

24,012

SUPPLIERS

with which a new contract was signed during the year

75%

ONLINE TENDERS

7,050

CONTRACTORS MONITORED

with Supplier Performance Management

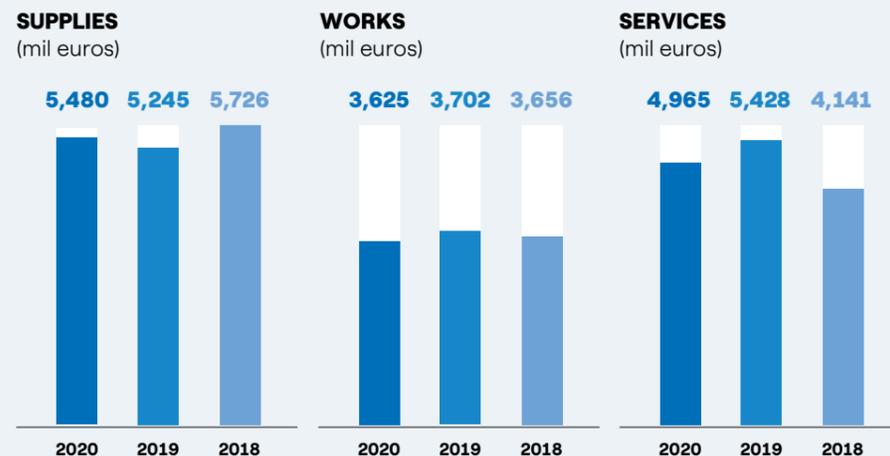
SUSTAINABLE SUPPLY CHAIN

| 102-9 | 102-10 | 103-2 | 103-3 | 308-1 | 407-1 | 408-1 | 409-1 | 414-1 |

A sustainable and resilient supply chain is essential in order to achieve our decarbonization and electrification objectives. Our purchasing processes are based on pre-contractual and contractual conduct geared towards mutual loyalty, transparency and collaboration. In addition to ensuring the necessary quality standards, supplier performance must go hand in hand with the commitment to adopt best practices in terms of human rights, working conditions, occupational health and safety, and environmental responsibility. The Code of Ethics, Zero Tolerance of Corruption Plan Zero Tolerance of Corruption Plan, Policy on Human Rights, Model pursuant to Legislative Decree 231/01 and the Enel Global Compliance Program all underpin our purchasing activities and serve as a guide and code of conduct for suppliers.

Purchases and tenders for goods and services

Works, service and supply contracts



As a strategic partner for sharing challenges and reaching future targets, a sustainable supply chain is vital for us.

Why is it important for our stakeholders?

Increasingly sustainable suppliers will manage to survive and grow better in the market and become key players and proactive members of an ecosystem that embraces industry, institutions and civil society.

We promote **long-term partnerships with our suppliers**, managing relations with them in a transparent, collaborative and open manner. The traditional measure of supply chain effectiveness, namely cost savings, is now accompanied by other metrics that seek to **maximize value creation in its various forms** (safety, time, quality, performance, revenue, flexibility, risk reduction).

- The strategy is essentially based on three cornerstones:
- > **expanding the professionalism of buyers**, through user-friendly technologies and by recognizing everyone's contribution in a multicultural, trust-based working environment driven by passion;
 - > **enhancing integration and communications** with internal customers, setting out together solutions to fulfill the business' needs;
 - > **involving suppliers from the moment the need arises**, listening to their proposals and developing innovative approaches together.

Procurement processes are carried out in compliance with the applicable local laws, ensuring the quality of service in full compliance with the principles of economy, efficiency, timeliness and fairness.

Every procurement procedure seeks to apply the principles of free competition, equal treatment, non-discrimination, transparency, proportionality, rotation, and public access. Moreover, the economic principle may be subordinated to tendering criteria inspired by social demands, as well as to the protection of health and the environment and the pro-



Francesca Di Carlo

Global Procurement

Why is it important for Enel?

By encouraging our suppliers to improve their transparency and competences, we will be able to objectively quantify the impacts generated in the entire life cycle of supplies and services and share future commitments for their reduction.

motion of sustainable development and social stability. In terms of environmental sustainability and reducing paper usage, the Group promotes digital processes for the qualification/registration of suppliers, tender management and the issue of contracts.

Supplier management and assessment processes

| 103-2 | 103-3 |

We adopt a structured approach to analyzing and monitoring the procurement process, in order to ensure that the best partners are selected and that contracts are executed to the highest sustainability standards.

In particular, **risk assessments are carried out for all categories of purchased products**. The main risks identified relate to economic, environmental and social aspects as well as to integrity.

83% of Tier 1 suppliers (approximately 12 thousand⁽¹⁾) are deemed critical, considering their strategic importance to the business, purchase volumes and potential economic,

(1) "Tier 1" suppliers are those with active contracts as of December 31, 2020 of more than 25 thousand euros.