Tax Transparency Report Enel Group May 2023

Contents

Message from the CFO

Alberto De Paoli

Chief Financial Officer,
Enel Group

"Taxation of multinationals at the heart of global tax policy"

This year, fair, transparent and responsible taxation of multinationals is even more central to the global debate with the concrete introduction by many countries around the world of the Global Minimum Tax. The Tax Transparency Report, which we are publishing for the fifth consecutive year, represents an important contribution to ensuring comprehensive information for all stakeholders, with the purpose of detailing how the value we create can be shared with local communities thanks to the approach we adopt to taxation.

We firmly believe that the principles of fiscal responsibility contribute to the sustainability goals which the Group is committed to achieving.

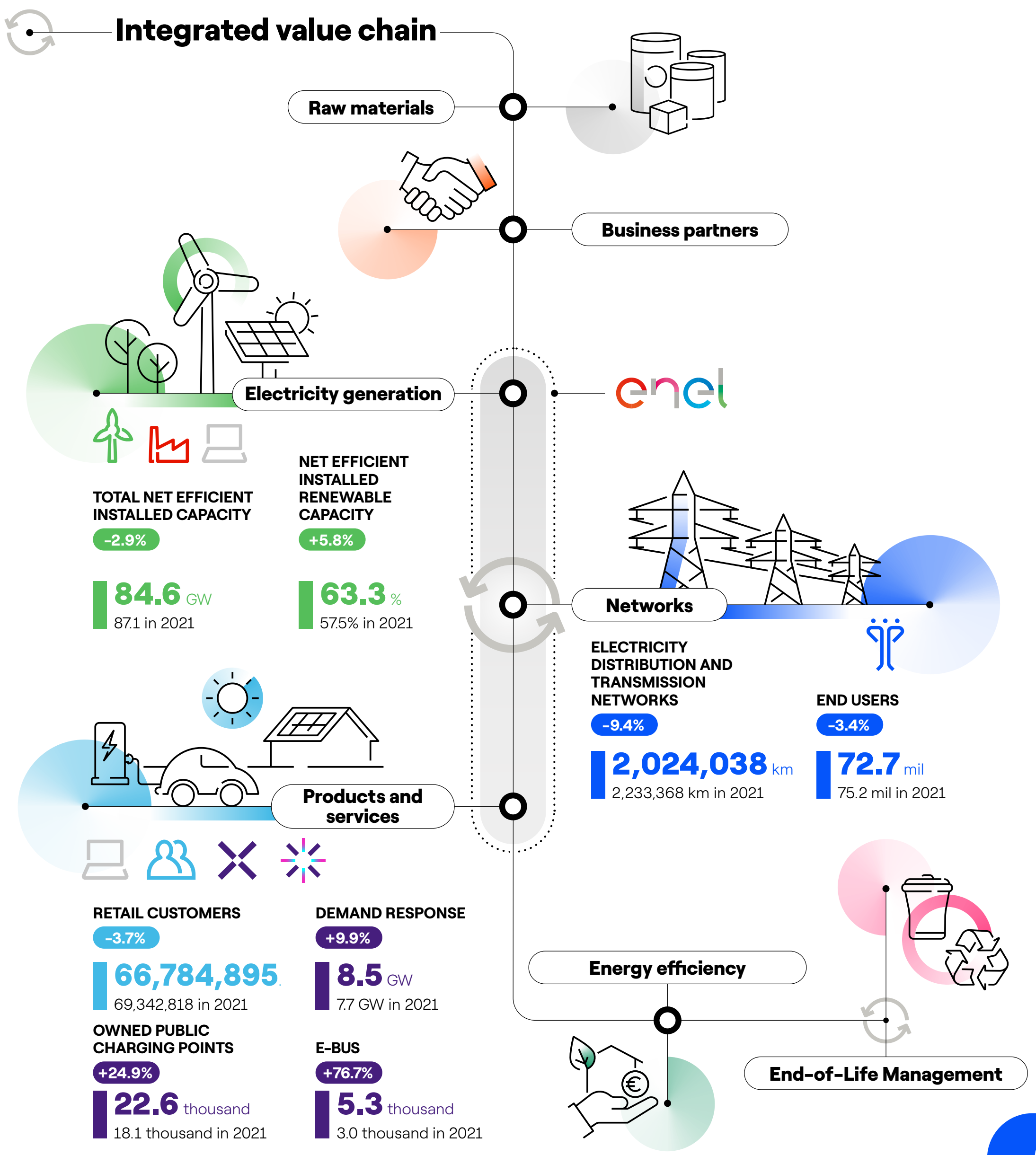
1.

Highlights

1.1 Business and tax footprint

Links with territory and communities.
We pay taxes where our business is located

Enel is a leading Group in the power generation industry. It is present in 47 countries and on five continents, with a strong vertically integrated organization along the entire value chain. It consists of investee companies or subsidiaries in all countries where it has a presence. Enel operates along the entire value chain through Business Lines flanked by Global Service and Staff Functions, where each country combines global business models with local specificities.
The energy sector is characterized by long-term, capital-intensive investments. Therefore, due to the nature of our business, there is a close link between our activities, investments in plants, local areas and communities and tax payments. The choice of the countries of tax residence of the companies in which the Group is organized is guided exclusively by business reasons. The business is vertically integrated mainly within individual countries.



1.1 Business and tax footprint

The Group's intercompany policy is in line with the arm's length principle

Intercompany transactions are structured at market prices and conditions, in line with the OECD arm's length principle, ensuring value creation in the locations where the Group conducts its business. There is a high correlation between income taxes paid and turnover earned in each country.

Low tax risk

Intercompany cross-border transactions 4%

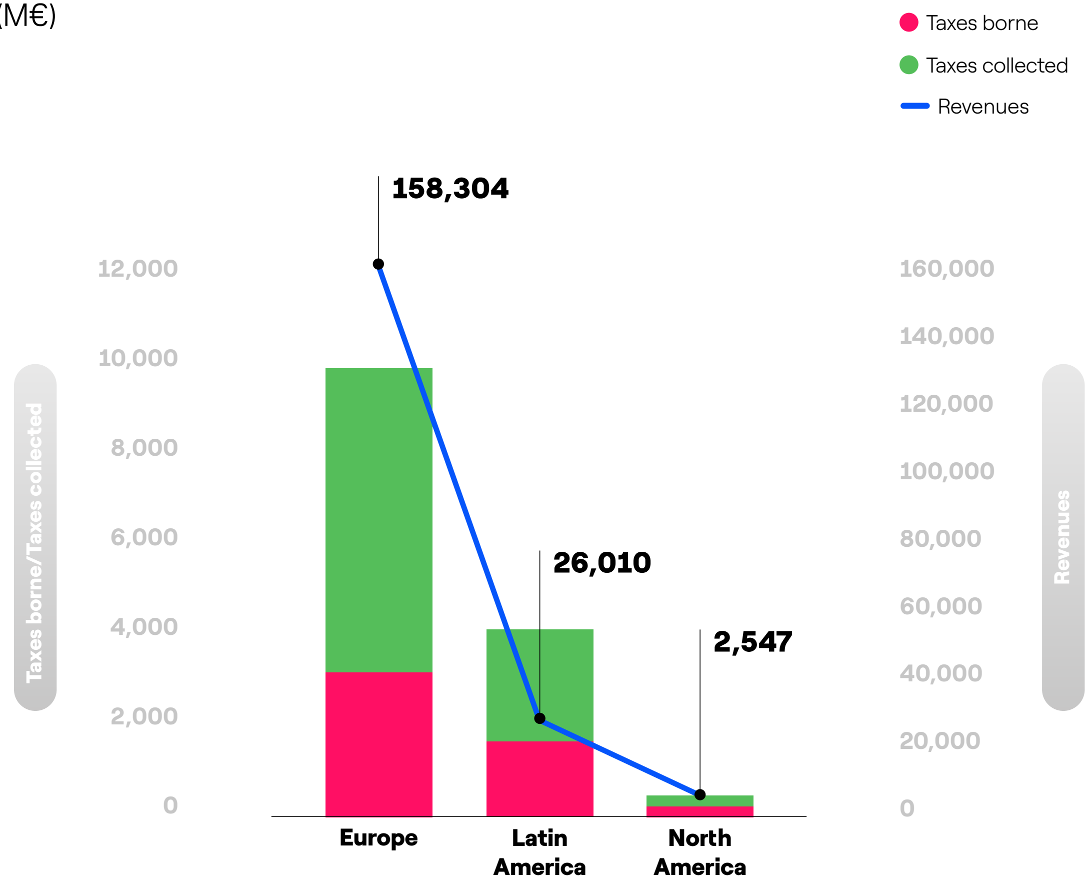
Due to the fact that the energy business is conducted almost entirely within the borders of each country, from the power generation process to market sales, cross-border intercompany transactions over the last three years (2019-2021) average about 7% of the Group's total aggregate revenue, while in 2022 the incidence was about 4%. For intercompany financial transactions, the Enel Group has adopted a centralized finance model for its subsidiaries, which requires the Group's two financial companies[1] to centralize part of the treasury activities and access to financial markets, and to act as the primary point of reference for the management of the financial and liquidity needs generated by operating entities.

Energy transition and tax incentives

We manage the use of tax incentives responsibly

Enel's ongoing commitment to supporting the energy transition involves a constant increase in investment in renewable generation capacity in the various countries in which it operates. To support these types of investments, different countries use tax incentives as economic policy instruments. These are provisions aimed at more favorable tax treatment than investments, which as a rule results in a reduction or deferral of taxation over time. A significant share (approximately 89%) of the total tax incentives used by Enel in 2022 was due to investments in renewable energies in those countries that support the energy transition through these economic policy instruments.

Relationship between revenues and taxes paid
(M€)



(1) Enel Finance International (EFI) and Enel Finance America (EFA).

1.2 Fair, responsible and transparent taxation

Approach
Tax transparency for sustainable development

Enel believes that fair and responsible taxation promotes sustainable development. With this conviction, it is working to increase steadily the level of disclosure of its tax data, going beyond the information it is required to disclose, thus emphasizing the importance it attaches to the tax variable and its role in the sustainable development of society.

Principles and modalities
Legality, honesty and transparency towards all stakeholders

Enel has a clear and public tax strategy, a **solid risk management and control system**, and demonstrates its **transparency** vis-à-vis the tax authorities and all stakeholders by applying the **best international standards**.

To this end, Enel:

- promotes adhesion to **Cooperative Compliance Schemes** (where they exist) and monitors their progress through the **Cooperative Compliance Index** (CCI);
- publishes comprehensive, wide-ranging and detailed tax reports for each Country (**Country-by-Country Reporting and Total Tax Contribution**);
- does not engage in aggressive tax planning, and does not make investments in tax havens to reduce its tax burden;
- submits its reports for independent verification by an auditing firm.

Principles of the tax strategy

The principles of the tax strategy represent the guidelines for the Group companies, which inspire company operations in the management of the tax variable and require the adoption of suitable processes that guarantee their effectiveness and application.

Contribution to the development of international tax systems

Enel actively contributes to the development of the tax systems in which it operates. For this purpose, it acts with a transparent and collaborative approach with all national and international institutions committed to making tax systems fair, effective and stable in order to reduce uncertainty for both governments and businesses.

1.3 Integrated Reporting Model (Country-by-Country Reporting and Total Tax Contribution)

Reporting

We have been committed to tax transparency since 2018

Enel continues to publish this Report, enriching it year after year with more and more information. This Report describes the Group's approach to tax governance and strategy and reports financial, economic and tax information for each jurisdiction in which the Group operates (**Country-by-Country Reporting**), supplementing it with details on the **Total Tax Contribution** (**TTC**) for countries of major presence and from this year with a CbC calculation of the **Global Minimum Tax** (GMT) based on the Safe Harbour simplified version.

Indeed, the Group believes that such an **Integrated Model** provides a more comprehensive view of the organization's contribution to the economic and social development of the communities, regions and countries in which it operates than one that focuses exclusively on corporate income taxes.[2] The **cash** basis accounting criterion is adopted as a general principle for representing tax data, considering it to be the most adequate for disclosing the actual tax contribution. Taxes are classified into **5 categories** (Profit, People, Products, Property and Planet) and distinguished into **taxes borne** (which constitute a cost) **and collected** (which the Company pays as a result of rebate and substitution, but at all times generated by its economic activity).

- **Profit - Income Taxes**
- **People - Taxes on Labor**
- **Products - Taxes on Products and Services**
- **Property - Property Taxes**
- **Planet - Environmental Taxes**

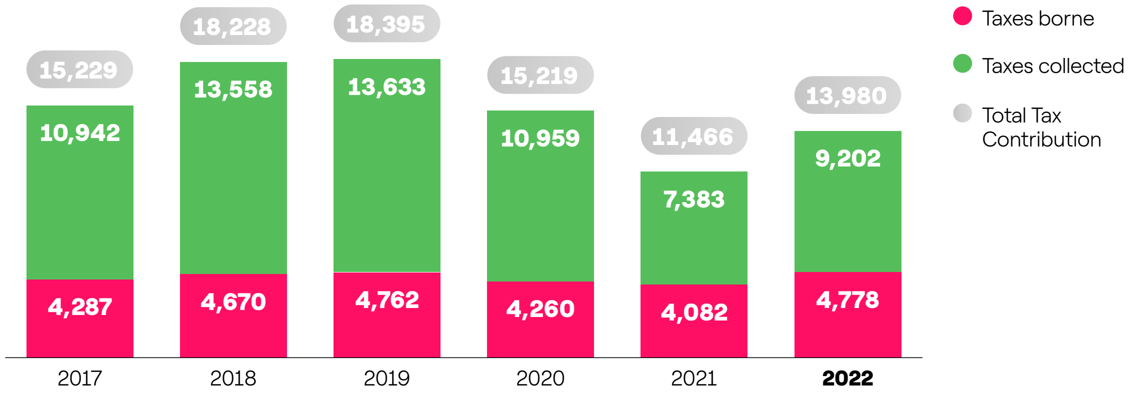
(2) According to the OECD it represents only 9% of total tax revenues (OECD Revenue Statistics Publication 2022).

Countries	Companies	Employees
47	1,298	65,124

Tangible Assets	TT Rate[3]	Cooperative Compliance Index[3]
93,300 M€	64.7 %	95.7 %

(3) The Total Tax Contribution (TT Rate) index provides a concise and complete measurement of the burden for all taxes that the business has effectively paid and is calculated as a percentage of taxes borne in relation to Earnings Before Taxes borne. The Cooperative Compliance Index measures the participation of Enel Group companies in cooperative compliance schemes in different countries based on their size and membership requirements.

TTC Trend 2017-2022 (M€)



Enel is compliant with the highest international reporting standards

This model is in line with predictions:

- of the Global Reporting Initiative: **GRI Standard 207**;
- the **World Economic Forum**'s ("WEF") metrics on taxes paid in the document "Measuring Stakeholder Capitalism: Towards Common Metrics and Consistent Reporting of Sustainable Value Creation";
- **B-Team**'s Responsible Tax Principles.

2.

Enel’s tax strategy, governance and principles

2.1 Tax transparency approach

2.1.1 Tax strategy

Transparency, risk control and international standards

Since 2017, the Enel Group has had a tax strategy understood as a set of principles and guidelines inspired by the values of transparency and legality and published online at: www.enel.com. The Group's subsidiaries are required to adopt the tax strategy approved by the Parent Company, thereby assuming the responsibility for ensuring its acknowledgement and application.

2.1.2 Tax strategy objectives and governance

Tone at the top:
The Board of Directors of the Group oversees all taxation management

The **Board of Directors** of Enel SpA defines the tax strategy of the entire Group in order to ensure fair, responsible and transparent tax contribution and uniform management of taxation for all concerned entities, which is inspired by the following logic:

- correct and timely determination and settlement of taxes due under the law and implementation of the respective obligations;
- correct management of the tax risk, understood as the risk of violating the tax rules or abusing the principles and purposes of the tax system.

Enel SpA ensures that the tax strategy is acknowledged and applied within the Company through the governance bodies. Its interpretation is left to the Parent Company, through the Tax unit, which also manages its periodic updates.

2.1.3 Compliance

Group entities must respect the principle of legality, by swiftly applying the tax laws of the countries where the Group operates, to ensure that the wording, spirit and purpose of the applicable tax rule or system are respected. In addition, the Enel Group does not engage in behaviors and operations, domestic or cross-border, that result in purely artificial constructions that do not respect economic reality and which may be reasonably assumed to offer undue tax advantages. This is because they are contrary to the purpose or spirit of the relevant tax provisions or system and generate phenomena of double deduction, deduction/non-inclusion or double non-taxation, including as a result of asymmetries between the tax systems of the different jurisdictions.

2.1.4 Low-tax jurisdiction

The choice of the countries of tax residence of the Group is guided exclusively by business reasons and not by tax purposes

The Group does not make investments in or through countries considered to be tax havens for the sole purpose of reducing its tax burden. Such investments may only be proposed if they are supported by sound economic and strategic reasons and have the aim of developing the activities included in the Group's corporate purpose.
In cases where, in circumscribed situations (for example, in the case of the purchase of companies from third parties), the presence of structures created for the sole purpose of reducing the tax burden or located in territories qualified as tax havens is found, the Group is committed to the elimination of such structures at the earliest practicable time.

2.1.5 Tax incentives

The Group benefits from tax incentives, generally applicable to all operators and in compliance with the law

Tax incentives are a key, development-oriented mechanism for economic policy, which countries use to stimulate growth and attract investment to support the national policy.
The use of tax incentives generally determines a reduction in long-term tax payables (tax reduction) or else only the temporary deferral of the tax payment (tax deferral).
The Enel Group only uses widely applicable tax incentives for all operators and respects specific regulations, where the incentives are in line with its industrial and operational objectives and are consistent with the economic substance of its investments. The Enel Group benefited financially in 2022 in the main countries of presence from approximately 1,500 million euros in tax incentives, of which approximately 500 million euros were for the advance deduction of expenses for investments made and 1,000 million euros for actual tax savings.

Temporary deferral of the tax burden

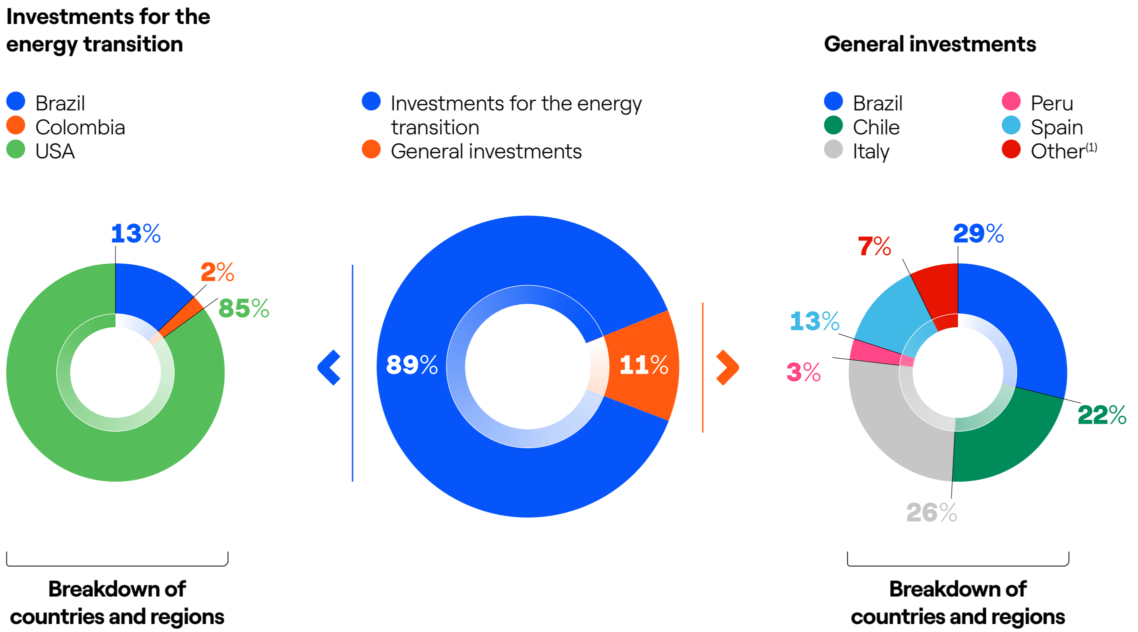
33% of the incentives allow for only temporary tax deferral.[4] The remainder relates to long-term forms of tax reduction, of which around 58% is accounted for by subsidies in the USA for plant construction and power generation from renewable sources.

(4) These are incentives that allow for only the temporary deferral of tax payments, that will nevertheless have to be paid at a later date (e.g. an advance deduction of an expense) or the advance recovery of indirect taxes already paid (advance VAT refund and/or exemption).

89% of the Group's incentives go towards supporting the energy transition

89% of the total tax incentives used by Enel in 2022 was due to investments in renewable energies in those countries that support **the energy transition** through these economic policy instruments. These incentives are mainly located in the USA and Brazil, accounting for about 76% and 12% of the total respectively. Specifically, the USA incentivizes the energy transition by granting tax credits to companies, geared to (i) investments in the construction of plants for the generation of electricity from renewable sources and the production of the same type of energy over a certain period of time[5] and (ii) accelerated depreciation.[6] Brazil, on the other hand, supports the transition process through indirect tax incentives linked to the purchase of specific equipment and services for power generation from renewable sources.[7] The remaining share of incentives not directly related to the energy transition (11%) is mainly due to the following five types of subsidies: (i) VAT exemption on imports of equipment or goods intended for specific investment projects;[8] (ii) incentives for investments that allow for depreciation extra purchase cost;[9] (iii) patent box regimes;[10] (iv) incentives for the development of certain disadvantaged countries and regions;[11] and (v) support for business startup phases.[12]

Energy transition



(1) Argentina, Colombia, Guatemala and Zambia.

(5) These tax credits, better known as Investment Tax Credits (ITCs) and Production Tax Credits (PTCs), are granted, as regards ITCs, on the basis of a certain percentage of costs/investments incurred/realized for the construction of plants for the generation of energy from renewable sources as a one-off credit and, as regards PTCs, on the basis of the amount of MWh generated during the first 10 years of the plant's operation. ITCs and PTCs can be used (i) to finance the construction of projects through their transfer, and thus their monetization, to "Tax Partners" or (ii) to offset income tax owed by the taxpayer.

