

ENGAGING COMMUNITIES

DOUBLE MATERIALITY



MATERIAL TOPICS:

- Engaging local and global communities

SUSTAINABILITY PLAN PILLAR



STAKEHOLDERS

- Communities

SUSTAINABLE DEVELOPMENT GOALS (SDGs)



Enel is implementing projects in the countries in which it operates to help create value for the local area and for the business in line with Sustainable Development Goals.

By implementing community initiatives, Enel relies on international partnerships with non-profit organizations, social enterprises, startups and institutions with valuable local expertise in view of a multi-stakeholder approach (SDG 17).

Below the 2023 results related to the previous 2023–2025 Sustainability Plan, the resulting progress and targets of the 2024–2026 Sustainability Plan, which may be redefined, added, or outdated with respect to the previous Plan.

ACTIVITIES	2023 RESULTS	2024–2026 TARGETS	MAIN SDGs
SUPPORT FOR LOCAL COMMUNITIES			
Projects for communities	N.A.	6.5 mil beneficiaries over the period 2024–2030 ⁽¹⁾	4 7 8
Beneficiaries of projects on inclusive and equitable quality education			4
Beneficiaries of projects on access to affordable, reliable, sustainable and modern energy	26.5 mil beneficiaries (2015–2023)	<i>Targets are considered outdated as they are replaced with the "Projects for communities" target.</i>	7
Beneficiaries of projects to promote durable, inclusive and sustainable economic growth			8

(1) Target is considered redefined for greater focus on identified projects.

Goals



New



Redefined



Outdated

Progress



Not in line



In line



Achieved

N.A. = not applicable, target not included in the 2023–2025 Sustainability Plan

ENGAGING COMMUNITIES



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3,9 million⁽¹⁾

BENEFICIARIES IN 2023

6,3 million⁽²⁾ in 2022

Managing community relations in the areas where Enel operates is crucial to all its activities, and involves incorporating the needs of local communities into the development of activities, from the growth of renewables to the digitalization of grids and the electrification of uses.

Engaging communities and understanding the different contexts in which the Group operates is therefore essential to develop a sustainable business that minimizes impacts while promoting inclusive and equitable growth in the local area. From the very early stages of business project development, Enel engages with local stakeholders by raising awareness and providing information on mutual

benefits, the strategic role of the electricity industry in the energy transition, and the challenge of climate change. Joint sustainability plans are defined, which include the implementation of practices and solutions to ensure that assets are as sustainable and integrated as possible with the local area.

Establishing and maintaining stable, long-term relationships with communities can help identify new opportunities for development and integration with the local area, and avoid potential conflicts that could lead to delays in implementing key business activities for energy transition.

(1) Beneficiaries are individuals who are expected to benefit from the implementation of a project. Enel considers only the beneficiaries for the current year. The number of beneficiaries considers the activities and projects carried out in all the areas in which the Group operates.

(2) The 2022 value is not comparable with the 2023 figure due to a methodological change that led to the adoption of new criteria.



