







Materiality issues for stakeholders	Area of risk	Main impact incurred	Main impact generated	Impact classification	Reference SDG for positive impacts	Strategy and performance (Ref. Report chapter)
ENERGY DISTRIBUTION	Service quality management	Potential reputational, economic or financial losses due to failure to achieve the required and agreed service levels	Reduction of network reliability due to delayed maintenance	⊖	-	"Electrification, digital and platforms"
			Guarantee of access to electricity in rural areas thanks to service quality improvements	⊕	  	"Local and global communities"
SOUND GOVERNANCE AND FAIR CORPORATE CONDUCT	Compliance with laws and regulations	The practices adopted by the company do not comply with the internal procedures and/or policies and/or with the law and external regulations	Aid/fail to help reduce corruption at local level through the adoption of measures and standards by the Company (e.g. ISO 37001)	⊖		"Sound governance"
				⊕		
DECARBONIZATION OF THE ENERGY MIX	Climate change	Inadequate definition of the Group strategy due to errors in estimating the effect of ongoing climate change on Group operations and/or due to estimates based on unrealistic/unreliable data	Redeployment of local personnel due to closure of conventional power plants	⊖	-	"Our people"
			Increase in installed renewable capacity in order to make the national energy mix more sustainable and reduce GHG emissions	⊕	 	"Net-zero ambition"

Impact classification ⊕ Positive ⊖ Negative

## Reconciliation of the issues of the materiality analysis and GRI Standards

| 102-40 | 102-46 | 102-47 | 103-1 |

Thanks to its representation in the materiality matrix in the "At a Glance" chapter (with reference to the "Our priorities" section), joint analysis of stakeholder and Company aspects

has made it possible to assess the degree of "alignment" or "misalignment" between the priority of action assigned by the stakeholders to the various issues and the degree of commitment assumed by the Group in relation to the same issues. The following table contains the codes for the issues included in the materiality analysis as established in the GRI Standards or the "Aspects" of the GRI supplement dedicated to the electric utilities sector ("Electric Utilities Sector Disclosures") of reference, along with an indication of the context internal and external to the organization and the limitations on the scope.

ESG category	2020 materiality assessment issue	GRI Standard or Electric Utilities Sector Disclosures Aspect	Internal boundary	External boundary	Reporting limitations on internal boundary	Reporting limitations on external boundary
BUSINESS & GOVERNANCE	Economic and financial value creation	GRI 201: Economic performance	Group	-	-	-
		GRI 205: Anti-corruption				
	Sound governance and fair corporate conduct	GRI 206: Anti-competitive behavior	Group	-	-	-
		GRI 207: Taxes				
		GRI 406: Non-discrimination				
	Decarbonization of the energy mix	GRI 201: Economic performance	Group	-	-	-
		GRI 305: Emissions				
	Customer focus	GRI 417: Marketing and labelling	Group	-	-	-
		GRI 418: Customer privacy				
	Ecosystems and platforms <sup>1</sup>	Research & Development	Group	-	-	-
Access						
Energy distribution	System efficiency	Group	-	-	-	
	Demand management					
Innovation and digital transformation	Research & Development	Group	-	-	-	

(1) Includes the following issues: "New technologies and solutions for Homes and Condominiums"; "New technologies and solutions for Cities"; "New technologies and solutions for Industries"; "Electric mobility".

ESG category	2020 materiality assessment issue	GRI Standard or Electric Utilities Sector Disclosures Aspect	Internal boundary	External boundary	Reporting limitations on internal boundary	Reporting limitations on external boundary
ENVIRONMENTAL	Environmental management	GRI 301: Materials	Group	-	-	-
		GRI 302: Energy				
		GRI 303: Water and wastewater				
		GRI 304: Biodiversity				
		GRI 305: Emissions				
		GRI 306: Waste				
		GRI 307: Environmental compliance				
SOCIAL	People management, development and motivation	GRI 401: Employment	Group	-	-	-
		GRI 402: Labor/Management relations				
		GRI 404: Training and education				
		GRI 405: Diversity and equal opportunity				
		GRI 407: Freedom of association and collective bargaining				
		GRI 408: Child labor				
		GRI 409: Forced or compulsory labor				
		GRI 410: Safety practices				
	GRI 412: Human Rights Assessment					
	Occupational health and safety	GRI 403: Occupational health and safety	Group	Suppliers	-	Reporting not extended to suppliers
		Engaging local communities	GRI 411: Rights of indigenous peoples	Group	-	-
	GRI 413: Local communities					
GRI 416: Customer health and safety						
Disaster/emergency planning and response						
Sustainable supply chain	GRI 204: Procurement practices	Group	Suppliers	-	Reporting not extended to suppliers	
	GRI 308: Supplier Environmental Assessment					
	GRI 414: Supplier Social Assessment					

