

## Active and passive fight against corruption

| 103-2 | 103-3 | 205-1 | 205-2 |

In compliance with the 10<sup>th</sup> Global Compact principle, according to which “companies are committed to combating corruption in all its forms, including extortion and bribery”, Enel intends to pursue its commitment to fighting corruption in all its forms – whether direct or indirect – by applying the principles expressed in the pillars of its Anti-bribery Management System.

Enel’s Anti-Bribery Management System (ABMS) is based on the Group’s commitment to fighting corruption by applying the criteria of transparency and conduct as set out in the Zero Tolerance for Corruption Plan (ZTC Plan) and confirmed in the Anti-Bribery Policy adopted in compliance with international standard ISO 37001:2016 (on anti-bribery management systems).

Together with the ZTC Plan, the pillars underpinning the ABMS are:

- > the Code of Ethics;
- > Models to prevent the main criminal risks (for example, bribery in relations with public administrations and among private individuals, environmental offences, corporate offences and, for Italian companies, manslaughter, serious personal injury or grievous bodily harm committed in violation of the rules on the protection of occupational health and safety), as described by the applicable regulations on corporate responsibility (the “Compliance Program”) in the various countries where the Group operates (for example, Organizational Model 231 for Italian companies, the “Risk Prevention Model/ Integrity Program” for Group companies in Spain and South America);
- > the Enel Global Compliance Program (“EGCP”), a governance tool aimed at strengthening the Group’s ethical and professional commitment to preventing illicit activities committed outside Italy that might result in corporate criminal liability and reputational risks. The EGCP applies to the Group’s non-Italian companies and supplements any compliance programs adopted by the same companies, in compliance with local regulations.

The mentioned governance measures (in relation to which we refer you to the specific section of the website), together with the current body of procedures, outline an effective prevention system, which is an integral part of the Group’s Internal Control System.



In 2017 Enel SpA was among the first companies in the world to obtain certification of the conformity of its anti-bribery management system to international standard ISO 37001:2016 (“Anti-Bribery Management System”). This certification was issued following an independent verification process, carried out by a primary accredited certification body, which was carried out in two separate phases, aimed primarily at certifying the adequacy of the design of the Enel anti-bribery management system (in terms of governance, roles, and responsibilities, control procedures, etc.), and secondarily at assessing the level of application and effectiveness.

After Enel SpA obtained certification ISO 37001 for its anti-bribery management system, it gradually extended the 37001 certification plan to the Group’s main Italian and foreign subsidiaries, guaranteeing maintenance of the certifications already obtained.

## Enel for respect of human rights

| 103-2 | 103-3 | 407-1 | 408-1 |  
| 409-1 | 411-1 | 412-1 | 413-1 |

Our corporate strategy is articulated around the core concept of contributing to building a fairer and more inclusive society throughout the entire value chain, protecting the environment in which we live and creating opportunities for the future for the Company and for our stakeholders.

Our commitment to respect for human rights is the common thread that guides our activities, fully integrated in our purpose and throughout our corporate values. Specifically, Enel promotes respect for all internationally recognized human rights in the area of its business relations and it requires adoption of the same principles by contractors, suppliers, and commercial partners, with special attention to high risk contexts or conflict situations.

To ensure optimal respect for our commitments, in 2020 we launched a new due diligence<sup>7</sup> phase in order to guarantee constant monitoring of operations related to the entire value chain through the revision of the existing procedures and processes. The areas of improvement and action plans were finalized in the initial months of 2021 and will be completed within 2022. A total of around **170 actions** have been planned, covering 100% of operations and sites. A new specific methodology will be defined on the global level to apply the due diligence to human rights to single assets, and also integrations of the existing procedures will be assessed in order to extend the assessment to our financial partners.

In confirmation of our commitment, in 2020 approximately 1.5 million training hours were delivered on sustainability topics (up by 29.4% compared to the prior year), of which human rights are a fundamental part; specifically, the courses mainly addressed environmental and worker health and safety issues, with an average of 21.7 hours of training *per capita*, representing an increase with respect to the 2019 figure (16.5 hours). Also available is an online training course dedicated to the topic of human rights, with which Enel engages all people in the Company by sharing experiences and best practices that highlight the key role of human rights. In 2020 more than 5 thousand

(7) In the context of the Guiding Principles on Business and Human Rights (Principles 17-21), this term refers to a continuously evolving management system implemented by a company, adapting it to the peculiarities of its supply chain and in accordance with the sector in which it works, its operating contexts, its organizational structure, to ensure it is not involved in human rights violations, either directly or indirectly. This implies “identifying, preventing, mitigating and reporting” potential negative impacts deriving from the Company’s business activities.

training hours were delivered on human rights topics, by means of a dedicated online course.