(6) Accelerated tax depreciation allows companies to recover, for tax purposes, in just one year or, in some cases, 5 years, the cost incurred for the acquisition of assets related to projects for the generation or energy from renewable sources, despite the fact that the useful life of such plants or assets is significantly longer (typically ~25 years).

(7) For Brazil, reference is made to the incentives known as REIDI (*Regime Especial de Incentivos para o Desenvolvimento de Infraestrutura*) and the exemption from ICMS (*Imposto sobre Circulação de Mercadorias e Serviços*). The first is a tax incentive applied to infrastructure development that provides partial exemption from PIS (*Programa de Integração Social*) and COFINS (*Contribuição para Financiamento de Seguridade Social*) on the purchase of equipment and services used in the construction of infrastructure projects. The second provides for an exemption from ICMS on the acquisition/import of equipment and components specifically used for solar and wind power generation.

(8) Mainly in Chile.

(9) Mainly in Italy.

(10) In Italy.

(11) In Spain.

(12) Mainly in Brazil.

2.2 Tax governance, control and risk management

2.2.1 Governance body

Internal rules and procedures ensure full compliance with applicable tax regulations

The following is provided for in Enel's organizational model:

i. a constant flow of information to the Board of Directors by the Tax unit ("Tone at the top") with regard to the tax risk management and control system and the Tax Transparency Report, in which all relevant tax aspects of the Group are set out;

ii. that the Holding Company's Tax Affairs unit is tasked – among other things – with developing the Group's tax strategy defined by the Board of Directors, identifying, analyzing and managing the various optimization initiatives, monitoring the key tax issues and providing its support to the various Business Lines;

iii. that alongside the Holding Function, the Tax Affairs units of the various countries – acting in accordance with the values and principles of the tax strategy – are responsible for managing compliance, tax planning and tax monitoring at local level.

2.2.2 Organization

Enel has adopted a set of rules, procedures and standards which are part of the Group's wider organization and control system and which are considered key points of reference that all parties, depending on their type of relationship with the Group, are required to observe.[13] The various corporate policies and procedures applicable both at Group and country level govern the activities, as well as their management procedures and Tax Affairs responsibilities, including in relation to other corporate Functions. These documents are published on the Company intranet and are accessible to all Enel people. They form the general rules of conduct applicable within the Group when carrying out activities. Specifically in relation to taxation, in addition to the tax strategy there are specific organizational documents in force – both at global and local level – regarding the processes of tax compliance, tax planning, tax monitoring, transfer pricing and tax risk management.

The general principle is that the Tax units must be of the appropriate size and equipped with the necessary skills to perform the role of a decision-making analysis center within the governance and business processes, in addition to the role of compliance oversight. For this purpose, specific and ongoing training initiatives on tax issues at both country and global level have been set up, with recurring meetings between all of the Group's Tax Managers in order to ensure appropriate alignment.

(13) For example: the Code of Ethics; the Zero Tolerance of Corruption Plan; the Enel Global Compliance Program (EGCP); corporate policies, models and procedures; the tax strategy; the Internal Control and Risk Management System; the proxy system; the sanctions system referred to in the applicable national collective labor agreements; any other documentation relating to the current control systems; the relevant accounting standards; procedures and IT applications.

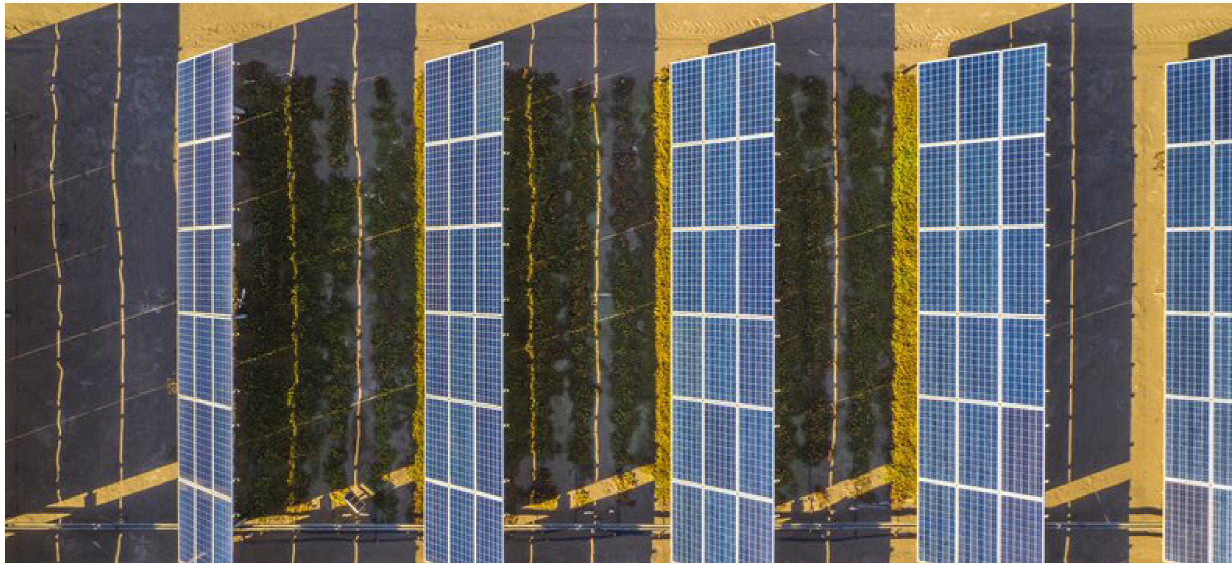
2.2.3 Tax risks

The Tax Control Framework minimizes tax risks through a preventive analysis of cases

The Group has a Tax Risk Policy and a Tax Control Framework (TCF) the main aim of which is to provide the Tax units with a single and consistent set of guidelines for adopting a correct and effective approach to tax risk management within the Group.
In this regard, guidelines and methodological rules on evaluation have been established so as to assess, monitor and manage the relevant tax risk for the companies consistently, in accordance with the principles and guidelines set out by the tax strategy and in the knowledge that the Group companies operating in different jurisdictions must adopt the TCF with respect for the specific corporate context and domestic regulations of each country in question.
The task of the TCF is to identify the sources of tax risk for the purpose of compliance and interpreting tax regulations, while mapping out the respective processes and activities in order to form a network of risk detectors, to be associated with the resulting control measures.
In particular, as the set of detectors and control measures identify sources of risk, the TCF can perform a broad spectrum of control. As such, any materialization of the tax risk can be intercepted and managed by each Tax unit in question. The effectiveness and ongoing updates of the TCF are ensured through periodic monitoring of the risk map, regular internal audit processes, as well as through the tax authority systems set out under cooperative compliance schemes (where implemented).
The results from the monitoring of tax risks are periodically brought to the attention of the competent Functions and corporate bodies, including to establish the most appropriate way to mitigate such risks.

AENOR

Where applicable, the tax control system is subject to **external certification**, as in the case of Spain. In this regard, the subsidiary Endesa obtained **certification by AENOR**[14] for its Tax Compliance Management System in accordance with the requirements of the UNE 19602 standard. This tax compliance certification represents one of the highest standards by which Spanish companies can demonstrate that they prevent and mitigate tax risks by fully meeting the requirements of UNE 19602.[15]
Finally, with regard to the outcome of this risk control activity and to potentially uncertain tax positions, please refer to the relative indications and comments in the Integrated Annual Report.



(14) AENOR (Asociación Española de Normalización y Certificación) is a leading body in the certification of management systems, products and services and is responsible for the development and dissemination of UNE standards.
(15) UNE standard 19602, published in February 2019, sets out requirements and guidelines for companies to voluntarily adopt a system that reinforces tax compliance best practices. The standard requires companies to identify and assess potential tax risks and to minimize them by establishing financial controls and due diligence processes for the organization's exposed personnel and suppliers, as well as a channel for complaints and consultations.

2.2.4 Participation in cooperative compliance schemes

Enel believes in maximum transparency with tax authorities

For companies that meet the legal requirements for participation, the Enel Group promotes participation in cooperative compliance schemes where they exist in the various countries in which it operates.
In particular, Enel participates in the Collaborative Fulfillment (*Adempimento Collaborativo*) scheme in Italy,[16] for larger companies, in the equivalent Code of Good Tax Practices (*Código de Buenas Prácticas Tributarias*)[17] scheme in Spain and is collaborating with the federal tax authority in Brazil in a pilot project for the creation of a local Cooperative Tax Compliance model (*Projeto CONFIA - Conformidade Cooperativa Fiscal*).[18]
In addition to the above-mentioned countries, various activities are under way for potential accession to additional cooperative compliance schemes.
In order to monitor the progress of this activity, an index (the Cooperative Compliance Index – CCI) was developed to measure the participation of Enel Group companies in cooperative compliance regimes in various countries based on their size and membership requirements.[19]

Cooperative Compliance Index:
95.7 %

2.2.5 Mechanism for stakeholder reports

Enel listens carefully to all reports on tax issues

For the Enel Group, tax compliance is considered a key aspect of the Company's ethical and accountable management. As such, breaches that can be reported through the Company's internal channels also include those relating to tax. The Group's Code of Ethics is the framework of "ethical management" which Enel operates, tying in fully with the tax strategy. Provisions for violations of the Code of Ethics are appropriate to ensure the effectiveness of the requirements contained therein and should be understood to extend to the provisions of the tax strategy.
Additionally, all stakeholders can send in their remarks, questions and opinions using the contact information channels provided by Enel and found on the website: https://www.enel.com/media/explore and https://www.enel.com/investors/overview.

(16) https://www.agenziaentrate.gov.it/portale/web/guest/schede/agevolazioni/regime-di-adempimento-collaborativo/elenco-societa-ammesse-al-regime.
(17) https://sede.agenciatributaria.gob.es/Sede/colaborar-agencia-tributaria/relacion-cooperativa/foro-grandes-empresas/codigo-buenas-practicas-tributarias/adhesiones-codigo-buenas-practicas-tributarias.html.
(18) https://www.gov.br/receitafederal/pt-br/acesso-a-informacao/acoes-e-programas/confia.
(19) The index compares the revenues of companies that have joined the existing cooperative compliance schemes to those of all Enel companies legally eligible to join. The index does not consider countries in which the schemes have not been legally established, or companies that do not meet qualifications to join (e.g. because their size is below statutory thresholds), even though the schemes exist in their countries. Nevertheless, the Group's overall coverage was more than 77% in terms of cooperative compliance companies' revenues compared to the Group's revenues.

2.3 Transparent relations with stakeholders

Tax transparency favors sustainable development

The constant commitment of the Enel Group to transparency with respect to the tax authorities and all stakeholders concretely underlines the importance it attributes to the tax variable and its role in the sustainable development of the Company.
This commitment also extends to the Group's other listed companies. For example, Endesa has once again topped the best practice ranking for transparency and tax responsibility according to the **Contribution and Transparency Report 2021** published by the Haz Foundation. In addition, Enel Américas and Enel Chile were also found to be the two Chilean companies with the highest degree of compliance in 2021 in the **Tax Sustainability Report of Chilean Companies**.[20]
Commitment to transparency is also reflected with regard to **customs**. In this regard, some of the most active companies in dealing with customs authorities (Enel Global Trading SpA and Enel Produzione SpA) obtained the status of **Authorized Economic Operator (AEO)** respectively in 2016 and 2015. Those qualified as an AEO are deemed to be trustworthy entities due to them having demonstrated an adequate level of compliance of their processes and an appropriate level of control and training.

Tax advocacy

We support the development of tax systems

Enel consistently acts with a transparent and collaborative approach with all national and international institutions and trade associations to support the development of effective tax systems in the various countries where it operates.
In particular, Enel supports fair, effective and stable tax systems in order to reduce uncertainty for both governments and companies. Enel believes that a transparent and coordinated approach between countries is essential to improve the international tax system and it supports a consensual approach to regulatory choices. To this end, it contributes by supporting governments and international organizations through active participation in public consultation phases on new regulatory processes, where they exist, either directly or through participation in various national and international associations.

(20) Based on the Tax Sustainability Analysis published in 2023 by Professor Antonio Faúndez-Ugalde of the Pontificia Universidad Católica de Valparaíso.

Regularly sharing knowledge and best practices through participation in national and international associations is essential in order to contribute to the development of new regulatory procedures by providing qualified technical support on complex business matters. In this respect, the most representative organizations in which Enel has been involved for years to support the evolving tax legislation are: Assonime,(21) EuropeanIssuers,(22) Confindustria,(23) Foro de Grandes Empresas,(24) SOFOFA,(25) ICDT,(26) ANDI,(27) GETAP(28) and CONFIA.(29) It also participates in a CSR Europe project(30) for a collaborative platform on tax responsibility and transparency, with the aim of developing an index to assess the performance of companies from all sectors in terms of fiscal transparency and responsible fiscal behavior.

In 2019, Enel joined the **European Business Tax Forum** (EBTF), an association that aims to facilitate a public debate on taxation by providing a balanced and comprehensive perspective of the taxes paid by companies. In view of this objective, tax information and data are provided to the various stakeholders concerned. On its website (https://ebtforum.org), the Forum continuously publishes various studies on tax transparency: Total Tax Contribution,(31) Best Practices for Good Tax Governance(32) and Tax Transparency and Country-by-Country Reporting.(33)

Furthermore, in 2021 Enel adhered to the **B Team Responsible Tax Principles**, namely, the principles developed by the B Team(34) for promoting responsible and sustainable tax practices for a better future. B Team is an organization created by a group of multinationals, with the contribution of civil society, investors and representatives of international institutions, in order to promote responsible and sustainable tax practices.

Through its active and public participation in all these associations, Enel believes it can make its own technical contribution by sharing its experience in support of fair, effective and sustainable taxation.

(21) https://www.assonime.it/EN/Pages/Home.aspx.
(22) https://www.europeanissuers.eu/.
(23) https://www.confindustria.it/en.
(24) https://sede.agenciatributaria.gob.es/Sede/colaborar-agencia-tributaria/relacion-cooperativa/foro-grandes-empresas.html.
(25) Sociedad de Fomento Fabril, a trade union federation representing all industry and commerce in Chile: https://www.sofofa.cl/.
(26) Colombian Institute of Tax and Customs Law: https://icdt.co/.
(27) National Association of Industrialists in Colombia: www.andi.com.co/.
(28) Grupo de Estudos Tributários Aplicados (GETAP) in Brazil: https://www.getap.org.br/.
(29) Conformidade Cooperativa Fiscal (https://www.gov.br/receitafederal/pt-br/acesso-a-informacao/acoes-e-programas/confia) and with the main associations for the electricity sector in Brazil.
(30) https://www.csreurope.org/newsbundle-articles/csr-europe-launches-new-collaborative-platform-on-tax-responsibility-and-transparency.
(31) Several studies have been published relating to the EU/EFTA Total Tax Contribution, which report the yearly aggregate data for the various types of taxes paid by the largest European multinational companies by turnover and/or by stock market capitalization, including in 2021 a dedicated section for Country-by-Country Reporting.
(32) The paper was drafted by a group of tax directors from three organizations (Tax Executives Council of the Conference Board, The B Team and the European Business Tax Forum) to provide guidance on the best practices that multinationals can adopt in order to develop transparency and assurance vis-à-vis their stakeholders.
(33) First study dedicated exclusively to Country-by-Country Reporting data.
(34) https://bteam.org/.

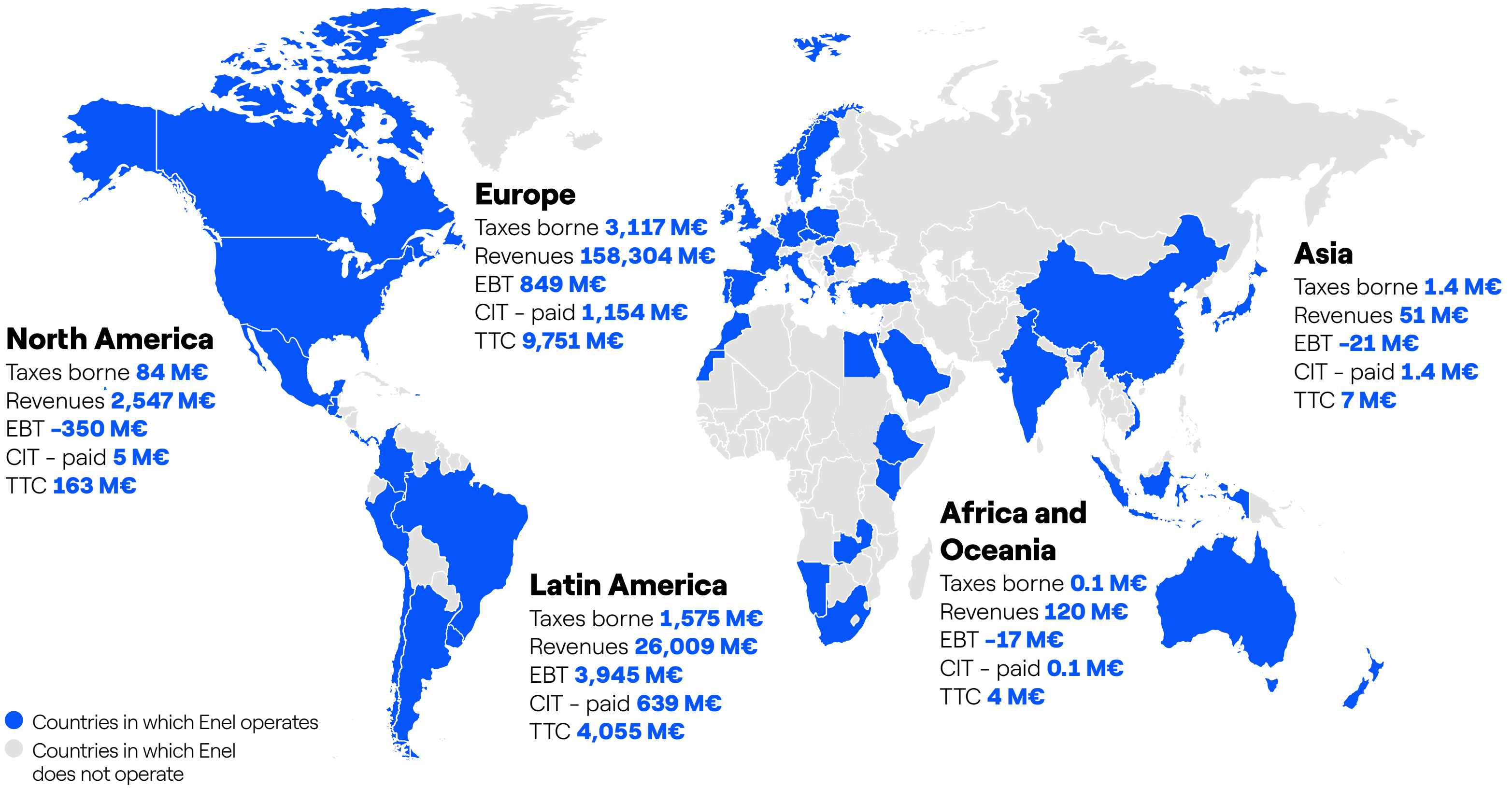
3.

Executive Summary – CbCR and Total Tax Contribution (TTC)

3.1 Enel Group – Key figures 2022

Companies	1,298
Revenues[35]	187,556 M€
Tangible Assets	93,300 M€
Earnings Before Taxes (EBT)	4,411 M€
Corporate Income Taxes (CIT) - accrued	3,003 M€
Corporate Income Taxes (CIT) - paid	1,801 M€
Taxes borne	4,778 M€
Taxes collected	9,202 M€
Employees	65,124
Retained Earnings	48,591[36] M€
Stated Capital	166,189 M€

Countries in which the Enel Group operates



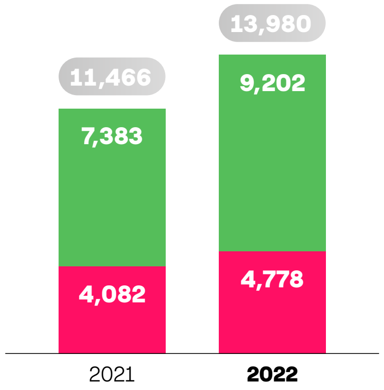
Enel's **Total Tax Contribution (TTC)**[37] in 2022 was **13,980 million euros** and represents all the different types of taxes (approximately 300) paid by Enel worldwide. **Taxes borne** were **4,778 million euros** (34% of the Total Tax Contribution).

(35) The amount shown is on an aggregate, non-consolidated basis. For a reconciliation of the same, see chapter 6, paragraph: "Reconciliations with the Integrated Annual Report 2022". The amount of Revenues is the sum of Third Party Revenues and cross-border Intercompany Revenues of entities within the scope in the reporting year.
(36) Retained Earnings also include the effects of Purchase Price Allocation processes amounting to 6,434 million euros carried out in previous years in application of IFRS 3 in Spain and 9,992.7 million euros pertaining to the allocation of profit related to the reinstatement of the value of equity investments made in 2021 by Enel Iberia.
(37) For the purposes of the TTC (taxes borne, taxes collected) the data of the 21 main countries in which Enel operates are considered, representing more than 99% of the Group's revenues and more than 99% of the tax paid on the income of companies.

3.2 The main indicators and trends of the Total Tax Contribution

TTC trend 2021-2022
(M€)

- Taxes borne
- Taxes collected
- Total Tax Contribution



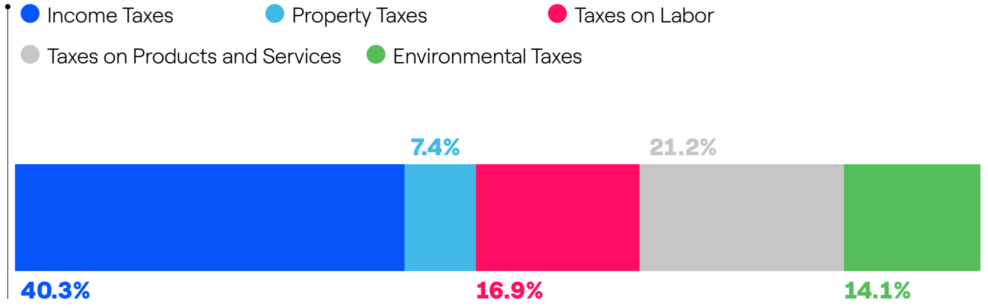
Enel's total contribution in relation to other external economic indicators[38] is as follows:

0.7 % of **Italy's GDP** and **1.1** % of **Spain's GDP** in 2022

1.8 % of **Italy's tax and social security revenues** and **3.0** % of **Spain's** in 2021

8.3 % of **Italy's health spending** in 2021 and **11.6** % of **Spain's** health spending in 2020

Taxes borne



The **taxes borne** paid by Enel in 2022 amounted to **4,778 million euros**. The main component relates to **Income Taxes**, which represent **40.3%** of the total taxes borne. **Taxes on Products and Services** and **Taxes on Labor** accounted for **21.2%** and **16.9%** of the total taxes borne, respectively.