The model for creating shared value with the Enel communities

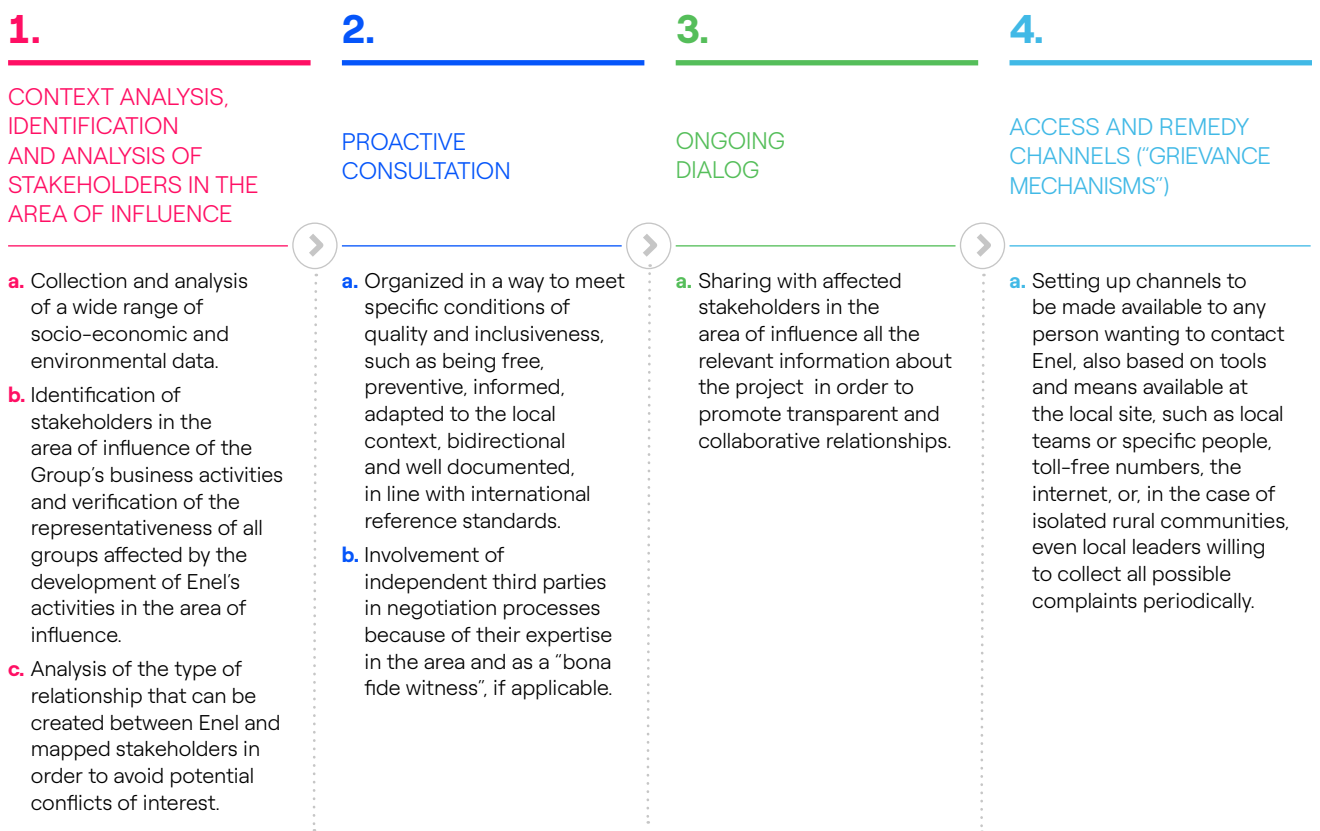
Recognizing that the Group's activities can have a direct and indirect impact on the communities in which it operates, Enel has adopted a **shared value creation model together with the communities** throughout the entire value chain. This model integrates social and environmental sustainability criteria into the various processes from the first stages of development ("sustainability by design"), focusing on solutions promoting circularity, technological innovation, and harmonious integration with the local area. The key aspect of this model is **engaging communities**, which begins at the planning stage and enables the Group to identify the needs of the communities within its sphere of influence. Consultation and consensus building with local communities help to identify the potential impact of

Enel's activities on them as comprehensively as possible, and to take these impacts into account when designing business activities.

Additional initiatives are then implemented throughout the lifecycle of each asset as events or needs arise during facility construction, day-to-day activities, plant operations, and stakeholder interactions to ensure continuous dialogue.

Targeted actions are also taken in the event of unforeseen circumstances, such as natural disasters or social unrest, which cause significant damage to the Group's assets, the local area and communities, and significantly affect people's well-being and safety.

STAKEHOLDER ENGAGEMENT IN THE AREA OF INFLUENCE



The communities living in the areas of influence of Enel's plants have differing characteristics given the different contexts in which the facilities are located.

Plants from **renewable sources** (hydroelectric, geothermal, solar and wind) are characterized by their proximity to natural resources; therefore, the surrounding communities are

predominantly rural or isolated, as is the case with indigenous and tribal peoples, and are partially involved in the life of those power plants. The benefits of this engagement include the possibility of seizing employment opportunities, as well as participating in vocational training initiatives boosting access to the labor market as a result of the tran-

sition to green technologies, paying attention to the reduction of the gender gap and/or basic training in territories with low levels of education.

Thermal power plants are generally located in industrialized contexts with a high population density, including areas characterized by extensive social vulnerability.

Distribution networks, on the other hand, cover a wide range of contexts: pylons, poles and transformer cabins are

located in uninhabited areas, run underground under city streets (especially in Europe), or characterize urban profiles where community spaces are shared, bringing electricity into homes. In particular, especially in Latin America, the strong push for urbanization is leading to the rapid growth of suburbs populated by low-income communities, and a reliable service network becomes the enabler for the sustainable development of these neighborhoods.