Transparency and ethics are core elements for our Company, which is why we collect and analyze feedback received from our stakeholders. As stated in the stakeholder reports section, all violations or suspected violations can be reported, also anonymously, by means of a single platform at Group level (“Ethics Point”), which is accessible at [www.enel.ethicspoint.com](http://www.enel.ethicspoint.com).

### PROTECT: our commitment

In 2013 the Company adopted the Policy on Human Rights, approved by the Board of Directors of Enel SpA and of each of its subsidiaries. A commitment that strengthens and deepens the values and pillars of corporate ethics based on the Code of Ethics, on the Zero Tolerance for Corruption Plan and on the Model 231.

The policy references the UN Guiding Principles for Business and Human Rights (UNGP) approach – “Protect, Respect and Remedy” – and the principles outlined by the OECD Guidelines for multinational enterprises, designed to promote sustainable management of the business model, and by the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights and the Declaration of the International Labour Organization on Fundamental Principles and Rights at Work. By adopting these principles and standards, Enel promotes respect of all internationally recognized human rights, including opposition to human trafficking, equal remuneration, and the rights of indigenous peoples.

The Policy identifies eight principles, considered to be those of the greatest impact for the Group’s operations, classifying them in two macro-issues – labor practices and community relations – that all Enel SpA people and those of its subsidiaries must respect in the pursuit of their activities. Enel also promotes respect for said principles in the context of all its business relations and compliance with the same standards by its contractors, suppliers, and commercial partners, paying special attention to high-risk or conflict-affected contexts.

The Policy also outlines a governance system which is entrusted with the tasks of implementing and monitoring the activities defined by the Group for the protection and respect of human rights. The tasks include the adoption of a process of due diligence on human rights.

In particular:

- > acting through the Control and Risks Committee and the Corporate Governance and Sustainability Committee, the **Board of Directors** is responsible for examining the main company rules and procedures connected to the Internal Control and Risk Management System of relevance in relation to stakeholders – among which we mention in particular the Organizational and Management Model implemented pursuant to Italian Legislative Decree 231/01, the Code of Ethics, the “Zero Tolerance for Corruption” Plan and the Policy on Human Rights – and submit the documents in question to the approval of the Board of Directors, assessing possible subsequent amendments or integrations;
- > the **Innovability Function**, and, in particular, the Sustainability Planning and Performance Management and Human Rights unit, is responsible for managing the positioning on human rights and the associated internal and external communication activities concerning the actions taken, and integrating the Policy on Human Rights in corporate processes and guaranteeing the execution of due diligence activities. Moreover, on an annual basis it reports Enel’s performance with respect to the commitments assumed in relation to human rights in the Group Sustainability Report;
- > the various **company units** are responsible for implementing the Policy on Human Rights in their respective areas of competence.

## RESPECT: the due diligence process

As required by the UN guidelines and based on the Policy principles, Enel has developed a specific process of due diligence of human rights across the entire value chain in the different countries in which it operates. In line with the international reference standards, the process is broken down into four phases:

1. assessment of risk perceived by key stakeholders, at the individual country level, with regard to labor, local community, and environment rights;
2. gap analysis aimed at identifying and analyzing the organizational and risk control systems;
3. development of action plans, in order to cover any areas of improvement that emerged in the previous phase;
4. monitoring of action plans and remedies.

In 2020 the analysis was carried out in accordance with the above described phases, terminating with approval of the specific improvement plans, the actions of which will



be adopted in 2021 and 2022. The first two phases of the due diligence process are shown below, while the other two phases are described in the next section “REMEDY: Improvement plans”.