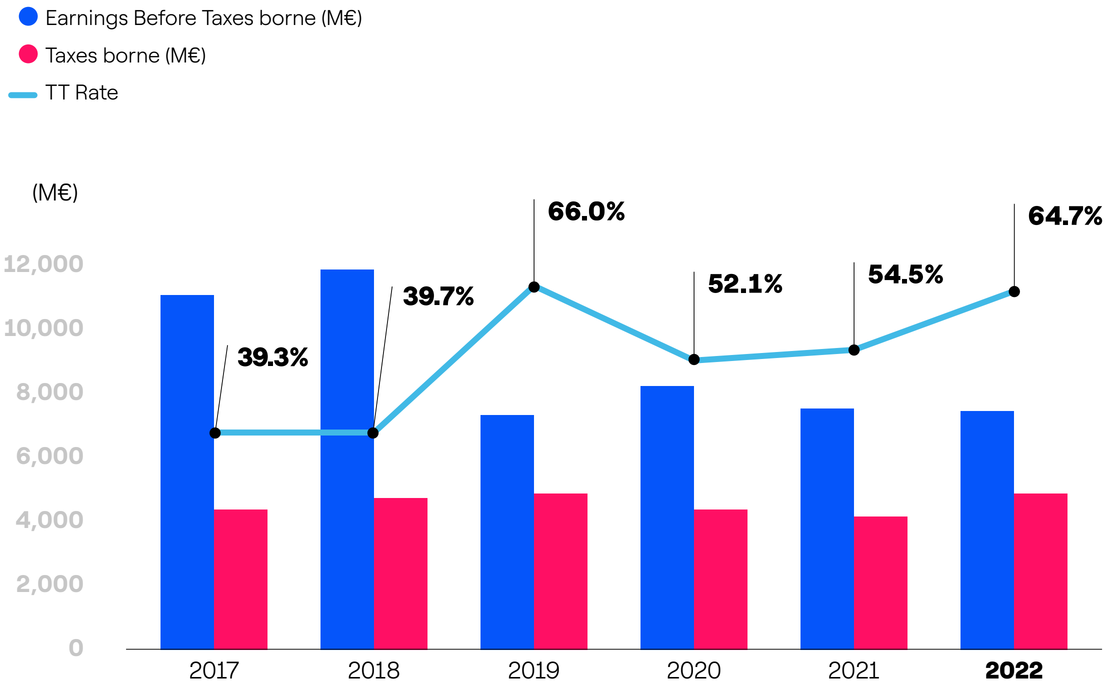
Taxes collected

The **taxes collected** paid by Enel in 2022 amounted to **9,202 million euros**. Taxes on Products and Services (mainly related to VAT) represented **66%** of taxes collected. The high incidence of such taxes compared to other categories is due to the specific nature of the activity and the high volume of business generated by Enel, especially in Italy, Spain and Brazil.

(38) Source: https://stats.oecd.org/. Data on "Gross Domestic Product (GDP)", "Total tax revenue" and "Health expenditure and financing".

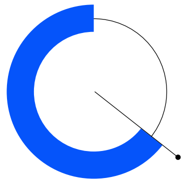
3.3 Taxes borne

TT Rate

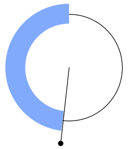


The **Total Tax Contribution (TT Rate) index** provides a concise and complete measurement of the burden for all taxes that the business has effectively paid and is calculated as a percentage of taxes borne in relation to Earnings Before Taxes borne.
The values depicted show a constant contribution over the years only partially influenced by the economic results to which Income Taxes are more strongly correlated. Over the years, the latter weigh on average on the taxes borne by about 38%.
The 2022 TT Rate of **64.7%** is higher than the average for the period 2017-2021 mainly due to the increase in non-income taxes borne, in particular products and services and environmental taxes.
Finally, Enel's TT Rate was higher than the overall TT Rate for the period 2018-2021 resulting from the EBTF's TTC report.

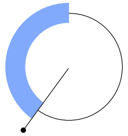
64.7%
TT Rate
2022



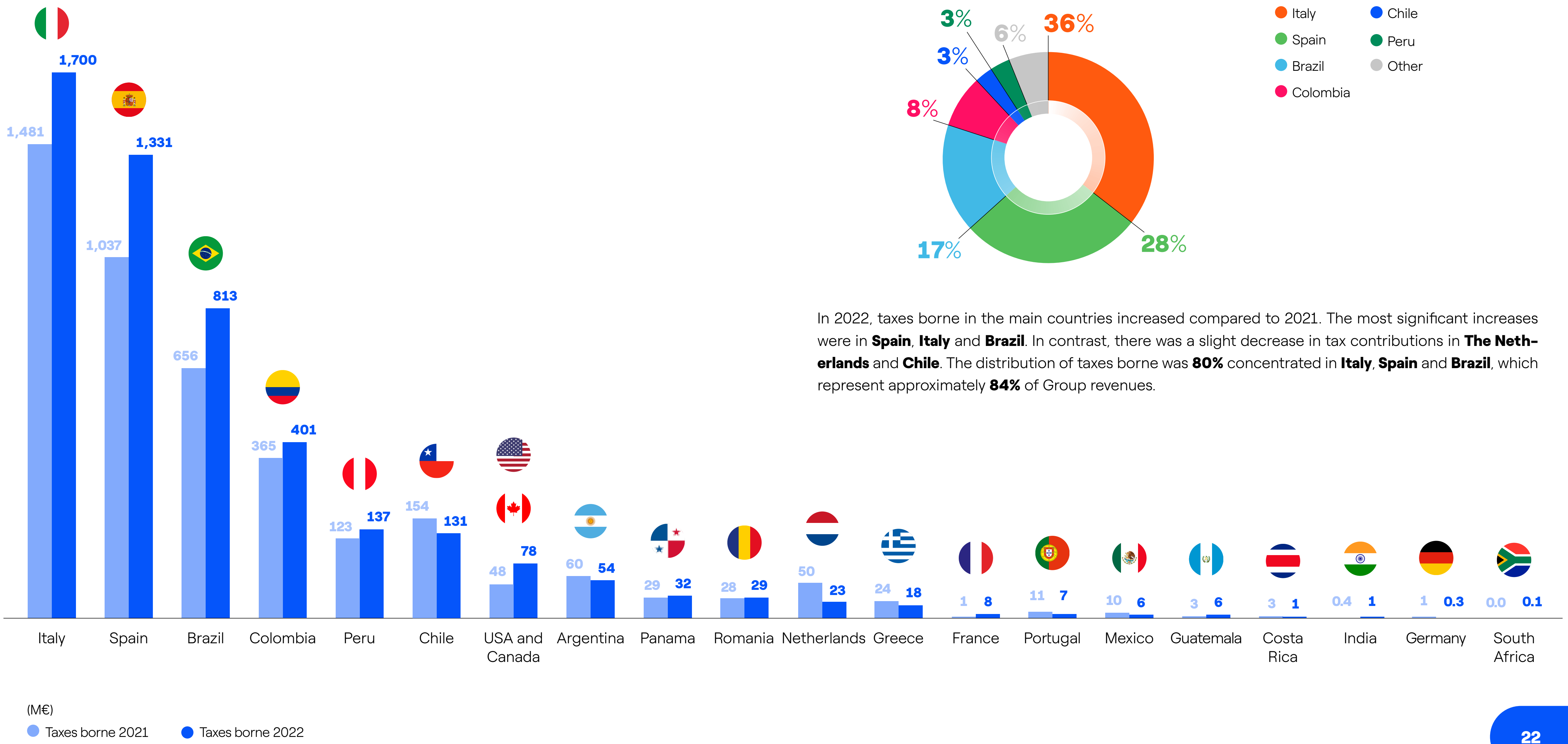
48.4%
Average TT Rate
2017-2021



40.1%
Average European Business
Tax Forum (EBTF) 2018-2021



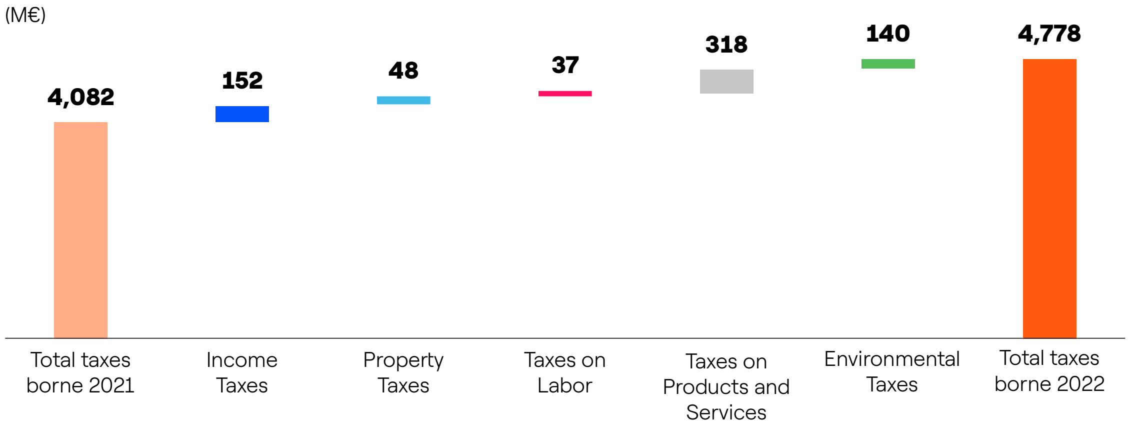
Taxes borne by country



In 2022, taxes borne in the main countries increased compared to 2021. The most significant increases were in **Spain**, **Italy** and **Brazil**. In contrast, there was a slight decrease in tax contributions in **The Netherlands** and **Chile**. The distribution of taxes borne was **80%** concentrated in **Italy**, **Spain** and **Brazil**, which represent approximately **84%** of Group revenues.

3.4 Trend of taxes borne and collected 2021-2022

Taxes borne



In 2022, **Total taxes borne**[39] amounted to **4,778.0 million euros**,[40] up by **695.9 million euros (+17.0%)** compared to 2021.

This increase affected **all taxes borne categories** and especially **Taxes on Products and Services**, **Environmental Taxes** and **Income Taxes**.

The payment of **Taxes on Products and Services** increased by **318.5 million euros**, due to higher payments in (i) Brazil (+185.6 million euros), mainly as a result of an increase in social taxes PIS (*Programa de Integração Social*) and COFINS (*Contribuição para Financiamento de Seguridade Social*)[41] and (ii) Spain (+114.1 million euros) where revenues increased as a result of rising electricity prices.

The payment of **Environmental Taxes** increased overall by **139.5 million euros**.

The largest increases were recorded in:

i. Spain (+80.7 million euros) where, on the one hand, taxes paid relating to the canon *hidráulico* (water tax) increased compared to 2021 (+270.6 million euros), a year in which extraordinary repayments[42] had been received, and on the other hand, payments relating to the *impuesto sobre el valor de la producción eléctrica* (tax on electricity generation) decreased (-204.2 million euros), due to the suspension of this tax for the entire year approved by the Spanish government to curb the increase in electricity bills;

ii. Italy (+41.2 million euros) as a result of paying the coal excise duty adjustments for 2021, due to higher consumption in 2021 compared to 2020;

iii. Chile (+16.0 million euros) due to the increase in electricity production.

The payment of **Income Taxes** has increased overall by **152.3 million euros**.

The largest increases were recorded in:

i. Italy (+167.3 million euros) due to the introduction of extraordinary contributions charged to companies operating in the energy production and distribution sectors and higher advance payments made in 2022 compared to 2021 as a result of the method used to calculate the same[43] and the increase in the tax base;[44]

ii. Spain (+95.3 million euros) due to both lower depreciation and amortization as a result of extending the tax life of certain production facilities and the payment of taxes related to previous years, made following a restatement of the tax base; and

iii. Colombia (+18.7 million euros) due to an increase in taxable income of some companies related to an improvement in operating results.

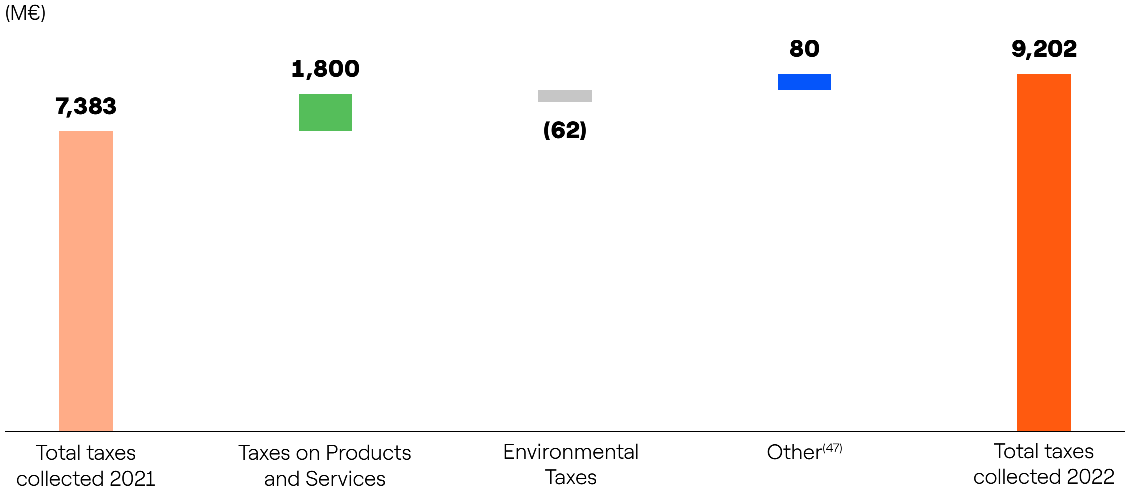
(39) Taxes borne are taxes that constitute a cost for a company.
(40) Taxes borne include, among income taxes, specific corporate income taxes of 1,799.8 million euros paid in 2022 and 1,723.3 million euros paid in 2021.
(41) Additionally, the exclusion of the ICMS (*Imposto sobre Circulação de Mercadorias e Serviços*) from the basis for calculating the PIS and COFINS on which Brazil's Federal Supreme Court (STF) ruled in 2021, was a controversial topic in the country and the subject of much debate in that year. In 2022, Enel revised its methodology for calculating PIS/COFINS taxes in light of new clarification provided by the competent authorities, which resulted in an increase in taxes paid.
(42) The repayment refers to the amounts paid during the period 2013-2020. Following a judgment of the Spanish Tribunal Supremo, the charge was repaid as it was declared non-applicable.
(43) In the case in question, the payments on account (calculated using the historical method and partly using the forecast method) made in 2022 increased due to an increase in taxable income between 2020 and 2021, as well as a higher expected income in 2022 than in 2021.
(44) Taxes on Enel Hydro Appennino Centrale, the company acquired in 2022, were paid in 2022.

This was partially offset by a **reduction in Income Taxes** in:

i. Brazil (-63.7 million euros) due to both a change in the way some entities[45] spay taxes during the year and a reduction in taxable income;
ii. Chile (-48.8 million euros) due to the reduction of taxable income caused by exchange losses;
iii. The Netherlands (-26.5 million euros) due to a reduction in taxable income in 2021,[46] which, based on the historical payment mechanism, affected the taxes paid in 2022.

The payment of **Property Taxes** increased overall by **48.3 million euros**. The most significant increases were recorded (i) in the United States of America (+22.5 million euros) due to the commissioning of new renewable energy plants, (ii) in Brazil (+18.5 million euros) as a result of certain financial transactions (discharge of foreign financial debts and capital contribution) subject to capital taxation, and (iii) in Italy (+3.9 million euros) due to the updating of the "canone unico patrimoniale" (single property charge) introduced as of 2021.

Taxes collected



Total taxes collected amount to **9,201.9 million euros**, up **1,818.4 million euros (+24.6%)** as compared to 2021. This increase is mainly attributable to **higher Taxes on Products and Services**.
Indeed, **Taxes on Products and Services increased by 1,800.0 million euros**. The largest increases were recorded in:

i. Italy (+1,000.0 million euros) as a result of the balance payment related to 2021 (the first year of adoption of the "VAT Group");
ii. Spain (+516.2 million euros), Portugal (+103.7 million euros), France (+61.4 million euros) and Germany (+49.9 million euros), due to higher revenues related to the increase in prices and sales volumes as described above.

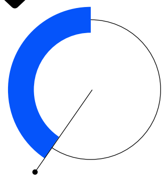
(45) Some Brazilian entities changed the frequency of income tax settlement from annual to quarterly during the year. Following this change, taxes for the last quarter of 2022 were paid in January 2023, with a consequent reduction in payments by 2022.
(46) 2021 was characterized by a debt restructuring operation as a result of which securities issued in the past were repurchased early, and new sustainability-linked bonds were issued, in line with the industrial objectives that the Enel Group has set for itself in terms of sustainability and decarbonization. The restructuring operation generated around 560 million euros in extraordinary costs.
(47) Income Taxes, Property Taxes, and Taxes on Labor.

3.5 Income Tax Rates

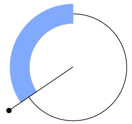
Among the various existing indicators on corporate income taxes the following are represented.

2022 | **2019-2021**

40.8%
Cash Tax Rate 2022

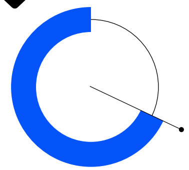


34.46%
Average Cash Tax Rate 2019-2021

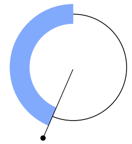


The **Cash Tax Rate** represents the incidence of the tax expense, expressed in terms of taxes paid, on the result for the year and is determined as the ratio between the corporate income taxes paid and the Earnings Before Taxes.

68.1%
Current Tax Rate 2022

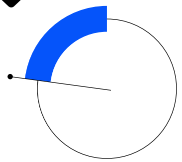


39.29%
Current Average Tax Rate 2019-2021

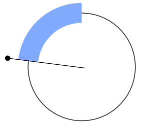


The **Current Tax Rate** represents the percentage incidence of the current tax burden on the result for the year and is determined as the ratio of accrued corporate Income Taxes (Current Taxes) to Earnings Before Taxes.

23.1%
Nominal Tax Rate 2022



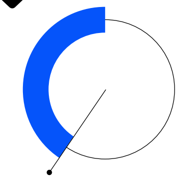
23.4%
Nominal Average Tax Rate 2019-2021



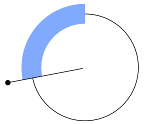
The **Nominal Tax Rate** (also "**Nominal Rate**") is the rate set down in the relevant tax legislation for the purpose of taxing corporate income. In this specific case, the **rate of the OECD Member States**[48] has been given.

2022 | **2019-2021**

40.3%
Effective Tax Rate 2022



28.3%
Effective Average Tax Rate 2019-2021



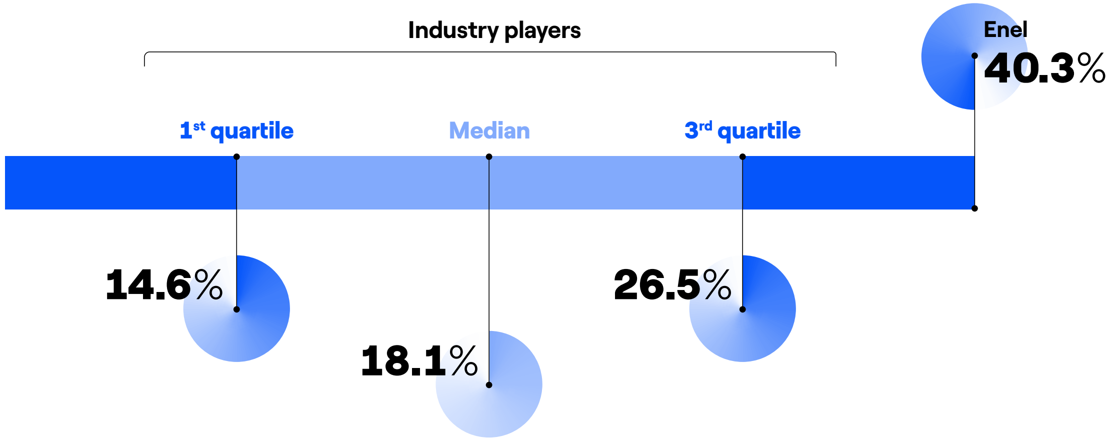
The **Effective Tax Rate (ETR)** represents the percentage incidence of the tax burden (accounted for) on profit or loss for the year and is determined as the ratio of total income taxes recognized in the financial statements to earnings before income taxes (EBT). With respect to the **Current Income Tax Rate**, in addition to Current Taxes, it also considers among taxes (i) any provisions for tax liabilities not yet certain in their amount or existence, (ii) tax adjustments related to previous years, and (iii) deferred tax assets and liabilities. For further details on Enel's ETR, see point 3.6 below.

Using the Cash Tax Rate and Current Tax Rate metrics Enel is positioned above the average nominal tax rate of 2022 in OECD countries and the average values of the same indices for the period 2019-2021.
The Effective Tax Rate is higher than the average nominal tax rate in 2022 in OECD countries and the average value of the same indicator in the period 2019-2021 due to the impact of the extraordinary and solidarity contribution on the taxation of Italian companies totaling 720 million euros.

(48) The values were calculated as the average of the nominal corporate income tax rates in force in each of the OECD Member States and take into account both the Nominal Rate set at central government level and the Nominal Rates set at the sub-central level (i.e. regional or local). For further details, see OECD Stat, "Table II.1. Statutory corporate income tax rate".

3.6 Benchmarking – Effective Tax Rate (ETR)

The comparative analysis (**benchmarking analysis**) of effective income tax rates (**ETR**) was conducted using the top 20 global companies operating in the electricity industry, including Enel.(49)
The ETR of the Enel Group was then compared with the same indicator of the remaining 19 companies considered (**peers or industry players**). The ETR of the peers was taken from the publicly available consolidated annual report for 2022.



