	KPI	Unit	2021	2020	2019		
GRI 412-2	Members of the governance body that received training						
	Argentina	%	61	82	65		
	Brazil	%	95	99	76		
	Chile	%	97	95	16		
	Colombia	%	96	96	91		
	Peru	%	98	96	92		
	Costa Rica	%	100	N/D	N/D		
	Guatemala	%	73	N/D	N/D		
	Panama	%	107	N/D	N/D		

#### **Approval of the Code of Ethics**

KPI	Date	
Approval	of the Code of Ethics	
Enel Amé	éricas	June 2021





#### **Controversies**

419-1

#### **Argentina**

#### **Quality and Safety**

#### 1) Father's Day Blackout

Enel Argentina is involved in two cases related to the Father's Day blackout on June 16, 2019, which entail fines set forth in the Procedures of the Wholesale Electricity Market Management Company (CAMMESA) for "non-operation of under frequency relays," In this line, resolution DTEE No, 397/2019 was validated by resolution ENRE 136 of May 21, 2021, These were paid under protest, and they specified technical corrective actions,

# 2) Claims in the National Electricity Regulatory Entity (ENRE)

Claims cases were filed with the National Electricity Regulatory Entity (ENRE) by different users, These accumulated at the regulatory agency, which resolved them all favorably in the series: ENRE 30/20, 38/20, 46/20 and 56/20; all of them appealed,

The claims of the customers concerned resulted in the proceedings of Resolution ENRE 95/21 and corrective actions were taken,

There is also Resolution ENRE 58/21, which covers customer debts during the pandemic, respecting DNU 311/20 and preventing supply cut-off for such debts, only enabling the suspension for debts after 28/02/21, The accrued debts must be compensated by means of Art 87 Law 27581, Finally, there are cases that constitute routine fines by the Public Road Safety system that have been appealed accordingly,

#### **Data privacy**

Cyber-attack affecting some Edesur operations. On June 7, 2020, Enel's CERT detected malware being distributed on the Company's machines, through a Group Policy on Active Directory domain, The malware (Ekans ransomware) was detected following alerts received from the endpoint security system (Antivirus), As an immediate response action, Enel's networks were isolated (external connections and VPNs were disabled) to prevent the spread of the malware, No impact on service continuity has been detected in the areas of distribution, generation and commercialization, but in all countries where Enel is present, some IT services were affected by the ransomware, as their files were encrypted,

Restoration activities are underway to recover the encrypted data and no ransom demands have been received, External connections were gradually restored starting the following day, Monday, June 8, and all Enel employees were asked to contact the technology help desk to report any incidents on the infected computers, An investigation is currently underway to identify how the corporate credentials were stolen and how they were used to spread the malware,

#### **Brazil**

#### 1) Sao Paulo

# Temporary suspension of meter reading due to the pandemic

As a pandemic measure, in-person meter reading was suspended in Sao Paulo, However, once the process was resumed, customers received their actual bills, as billing during the suspension had continued based on metered consumption, As a result, a fine was imposed, which is detailed as follows: R\$ 10,21MM, levied on July 10, 2020; object of the fine: (i) suspension of reading and billing based on average consumption, (ii) requirement of a debt acknowledgement period for payment of installments, (iii) lack of information on the service: failure to provide information on the possibility of paying the electricity bill in installments, The current status of this case is that Procon dismissed Enel Sao Paulo's administrative appeals, and, in December 2021, the Company filed a lawsuit in the Judiciary requesting the nullity of the fine,

# Court orders compensation for undue charges for atypical services

Regarding the Public Civil Action of 2017, which concerns a one-off problem of charging some insurance in the electricity bills in Eletropaulo's mapping, the customers identified with truly undue charges were reimbursed (simply for the amounts unduly charged, but not double the amount requested in the lawsuit), The lawsuit continues in the Judiciary,