The value created for the communities

The contribution to sustainable development goals

Enel implements projects aligned with the Sustainable Development Goals in order to ensure inclusive and equitable quality education (SDG 4), provide access to reliable and sustainable energy (SDG 7), promote sustainable economic growth (SDG 8), focusing in particular on social inclusion for the most vulnerable population groups (physically, socially and economically).

In 2023, the Group strengthened its commitment to communities through integrated efforts between countries and Business Lines, which allowed it to make the most of the experiences gained over the years. Specifically, in or-

der to better map and monitor the effectiveness of projects involving communities, new indicators were defined to measure impacts based on context-specific priorities. In this way, the results of the projects implemented were monitored to assess the positive impacts on the beneficiaries, with a total of approximately **3.9 million beneficiaries⁽¹⁾ involved**, particularly in relation to SDGs 4-7-8 (the number of beneficiaries had increased during the Covid-19 pandemic due to the emergency interventions carried out, but has now returned to pre-Covid levels).

Measuring the value of Enel's commitment for communities

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Enel makes a substantive contribution to the development and social and economic growth of the local areas and communities where it operates through various types of intervention; these local interventions move from infrastructure improvement up to education and training program, initiatives targeting social inclusion, and project supporting local cultural life.

To measure this action, the Group adopted the LBG (London Benchmarking Group) method, which makes it possible to clearly determine and classify the Company's contribution toward the development of the communities where it is present and compare it with other companies. In particular, according to the **LBG standard**, the expense for the contributions to communities can be broken down as follows:

- **donations:** *pro bono* contributions with no obligations for beneficiaries, except that they have to use the donation for charitable purposes and non-profit associations. For Enel, this item includes all monetary and "in-kind" donations;

- **investments in the community:** medium-long term involvement in community support projects, including in partnership with local organizations, aimed at addressing significant issues both for the local area and the Company. These include projects tied to a broader community benefit strategy, as well as specific initiatives dedicated to communities close to power plants (see the chapters on "Customer centricity" and "Managing human rights");
- **commercial initiatives with a social impact:** supporting activities connected to the core business, in which the Company promotes its own brand and its own corporate identity. Examples of these initiatives are the marketing campaigns that also provide benefits for the community, or that include contributions for charitable purposes.

In 2023, Enel's total contribution to the communities in which it operates was **around 118 million euros**, maintaining roughly the same commitment as last year (-1.8% compared to 2022).

2023 initiatives for communities by purpose (%)

Donations	14.0%
Community investments	63.6%
Commercial initiatives with a social impact	22.4%

2023 initiatives for communities by type (%)

Cash contribution	83.7%
Employee volunteerism	0.6%
Donations in kind (goods/services/projects)	6.8%
Management overheads	8.9%

Sustainability projects and initiatives

In the areas in which it operates, Enel implements projects which, in line with the sustainable development goals, contribute to the development and social and economic growth of local communities by promoting infrastructure development, education and vocational training, ener-

gy access, rural and suburban electrification, the fight against energy poverty, and social inclusion for the most vulnerable population groups.

Examples of these projects are provided below.



VOCATIONAL TRAINING, ITALY (SDG 4)



Enel promotes vocational training programs in the local area, also in collaboration with institutes and associations, boosting employment opportunities and foster social and economic development for communities through reskilling/upskilling, technical training, and career orientation activities, as well as providing school supplies and scholarships. Examples of projects can be found in the

chapters “Zero emissions ambition and just transition” and “Sustainable supply chain”.



ACCESS TO ENERGY (SDG 7)



SUBURBAN ELECTRIFICATION, CHILE

Another example of how the electrification of suburban areas can involve communities is through the normalization program of the grid connections in critical areas in Chile. In 2023, as part of this program, more than 1,200 new connections were created in the municipalities of Lampa, Pudahuel, Colina and Maipú, providing safe access to electricity for more than 4,000 people. In order to ensure safety in critical areas and improve local living conditions, a number of actions have been taken to provide tools to overcome the vulnerability of informal

settlements (suburban areas, slumps, etc.) and to reduce the energy poverty gap in the Metropolitan Region. The main activities carried out in collaboration with the community include the construction of a community center with the support of local NGOs to provide a space for socialization between the community, Enel Distribución and the Municipality; craft, scrap management and micro-enterprise programs to help families find new sources of income; and regular training sessions on topics such as energy efficiency and payment regularity, electrical safety, environmental protection, and climate change, supported by internal and external experts.