In 2022, the Enel Group's ETR was significantly higher than the median value of industry players.

In detail, income taxes payable by the Enel Group for 2022, as reflected in the consolidated financial statements, amounted to 3,523 million euros, equivalent to 40.3% of consolidated EBT (8,741 million euros), while in 2021 income taxes amounted to 1,620 million euros, equivalent to 30.1% of consolidated EBT (5,378 million euros).(50)
This higher incidence is mainly affected by the following phenomena:

- the different tax impact of value adjustments and Merger & Acquisition results recognized in the period compared to the previous year;
- higher costs incurred in Italy for the extraordinary tax funding program to shield users from higher energy costs envisaged under Law no. 51/2022 (about 121 million euros) and the solidarity tax provided for by Law no. 197/2022 (about 599 million euros);
- the effect of foreign rates higher than the theoretical Italian rate;
- the lower tax credit to eliminate double taxation on dividends in Enel Iberia (60 million euros);
- the tax effect from the application of hyperinflation in Argentina (30 million euros).

The negative effects were partially offset:

- by the tax effect related to the sale of the stake in Ufinet, Gridspertise and Mooney (190 million euros);
- by the tax effect of the Patent Box regime in Italy (65 million euros);
- by the deferred tax assets recognized on the Enel X Way carve-out transaction in North America (60 million euros).

With reference to the reconciliation between the theoretical and actual tax rate, reference should be made to the analysis contained in the Integrated Annual Report 2022.

(49) The list of these companies is published by Value Today - https://www.value.today/world-top-companies/electric-utilities.
(50) The figures for 2021 have been restated, for comparative purposes only, to take into account the classification under "Net income from discontinued operations" of items pertaining to the assets held in Russia (sold in Q4 2022), Romania and Greece, as the requirements of IFRS 5 for their classification as "discontinued operations" have been met.

3.7 Global Minimum Tax

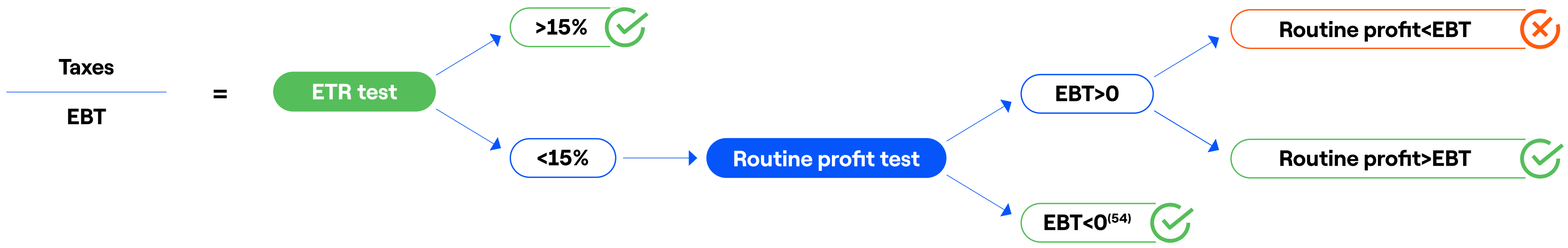
News

Global Minimum Tax
– Tax transparency also for Pillar II purposes

As is well known, the OECD, in consultation with more than 140 states, has defined a new minimum standard for payment of income taxes by large multinationals, using the Pillar II project to introduce the **Global Minimum Tax (GMT)** for fair and sustainable taxation. In summary, the mechanism provides that if taxes of less than 15% are determined in a country where the multinational group operates (Low-Tax Jurisdiction),[51] an additional payment must be made in the country of the Parent until the 15% is reached.

Considering that the ETR Minimum Tax has become a benchmark for determining the Low-Tax Jurisdictions, the Enel Group, consistent with its strategy of tax transparency, has decided to make public the results of a simulation carried out on data from the year 2022 (against an entry into force beginning 2024), based on its simplified version as provided for by the OECD in the first years of application (the "**Safe Harbours**").
According to this simplified methodology, the Global Minimum Tax test is passed when, using Country-by-Country Reporting data: (i) ETR Minimum Tax exceeding 15%, (ii) Routine profit > EBT (test based on economic substance)[52] and (iii) *De minimis* (test based on residual economic performance).[53]
Evidence is also given of whether other Safe Harbour Tests have been passed.

GMT Safe Harbour – method of analysis



(51) In its work on the Global Minimum Tax and, in particular, in Chapter 5 of the Model GloBe Rules (published on December 20, 2021), the OECD has defined Low-Tax Jurisdiction as meaning that jurisdiction in which a multinational group achieves an Effective Tax Rate lower than the Minimum Rate of 15%.
(52) Routine profit is defined as a percentage of personnel costs and the value of tangible assets, initially, for the transitional period, as 10% and 8% respectively. For more details, see the section on "Tax accounting principles in a nutshell".
(53) The *De minimis* test exempts those countries with Revenues of less than 10 million euros and EBT of less than 1 million euros from the calculation of the ETR and subsequent determination of the GMT. Most of the minor countries in the Group pass this test.
(54) At this stage, the OECD has decided to exclude countries with negative or zero EBT from calculation of the GMT, as this condition implies the impossibility of achieving earnings in excess of the Routine profit.

3.8 Safe Harbour ETR Minimum Tax – CbC analysis

ETR>15% (Argentina – Spain) | ETR<15% (Costa Rica – South Africa)

EBT>0 (Costa Rica – Guatemala) | EBT<0 (India – South Africa)

Routine profit>EBT (Costa Rica – USA and Canada) | Routine profit<EBT (Guatemala)

Country	ETR	ETR test	Routine profit test
Argentina	52%	✓	
Brazil	73%	✓	
Chile	24%	✓	
Colombia	39%	✓	
France	31%	✓	
Germany	22%	✓	
Italy	186%	✓	
Panama	29%	✓	
Peru	31%	✓	
Portugal	24%	✓	
Spain	18%	✓	
Costa Rica	-4%		✓
Greece	3%		✓
USA and Canada	-4%		✓
Guatemala	13%		!
India	N.A.		✓
Mexico	N.A.		✓
Netherlands	N.A.		✓
Romania	N.A.		✓
South Africa	N.A.		✓

Legend

✓ Test passed

! Country under analysis

The simulation was carried out on 2022 data even though, as is known, the first year of application of the discipline will be 2024. From initial estimates based on the best interpretation of documents published by the OECD, practically all[55] countries exceed the Global Minimum Tax Rate. Only Guatemala has an ETR below 15%, and any Minimum Tax would be less than 1 million euros.

(55) With regard to either Routine profit test or *De minimis* test, the minor countries all pass at least one of the tests under the Safe Harbour rules.

4.

Total Tax Contribution (TTC) and CbCR data in the main countries

Italy

Spain

Brazil

Colombia

Portugal

Peru

Argentina

Romania

Chile

France

USA and Canada

Germany

Netherlands

Panama

Mexico

Greece

Guatemala

India

South Africa

Costa Rica

Total Tax Contribution (TTC) and CbCR data in the main countries

This section of the Report includes an analysis of the main countries in which the Enel Group operates. For each country the following is provided:

- the information included in the **Country-by-Country Reporting** prepared on the basis of OECD guidelines, as well as an overview of the **business activities carried out**;
- detail of the **Total Tax Contribution (TTC)** with evidence of taxes borne and collected and an analysis of the Total Tax Rate;
- an analysis of the **Effective Minimum Tax Rate** (Safe Harbour simplified version), as defined by recent OECD work on Pillar II (hereafter "ETR Minimum Tax"), and of **Corporate Income Tax Rates** in comparison with the country's **Nominal Tax Rate**.

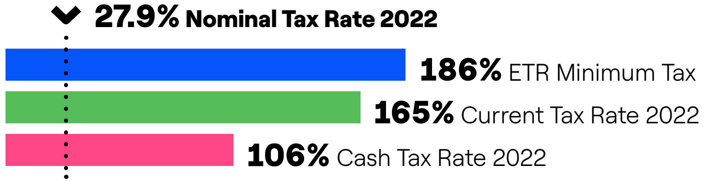
In order to facilitate the reading of the taxation and economic data of the countries, in some cases these data have been normalized by some extraordinary events, while still providing evidence of all the values involved. In addition, the following icons have been used to detail the business activities carried out in individual countries.

- Group Holding
- Country Holding
- Enel Green Power
- Thermal Power Generation
- Enel Grids
- End User Markets
- Enel X
- Enel X Way
- Trading
- Services
- Financial

Key figures in Italy

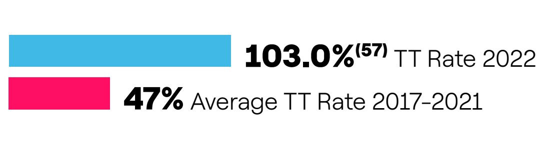
Companies	72
Revenues	107,868 M€
Tangible Assets	31,700 M€
Earnings Before Taxes (EBT)	811 M€
Corporate Income Taxes (CIT) - accrued	1,340 M€
Corporate Income Taxes (CIT) - paid	860 M€[56]
Employees	31,643
Average Wage per Employee	55,757 €
Average Tax Burden per Employee	37,433 €
Retained Earnings	8,503 M€
Stated Capital	53,668 M€

CIT Rate



The **ETR Minimum Tax**, the **Current Tax Rate** and the Cash Tax Rate are higher than the value of the **Nominal Tax Rate** due to the value of the EBT 2022 negatively impacted by the effects of the capital losses resulting from the sale of investments in Russia and Romania, which are not tax deductible, amounting to 1.2 billion euros. The ETR Minimum Tax and the Current Tax Rate are also impacted by the accounting of extraordinary contributions (bill shock and social solidarity) established in 2022 and amounting to approximately 720 million euros. The Cash Tax Rate was affected by the balance of income taxes calculated on the higher income in 2021 and paid in 2022, as well as by higher income taxes paid by newly acquired companies. Data for the ETR Minimum Tax, the Current Tax Rate and the Cash Tax rate normalized by the above-mentioned extraordinary phenomena are 39%, 31% and 43% respectively.

TT Rate

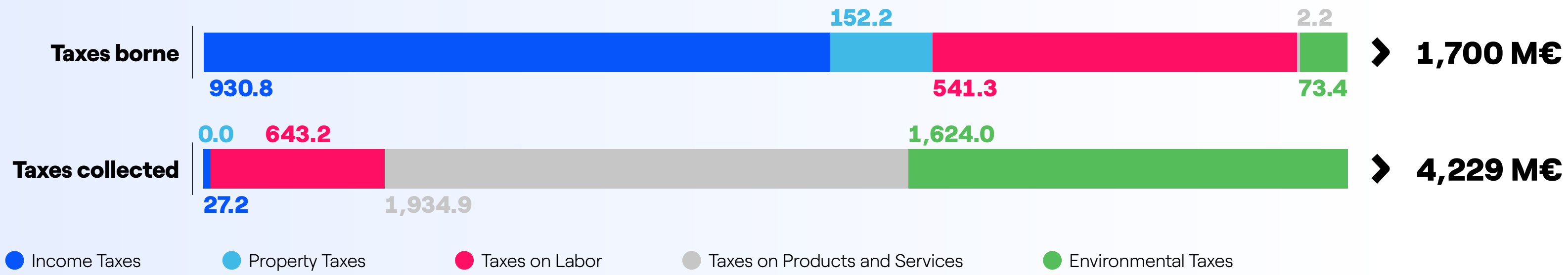


The **TT Rate in 2022** was higher than the average value for the period 2017-2021, mainly due to the combined effect of a reduction in Earnings Before Taxes borne in 2022 and an increase in taxes borne in the same year. The increase in taxes borne is attributable to higher income taxes and higher environmental taxes: (i) income taxes increased due to the payment of the extraordinary contribution for bill shock and the increase in the 2021 balance paid in the year, while (ii) environmental taxes increased due to the payment of coal excise duties adjustments related to the previous year.

- Earnings Before Taxes borne: **1,651 M€**

Italy contributed to a total of **42%** of the Group's TTC, amounting to **5,929 million** euros. 29% of the Total Tax Contribution was represented by taxes borne, while the remaining 71% by taxes collected.

TTC: 5,929[58] M€

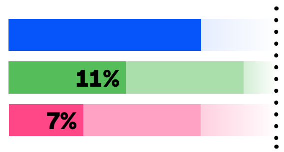


(56) The figure for income taxes paid does not contain the value for the effect of the extraordinary contribution of 68 million euros and substitute taxes on revaluations of 2 million euros.
(57) The TT Rate normalized by the phenomena negatively affecting Earnings Before Taxes borne in 2022, already commented on with reference to the ETR Minimum Tax, would have been 59.8%.
(58) In 2022, other payments to the government authorities (not included in the TTC) were made amounting to 1,179 million euros related to the national TV (RAI) licence fee.

Key figures in Spain

Companies	156
Revenues	39,069 M€
Tangible Assets	22,958 M€
Earnings Before Taxes (EBT)	3,164[59] M€
Corporate Income Taxes (CIT) - accrued	339 M€
Corporate Income Taxes (CIT) - paid	228 M€
Employees	9,489
Average Wage per Employee	76,826 €
Average Tax Burden per Employee	39,602 €
Retained Earnings	35,657 M€
Stated Capital	28,679 M€

CIT Rate



25% Nominal Tax Rate 2022

18% ETR Minimum Tax

22% Current Tax Rate 2022 adjusted

16% Cash Tax Rate 2022 adjusted

The main factors influencing both the **Cash** and **Current Tax Rate** and determining their difference from the Nominal Tax Rate was the recovery of taxes already paid in previous years, in particular:

- the impairment losses of coal-fired plants in 2019,[60] which had a very negative impact on the accounting result for that year, was deductible on a straight-line basis only from 2020. The recovery in 2022 of a portion of the taxes paid in advance in 2019 reduces taxes current and payable;
- the utilization of tax receivables[61] accrued in favor of the Parent Company Enel Iberia, and aimed at eliminating double taxation phenomena related to previous years, led to a reduction in Current Taxes and taxes paid, with an impact on the Cash and Current Tax Rate;
- the combined effect of the two phenomena is 11 percentage points on the Current Tax Rate and 9 percentage points on the Cash Tax Rate.

Net of these phenomena, the Current Tax Rate is 22% and the Cash Tax Rate 16% (adjusted tax rate).

TT Rate

31.2%[62] TT Rate 2022

51% Average TT Rate 2017-2021

The **TT Rate** in 2022 was lower than the average value for the period 2017-2021, mainly due to an increase in Earnings Before Taxes borne, which is more than proportional to the increase in taxes borne, due to the extraordinary phenomena already mentioned with reference to the ETR Minimum Tax.

- Earnings Before Taxes borne: **4,267 M€**

(59) For a better understanding of the phenomena, the adjusted figure for several accounting entries is shown here: (i) intercompany gas derivatives and (ii) impairment losses recognized in the separate financial statements but already recognized in the consolidated financial statements in previous years. These phenomena, totaling 3,072 million euros, are only recognized at the level of the individual entity, but are neutralized for the purposes of the consolidated financial statements, as well as for tax purposes. The Earnings Before Taxes from CbCR was 92 million euros.

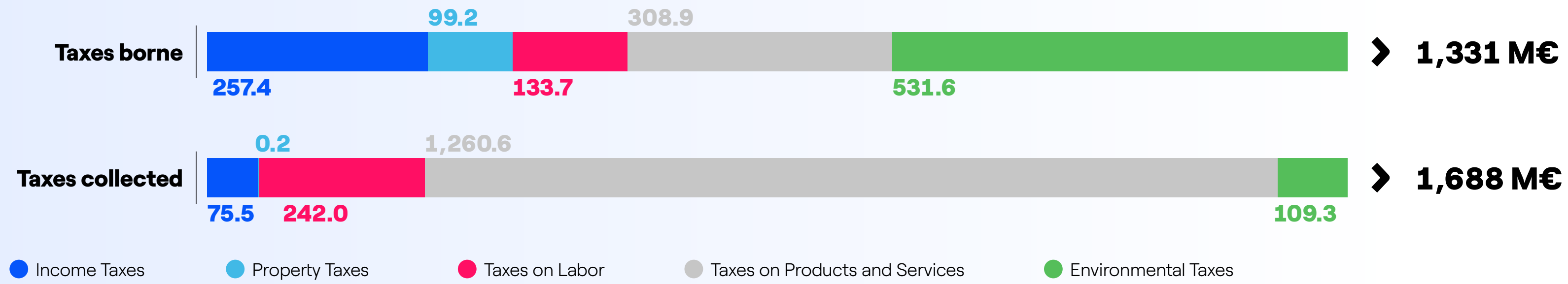
(60) In 2019, in light of the decarbonization process adopted by the Group, impairment losses (non-deductible in the year) of approximately 1,900 million euros were recorded. Starting in 2020, and in accordance with the country's tax rules, these impairment losses started to produce higher tax-deductible depreciations. For further details, see the section "Tax accounting principles in a nutshell".

(61) This was the tax credit on dividends distributed by Endesa to Enel Iberia. This tax receivable was recognized in Spain in order to eliminate economic double taxation, given that the capital gains realized by Endesa's former shareholders were already subject to taxation.

(62) The figure for Earnings Before Taxes borne has been normalized by the same phenomena as indicated for EBT. Without this normalization, the TT Rate would have been 111%.

Spain's contribution to the Group's TTC was **22%**, amounting to **3,018 million euros**. 44% of the Total Tax Contribution was represented by taxes borne, while the remaining 56% by taxes collected.

TTC: 3,018 M€(63) (64)

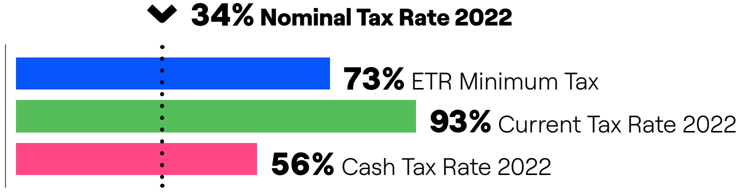


(63) In 2022, other payments were made to government authorities (not included in the TTC) amounting to 169.2 million euros, of which mainly 134 million euros related to the *Bono social* and 26 million euros related to *Eficiencia energética*.
(64) The sum of the values may not correspond to the total due to rounding off.

Key figures in Brazil

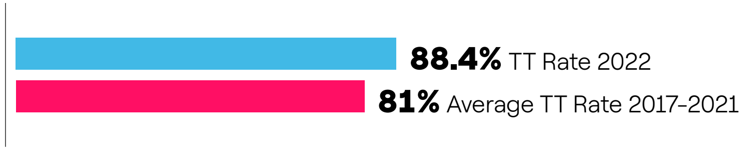
Companies	230
Revenues	10,731 M€
Tangible Assets	4,199 M€
Earnings Before Taxes (EBT)	242 M€
Corporate Income Taxes (CIT) - accrued	226 M€
Corporate Income Taxes (CIT) - paid	136 M€
Employees	7,506
Average Wage per Employee	27,640 €
Average Tax Burden per Employee	15,275 €
Retained Earnings	296 M€
Stated Capital	14,772 M€

CIT Rate



The **ETR Minimum Tax** and the **Current Tax Rate** are both higher than the **Nominal Tax Rate** mainly as an effect of the decrease in EBT due to some tax non-deductible capital losses in the year. The **Cash Tax Rate** was higher than the Nominal Tax Rate due to the decline in EBT for the year against a tax payment based on a higher prior-year profit.

TT Rate

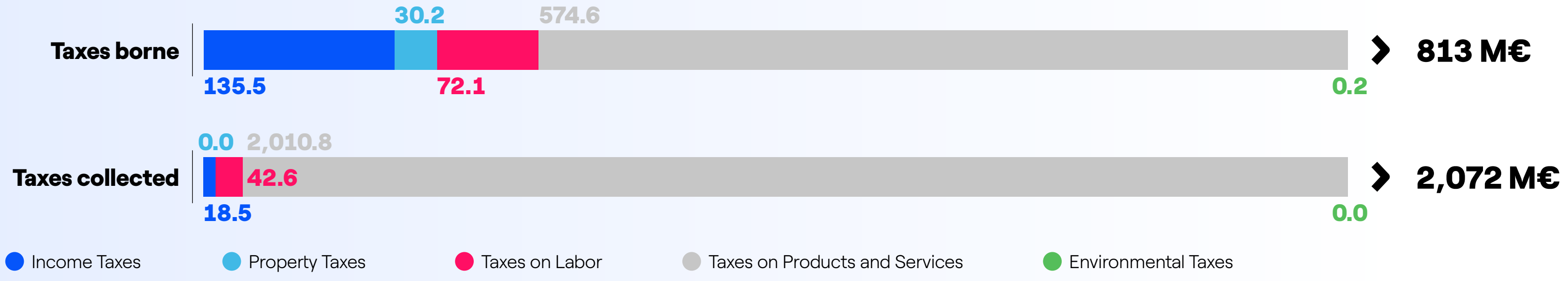


The **TT Rate** in 2022 was slightly higher than the average value for the period 2017-2021, mainly due to an increase in the taxes borne in 2022 and a decrease in the EBT due to the aforementioned capital losses from the sale of investments in the year. The increase in taxes borne is attributable to higher taxes on products and services, mainly PIS and COFINS, as a result of the increase in revenues for the higher costs of energy.[65]

- Earnings Before Taxes borne: **919 M€**

Brazil contribution to the Group's TTC was **21%**, amounting to **2,885 million euros**. 28% of the Total Tax Contribution was represented by taxes borne, while the remaining 72% by taxes collected.

TTC: 2,885 M€[66]



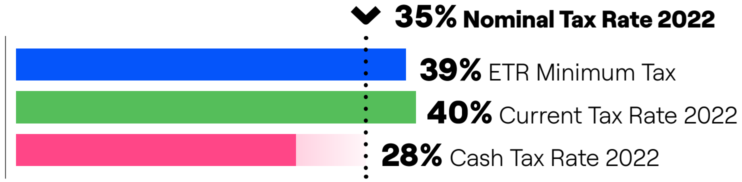
(65) Additionally, the exclusion of the ICMS (*Imposto sobre circulação de mercadorias e serviços*) from the basis for calculating the PIS and COFINS on which Brazil's Federal Supreme Court (STF) ruled in 2021, was a controversial topic in the country and the subject of much debate in that year. In 2022, Enel revised its methodology for calculating PIS/COFINS taxes in light of new clarification provided by the competent authorities, which resulted in an increase in taxes paid.