### 1. Assessment of the perceived risk

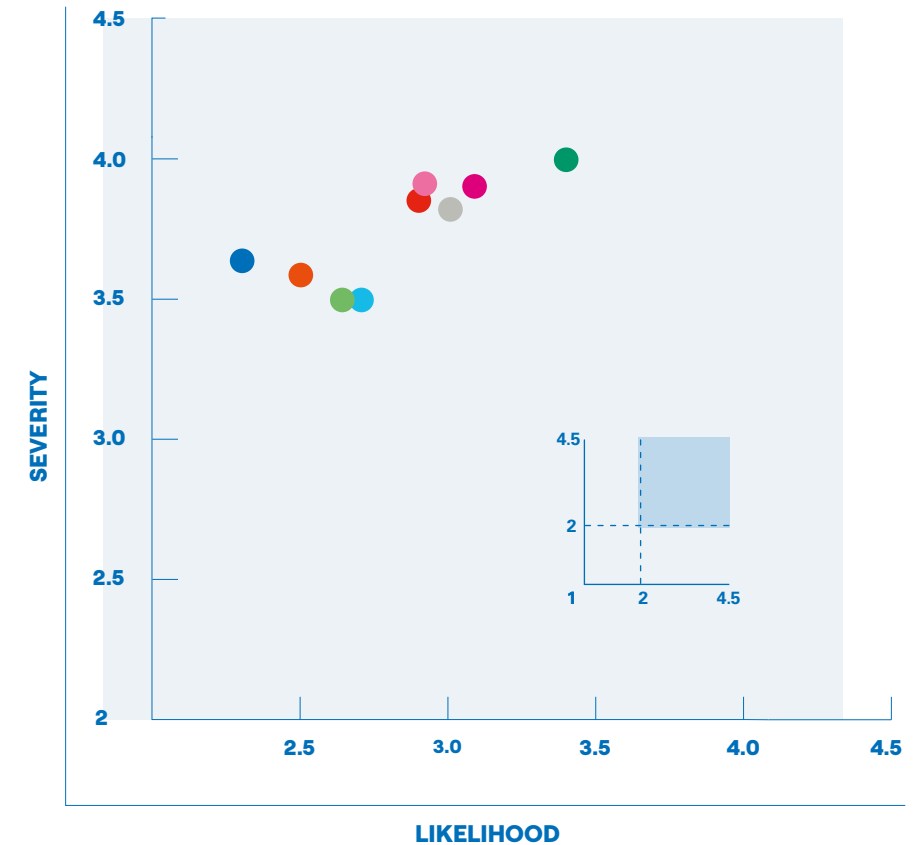
By consulting significant stakeholders and experts in the various sectors, namely civil society, and academic institutions, originating from the various contexts in which the Company operates, Enel has conducted a context analysis to better identify the issues concerning human rights and the most significant connected risks. Specifically, consultations were held with direct and indirect workers, representatives of indigenous populations and local communities, trade unions and local institutions.

The topics included in the Policy on Human Rights were then classified based on the perceived risk level, calculated taking into consideration the seriousness and probability of an effective violation<sup>(8)</sup>.

(8) The risks are classified based on the assessment scale: acceptable risk (minimum level), risk to control, high-priority risk, high risk (maximum level).

## Risk analysis results

- Child labor
- Forced or compulsory labor
- Freedom of association
- Community
- Environment
- Zero Tolerance of Corruption (ZTC)
- Occupational health and safety
- Diversity
- Fair and favorable working conditions



This analysis led to the following conclusions:

- > issues relating to bribery and environmental impacts have a “high-priority risk” score, requiring companies to implement advanced control and monitoring mechanisms;
- > issues strictly connected to labor practices (freedom of association and collective bargaining, rejection of forced labor and child labor, dissemination of just and favorable working conditions, health and safety in the workplace, diversity, and inclusion) and to the mitigation of impacts on local communities are assessed as “risk to control”. Protection of local communities is more relevant in South American countries, in line with the results of the previous assessment cycle;
- > the topic of health and safety in the workplace continues to be perceived as a critical area to control and monitor in all Group countries.

### 2. Gap analysis

A gap analysis was performed based on the perceived risk assessment aimed at evaluating the practices and policies adopted to protect human rights in all Group countries. In particular, interviews were conducted with top management and the various areas of the value chain were ana-

lyzed in relation to more than 100 indicators. The assessment considered the four parameters of the operative principles defined by the UNGP:

- > public commitment to protect human rights;
- > adoption of human rights due diligence process;
- > preparation of a plan of action to remedy any gaps identified by the due diligence process;
- > adaptation to match local context and regulations.