## The reporting process

The structure of the 2020 Sustainability Report was developed in accordance with the materiality analysis, focusing more closely on the material issues, which are covered in detail in dedicated chapters. Likewise, the materiality level of the issues – divided in turn into dedicated sub-issues – influenced the level of detail with which to treat each subject and report the associated GRI indicators (GRI Standards and Electric Utilities Sector Disclosure) in order to be in accordance (Core option), and also the choice of the most appropriate tools to represent them (2020 Consolidated Annual Report and appended reports), to which reference was made for the treatment or detailed investigation of more specific topics, respectively, of economic performance and governance. The materiality analysis also formed the basis for definition of Enel's sustainability goals for the 2021-2023 period, as illustrated by the Sustainability Plan (see "Our sustainability strategy" section of the "At a Glance" chapter).

The GRI Context Index, included in the Appendix, contains references to the 2020 Sustainability Report and the Group's other reporting instruments. Please also consult the website [www.enel.com](http://www.enel.com) for further information, for example regarding innovation projects or the activities of Enel's foundations and the 2020 *Informe de Sostenibilidad* by Endesa and Enel Américas for additional details concerning initiatives dedicated to customers and local communities in Spain and South America.

## Drafting and assurance

| 102-56 |

The process of reporting and monitoring the Key Performance Indicators ("KPIs") relevant to sustainability involves the Holding Company, with regard to transversal issues, and all Group Business Lines, Functions and companies for issues and indicators specific to the various sectors of activity.

Those responsible for collecting, verifying and processing the relevant KPIs are identified within the units involved. The Sustainability Planning and Performance Management and Human Rights unit, which forms part of the Innovability® Function, is responsible for consolidating information and coordinating the entire 2020 Sustainability Report

drafting process.

The Report was submitted for analysis and evaluation to the Enel Control and Risk Committee on April 12, 2021 and to the Corporate Governance and Sustainability Committee on April 14. It was approved by the Board of Directors on April 15. The document will then be presented to the General Shareholders' Meeting together with the Group's Consolidated Annual Report.

This Report has been subjected to a limited audit by an independent auditing company, KPMG SpA, engaged also to audit the Enel Group's Consolidated Annual Report. The limited audit was conducted in accordance with international standard ISAE 3000 (Revised)<sup>(1)</sup> and, accordingly, the Code of Ethics for Professional Accountants, including professional independence and verification of the absence of conflicts of interest that may affect the ethical principles of integrity, objectivity, professional competence and diligence, confidentiality and professional conduct. The audit report, which contains a detailed description of the principles adopted, activities performed and conclusions reached, is attached hereto.

In addition, the report on the green bond, also subjected to limited assurance by KPMG SpA according to the criteria indicated in standard ISAE 3000, is annexed to this Report; the related audit report is supplied as an attachment to this Sustainability Report.

The GHG Inventory Statements were audited by DNV GL, with a reasonable level of certainty for Scope 1, Scope 2 and Scope 3 emissions, restricted to natural gas sales activities, and with a limited level of certainty for the other Scope 3 emissions included in the scope of application of the inventory. The audit was conducted according to ISO 4064-3 for compliance of greenhouse gas (GHG) inventories with the WBCSD/WRI Corporate Accounting and Reporting Standard (GHG Protocol).

(1) International Standard on Assurance Engagements (ISAE) 3000 revised, "Assurance Engagements Other than Audits or Reviews of Historical Financial Information".