(66) In 2022, other payments were made to government authorities (not included in the TTC) amounting to 0.4 million euros.

Key figures in Colombia

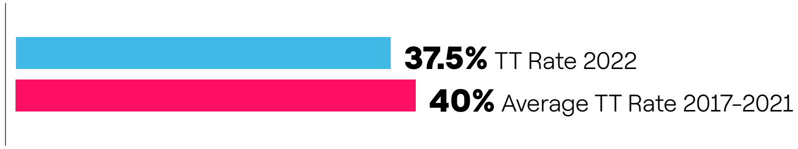
Companies	14
Revenues	2,845 M€
Tangible Assets	3,559 M€
Earnings Before Taxes (EBT)	932 M€
Corporate Income Taxes (CIT) - accrued	371 M€
Corporate Income Taxes (CIT) - paid	263 M€
Employees	2,327
Average Wage per Employee	32,321 €
Average Tax Burden per Employee	10,601 €
Retained Earnings	875 M€
Stated Capital	1,932 M€

CIT Rate



The **ETR Minimum Tax** was in line with the Nominal Tax Rate. The minimal deviation was due to non-deductible costs that have no impact on deferred taxation.[67] These phenomena also impact the **Current Tax Rate**. The difference between the Nominal Tax Rate and the **Cash Tax Rate** can be attributed to the 2022 tax payment mechanism based on the previous year, when EBT was lower. This difference was further accentuated by the increase in the Nominal Tax Rate in 2022 (previously 31%).

TT Rate

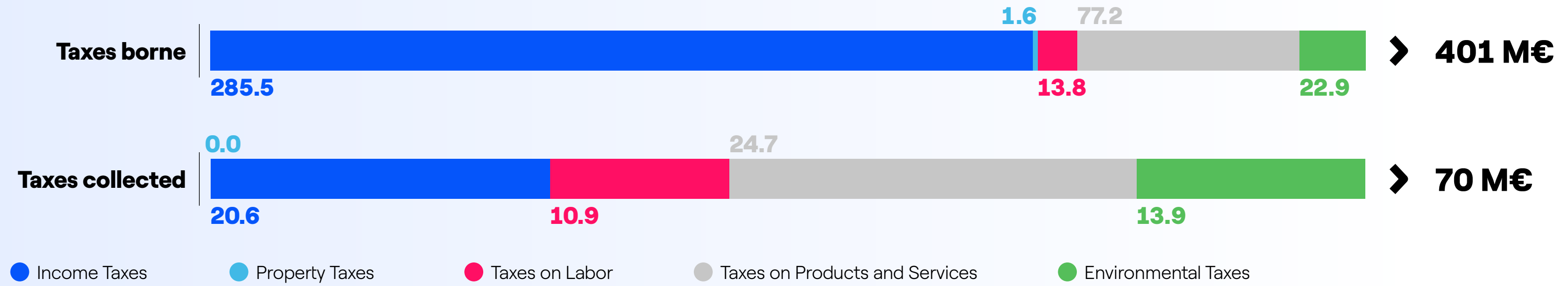


The **TT Rate** in 2022 was broadly in line with the average trend for previous years.

- Earnings Before Taxes borne: **1,070 M€**

Colombia's contribution to the Group's overall TTC was **3%**, amounting to **471 million euros**. 85% of the Total Tax Contribution was represented by taxes borne, while the remaining 15% by taxes collected.

TTC: 471 M€

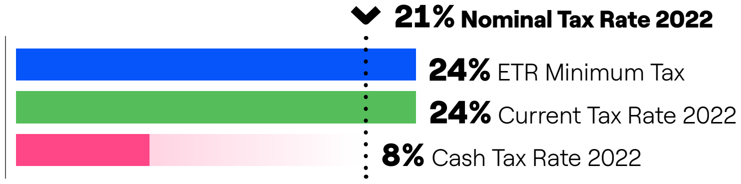


(67) For further details, see the section "Tax accounting principles in a nutshell" in the Appendix.

Key figures in Portugal

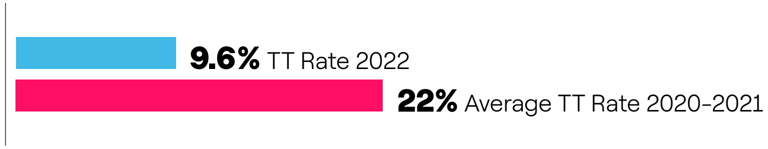
Companies	6
Revenues	2,076 M€
Tangible Assets	7 M€
Earnings Before Taxes (EBT)	74 M€
Corporate Income Taxes (CIT) - accrued	18 M€
Corporate Income Taxes (CIT) - paid	6 M€
Employees	82
Average Wage per Employee	48,152 €
Average Tax Burden per Employee	31,858 €
Retained Earnings	-5 M€
Stated Capital	18.8 M€

CIT Rate



The **ETR Minimum Tax** and the **Current Tax Rate** are slightly higher than the Nominal Tax Rate. The difference between the Nominal Tax Rate and the **Cash Tax Rate** can be attributed to the 2022 tax payment mechanism based on the previous year, when EBT was lower.

TT Rate

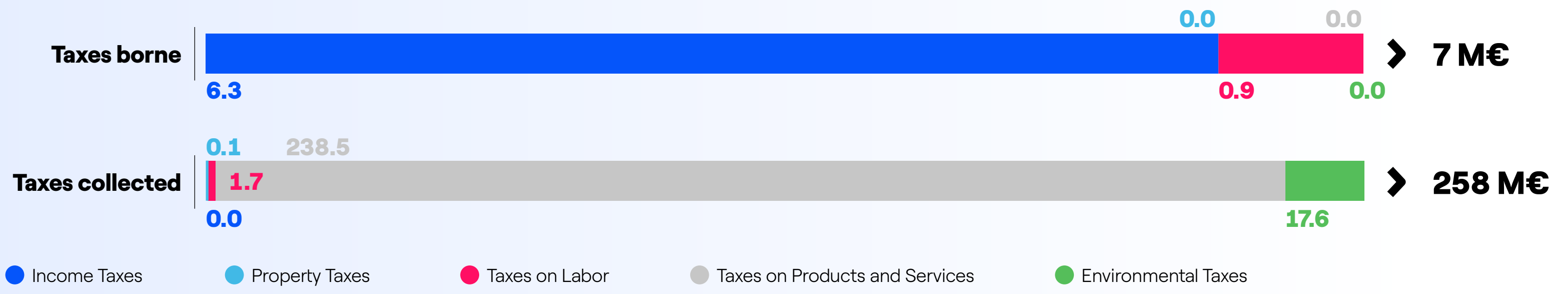


The **TT Rate** in 2022 was lower than the average value for the period 2020-2021 due to an increase in Earnings Before Taxes borne in 2022, which is mainly attributable to an increase in energy sales prices, and a reduction in taxes borne, in particular income taxes, due to the tax payment mechanism based on historical data.

- Earnings Before Taxes borne: **75 M€**

Portugal's contribution to the Group's overall TTC was **2%**, amounting to **265 million euros**. 7% of the Total Tax Contribution was represented by taxes borne, while the remaining 93% by taxes collected.

TTC: 265 M€[68]

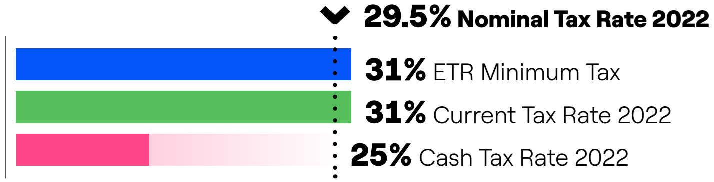


(68) In 2022, other payments were made to government authorities (not included in the TTC) amounting to 17 million euros, of which 16.5 million euros for the *Tasa Audiovisual*.

Key figures in Peru

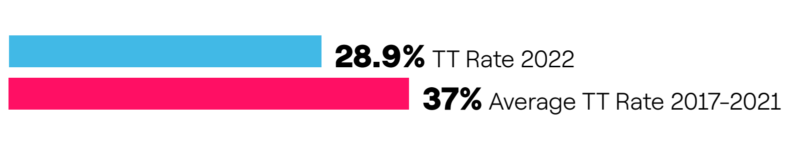
Companies	14
Revenues	1,517 M€
Tangible Assets	2,804 M€
Earnings Before Taxes (EBT)	449 M€
Corporate Income Taxes (CIT) - accrued	138 M€
Corporate Income Taxes (CIT) - paid	114 M€
Employees	1,075
Average Wage per Employee	56,197 €
Average Tax Burden per Employee	9,518 €
Retained Earnings	-340 M€
Stated Capital	2,897 M€

CIT Rate



The **ETR Minimum Tax** and the **Current Tax Rate** are in line with the Nominal Tax Rate. The difference between the Nominal Tax Rate and the **Cash Tax Rate** can be attributed to the 2022 tax payment mechanism based on the previous year, when EBT was lower.

TT Rate

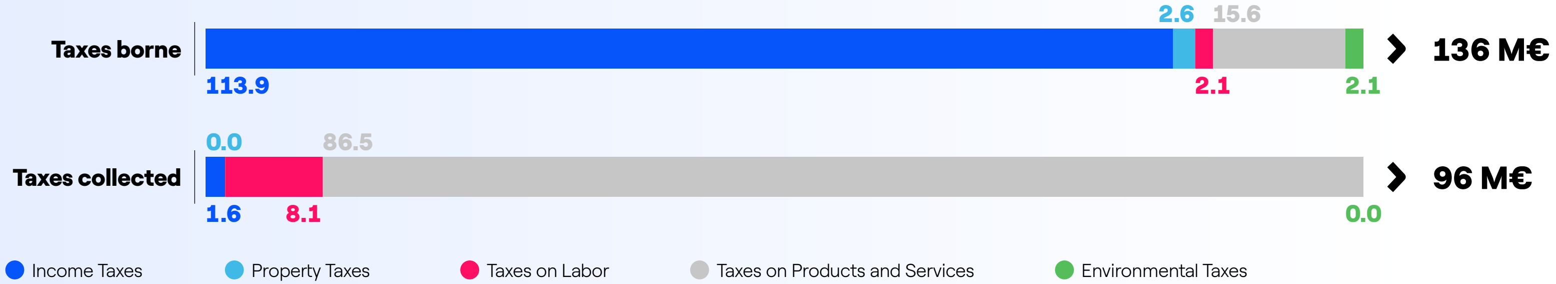


The **TT Rate** in 2022 was lower than the average value for the period 2017-2021 due to higher Earnings Before Taxes borne recognized in 2022, against essentially stable taxes borne due to the tax payment mechanism based on historical data.

- Earnings Before Taxes borne: **471 M€**

Peru's contribution to the Group's overall TTC was **2%,** amounting to **233 million euros**. 59% of the Total Tax Contribution was represented by taxes borne, while the remaining 41% by taxes collected.

TTC: 233 M€(69)

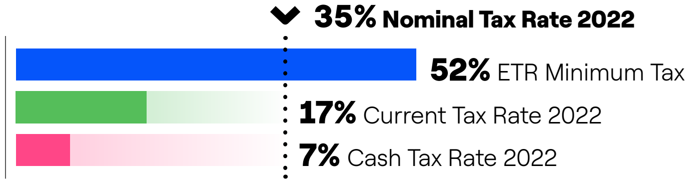


(69) The sum of the values may not correspond to the total due to rounding off.

Key figures in Argentina

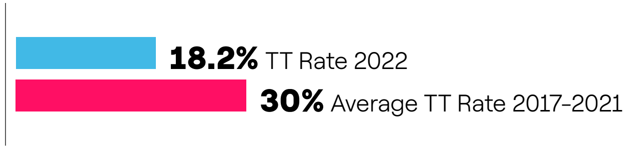
Companies	16
Revenues	3,243 M€
Tangible Assets	2,402 M€
Earnings Before Taxes (EBT)	261 M€
Corporate Income Taxes (CIT) - accrued	44 M€
Corporate Income Taxes (CIT) - paid	19 M€
Employees	4,032
Average Wage per Employee	28,206 €
Average Tax Burden per Employee	9,281 €
Retained Earnings	765 M€
Stated Capital	1,098 M€

CIT Rate



The **ETR Minimum Tax** was higher than the **Nominal Tax Rate** due to the temporary effects of the accounting and tax treatment of hyperinflation that significantly affects deferred taxation.[70] The **Current Tax Rate** is lower than the Nominal Tax Rate due to the permanent effect of the aforementioned hyperinflation. The difference between the Nominal Tax Rate and the **Cash Tax Rate** can be attributed to the 2022 tax payment mechanism based on the previous year, when EBT was lower.

TT Rate

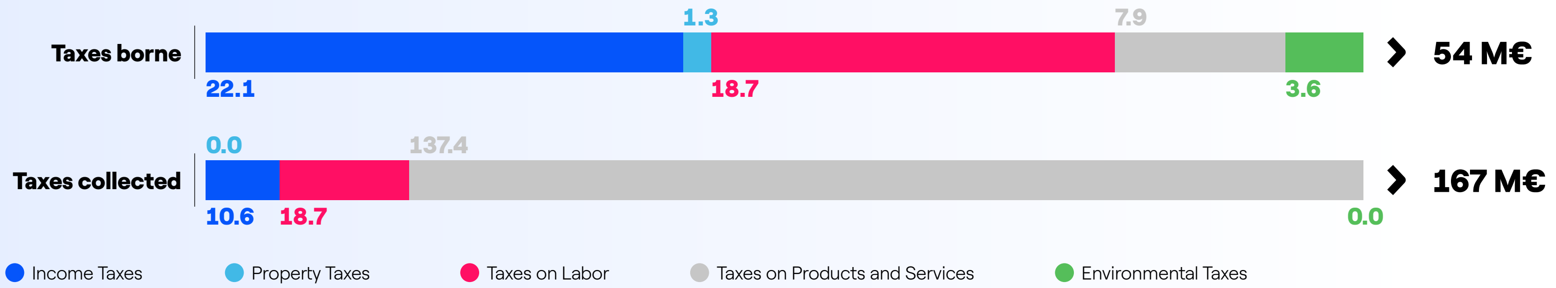


The **TT Rate** in 2022 was lower than the average value for the period 2017-2021, mainly due to a significant increase in the Earnings Before Taxes borne in 2022 due to the effects of hyperinflation. This increase was not followed by a proportional increase in taxes borne mainly due to the tax payment mechanism based on the historical method.

- Earnings Before Taxes borne: **295 M€**

Argentina's contribution to the Group's overall TTC was **2%**, amounting to **220 million euros**. 24% of the Total Tax Contribution was represented by taxes borne, while the remaining 76% by taxes collected.

TTC: 220 M€[71]



(70) For further details, see the section "Tax accounting principles in a nutshell" in the Appendix.
(71) The sum of the values may not correspond to the total due to rounding off.

Key figures in Romania

Companies	30
Revenues	3,207 M€
Tangible Assets	2,037 M€
Earnings Before Taxes (EBT)	-180 M€
Corporate Income Taxes (CIT) - accrued	19 M€
Corporate Income Taxes (CIT) - paid	19 M€
Employees	3,265
Average Wage per Employee	27,089 €
Average Tax Burden per Employee	12,901 €
Retained Earnings	1,109 M€
Stated Capital	1,282 M€

CIT Rate

16% **Nominal Tax Rate 2022**

N.A. ETR Minimum Tax

In the case of negative Earnings Before Taxes, the ratios have not been calculated. Romania nevertheless passes the Routine profit test under the Safe Harbour of the Global Minimum Tax.

TT Rate

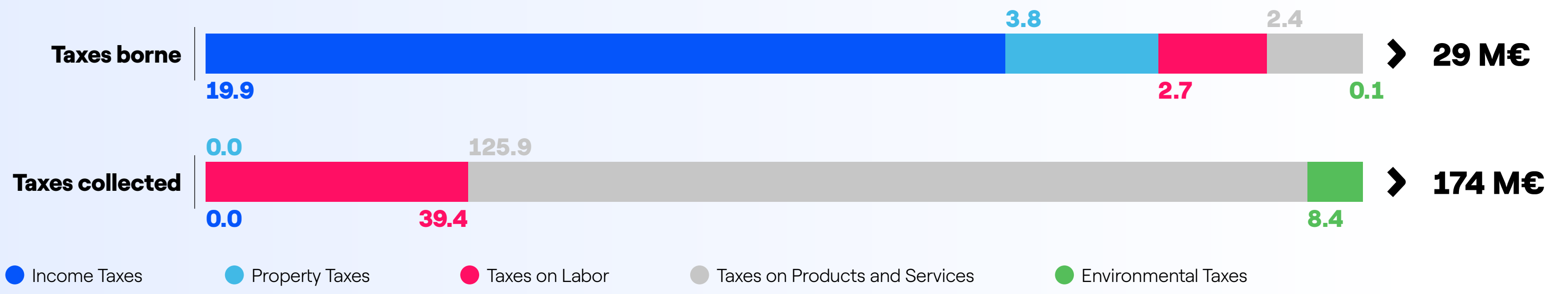
N.A. TT Rate 2022

21% Average TT Rate 2017-2021

Due to negative Earnings Before Taxes borne, the TT Rate has not been calculated. Despite the loss, taxes borne were paid essentially in line with the average value for the 2017-2021 period.

The contribution of Romania to the Group's overall TTC was less than **1%**, amounting to **203 million euros**. 14% of the Total Tax Contribution was represented by taxes borne, while the remaining 86% by taxes collected.

TTC: 203 M€[72]

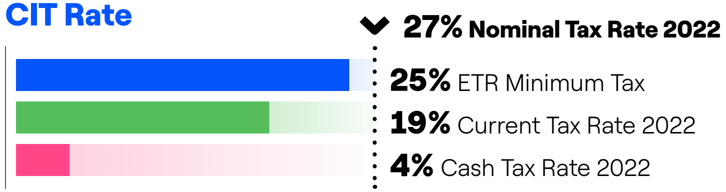


(72) In 2022, other payments to the government authorities (not included in the TTC) amounting to 2 million euros were made (Contribution to the Romanian Energy Regulatory Authority - ANRE).

Key figures in Chile

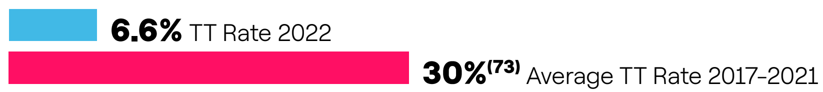
Companies	18
Revenues	7,374 M€
Tangible Assets	7,525 M€
Earnings Before Taxes (EBT)	1,935 M€
Corporate Income Taxes (CIT) - accrued	374 M€
Corporate Income Taxes (CIT) - paid	72 M€
Employees	2,197
Average Wage per Employee	71,202 €
Average Tax Burden per Employee	8,998 €
Retained Earnings	1,305 M€
Stated Capital	22,150 M€

CIT Rate



The **ETR Minimum Tax** is in line with the Nominal Tax Rate. The **Current Tax Rate** is lower than the Nominal Tax Rate mainly due to the offsetting of past tax losses, the reduction of the tax base related to inflation, and the deduction of impairment losses on plants made in previous years as part of the decarbonization process. The difference between the Nominal Tax Rate and the **Cash Tax Rate** can be attributed to the tax payment mechanism based on historical data, which relates the tax payments made in 2022, calculated on the basis of the previous year's results, to the higher EBT recorded in 2022, characterized by the extraordinary income of 1,051 million euros described below and which will result in the payment of the relevant taxes in 2023.

TT Rate

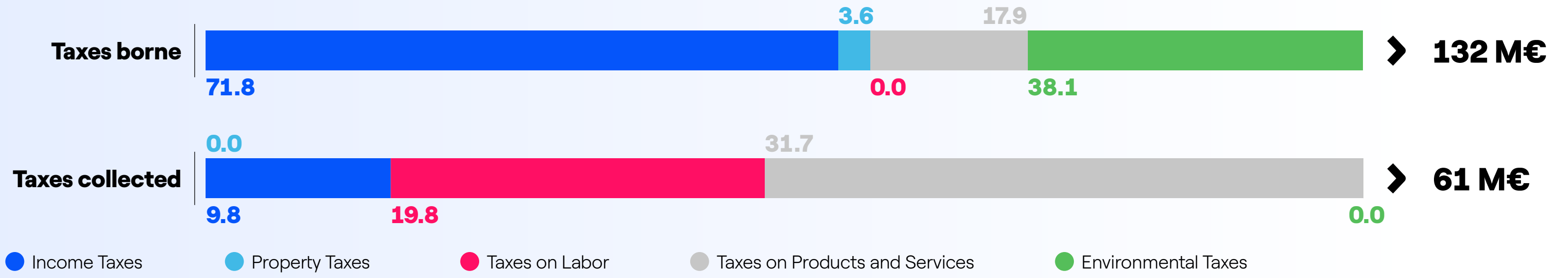


The **TT Rate** in 2022 was lower than the average value for the 2017-2021 period, mainly due to a higher Earnings Before Taxes borne recorded in 2022, against taxes borne that remained essentially stable and in line with the average for the 2017-2021 period. The significant increase in Earnings Before Taxes borne is attributable to the profit from the sale of a Chilean electricity transmission company and the extraordinary income from the early conclusion of a gas supply agreement with a leading market operator.[74] The positive effects of these transactions will be subject to taxation in 2023 and are expected to result in higher income tax payables in the same year.

- Earnings Before Taxes borne: **1,995 M€**

Chile's contribution to the Group's overall TTC was **1%**, amounting to **193 million euros**. 68% of the Total Tax Contribution was represented by taxes borne, while the remaining 32% by taxes collected.

TTC: 193 M€[75]

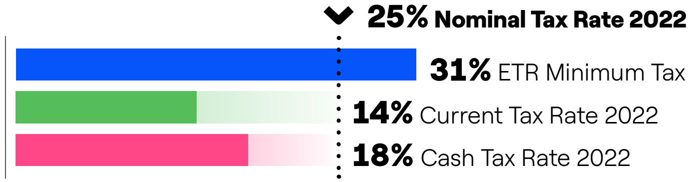


(73) The 2017-2021 average figure was influenced by the significant loss recognized in 2021 against a significant amount of taxes borne. If that year is excluded, the average TT Rate for the period 2017-2021 would have been about 22%.
(74) Net of this extraordinary income, the TT Rate for 2022 would have been 14%.
(75) In 2022, other payments were made to government authorities (not included in the TTC) amounting to 5.9 million euros, of which 4.2 million euros for Commercial Licenses.