Furthermore, the significant information of the due diligence process and the Group’s commitment to respect human rights are provided in compliance with the UNGP Reporting Framework.

By means of the management system due diligence activity, the Company is in a position to evaluate 100% of the policies and operational procedures adopted for execution of its direct and indirect operations (e.g. operations concerning the entire value chain and those connected to the establishment of new business relations).

The analysis showed that Enel has a robust set of mechanisms and management systems to protect against possible human rights violations, so the identified risks can be adequately managed.



Topics	Average perceived risk	System to protect human rights	Main policies and procedures to protect human rights	SDG
<b>Labor practices</b>				
Freedom of association and	to control	Robust	Enel is committed to respecting the freedom and collective bargaining rights of its employees. In particular, Enel recognizes their right to set up or join organizations formed to defend and promote their interests; it recognizes their right to representation by union organizations or other forms of representation, opposing any action of discrimination in the exercise of this right; it recognizes their right to engage in collective bargaining as the preferred instrument to establish the contractual conditions and to regulate relations between company management and trade unions.	8
collective bargaining	to control	Robust	The contracts considered overall regulate labor conditions, clearly defining workers' rights (working hours, remuneration, overtime, indemnity, benefits). Each worker is guaranteed a translated employment contract in his/her native language. Human resources management systems and procedures guarantee the absence of minors in the workforce. Also apprenticeship projects and school-work experience models are carried out.	8
Rejection of forced labor	to control	Robust		8
Fair and favorable working conditions	to control	Robust	For details, consult the "Our people" chapter.	5, 10
Rejection of child labor	to control	Robust	For details, consult the "Occupational health and safety" chapter.	3
<b>Community and society</b>				
Community relations	to control	Robust	For details, consult the "Local and global communities" chapter.	1, 3, 4, 5, 7, 9, 10
Environmental impacts	high priority	Robust	For details, consult the "Environmental sustainability" chapter.	13
Corruption	high priority	Robust	For details, consult the "Active and passive anti-corruption" section.	16

*Average perceived risk: average perceived risk levels identified in the Countries under analysis.  
Reference scale of risks: 1. High risk; 2. High-priority risk; 3. Risk to control; 4. Acceptable risk.  
Reference scale of performance values: Robust (75%-100%); Good (50%-75%); Sufficient (25%-50%); To be improved (0%-25%).*

By means of the due diligence activity in relation to the management system, the Company can assess 100% of the policies and operational procedures adopted in order to identify the risks of its direct and indirect operations (e.g. new acquisitions, mergers, joint ventures, etc.).

### REMEDY: Improvement plans

The perceived risk assessment, together with the gap analysis, makes it possible to assess the residual risk and define any improvement actions required. Specific action plans have therefore been developed for each country of presence, as well as a centrally managed improvement plan to harmonize and integrate, at the global level, processes and policies to be applied at the local level. A total of around **170 actions have been planned, covering 100% of operations and sites**. The plans were launched at the start of 2021 and are scheduled for completion within 2022.

Below, we give several examples of targeted actions in the single countries in which the Group operates:

- > in **Italy**: integration of Infrastructure and Networks business development policies;
- > in **Russia**: development of specific training activities;
- > in **Argentina**: internal awareness raising campaigns;
- > in **Brazil**: definition of an operating instruction in order to assess management of human rights of partners and sub-tier suppliers;
- > in **Chile**: campaigns for communication with external stakeholders and, especially, with local community representatives.

Labor rights issues are generally perceived as lower risk and also the related control measures and processes are in compliance with both the principles of the main international guidelines and with the Group's internal policies. Notwithstanding, several minor areas of improvement were identified, as shown schematically in the table below.

## Value for Disability: the achievement of sustainable development goals by, for, and with people with disabilities

Development inclusive of disability is an essential condition for a sustainable future. In 2015, the United Nations adopted the 2030 Agenda, undertaking to make sure no one gets left behind. This therefore calls for a tangible action to include the one billion people with disabilities in the world, constituting 15% of the entire population, both as agents and beneficiaries of development.