#### 2) Goiás

Brazilian regulator imposes fine for service problems Procon Goiás levied a fine for alleged service problems (Process 5384656,43,2020,8,09,0051), for which a request



for guarantee insurance was made, Details regarding it: i) Procon GO administrative fine: Procon GO imposed a fine of BRL 9 million due to several technical and commercial nonconformities detected in consumer complaints in 2018 and 2019, On August 06, 2020, Enel GO filed a nullity action against the fine and obtained an injunction to suspend the debt enforcement until the final ruling on the case, On July 20, 2021, the Judge dismissed the nullity action, basing his decision on (i) the jurisdiction, autonomy and independence of PROCON to defend the rights of consumers and that (ii) the administrative decision issued by the Consumer Protection Attorney Office has legal basis and is wellfounded, We filed an appeal against the ruling, which had a judgement given by the Court of Justice of the State of Goiás on November 16, 2021, Enel Brasil's appeal was partially granted to reduce the fine from BRL 9,2 million to BRL 400,000 and the penalty from BRL 900,000 to BRL 50,000, noting that there is still the possibility of further appeals by the Company and also by the State,

#### Peru

#### 1) Anti-corruption practices

Investigation into unfair competition in Peru The Peruvian Institute for the Defense of Competition (Indecopi) accepted a complaint filed by Luz del Sur (distribution company) and its subsidiary Inland Energy (generation company) against Enel, Kallpa and Engie for alleged unfair competition, According to the complaint, the aforementioned companies provided inadequate information related to natural gas prices, affecting competitors and consumers, alleging that they reported lower than actual prices for the acquisition of natural gas, artificially generating a lower marginal cost of energy for the system, According to Enel Perú, the complaint is unfounded.

In recent years, Peru has been facing a situation of overcapacity in the electricity sector, As in any economic activity, a situation of oversupply generates downward pressure on energy prices, including the short-term market, The Company firmly believes that competition is beneficial for the market, consumers and the companies themselves; therefore, we always act dutifully and in compliance with the antitrust framework, Furthermore, in carrying out its activities, Enel strictly complies with the regulations applicable to the energy sector,

In particular, with regard to the declaration of gas prices, this is a tightly regulated and supervised procedure which has been in force-with some modifications-for almost twenty years, During this period, all agents in the sector have been uniformly applying the procedure, and Enel Perú has not received any inquiry on the matter from the regulatory body Supervisory Organism of Investment in Energy and Mines (OSINERGMIN),

Status of the complaint: i) In November 2019, Enel was notified of the complaint filed by Luz del Sur and its subsidiary Inland Energy; ii) in January 2020, Enel responded to the complaint requesting its inadmissibility (as OSINERGMIN, not Indecopi, is the body with the authority to resolve this case), or that it otherwise be declared unfounded, because the merits of the complaint are unfounded, Additionally, Enel requested Indecopi to order the initiation of a sanctioning procedure against Luz del Sur and Inland for filing a clearly fraudulent complaint; iii) by means of Resolution No, 076-2020/CCD-INDECOPI, dated October 6, 2020, the Commission declared, in the first administrative authority, the complaint filed by Luz del Sur S,A,A, and Inland Energy S,A,C, against Enel Generación Perú S,A,A, iv) on November 10, 2020, the claimants filed an appeal against said resolution; v) by means of resolution No, 5, dated November 17, 2020, the appeal was granted for the claimants and the file was referred to the second administrative instance; by resolution No, 0080-2021/SDC-INDECOPI, notified in June 2021 (second administrative authority), INDECOPI confirmed the inadmissibility of the complaint of Luz del Sur S,A,A,, thus concluding the administrative proceeding,

#### Investigation for alleged market distortion related to declaration of low natural gas production costs

By means of superior fiscal resolution N° 42-2021-MP-FN-1FSCPSI-L, the High Criminal Prosecutor's Office of the First Corporate Criminal Prosecutor's Office of San Isidro (Lince, Fiscal District of Lima) concluded that in the present case there is no typical element of the crime of generic false statement, therefore it ruled that Enel Generación Perú should not be criminally charged,





# **GRI content index**

102-55

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	102-36	Process for determining compensation		Please, refer to Enel América 2021 Annual Report, section on "Review of the salary structures of the executive team".
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	403-4	Worker participation, consultation, and communication on occupational health and safety	301	
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GRI 405: Diversity and Equal Opportunity	405-1	Diversity of governance bodies and employees	165, 180, 181, 360, 361, 362, 374	
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Standards	Indicator		Page	Comments or omission		
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GRI: Product Responsibility Disclosures for the Electric Utilities Sector (G4) Access	EU23	Programs, including those in partnership with the government, to improve or maintain access to electricity and customer care services	141			
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## **SASB Content Index**

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 Américas, "Electric Utilities & Power Generators".

The standard is divided into 27 indicators (sustainability disclosure topics, accounting metrics, and activity metrics) divided into six main topics: environment, energy affordability, security, end-use efficiency and demand, network resilience, and activity metric.