Key figures in France

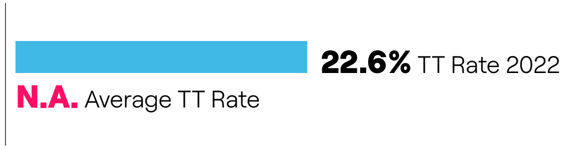
Companies	3
Revenues	1,233 M€
Tangible Assets	4 M€
Earnings Before Taxes (EBT)	35 M€
Corporate Income Taxes (CIT) - accrued	5 M€
Corporate Income Taxes (CIT) - paid	6 M€
Employees	63
Average Wage per Employee	73,807 €
Average Tax Burden per Employee	45,808 €
Retained Earnings	-2 M€
Stated Capital	4 M€

CIT Rate



The **ETR Minimum Tax** was higher than the Nominal Tax Rate. The **Current Tax Rate** and the **Cash Tax Rate** are lower than the Nominal Tax Rate due to past tax losses offset in the year.

TT Rate

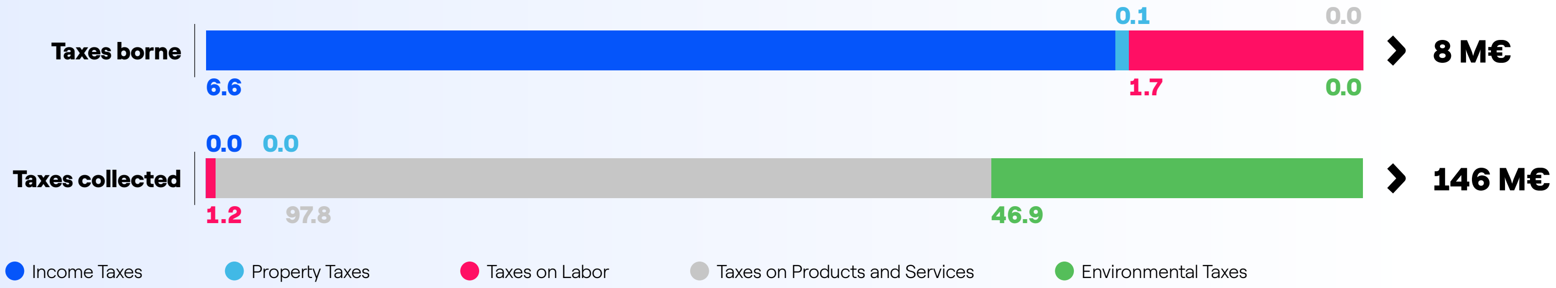


In 2020-2021, there was a negative Earnings Before Taxes borne mainly due to loss-making entities. The TT Rate in 2022 was positive due to an increase in the Earnings Before Taxes borne, which resulted in higher tax payments on account.

- Earnings Before Taxes borne: **37 M€**

France's contribution to the Group's overall TTC was **1%**, amounting to **154 million euros**. 5% of the Total Tax Contribution was represented by taxes borne, while the remaining 95% by taxes collected.

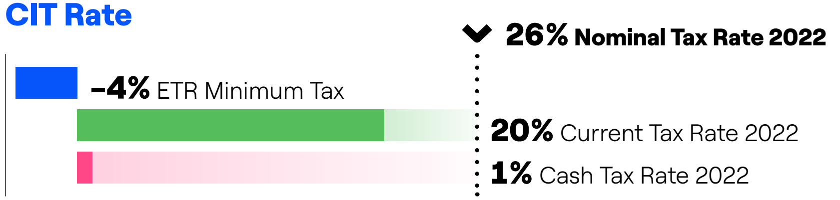
TTC: 154 M€



Key figures in the USA and Canada

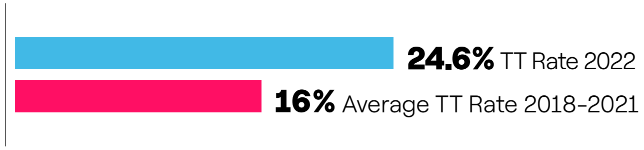
Companies	503
Revenues	2,182 M€
Tangible Assets	12,877 M€
Earnings Before Taxes (EBT)	240 M€
Corporate Income Taxes (CIT) - accrued	48 M€
Corporate Income Taxes (CIT) - paid	2 M€
Employees	1,775
Average Wage per Employee	133,254 €
Average Tax Burden per Employee	42,801 €
Retained Earnings	1,104 M€
Stated Capital	23,186 M€

CIT Rate



The **ETR Minimum Tax Rate** was negative due to the effects of the recognition in the year of deferred taxes on accumulated losses in the e-mobility business. The US and Canada nevertheless pass the Routine profit test under the Safe Harbour of the Global Minimum Tax. The values of the **Cash Tax Rate** and, to a lesser extent, the **Current Tax Rate** compared to the Nominal Tax Rate are due to the fact that tax measures have been implemented in North America to incentivize the renewable energy business. These are mainly tax credits that incentivize a percentage of the costs incurred for investments in renewables (ITC – Investment Tax Credit), the generation of energy from renewable sources (PTC – Production Tax Credit) and the immediate deduction of capitalized expenditure.[76] These incentives can be offset against the tax liability by the taxpayer or given to third parties (tax partners) to finance projects. This explains the relatively low level of income taxes, especially in financial years characterized by a high volume of investments.

TT Rate

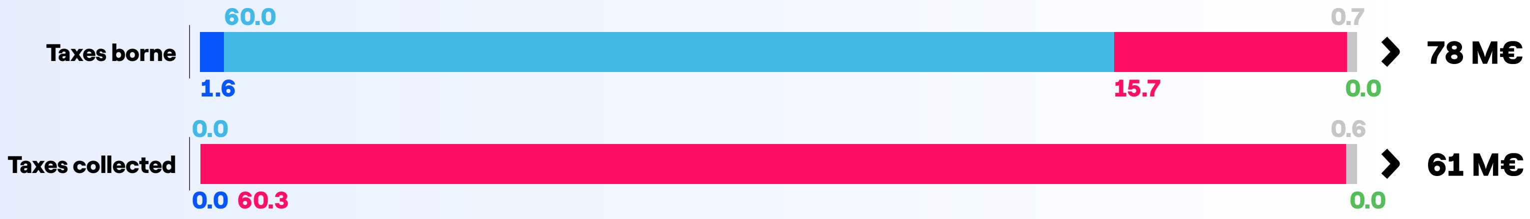


The **TT Rate** in 2022 was higher than the average value for the period 2018-2021, mainly due to an increase in taxes borne due to higher property taxes and from the commissioning of new renewable energy plants.

- Earnings Before Taxes borne: **316 M€**

The USA and Canada's contribution to the Group's overall TTC was **1%**, amounting to **139 million euros**. 56% of the Total Tax Contribution was represented by taxes borne, while the remaining 44% by taxes collected.

TTC: 139 M€



Income Taxes · Property Taxes · Taxes on Labor · Taxes on Products and Services · Environmental Taxes

(76) See the section "Tax incentives".

Key figures in Germany

Companies	9
Revenues	566 M€
Tangible Assets	0.3 M€
Earnings Before Taxes (EBT)	43 M€
Corporate Income Taxes (CIT) - accrued	4 M€
Corporate Income Taxes (CIT) - paid	-0.1 M€
Employees	23
Average Wage per Employee	78,298 €
Average Tax Burden per Employee	48,415 €
Retained Earnings	-46 M€
Stated Capital	47.7 M€

CIT Rate

30% **Nominal Tax Rate 2022**

22% ETR Minimum Tax

9% Current Tax Rate 2022

The **ETR Minimum Tax** differs from the Nominal Tax Rate due to the preferential taxation of capital gains on the disposal of investments.[77] The **Current Tax Rate** is lower than the Nominal Tax Rate due to the offsetting of past losses and the treatment of capital gains mentioned above. The **Cash Tax Rate** was not calculated because tax refunds obtained in 2022, relating to excess payments from previous years, resulted in a negative cash tax value.

TT Rate

0.7% TT Rate 2022

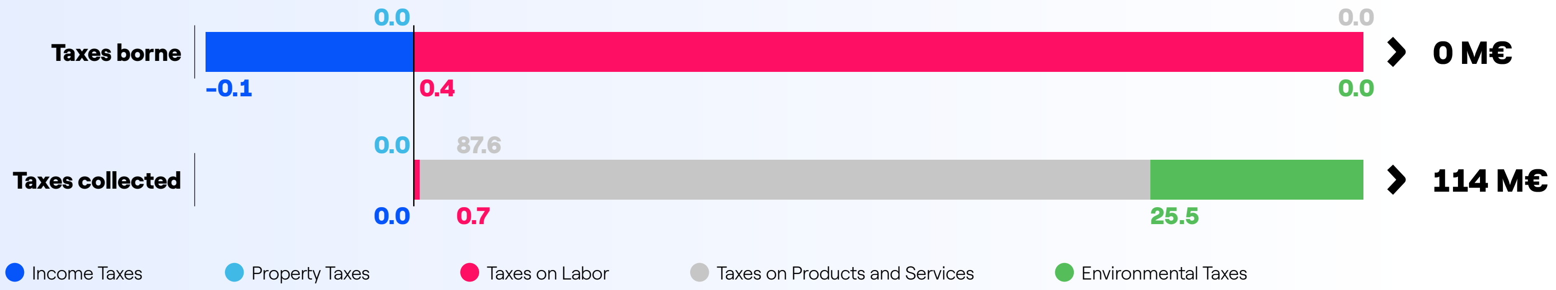
N.A. Average TT Rate

In 2020-2021, there was a negative Earnings Before Taxes borne and consistently the TT Rate in 2022 was very low due to these past tax losses and refunds for excess income taxes paid.

- Earnings Before Taxes borne: **43 M€**

Germany's contribution to the Group's overall TTC was **1%**, amounting to **114 million euros**. 0.3% of the Total Tax Contribution was represented by taxes borne, while the remaining 99.7% by taxes collected.

TTC: 114 M€



(77) This disposal was taxed at 15.8% and was not subject to the surcharges provided for in the federal Lander tax law.

Key figures in the Netherlands

Companies	5
Net Banking Income[78]	327 M€
Tangible Assets	1 M€
Earnings Before Taxes (EBT)	-64 M€
Corporate Income Taxes (CIT) - accrued	27 M€
Corporate Income Taxes (CIT) - paid	23 M€
Employees	20
Average Wage per Employee	103,925 €
Average Tax Burden per Employee	59,364 €
Retained Earnings	-343 M€
Stated Capital	11,550 M€

CIT Rate

25% Nominal Tax Rate 2022

N.A. ETR Minimum Tax

In the case of negative Earnings Before Taxes, the ratios have not been calculated. 2021 was characterized by a debt restructuring operation as a result of which securities issued in the past were repurchased early, and new sustainability-linked bonds were issued, in line with the industrial objectives that the Enel Group has set for itself in terms of sustainability and decarbonization. This continued its negative effects into the results for 2022. The new issues will optimize the cost of debt for future years by extending its maturity and benefiting from the particularly favorable interest rates also in 2022.

The **ETR Minimum Tax** is negative due to the aforementioned losses. This condition in itself nevertheless allows the Netherlands to pass the Routine profit test and, falling under the application of the Safe Harbour, it is not subject to application of the Global Minimum Tax. Despite the losses for 2022, the Netherlands booked around 27 million euros in current taxes, with a cash effect of around 23 million euros in income taxes paid.

TT Rate

N.A. TT Rate 2022

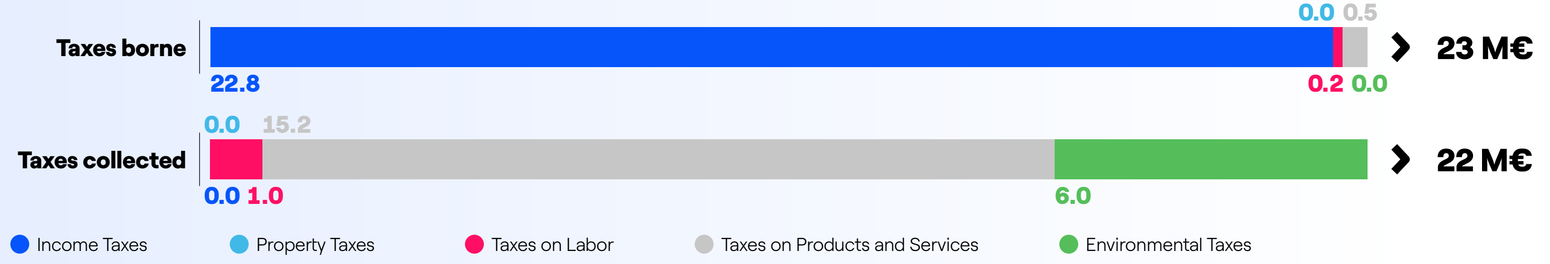
N.A. Average TT Rate

Due to negative Earnings Before Taxes borne, the TT Rate has not been calculated.

Despite a negative Earnings Before Taxes borne in 2022, taxes were paid, albeit down from the average value for the period 2017-2021. In particular, such income taxes paid – under the historical method – during 2022 were down due to the decrease in taxable income between 2020 and 2021.

The contribution of the Netherlands to the Group's overall TTC was less than **1%**, amounting to **46 million euros**. 51% of the Total Tax Contribution was represented by taxes borne, while the remaining 49% by taxes collected.

TTC: 46 M€[79]

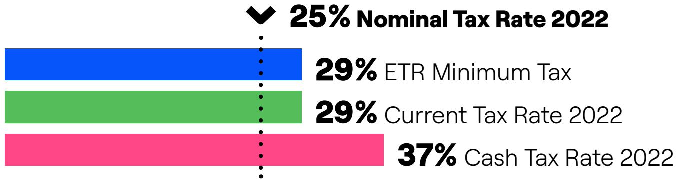


(78) For the sole purpose of the country data sheet on the Netherlands, in relation to the financial activities performed by Enel Finance International NV, the item Revenues is replaced by Net Banking Income (i.e. Net Interest) of 120 million euros, consistent with the reporting practice generally followed in the banking sector. For further details, see the Glossary.
(79) The sum of the values may not correspond to the total due to rounding off.

Key figures in Panama

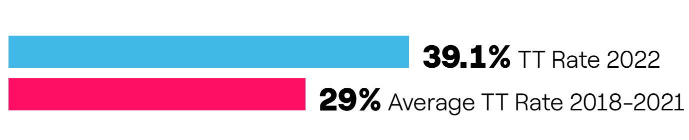
Companies	11
Revenues	180 M€
Tangible Assets	417 M€
Earnings Before Taxes (EBT)	80 M€
Corporate Income Taxes (CIT) - accrued	23 M€
Corporate Income Taxes (CIT) - paid	29 M€
Employees	96
Average Wage per Employee	44,047 €
Average Tax Burden per Employee	10,200 €
Retained Earnings	129 M€
Stated Capital	438 M€

CIT Rate



The **ETR Minimum Tax** and the **Current Tax Rate** are higher than the Nominal Tax Rate mainly due to Enel Fortuna, controlled 50% by the Panamanian government and owner of one of the largest hydroelectric plants in Central America, subject to a higher Nominal Tax Rate than the General Tax Rate of the country (30%).
The difference between the Nominal Tax Rate and the **Cash Tax Rate** can be attributed to the 2022 tax payment mechanism based on the previous year, when EBT was higher.

TT Rate



The **TT Rate** in 2022 was higher than the average value for the period 2018-2021 due to lower Earnings Before Taxes borne recognized in 2022, against essentially stable taxes borne due to the tax payments with the historical method.

- Earnings Before Taxes borne: **82 M€**

The contribution of Panama to the Group's overall TTC was **1%**, amounting to **38 million euros**. 85% of the Total Tax Contribution was represented by taxes borne, while the remaining 15% by taxes collected.

TTC: 38[80] M€

(80) In 2022, other payments were made to government authorities (not included in the TTC) amounting to 0.1 million euros.

Key figures in Mexico

Companies	25
Revenues	366 M€
Tangible Assets	841 M€
Earnings Before Taxes (EBT)	-590 M€
Corporate Income Taxes (CIT) - accrued	8 M€
Corporate Income Taxes (CIT) - paid	4 M€
Employees	325
Average Wage per Employee	53,286 €
Average Tax Burden per Employee	21,799 €
Retained Earnings	-33 M€
Stated Capital	1,702 M€

CIT Rate

30% Nominal Tax Rate 2022

N.A. ETR Minimum Tax

In the case of negative Earnings Before Taxes, the ratios have not been calculated. Mexico nevertheless passes the Routine profit test under the Safe Harbour of the Global Minimum Tax.

TT Rate

N.A. TT Rate 2022

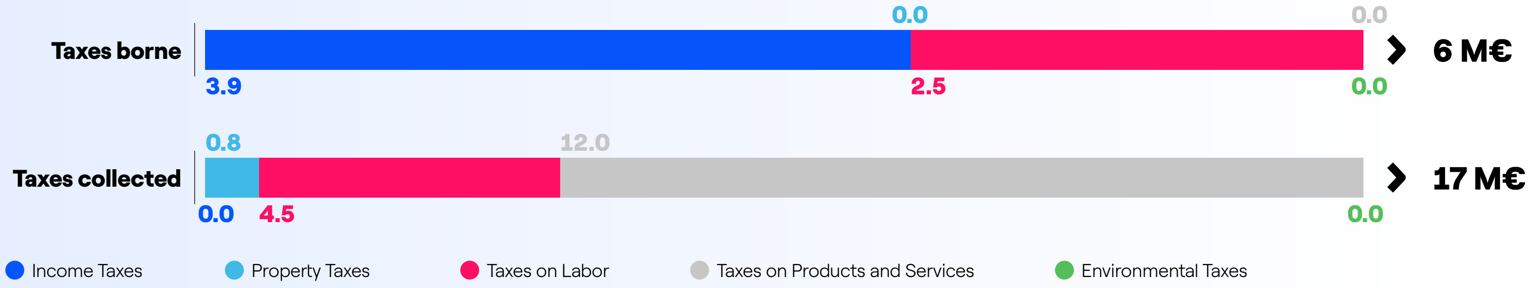
N.A. Average TT Rate

Due to the negative Earnings Before Taxes borne for the period, the TT Rate indices were not calculated.

Despite significantly negative Earnings Before Taxes borne in 2022, due to the results recorded by pre-operational entities, taxes borne were paid, albeit at a lower level than the average value of the 2018-2021 period, in which extraordinary payments were made.[81]

The contribution of Mexico to the Group's overall TTC was less than **1%**, amounting to **24 million euros**. 27% of the Total Tax Contribution was represented by taxes borne, while the remaining 73% by taxes collected.

TTC: 24[82][83] M€

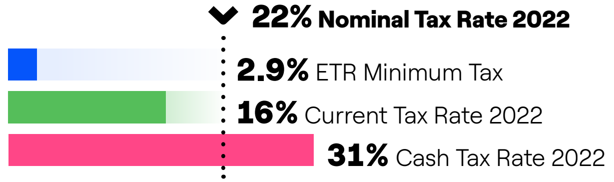


(81) In 2019 and, to a lesser extent, in 2020, one-off income taxes were paid on (i) an extraordinary transaction and (ii) the realization of foreign exchange gains, respectively.
(82) In 2022, other payments were made to government authorities (not included in the TTC) amounting to 0.01 million euros.
(83) The sum of the values may not correspond to the total due to rounding off.

Key figures in Greece

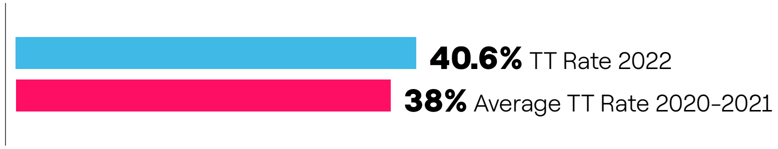
Companies	19
Revenues	126 M€
Tangible Assets	596 M€
Earnings Before Taxes (EBT)	39 M€
Corporate Income Taxes (CIT) - accrued	6 M€
Corporate Income Taxes (CIT) - paid	12 M€
Employees	130
Average Wage per Employee	60,171 €
Average Tax Burden per Employee	25,860 €
Retained Earnings	-159 M€
Stated Capital	624 M€

CIT Rate



The **ETR Minimum Tax** was below 15% mainly due to the effect of the deferred tax provision on capital losses on extraordinary transactions during the year.[84] Greece nevertheless passes the Routine profit test under the Safe Harbour of the Global Minimum Tax. The **Current Tax Rate** is lower than the Nominal Tax Rate due to the deduction of the aforementioned capital losses. The difference between the Nominal Tax Rate and the **Cash Tax Rate** can be attributed to the 2022 tax payment mechanism based on the previous year, when EBT was higher.

TT Rate

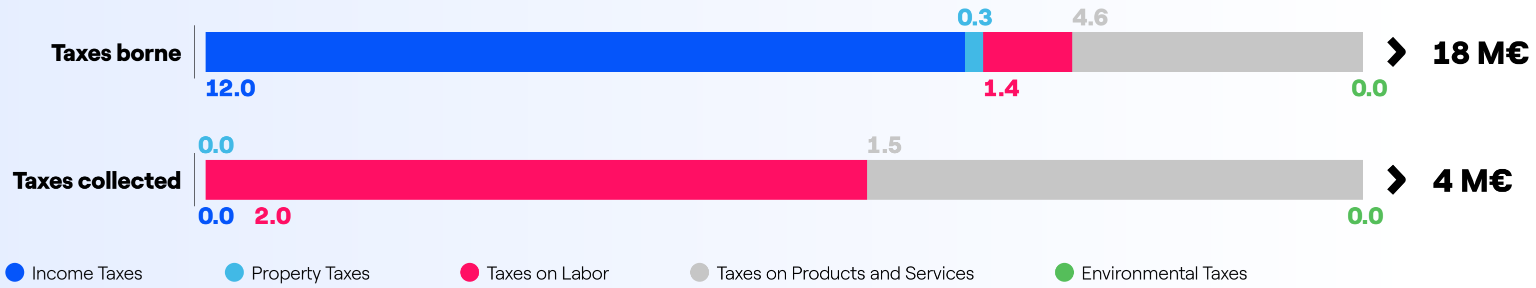


The **TT Rate** in 2022 was broadly in line with the average vale for the two-year period 2020-2021.