LEADERSHIP NETWORK IN FLORENCIO VARELA, ARGENTINA

In addition to its industrial activities, the Group engages local communities through various listening and proactive support channels to pursue the goal of access to energy for all, in line with SDG 7. For instance, in Argentina, the “leadership network” serves as a vital link between the company and communities, especially those in vulnerable situations. Facilitated by “neighborhood leaders” and relationships with formal and informal organizations representing community interests, this network promotes ongoing communication between the Group and the local area, helping to identify and address local needs, solve critical issues, and build a stable relationship. For instance, in 2022, a community leadership network was activated in Buenos Aires. In 2023, the network was then strengthened and expanded to include three additional neighborhoods: Barrio La Esperanza



in the Municipio de Quilmes, Barrio el Triunfo in the Municipio de Esteban Echeverría, and Barrio Ginebra in the Municipio de Lomas de Zamora. The goal is to support the normalization of networks, which means ensuring consistent energy access for new customers living in critical areas and having an irregular connection. Community leaders take action by raising awareness, advising and solving specific claims, promoting the efficient use of energy, and, more generally, addressing issues affecting citizens with regard to public electricity services and other issues that impact the community.



SUSTAINABLE INFRASTRUCTURES AND SOCIO-ECONOMIC DEVELOPMENT (SDG 8)



AGRIVOLTAIC SYSTEMS, USA AND AUSTRALIA

An example of a virtuous relationship with the local area is the coexistence of photovoltaic plants and agriculture in Aurora, Minnesota (USA) and Cohuna in Australia. These sites were designed from the outset not only to produce photovoltaic solar energy, but also for other land

use-related purposes, such as environmental and ecosystem-related services by planting native vegetation or pollinator-friendly crops, resulting in mutual benefits (for more details, please refer to the chapters "Roadmap towards natural capital conservation" and "Innovation").

HORTAS EM REDE, BRASILE

Enel promotes the land sharing of its grid assets and generation plants with local communities in order to ensure that the Group's infrastructure is smoothly integrated with the local area. In Brazil, for instance, the "Hortas em Rede" project continued in 2023: urban gardens were created in vulnerable areas below electricity lines, providing employment and income opportunities for around 60 direct beneficiaries, and proposing sustainable agricultural solutions for the benefit of the community. At the same time, infrastructure safety is ensured, the overall look of the area is enhanced, and asset maintenance expenses can be optimized by entrusting the



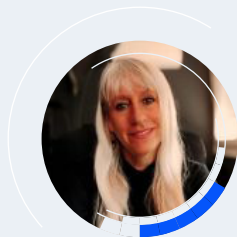
management of the land to the community for promoting the local area and its social and economic development.

APIARIES IN PHOTOVOLTAIC PLANTS, SPAIN

In Las Corchas, Spain, apiaries have been installed in photovoltaic plants. With the help of startups, smart beekeeping solutions are being developed here to protect biodiversity and ensure sustainable land use. All profits from the sale of honey and artisan products go towards social initiatives, also by involving people with disabilities in the production process. With a capacity of around 70 beehives managed by local beekeepers, the project also aims to introduce



bee tourism and training in later phases to promote employment and entrepreneurship in this field and in the local area.



Maria Inmaculada Fiteni Campos

Iberia, Head of Sust. Initiatives & Circular Economy Enel Green Power and Thermal Generation

“Endesa has patented the solar honey as part of its commitment toward renewable energy projects that promote integration in the local area based on a shared value approach, applying the criteria of the circular economy and with the aim of turning our assets into biodiversity reserves. In fact, multiple forms of land use can coexist, whether for original or industrial use, while also becoming a space for training, local entrepreneurship, and innovation”

COCOA EFFECT, COLOMBIA

In order to foster the entrepreneurial local development in the areas surrounding Enel’s assets, the Group provides approximately 60 hectares of land to the “Cocoa Effect” project in Colombia, in the area of the Quimbo hydroelectric power plant. The Cocoa Effect is an inclusive, sustainable, and replicable social development model that aims to increase productivity and strengthen the skills of cocoa-producing families while improving their living conditions. In 2023, around 830 farmers were involved in the project. The initiative is built on a close multi-stakeholder partnership that contributes to community development, with a specific emphasis on women,



young people, and community leaders. For more information, see the chapter “Managing human rights”.