Theme	SASB	Accounting metric	Answer	GRI Reference
Greenhouse Gas Emissions & Energy Resource Planning	IF-EU-110a.1	Gross global Scope 1 emissions, percentage covered under (2) emissions- limiting regulations, and (3) emissions- reporting regulations	(1) 7,276 thousands tCO <sub>2</sub> eq (2) NA (3) 100%	305-1
	IF-EU-110a.2	Greenhouse gas (GHG) emissions associated with power deliveries	6,977 thousands tCO2eq	305-1
	IF-EU-110a.3	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Chapter Net Zero Ambition	102-15; 201-2
	IF-EU-110a.4	Number of customers served in markets subject to renewable portfolio standards (RPS) and (2) percentage fulfillment of RPS target by market	NA	
Air Quality	IF-EU-120a.1	Air emissions of the following pollutants: (1) NOx (excluding N <sub>2</sub> O), (2) SOx, (3) particulate matter (PM10), (4) lead (Pb), and (5) mercury (Hg); 6) percentage of each in or near areas of dense population	(1) 9,327.73 tons (2) 2,987.42 tons (3) 205.89 tons (4) NA (5) 0 tons / (%) = n.a (6) NA	305-7
Vater Management	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	(1) 5.88 million m³ (2) 3.82 million m³ (3) 100% (4) 6,84%	(1) 303-3 a (2) 303-5 a
	IF-EU-140a.2	Number of incidents of non-compliance associated with water quantity and/ or quality permits, standards, and regulations	9 (*) All incidents were classified as minor and no sanctions or reprimands were generated. Mitigation measures were taken and the situation was quickly brought under control.	
	IF-EU-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	Chapter Environmental Sustainability	303-1; 102-15
Coal Ash Management	IF-EU-150a.1	(1) Amount of coal combustion residuals (CCR) generated, (2) percentage recycled (3) CCR generated and recycled - ash diverted from disposal (4) CCR generated and recycled - ash diverted from disposal (5) CCR generated and recycled - gypsum diverted from disposal (6) CCR generated and recycled - gypsum diverted from disposal (6) CCR generated and recycled - gypsum diverted from disposal	(1) 35.5 tons (hazardous + hazardous waste) (2) 0 tons (3) 0 tons (4) 0 % (5) 0 tons (6) 0 %	306-3; 306-4
	IF-EU-150a.2	Total number of coal combustion residual (CCR) impoundments, broken down by hazard potential classification and structural integrity assessment	-	





Theme	SASB	Accounting metric	Answer	GRI Reference
Energy Affordability	IF-EU-240a.1	Average retail electric rate for (1) residential, (2) commercial, and (3) industrial customers	(1) 117 USD/MWh (2) NA (3) NA	
	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	NA	
	IF-EU-240a.3	Number of residential customer electric disconnections for non-payment, 2) percentage reconnected within 30 days	Annexes Service and Quality Relationship with our Customers - Energy Accessibility Chart	EU27
	IF-EU-240a.4	Discussion of impact of external factors on customer affordability of electricity, including the economic conditions of the service territory	Chapter Service and Quality Relationship with our Customers	EU27; 102-43, 102-44
Workforce Health & Safety	IF-EU-320a.1	(1) Total recordable incident rate (TRIR), (2) fatality rate, and (3) near miss frequency rate (NMFR)	(1) 0.66¹ (2) 0.0314 (3) NA	403-9
End-Use Efficiency & Demand	F-EU-420a.1	Percentage of electric utility revenues from rate structures that (1) are decoupled and (2) contain a lost revenue adjustment mechanism (LRAM)	NA	
	F-EU-420a.2	Percentage of electric load served by smart grid technology	0.32%²	
	F-EU-420a.3	Customer electricity savings from efficiency measures, by market (megawatt hours)	NA	
Nuclear Safety & Emergency Management	IF-EU-540a.1	Total number of nuclear power units, broken down by U.S. Nuclear Regulatory Commission (NRC) Action Matrix Column	NA	
	IF-EU-540a.2	Description of efforts to manage nuclear safety and emergency preparedness	NA	
Resistencia de la red	IF-EU-550a.1	Number of incidents of non- compliance with physical and/or 2) cybersecurity standards or regulations	0	
	IF-EU-550a.2	(1) System Average Interruption Duration Index (SAIDI), (2) System Average Interruption Frequency Index (SAIFI), and (3) Customer Average Interruption Duration Index (CAIDI), inclusive of major event days	(1) 9.8 horas (2) 4.7 veces	EU29 / EU28
	IF-EU-000.A	Number of: (1) residential, (2) commercial, and (3) industrial customers served	(1) 26,180,129 (2) 23,393,203 (3) 1,632,293 (4) 117,478 (5) 1,037,155	EU3
	IF-EU-000.B	Total electricity delivered to: (1) residential, (2) commercial, (3) industrial, (4) all other retail customers, and (5) wholesale customers	, (1) 48,665 GWh (2) 19,437 GWh (3) 7,543 GWh (4) 44,200 GWh	
	IF-EU-000.C	Length of transmission and distribution lines	614,948 Km	EU4
	IF-EU-000.D	(1) Total electricity generated, (2) percentage by major energy source,(3) percentage in regulated markets	(1) 48,739 GWh (2) Hydroelectric: 24,704 GWh (50.7%) Wind: 6,453 GWh (13.2%) Solar: 1,687 GWh (3.5%) Combined cycle: 14,154 GWh (29%) Fuel-gas: 1,513 GWh (3.1%) Coal: 227 GWh (0.5%)	EU2
	IF-EU-000.E	Total wholesale electricity purchased	NA	