- Earnings Before Taxes borne: **45 M€**

The contribution of Greece to the Group's overall TTC was less than **1%**, amounting to **22 million euros**. 73% of the Total Tax Contribution was represented by taxes borne, while the remaining 27% by taxes collected.

TTC: 22 M€

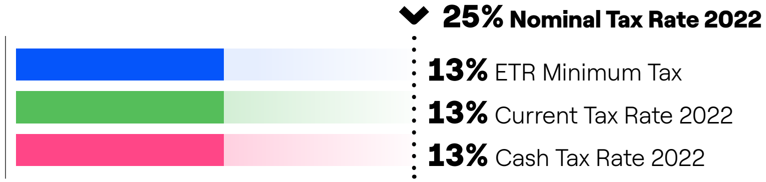


(84) For further details, see the section "Tax accounting principles in a nutshell" in the Appendix.

Key figures in Guatemala

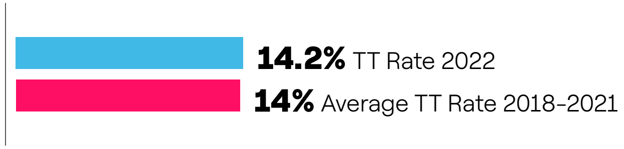
Companies	6
Revenues	98 M€
Tangible Assets	359 M€
Earnings Before Taxes (EBT)	44 M€
Corporate Income Taxes (CIT) - accrued	6 M€
Corporate Income Taxes (CIT) - paid	6 M€
Employees	92
Average Wage per Employee	44,436 €
Average Tax Burden per Employee	4,316 €
Retained Earnings	175 M€
Stated Capital	264 M€

CIT Rate



The **ETR Minimum Tax**, the **Cash** and the **Current Tax Rate** differ from the Nominal Tax Rate mainly due to a simplified tax regime aimed at reducing the applicable taxation in the first years of operation.[85] The estimated higher taxes related to the application of the Global Minimum Tax based on the simplified OECD Safe Harbour ETR are less than 1 million euros.

TT Rate



The **TT Rate** in 2022 was in line with the average value for the period 2018-2021.

- Earnings Before Taxes borne: **45 M€**

The contribution of Guatemala to the Group's overall TTC was less than **1%**, amounting to **12 million euros**. 53% of the Total Tax Contribution was represented by taxes borne, while the remaining 47% by taxes collected.

TTC: 12 M€

(85) This optional taxation regime, based on gross revenue instead of profit, results in the payment of taxes even if companies post negative EBT.

Key figures in India

Companies	28
Revenues	51 M€
Tangible Assets	226 M€
Earnings Before Taxes (EBT)	-21 M€
Corporate Income Taxes (CIT) - accrued	0 M€
Corporate Income Taxes (CIT) - paid	1 M€
Employees	397
Average Wage per Employee	25,400 €
Average Tax Burden per Employee	3,477 €
Retained Earnings	-23 M€
Stated Capital	211 M€

CIT Rate

25% **Nominal Tax Rate 2022**

N.A. ETR Minimum Tax

In the case of negative Earnings Before Taxes, the ratios have not been calculated. India nevertheless passes the Routine profit test under the Safe Harbour of the Global Minimum Tax.

The loss recognized in 2022 was attributable to entities in startup phase.

TT Rate

N.A. TT Rate 2022

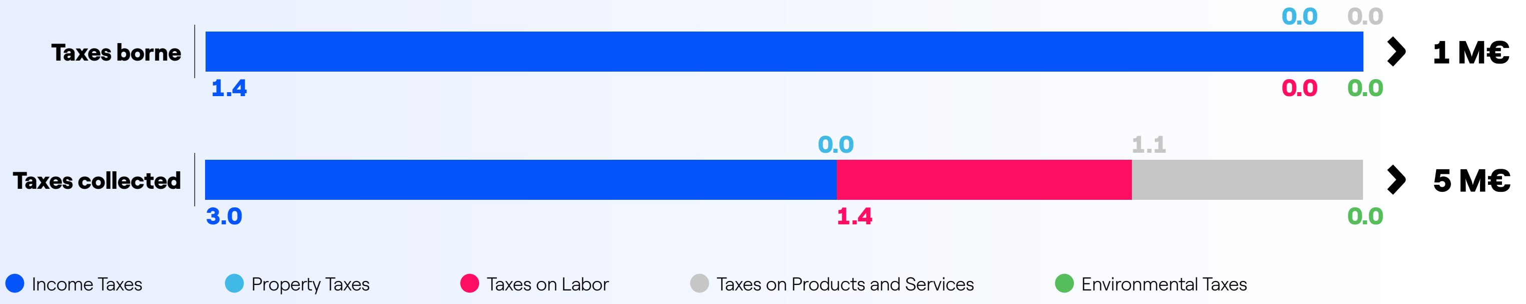
N.A. Average TT Rate

Due to negative Earnings Before Taxes borne for the period, the TT Rate indices were not calculated.

Despite the negative Earnings Before Taxes borne in 2022, the reasons for which are discussed in the ETR Minimum Tax, taxes borne were nevertheless paid, up compared with the average taxes borne in 2020-2021.

The contribution of India to the Group's overall TTC was less than **1%**, amounting to **7 million euros**. 21% of the Total Tax Contribution was represented by taxes borne, while the remaining 79% by taxes collected.

TTC: 7 M€[86]



(86) The sum of the values may not correspond to the total due to rounding off.

Key figures in South Africa

Companies	24
Revenues	121 M€
Tangible Assets	384 M€
Earnings Before Taxes (EBT)	-17 M€
Corporate Income Taxes (CIT) - accrued	0 M€
Corporate Income Taxes (CIT) - paid	0.1 M€
Employees	182
Average Wage per Employee	42,390 €
Average Tax Burden per Employee	21,381 €
Retained Earnings	-166 M€
Stated Capital	690 M€

CIT Rate

28% **Nominal Tax Rate 2022**

N.A. ETR Minimum Tax

In the case of negative Earnings Before Taxes, the ratios have not been calculated. The loss recognized in 2022 was attributable to the startup phase of some projects.[87] South Africa nevertheless passes the Routine profit test under the Safe Harbour of the Global Minimum Tax.

TT Rate

N.A. TT Rate 2022

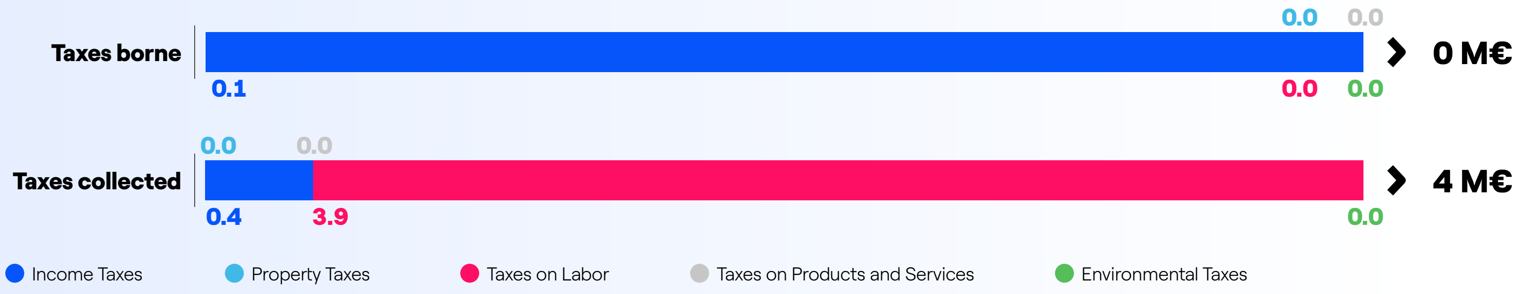
N.A. Average TT Rate

Due to negative Earnings Before Taxes borne for the period, the TT Rate indices were not calculated.

Despite negative Earnings Before Taxes borne in 2022, the reasons for which are discussed in the ETR Minimum Tax, taxes borne were nevertheless paid, in line with the average taxes borne in 2020-2021.

The contribution of South Africa to the Group's overall TTC was less than **1%**, amounting to **4 million euros**. 3% of the Total Tax Contribution was represented by taxes borne, while the remaining 97% by taxes collected.

TTC: 4 M€

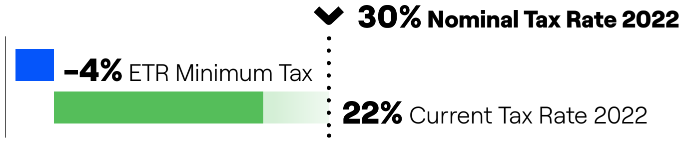


(87) Renewable projects in South Africa, which have been operational since 2015, have realized tax losses in the startup phase that have so far zeroed out the tax liability.

Key figures in Costa Rica

Companies	5
Revenues	22 M€
Tangible Assets	29 M€
Earnings Before Taxes (EBT)	2 M€
Corporate Income Taxes (CIT) - accrued	0.4 M€
Corporate Income Taxes (CIT) - paid	0 M€
Employees	35
Average Wage per Employee	51,282 €
Average Tax Burden per Employee	22,289 €
Retained Earnings	-86 M€
Stated Capital	276 M€

CIT Rate



The **ETR Minimum Tax** was lower than 15% due to the combined effects of tax losses recognized in the year that cannot be recovered in the future and due to the effect of tax depreciation that is higher than the depreciation accounted for due to past impairments. Costa Rica nevertheless passes the Routine profit test and, falling under the Safe Harbour, is not subject to the Global Minimum Tax. The **Current Tax Rate** was lower than the Nominal Tax Rate due to tax losses realized during the year by companies operating in the hydroelectric sector. The **Cash Tax Rate** has not been calculated due to refunds of income taxes paid in excess in previous years, which reduced the income tax payable for the year to zero.

TT Rate

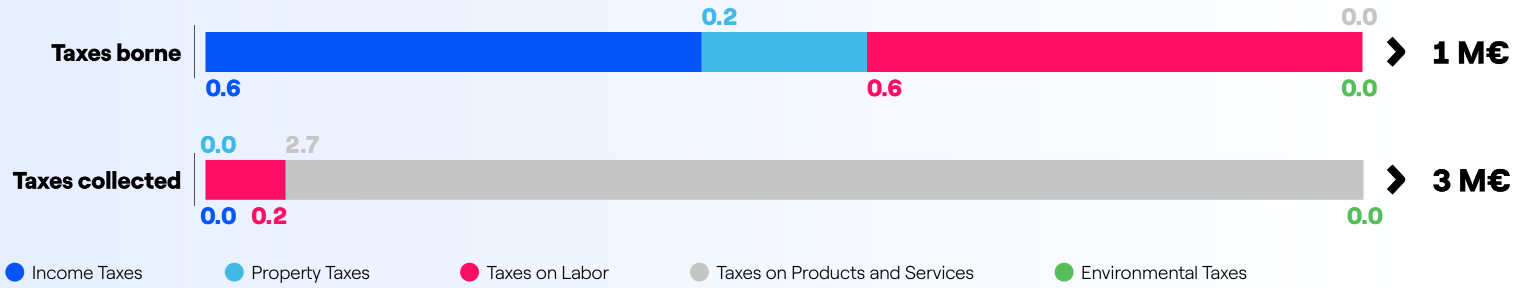
Due to negative Earnings Before Taxes borne in the period 2018-2021, the average TT Rate has not been calculated.

The TT Rate for 2022 was positive due to the profit achieved that year. However, taxes paid in 2022 are lower than the previous year due mainly to the effect of lower income tax due to tax credits from previous excess payments made previously.

- Earnings Before Taxes borne: **3 M€**

The contribution of Costa Rica to the Group's overall TTC was less than **1%**, amounting to **4 million euros**. 32% of the Total Tax Contribution was represented by taxes borne, while the remaining 68% by taxes collected.

TTC: 4 M€



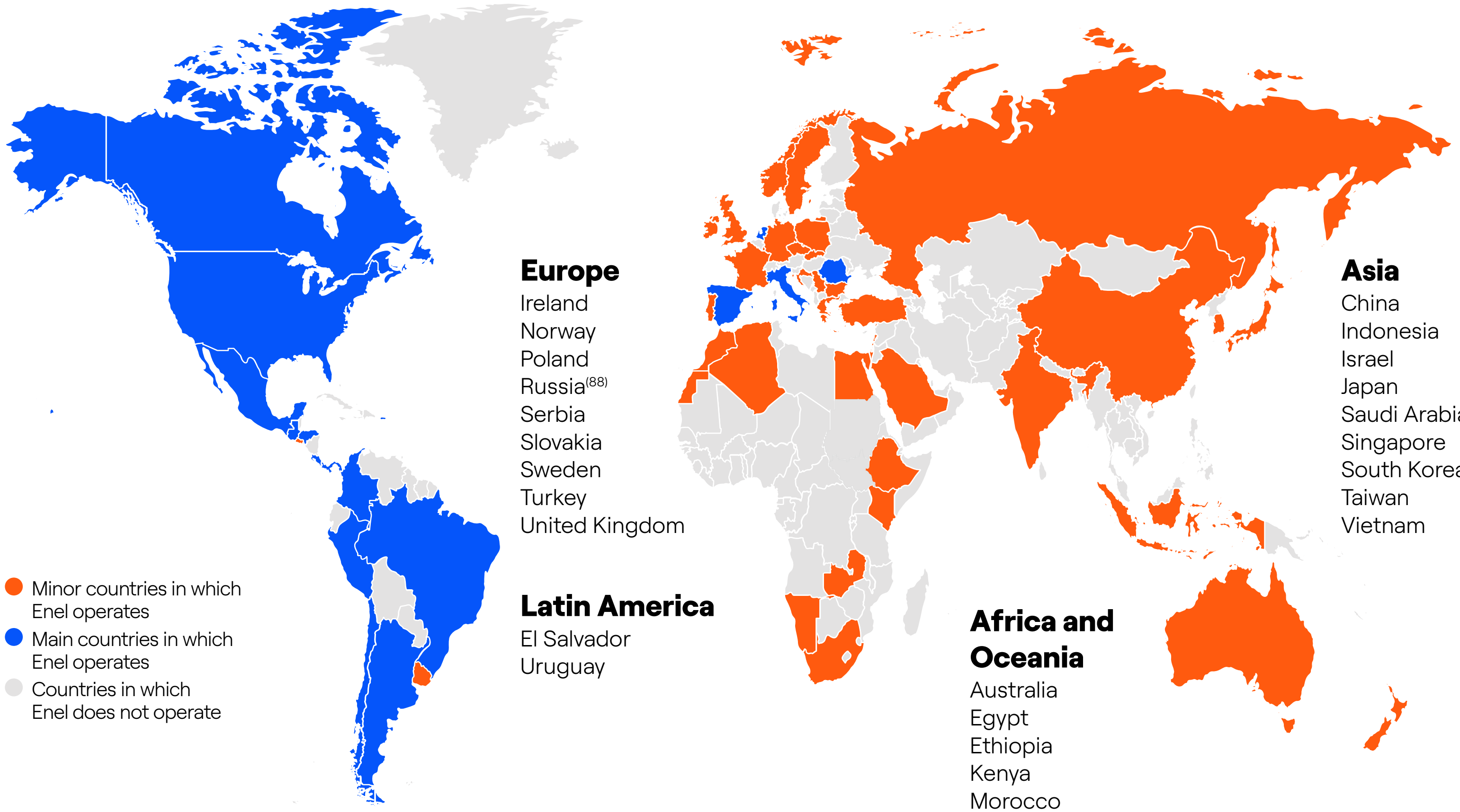
5.

Analysis of CbCR data from minor countries

5.1 Details of CbCR data of the minor countries in which Enel operates

For the sake of completeness, below is a summary of the minor countries for which only CbCR information is represented.
Minor countries account for 0.3% of the Group's revenues and are generally in a startup phase.
It should be noted that the ETR Minimum Tax calculation was also carried out with reference to the minor countries, and all of them pass at least one of the three Safe Harbour tests.

Companies	105
Revenues	522 M€
Tangible Assets	376 M€
Earnings Before Taxes (EBT)	5 M€
Corporate Income Taxes (CIT) - accrued	6 M€
Corporate Income Taxes (CIT) - paid	1 M€
Employees	370
Retained Earnings	124 M€
Stated Capital	700 M€



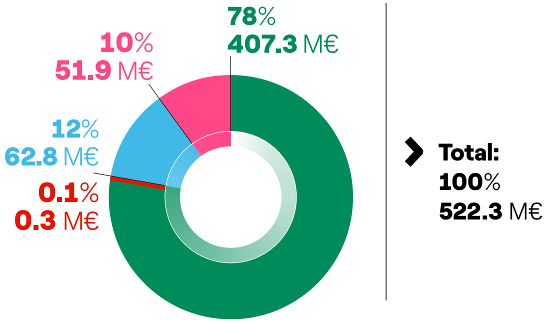
Europe
Ireland
Norway
Poland
Russia[88]
Serbia
Slovakia
Sweden
Turkey
United Kingdom

Latin America
El Salvador
Uruguay

Africa and Oceania
Australia
Egypt
Ethiopia
Kenya
Morocco
Namibia
New Zealand
Zambia

Asia
China
Indonesia
Israel
Japan
Saudi Arabia
Singapore
South Korea
Taiwan
Vietnam

Revenues 2022



(88) Country in phase-out.

5.2 Key figures by geographical area – Europe – minor countries

Key figures

	Total	Ireland	Poland	United Kingdom	Russia	Other(89)
Revenues	407 M€	14.7 M€	19.6 M€	22.9 M€	348.4 M€	1.6 M€
Tangible Assets	4 M€	0.5 M€	0.4 M€	0.1 M€	2.7 M€	0.04 M€
Earnings Before Taxes (EBT)	43 M€	1.7 M€	1.9 M€	2.0 M€	43.2 M€	-5.7 M€
Corporate Income Taxes (CIT) - accrued	6 M€	0.0 M€	0.5 M€	0.0 M€	5.5 M€	0.1 M€
Corporate Income Taxes (CIT) - paid	1 M€	0.02 M€	0.4 M€	0.0 M€	0.01 M€	0.1 M€
Employees	122	57	22	32	5	6
Retained Earnings	-12 M€	-0.6 M€	-1.6 M€	-7.1 M€	5.1 M€	-8.2 M€
Stated Capital	69 M€	30.0 M€	5.8 M€	20.9 M€	3.5 M€	8.7 M€

(89) The "Other" category includes the following countries: Norway, Slovakia, Serbia, Sweden and Turkey.

5.3 Key figures by geographical area – Latin America – minor countries

Key figures

		El Salvador	Uruguay
Revenues	0.3 M€	0 M€	0.3 M€
Tangible Assets	0 M€	0 M€	0.0005 M€
Earnings Before Taxes (EBT)	-0.2 M€	0 M€	-0.2 M€
Corporate Income Taxes (CIT) - accrued	0 M€	0 M€	0 M€
Corporate Income Taxes (CIT) - paid	0.2 M€	0 M€	0.2 M€
Employees	1	0	1
Retained Earnings	3.8 M€	3 M€	0.4 M€
Stated Capital	2.9 M€	3 M€	0.001 M€

5.4 Key figures by geographical area – Africa and Oceania – minor countries

Key figures

	Total	Australia	Morocco	New Zealand	Zambia	Other[90]
Revenues	63 M€	46.8 M€	4.4 M€	4.1 M€	7.4 M€	0.06 M€
Tangible Assets	362 M€	334.3 M€	0.9 M€	0.1 M€	26.7 M€	0.002 M€
Earnings Before Taxes (EBT)	-28 M€	-25.4 M€	-2.4 M€	0.2 M€	0.4 M€	-0.6 M€
Corporate Income Taxes (CIT) - accrued	0.1 M€	0.02 M€	0.03 M€	0.1 M€	0 M€	0.01 M€
Corporate Income Taxes (CIT) - paid	0.1 M€	0.001 M€	0 M€	0.1 M€	0 M€	0.02 M€
Employees	148	95	39	6	6	2
Retained Earnings	-76 M€	-66.9 M€	1.5 M€	-0.4 M€	-7.1 M€	-3.2 M€
Stated Capital	572 M€	496.6 M€	59.8 M€	2 M€	9.5 M€	3.9 M€

(90) The "Other" category includes the following countries: Egypt, Ethiopia, Kenya and Namibia.

5.5 Key figures by geographical area – Asia – minor countries

Key figures

	Total	Japan	South Korea	Other[91]
Revenues	51.9 M€	17.8 M€	30.8 M€	3.2 M€
Tangible Assets	10 M€	0.3 M€	8.1 M€	1.6 M€
Earnings Before Taxes (EBT)	-9 M€	0.1 M€	-1.8 M€	-8.9 M€
Corporate Income Taxes (CIT) - accrued	0 M€	-0.03 M€	0.003 M€	0.02 M€
Corporate Income Taxes (CIT) - paid	0 M€	0 M€	0.003 M€	0.02 M€
Employees	89	21	43	35
Retained Earnings	-39 M€	1.4 M€	-24 M€	-16.3 M€
Stated Capital	53 M€	0.2 M€	35 M€	21.9 M€

(91) The "Other" category includes the following countries: Saudi Arabia, China, Indonesia, Israel, Singapore, Taiwan and Vietnam.

6. Appendices

Methodological note

This Report describes the Group's approach to tax governance and strategy and reports financial, economic and tax information for each jurisdiction in which the Group operates (Country-by-Country Reporting), supplementing it with details on the Total Tax Contribution (TTC).[92]
In fact, the Group believes that this integrated model ensures a broad vision and a detailed measurement of the organization's contributions to economic and social development in the communities, regions and countries in which it operates. The approach followed also aims to eliminate potential ambiguities that may derive from complex accounting and tax treatments, while supporting and, at the same time, improving other annual financial information and continuing along a pathway targeted at supplying an increasingly in-depth and clear vision of our tax position.
The way in which tax information is presented in this Report is intended to make it more versatile and easier to read, so that the various parameters required by stakeholders can be met.
This model is aligned with the Global Reporting Initiative (GRI) Standard 207[93] and also contains the metrics on income taxes paid provided by the World Economic Forum (WEF) in the document "Measuring Stakeholder Capitalism: Towards Common Metrics and Consistent Reporting of Sustainable Value Creation".[94]
Moreover, the Group, inspired by its lifelong commitment to promoting responsible and sustainable tax practices, formally adhered in 2021 to the Responsible Tax Principles developed by the global group of B Team, with which this Report is aligned.