### Disability and Policy on Human Rights

Diversity in general and disability in particular are among the topics in the Enel Policy on Human Rights and they are subject to the related due diligence. In 2020, a detailed analysis was carried out on the topic of disability, engaging nine categories of stakeholders including employees, suppliers, customers, social partners, and institutions, through the administration of more than 2 thousand questionnaires in 15 countries. The results were subsequently examined with the support of external experts, categorized in four clusters (accessibility, governance, product & facility design, normative framework) and the risk perception of stakeholders was defined in relation to the topic in accordance with a scale of the perceived risk level (high risk, high-priority risk, medium risk, and low risk). The aspects linked to accessibility and governance were considered to be high priority, but they simultaneously reflected the effective adoption of best practices accompanied by a significant awareness raising campaign.

### "Valuable 500" and "Value for Disability"

Participation in 2019 in the "Valuable 500" initiative gave rise in 2020 to the global "Value for Disability" project aimed at promoting full inclusion of people with disabilities in Enel, in the communities in which we operate, and among our customers. Our strategy is aimed at freeing the potential of disability in terms of organizational development, business, and innovation opportunities of the context. Specifically, the project aim is to valorize the abilities of each individual, placing them in relation with the specific social, structural, and organizational factors of each area. This relational perspective also resulted in the creation of new analytical tools designed to highlight the needs of the individual and the possible inclusion actions available to the Company.

The project was organized and managed by an internal PMO that coordinated the work of multifunction teams, engaging people from the various countries in which the Group operates. The global team and local teams were set up by representatives of the Sustainability, People and Organization, and Global Digital Solutions Functions together with the Market and Enel X area, Communications and all the Business Lines. Furthermore, the Country focal points for disability already present in the Company and the creation of local Disability Communities were fundamental in relation to their role of collecting needs, developing and testing the proposed solutions.

Associations were consulted, the current proposals of existing businesses in the world were tested by means of scouting and a learning tour with other companies and, finally, an internal training initiative made it possible to create a common language for all the countries involved. The project considered the main results that emerged during the due diligence process of the human rights management system and, in particular, those related to the perceived risk analysis carried out in the single countries. This analysis made it possible to:

- > contextualize the different sensitivities of the main stakeholders interviewed in relation to the diversity topic;
- > define analysis clusters (Governance, Product Design, Customer Care) to catalogue the best practices present internally and on the market.

The global disability action plan was presented to the Enel Board of Directors and the specific local action plans were presented to the various Country Managers.

The commitment on the disability topic was also valorized in the new version of the Code of Ethics, which introduced an explicit reference to the topic of accessibility (see Code of Ethics section), and also in the 2021-2023 Sustainability Plan. For further details, refer to the chapters: "Our people", "Electrification, digital and platforms" and "Local and global community".

Topics	Business lines	Countries	Areas of improvement
Freedom of association and collective bargaining	Sustainability/People and Organization	Greece, Australia, India, Brazil	Intensification of training on human rights, with a special focus on relations with social partners and definition of working conditions during bargaining procedures
Rejection of forced labor	People and Organization/Sustainability/ Communication	Romania, Brazil	Integration of control procedures and definition of further remedies in the case of intimidation and threats
Rejection of child labor	Global Procurement/Legal and Corporate Affairs	Russia, Chile, Brazil	Intensification of training and monitoring of the supply chain
Diversity	Sustainability, People and Organization	Mexico, Romania, Brazil	Each action plan includes activities on the topic of disability based on the main findings resulting from the Value for Disability project (see box)

(1) Within diversity issues, the assessment subject also includes aspects related to equal remuneration and non-discrimination.

## Security and human rights

In line with the Voluntary Principles on Security and Human Rights, Enel is committed to ensuring that the private security forces working to protect Group personnel and property in the operating areas act in compliance with the applicable national laws and international rules and standards, while simultaneously encouraging public law enforcement agencies to act in the same manner” (paragraph 2.2.1 of Enel’s Policy on Human Rights). In general, according to national regulations, the security service can only be assigned only to public forces, or to private forces in the absence of legislative provisions. Security management in Enel is entrusted to a dedicated Holding unit and to specific units in the various countries in which the Group operates. The action principles concern:

- > proactivity: continuous collection of data and information for the detection and interpretation of weak signals;
- > holistic vision: integrated assessment and management of security risks for all potentially exposed assets (people, infrastructure, and intangible assets);
- > Open Power: cooperation with the Business Lines, reference institutions and other critical infrastructure operators;
- > resilience: adoption of measures to ensure operating continuity of the system and not merely its passive protection.