<sup>(1)</sup> The total recordable injury rate corresponds to the total recordable injuries per million hours worked. (2) Active meters are considered and excludes other technologies such as remote reading.



## **World Economic Forum content index**

Our ESG performance

The International Business Council (IBC) of the World Economic Forum published a report, called 'Measuring Stakeholder Capitalism: Towards Common Metrics and Consistent Reporting of Sustainable Value Creation', with the aim of defining shared common metrics to measure, report and compare the levels of sustainability.

These metrics aim to measure the effectiveness of the actions carried out in the business model to create value for stakeholders, with respect to the Sustainable Development Goals (SDGs) established by the UN. stakeholders, with respect to the Sustainable Development Goals (SDGs) established by the UN. To this end, they are based on demanding standards and aim to increase convergence and comparability between the various parameters currently used in sustainability reports.

The following table provides information on the 21 primary indicators indicated in the WEF report.

Pillar	Theme	Metrics	Key performance indicators	2021	Reference
Principles of Governance	Governing Purpose	Setting purpose	-	-	Chapter Governance, section Sound Governance
	Quality of Governing Body	Governance body composition	Women on Board of Directors (n.)	2	Governance chapter, Diversity section
	Stakeholder Engagement	Material issues impacting stakeholders	-	-	Section Our sustainable progress, chapter Defining priorities
	Ethical behavior	Anti-corruption. Protected ethics advice and reporting mechanisms	Employees who received training about anticorruption policies and procedures(%)	44%	Annexes, section Communication and Training on Policies and Procedures
			Ascertained violations related to conflict of interest/corruption (n.)	16	Section The value creation process and the business model
			Reports received related to violations of the Code of Ethics	75	Chapter Governance section Whistleblower protection
	Risk and Opportunity Oversight	Integrating risk and opportunity into business process	-	-	Chapter Context and business model, section Enel Americas's main ESG risks. Chapter Governance, section Risk management
Planet	Climate Change	Greenhouse Gas (GHG) emissions	Direct greenhouse gas emissions- Scope 1 (thousand tCO₂eq)	7,276	Chapter Net Zero Ambition, section Carbon footprint Enel Americas. Annexes, Emissions section
			Indirect greenhouse gas emissions Scope 2 (thousand tCO₂eq)	721	Chapter Net Zero Ambition, section Carbon footprint Enel Americas. Annexes, Emissions section
			Indirect greenhouse gas emissions - Scope 3 (thousand tCO <sub>2</sub> eq)	6,001	Chapter Net Zero Ambition, section Carbon footprint Enel Americas.
		Task Force on Climaterelated Financial Disclosures (TCFD) Implementation	-	-	Chapter Net Zero Ambition; detail in TCFD Index





Pillar	Theme	Metrics	Key performance indicators	2021	Reference
	Nature Loss	Land use and ecological sensitivity	-	-	-
	Fresh Water Availability	Water consumption and withdrawal in water-stressed areas	Water withdrawal (thousand m³)	487	Chapter Environmental Sustainability, section Water Resources, Annexes, section Water Consumption.
			Water withdrawal in "water stressed" areas (%)	8%	Chapter Environmental Sustainability, section Water Resources.
			Water consumption (thousand m³)	402	Annexes, section Water consumption.
			Water consumption in "water stressed" areas (%)	9.5%	Chapter Context and business model.
People	Dignity and Equality	Diversity and inclusion	Women incidence on total employees (%)	21%	Chapter People, Section Workforce
		Pay equality	Equal Remuration Ratio (%)	91.63%	Capítulo Personas, apartado Remuneraciones Anexos, apartado Brecha salarial.
		Wage level	Wage level CEO	NA	
		Risk for incidents of child, forces or compulsory labor	Evaluation among thesupply chain of child labour defense and of compulsory or forced work prohibition	-	Chapter Sustainable supply chain, section Suppliers and human rights
	Health and Wellbeing	Health and safety	Fatal accidents-Enel Américas (n).	1	Occupational health and safety chapter, Safety statistics section. Annexes, Accidentability section.
			Fatalities frequency rate- Enel Américas (n).	0.0314	Annexes, SASB Index
			"High consequence" injuries-Enel (n)	1	Occupational health and safety chapter, Safety statistics section.
			"High consequence" injuries frequency rate- Enel Américas	0.85	Occupational health and safety chapter, Safety statistics section. Annexes, Accidentability section.
	Skills for the Future	Training	Training provided Average hours of training per employee (h/per cap)	46.96	
			Employees training cost (M\$)	1,673,156.41	Chapter People, section Investments in training



Pillar	Theme	Metrics	Key performance indicators	2021	Reference
Prosperity	Employment and Wealth Generation	Economic contribution	-	-	Chapter Context and business model, Value creation section
		Investment contribution	CAPEX (MM\$)	2,971	Chapter Context and business model.
			Purchase of own shares and dividends paid (M\$)	962,959	Financial Statements Enel Américas, Dividends paid
	Innovation in Better Products and Services	Total R&D expenses	Investments in research and development	-	Chapter Innovation and digital transformation, section Innovation
	Community and Social Vitality	Total tax paid	Total tax paid (M\$)	864,570	Financial Statements Enel Américas.





# **TCFD** content index

As a sign of Enel Américas' commitment in the area of climate change disclosure, the following index is developed, which shows the alignment of the Company's reporting on climate-related topics with the Taskforce on Climate-related Financial Disclosures (TCFD), which, in June 2017, published specific recommendations for voluntary financial impact reporting of climate risks.

Subject	Disclosures recommended by the TCFD (Taskforce on Climate-related Financial Disclosures)	Sections of this Report in which the recommendation is reported
	Governance	
Report on the organization's management of climate-related risks and opportunities.	a) Oversight of the climate risk and opportunity directory.     b) Management role.	Climate change governance model. Corporate Governance. Structure. Climate change incentive system.
	Strategy	
Report the current and potential impacts of climate risks and opportunities on the organization's business, strategy and financial planning where this information is material.	a) Climate-related risks and opportunities in the short, medium and long term. b) Impact on business strategy and financial planning. c) Resilience of the strategy and planning to climate scenarios, including 2°C or less.	Strategy to address climate change Main risks and opportunities related to climate change Enel Americas' impact on climate change Climate change scenarios Identification, assessment and management of risks and opportunities related to physical phenomena Identification, assessment and management of risks and opportunities related to transition phenomena
	Risk Management	
Report how the organization identifies, assesses, and manages risks related to climate change.	a) Identification and assessment of climate risks b) Climate risk management c) Integration into overall risk management	Climate change scenarios Identification, assessment and management of risks and opportunities related to physical phenomena Identification, assessment and management of risks and opportunities related to transition phenomena Main ESG risks of Enel Americas
	Metrics and goals	
Report metrics and targets used to assess and manage relevant risks and opportunities related to climate change where this information is material.	a) Metrics used related to climate change. b) Report Scope 1, 2 and 3 emissions. c)) Climate change related targets.	Enel Americas Carbon Footprint Metrics and Targets The future of generation Grid resilience and digitization Products and services for electrification and digitization Environmental sustainability



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#### Questions and suggestions may be directed to:

Antonella Pellegrini Sustainability and Community Relations Officer antonella.pellegrini@enel.com 76 Santa Rosa St, Santiago de Chile

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