## Data Protection

| 418-1 |

Protection and processing of personal data are an important challenge for Enel in the era of digitalization and market globalization and also a constant commitment to ensure continuous improvement of the services we supply to our customers.

To face this challenge, according with the provisions of the General Data Protection Regulation (EU) 2016/679, in 2017 Enel set up a specific unit within the Legal Function (**Data Protection Office**) and appointed the “**Data Protection Officers**” (DPO). The DPOs are appointed based on their professional skills and knowledge and their ability to carry out the assigned tasks in accordance with the principle of independence. The Data Protection Office is structured as follows:

- > **Data Protection Governance:** monitors the evolution of data protection legislation and defines the Group’s compliance. The office also carries out the role of DPO in countries in which local legislation law does not require a DPO;
- > **Holding and Global Service Functions Data Protection:** promotes privacy by design from phase of process planning at the global level and ensures its consistent development at the national level;
- > **Global Business Lines Data Protection:** supports the Global Business Lines’ compliance concerning data protection, and monitors the evolution of data protection certification mechanisms for products and services;
- > **Country units:** for the protection of national data with the task of monitoring the evolution of legislation at the local level. In 2020 DPOs office were set up in South

America (Argentina, Brazil, Chile, Colombia, Peru), alongside the European area units already in place (Italy, Portugal, Romania, Spain).

Internal tools were developed based on the size and complexity of Enel, in order to guarantee compliance of protection of personal data and promotion of data to foster the presence of Enel in the European data economy, including the record of personal data processing activities and data protection impact assessment (DPIA - Data Protection Impact Assessment). The DPOs implement processes and activities in compliance with applicable data protection laws and are committed to drawing up data protection agreements and clauses; planning data governance and corporate policies; providing privacy consulting in the design phase; ensuring adequate risk management by making intensive use of the DPIA and monitoring the consistency of data protection policies within the organization, especially among European and non-European legal entities.

In 2020, the Group’s European companies handled **more than 24 thousand<sup>9</sup> communications concerning personal data protection from customers**, and collaborated with the national authorities, receiving 100 requests for information and clarifications from which two penalties emerged against the Romanian company Enel Energie Muntenia.

**In Italy**, Servizio Elettrico Nazionale previously reported the Authority for the Protection of Personal Data in advance an incident concerning the personal data of several ex-employees with electricity supply that occurred following a cyber attack that occurred on October 19 (refer to the “Cyber security incident management” section). On December 23, 2020, the Authority completed the investigation of the personal data breach that was the subject of the notification and closed the case. In addition, with regard to Enel Energia, the company notified the Authority for the Protection of Personal Data of three data breaches: the first in January 2020 concerning the theft from a store of several electricity supply contracts; the second in March 2020, due to the publication of data (personal details, contact data and contractual data from 2013) of around 3,640 customers on a website (procedure dismissed by the Data Commissioner on July 28, 2020); the third in June 2020 originating from the theft, by four ex-employees of a partner agency of Enel Energia, of copies of the contracts they managed during their term of employment.

With regard to e-distribuzione, the company notified the Authority for the Protection of Personal Data of a data

(9) The difference compared to the 2019 figure (more than 40 thousand communications) is due to a more granular application of the criteria employed, which made it possible to identify customer communications concerning personal data protection with greater clarity.



breach because, in June 2020 a contractor company accidentally disclosed a databased on the Internet containing the details of 400 thousand customers (name and surname, POD code and address) connected to the e-distribuzione network.

In **Romania** E-Distribuție Banat, E-Distribuție Dobrogea, E-Distribuție Muntenia, together with Enel Energie and Enel Energie Muntenia, informed the competent authority of a presumed data breach concerning customers’ personal data which occurred following a cyber attack experienced on October 19 (refer to the “Cyber security incident management” section).

In **Spain**, Endesa Energía SAU and Energía XXI suffered a personal data breach that was reported to the competent authority on April 3, 2020.

Also, in **Brazil** Enel Distribuição São Paulo logged a data breach in November 2020 related to personal data of some customers. The company immediately activated its security protocols in order to mitigate the impact of the incident. In parallel, the above company informed the competent authorities of the data breach and has also adequately informed the customers involved.