TTC Framework

The **TTC Framework** is universal and aims to provide a concise and immediate overview of the taxes paid by the Group in the jurisdictions where it operates. It is structured in a simple, non-technical way, and is therefore relatively easy to understand for those with limited knowledge of tax complexities. It contains **indicators** and **benchmarks** that attempt to describe the Group's total tax contribution concisely and effectively.
The Tax Transparency Report adopts the **cash criterion** as a general principle for representing tax data, considering it to be the most adequate for disclosing the actual tax contribution. More specifically, the total tax data, as defined and detailed in what follows, is determined through the various taxes paid[95] by all the entities within the scope of each tax jurisdiction in the reporting year, regardless of the year to which the taxes refer. In line with the approach adopted by the OECD[96] and the TTC Framework, the Tax Transparency Report hinges on two essential criteria:

- the **definition of tax**;
- la **classification of the different taxes** into categories by distinguishing between taxes that constitute an expense for a company (**taxes borne**) and those that the company pays due to rebate mechanisms, substitution, etc. (**taxes collected**), but that, at any rate, are the result of the company's own economic activities.

(92) This Report analyzes and presents Country-by-Country Reporting data for each jurisdiction in which the Enel Group operates. For the purposes of the Total Tax Contribution, on the other hand, the data of the 21 main countries where Enel operates are analyzed (i.e. Italy, Spain, Brazil, Chile, Colombia, Argentina, Guatemala, Peru, Costa Rica, Panama, Romania, Mexico, the Netherlands, the USA, Canada, Greece, South Africa, India, Portugal, France and Germany), which represent more than 99% of the revenues and over 99% of the Company's income taxes paid. For all the other countries, the income taxes have nonetheless been indicated in detail. It should be noted that refinements and changes of a methodological nature have been introduced for the purpose of preparing this Report. Therefore, the 2021 figures presented in this Report may not coincide with what is represented in the Enel Group's "Tax Transparency Report 2021".
(93) Enel has adopted this standard since it was first issued in full (including the recommendations section), incorporating some additional information not required by the regulation. For the various tax jurisdictions in which the Group is present, data on share capital and retained earnings as required by the OECD CbCR have also been published, as well as additional information on taxes withheld by companies as a result of tax recovery and substitution mechanisms, as required by the Total Tax Contribution methodology (e.g. tax collected on real estate and environmental taxes).
(94) Both the Core and Expanded forecasts – Total tax paid, Additional tax remitted and Total tax paid by country for significant locations.
(95) The data for taxes paid includes payments on account, taxes for previous years, including after assessments, net of repayments and rebates obtained. Interest and penalties are not considered.
(96) OECD Taxation Working Paper no. 32, "Legal tax liability, legal remittance responsibility and tax incidence: Three dimensions of business taxation".

The key points of the methodology adopted are the following.

1. The definition of a tax and the distinction between taxes that are an expense for the Enel Group and taxes that are collected by the Enel Group

Tax payments to government authorities with reference to items that, due to their characteristics, are essentially taxes even if, for historical or circumstantial reasons, they are not classified as such.

Taxes borne: these are a direct cost for Enel. They are the taxes that Enel has paid to the tax authorities of various jurisdictions, i.e. income taxes, social contributions, property taxes, etc.

Taxes collected: these are the taxes that have been paid as a result of economic activities of Enel, but do not constitute a cost for Enel. In this case, Enel collects taxes from other parties on behalf of governments (i.e. income taxes collected from employees under a payroll system). These taxes are taken into account in the calculation of Enel's Total Tax Contribution, considering that these amounts result from the Group's activities.

The sum of **taxes borne** and **taxes collected** gives the **Total Tax Contribution (TTC)**, a measurement of the Group's effective tax contribution in the jurisdictions where it operates.
Some taxes can be considered either as taxes borne or as taxes collected on the basis of their nature (i.e. irrecoverable VAT is considered as a tax borne, while net VAT, which accounts for taxes incurred on products and services supplied by Enel, is considered as a tax collected) or on account of their incidence (i.e. stamp duty paid by the company is a tax borne, while stamp duty withheld from customers of a company is a tax collected).
From this point of view, the Total Tax Contribution methodology follows the approach adopted by the OECD, which highlights the importance, in the tax system, of the role played by business groups, both as contributors of taxes that imply a cost ("**Legal Tax Liability**") and as 'collectors' of taxes on behalf of third parties ("**Legal Remittance Responsibility**").

2. TTC Framework classifies taxes under five categories for clarification purposes

Total Tax Contribution has been used by companies in different jurisdictions. Since taxes have different designations in different countries, the following five macro-categories have been identified on the basis of which taxes, both borne and collected, can be classified – "**the five Ps**":

- **Profit – Income taxes**: this category includes taxes on company income that can be both borne (e.g. tax on the income of companies at state or local level, taxes on production, solidarity contributions, tax levied on income deriving from specific activities such as the extraction of natural resources, the generation and sale of hydroelectric energy as well as taxes withheld at source) and collected, in the case where they are applied to a third party or to a physical person (e.g. withholding taxes on interest income, royalties, subcontractors and suppliers). Income taxes do not include taxes on dividends paid by Enel Group entities.[97]
- **People – Taxes on Labor**: this category generally includes taxes on labor, comprising those on incomes and social welfare contributions. Taxes applied to the employer are considered taxes borne (e.g. social welfare contributions, health insurance, pensions, disability contributions), while income taxes applied to workers are considered as taxes collected (e.g. taxes on incomes of physical persons or social welfare contributions debited to workers that are normally withheld by the employer).
- **Products – Taxes on Products and Services**: indirect taxes applied on production, sale or use of goods and services, trade and international transactions. This category includes taxes that can be paid by businesses with reference to their own consumption of goods and services, regardless of the fact that they are paid to the supplier of the goods and services rather than directly to the government. This category includes both taxes borne (e.g. taxes on consumption, turnover taxes, excise duties,[98] customs duties, import duties, taxes on insurance contracts, non-deductible VAT) as well as taxes collected (e.g. VAT paid, excise duties,[98] taxes on goods and services).

(97) In line with the reporting criteria applied to Revenues and to Earnings Before Taxes explained, the data solely for Income Taxes paid excludes the portion of same concerning dividends paid by the companies within the scope, as also indicated by the OECD in the report "Guidance on the Implementation of Country-by-Country Reporting" published in December 2019, point II,7.
(98) With the exception of those recorded under environmental taxes (e.g. duties on gas and electric energy).

- **Property – Property Taxes**: taxes on property, the use or transfer of property, plant and equipment or intangible assets. This category includes both taxes borne (e.g. taxes on property and the use of real estate, capital tax applied on the increase of risk capital, taxes on the transfer, purchase or sale of assets, net equity and capital transactions, stamp duty, stamp duty for the transfer of real estate, stamp duty for the transfer of shares, taxes on financial transactions that imply loans or borrowings from a foreign source), and taxes collected (e.g. taxes on leases collected by the lessor and paid to the government).
- **Planet – Environmental Taxes**:[99] these include taxes and duties on energy products (including fuel for vehicles), on motor vehicles and transport services, and on the supply, use or consumption of goods and services considered harmful to the environment, as well as the management of waste, noise, water, land, soil, forests, biodiversity, wild animals and fish stocks to be paid by the entity. Examples of taxes borne: taxes on the value of the generation of electricity, taxes on the production of nuclear fuels and carbon tax. Examples of taxes collected: taxes on electricity, taxes on hydrocarbons and duties on gas and electricity.

3. The special characteristics of Value Added Tax and equivalent taxes are taken into account

Value Added Tax (and equivalent taxes) is classified as a tax on products and services collected, and its amount reflects the net payments made by Enel to the tax authorities in the corresponding period.
In light of the way in which VAT works, the figure presented in this Report is the difference between VAT payable and deductible input VAT. The portion of input VAT paid to suppliers but non-deductible for the purposes of the relevant VAT legislation is considered as tax borne on products and services, since it represents a cost for the Group.

(99) The classification of taxes as environmental is based on the shared definition within the harmonized statistic framework developed jointly, in 1997, by Eurostat, the European Commission, the Organisation for Economic Co-operation and Development (OECD), and the International Energy Agency (IEA), according to which environmental taxes "are taxes whose tax base is a physical quantity (or the proxy of a physical quantity) of an element that has a proven and specific negative impact on the environment (https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Glossary:Environmental_tax). All taxes on energy, transport, pollution and resources are included, whereas all taxes on added value are excluded. For further details, see Eurostat: "Environmental taxes – a statistical guideline", paragraphs 2.3 and 2.6 (https://ec.europa.eu/eurostat/documents/3859598/5936129/KS-GQ-13-005-EN.PDF) and OECD: Special feature: Identifying environmentally-related tax revenues in Revenue Statistics (https://www.oecd-ilibrary.org////sites/52465399-en/index.html?itemId=/content/component/52465399-en#).

Comparative indicators methodology

The comparative analysis of the **Effective Tax Rate** or **ETR** was conducted by taking as a benchmark the top **20 companies operating globally in the power generation industry**.
The list of such companies is published periodically by Value Today and is compiled on the basis of market capitalization values.[100]

#	Name
1	NEXTERA ENERGY
2	EDISON INTERNATIONAL
3	DUKE ENERGY CORPORATION
4	THE SOUTHERN COMPANY
5	IBERDROLA
6	CHINA YANGTZE POWER
7	VERBUND AG
8	ENEL
9	DOMINION ENERGY
10	EDF (ÉLECTRICITÉ DE FRANCE)
11	SEMPRA ENERGY
12	AMERICAN ELECTRIC POWER COMPANY
13	PACIFICORP
14	NATIONAL GRID TRANSCO
15	EXELON CORPORATION
16	TC ENERGY CORPORATION
17	XCEL ENERGY
18	ORSTED A/S
19	ENGIE
20	ADANI GREEN ENERGY

The ETR was calculated as the ratio of (i) total Income Taxes recognized in the balance sheet and (ii) Earnings Before Taxes. Information on these values was obtained from the consolidated annual reports for 2022, published on the websites of the various companies.
The ETR of the Enel Group was then compared with the same indicator of the remaining 19 benchmarked Peers.
For the purposes of comparison, the results of companies for which the Earnings Before Taxes and/or Income Taxes values were negative have not been taken into account.[101]
In terms of ETR, the results of Peers were represented on the basis of the interquartile range, which makes it possible to (i) eliminate distortions relating to any outliers and (ii) identify a range within which the average 50% of the results lie. The interquartile range consists of the following values:

- 1st Quartile (Q1): the value below which 25% of the results that make up the sample, arranged according to magnitude, fall;
- Median: mean or intermediate value of the results, arranged according to magnitude, that make up the sample;
- 3rd Quartile (Q3): value below which 75% of the results that make up the sample, arranged according to magnitude, fall.

(100) Market capitalization data as at December 2022.
(101) Edison International, EDF (Électricité de France), Xcel Energy, Engie and Pacificorp.

Process support – PwC

This Report has been prepared by the Enel Group with the support of PwC TLS Avvocati e Commercialisti, part of the PwC Network, which over the years has developed specific expertise in the area of governance and tax transparency.

This Report describes the Group's approach to tax governance and strategy of the Enel Group and reports financial, economic and tax information for each jurisdiction in which the Group operates (Country-by-Country Reporting), supplementing it with details on the Total Tax Contribution (TTC).

The disclosure of Total Tax Contribution (TTC) is based on an internationally recognized methodology that provides an immediate, concise and easily understandable measure of the Enel Group's economic and social contribution to public finances.

pwc PwC TLS

PwC TLS supported Enel in the collection,[102] aggregation and analysis of TTC data consistent with the Total Tax Contribution framework, developed by the PwC Network in collaboration with multinational groups. In particular, for activities related to Total Tax Contribution, PwC TLS, with the support of the entities of the PwC International Network, provided support to the Enel Group in the following activities:

- definition of the taxonomy and connection of taxes with the taxonomy;
- data collection and aggregation;
- analysis of data from the main jurisdictions in which the Enel Group operates, using the main contribution indicators provided by the Total Tax Contribution framework (Total Tax Rate and TTC with respect to Revenues);
- analysis and explanation of the main TTC trends.

PwC TLS also supported Enel in carrying out the benchmark analysis by comparing the Effective Tax Rate (**ETR**) of the Enel Group with that of the leading multinational groups operating in the electricity sector.

(102) With reference to the support for data collection, it should be noted that the data were collected by the Enel Group through its information systems and internal procedures. PwC TLS aggregated and analysed the information provided by Enel and verified the consistency of the trends and figures represented. However, the origin and the accuracy of this data have not been verified or audited by PwC TLS. PwC does not accept or assume any liability towards any third party.

Assumptions

Source of economic and financial data: the data represented in this Report are expressed on the basis of IFRS-EU accounting principles adopted by the Group and are at stand-alone entity level. Subsequently, these data are aggregated by tax jurisdiction. To take account of intercompany relations, the data are represented according to logic of aggregation by tax jurisdiction (that is, the country in which the entities are resident for tax purposes and where they enjoy fiscal autonomy) and not according to a logic of consolidation.

Entities within the scope: falling within the scope of the report are all those companies consolidated using the full consolidation method or the proportional method (hereafter also "entity within the scope") on the basis of accounting principles used for the drafting of the consolidated financial statements on the part of the Ultimate Parent Entity (Enel SpA).[103] With reference to the list of companies in the Group and their activities, reference should be made to the specific disclosure in the Integrated Annual Report 2022.[104]

Currency: the report considers the euro as the currency of reference in that it is the one used by the Parent Company. Since IFRS-EU accounting data are extracted in local currencies, economic data (such as revenues, Earnings Before Taxes, taxes accrued and taxes paid) have been converted into the euro at the average exchange rate of the currency, while balance sheet data (property, plant and equipment) have been converted into the euro at the exchange rate in force at year's end.

Rounding off: due to rounding off, numbers presented throughout this Report may not add up precisely to the totals indicated.

(103) However, the companies consolidated using the equity method are excluded. Furthermore, the data of Permanent Establishments are reported in the jurisdiction of their operations and not in the jurisdiction of residence of associated companies. Therefore, the data of the latter do not include the data of the Permanent Establishment. Finally, all stateless companies of the Enel Group are flow-through entities incorporated in the same country in which income is imputed and is effectively taxed in the partner company (e.g. the United States).

(104) See Assonime circular no. 1/2021, *Gli obblighi di trasparenza in materia di tassazione nelle dichiarazioni non finanziarie secondo lo standard GRI 207* (Transparency obligations in the matter of taxation in Non-Financial Disclosures according to standard GRI 207), where it is clarified that it is possible to make reference to other sources (known as "incorporation by reference") such as the Directors' Report in the consolidated financial statements or in the annexes for the list of Group companies and their main activities, and the Directors' Report or other sections of the NFD with regard to information already contained therein on uncertain tax positions and on any other information relevant for the purposes of GRI 207.

Tax accounting principles in a nutshell

This section of the Report aims to provide a series of "learning pills" useful for understanding the factors that most impact the accounting of taxes and their payment over time, representing in as simple and schematic a manner as possible the complex rules of tax treatment.
Starting from the concepts and differences between current taxes, taxes paid and theoretical taxes, certain more specific topics with greater impact on the latter will be discussed in more detail, in order to provide a 'compass' for easier navigation between the various comments on the trends indicated in this Report.

Difference between current taxes, deferred taxes, taxes paid and theoretical taxes calculated on the basis of the Nominal Tax Rate

The **Nominal Tax Rate** relating to income taxes is the rate set out by the relevant tax legislation in each country for the purpose of taxing business income. Application of the Nominal Tax Rate to the Earnings Before Taxes included in the financial statements (**Profit (Loss) for the Year**) yields the "**Theoretical taxes**". The latter may also differ greatly from **Current taxes** (or taxes due) accounted for in the financial statements as a consequence of a series of differences between **Profit (Loss) for the Year** recognized in the financial statements and the "**Taxable Income**" determined according to tax regulations. This is because the calculation of the Taxable Income usually takes place by making **upward** and/or **downward** adjustments (also known as "changes") to Profit (Loss) for the Year, based on specific tax regulations in the different countries. The adjustments made to Profit (Loss) for the Year for the purpose of determining the Taxable Income can be **permanent or temporary**. **Permanent** differences are the result of **definitely non-deductible costs** (such as costs for taxes, vehicle expenses, telephone costs) or **definitely non-Taxable Income** (some examples include capital gains from the sale of equity investments and dividends subject to the scheme of Participation Exemption - PEX and are not set to be cancelled in subsequent financial years). **Temporary** differences, on the other hand, are the result of **costs and income that are only temporarily non-deductible or taxable**, but which will become so in financial years subsequent to the one in which they are recognized in the financial statements. These changes are therefore destined to cancel themselves out in subsequent financial years. Examples of these temporary differences are the impairment loss of assets, the differences between the tax and book depreciation, the deductibility of provisions for risk and, more generally, the tax significance of certain expenses and revenues on cash basis accounting and not on an accrual basis. **Temporary** changes generate **deferred taxes**, which may be either (i) **liabilities** (also known for simplicity as **deferred taxes**), i.e. taxes that, although accruing in the year, are due in future years (in this case, taxes due in the year are lower than the accrued taxes recognized in the financial statements) or (ii) **assets** (also known as **deferred tax assets**), i.e. taxes due in the current year that are higher than the accrued taxes recognized in the financial statements.
Current taxes and deferred taxes (assets and liabilities) combine to make up the total amount of taxes recognized in the financial statements, which therefore includes both current and deferred taxes. Furthermore, other impacts on the recognition in the books of taxes may be caused by tax consolidation regimes[105] which, in some cases (tax losses offset in the consolidated income), may result in the recognition of current tax "revenues" of the consolidated entity.
All of the above differences affect the accounting recognition of **Current Taxes** as they impact the determination of the Taxable Income that will be subject to each country's Nominal Tax Rate. The **Current Taxes** of a given financial year, in turn, may not correspond to the **Taxes paid** in the same period, as each country generally provides for payment mechanisms (payments on account and balancing payments) that occur at different times (even in subsequent years) and with calculation methods often based on historical data referring to previous periods.

Determination of the ETR Minimum Tax and other transitional Safe Harbours under the OECD Global Minimum Tax

The OECD has set the minimum level of taxation for multinational groups at 15% ("Global Minimum Tax" or "GMT"). Over 140 states are working on the implementation of rules to determine, declare and liquidate the GMT. In particular, the European Union required its transposition by 2023 with effect from 2024. Pending transpositions and the drafting of further expected operational guidance documents, a document was published by the OECD that provides for the non-application of the GMT in the transitional period of the first worldwide application of this new institution under certain conditions. Multinational groups with consolidated revenues above 750 million euros will be able to **disapply the GMT in the first years** of application upon passing one of three tests called Safe Harbours. Currently, only transitional **Safe Harbours**

(105) Tax consolidation is a taxation scheme granted to groups of companies, under which the group's results are consolidated for tax purposes.

have been released by the OECD. These are:

i. ***De minimis* test** – is passed if both of the following conditions are met in a country: a) revenue under 10 million euros and b) income (EBT) under 1 million euros. This test is intended to exclude those countries where the economic presence of a group is **minimal or in the startup phase**;

ii. **Simplified ETR test** – is passed when the Simplified ETR Minimum Tax[106] calculated **is 15% or more**. The purpose of this test is to simplify the calculation of the ETR during the transitional period by using accounting data from the CbCR in addition to the consolidated financial statements;

iii. **Routine profit test** – is passed when the sum of a percentage, applied to personnel costs and the value of tangible fixed assets, exceeds the EBT for the year. The purpose of this test is to exclude from GMT **a multinational group that has a significant level of economic substance** in a country on the basis of production assets held and personnel costs.

Upon passing at least one of the above tests, once implemented, the GMT will not apply.

Example – Passing the Safe Harbour tests: *In year x, a group recognises current taxes of 100 in a country, deferred tax assets of 70 and an EBT of 300. The country also has employees with a cost of 1,000 and renewable plants with a value of 4,000.*

Simplified ETR test. *The ETR Minimum Tax is determined as follows: (Current taxes-Deferred tax assets)/EBT. The result is an ETR of 10%, thus less than 15%. Therefore, the country does not pass the test. We can now proceed with an alternative test (i.e. the Routine profit test).*

Routine profit test. *The test is calculated as the comparison of the result of 10% applied to 1,000 personnel costs plus 8% of the value of 4,000 plants. If the sum exceeds the EBT value for the year, the test is passed. The country therefore has a Routine profit of 100 related to personnel + 320 related to infrastructure. The result of 420 Routine profit is higher than the EBT of 300.*

Although the ETR Minimum Tax is below 15% in the country, the test for Routine profits has been passed and no further tax will need to be paid.

Participation Exemption – PEX

Most jurisdictions provide **tax exemption regimes** for dividends and capital gains and a related **non-deductibility** for capital losses relating to equity investments that meet **specific requirements**.

These schemes meet the need to avoid the phenomena of economic double taxation, which would occur, for example, if a company's profits were first taxed in the hands of the company itself and then, if distributed as dividends, subjected again to Income Taxes when in the hands of the shareholder.

With respect to capital gains, the exemption is theoretically justified by the double taxation that would result from the fact that the capital gain is the expression of retained earnings already taxed or future profits of the same company that will be taxed once realized.

By providing for exemption of dividends and capital gains and non-deductibility of capital losses, these regimes generate **permanent differences** between Profit (Loss) for the Year and Taxable Income.

Example – Capital gains under the PEX scheme: *In financial year x, a company achieves a profit for the year of 200, of which 100 deriving from capital gains realized as a result of the sale of an equity investment. The equity investment sold meets the requirements of the PEX scheme of the relevant tax jurisdiction, which provides for an exemption of 95%. The Nominal Tax Rate under the tax law of the company's country of residence is 20%.*

In determining the Taxable Income relating to year x, the company makes a ***downward adjustment*** *of 95. Hence, given a profit for the year of 200, the company will have a Taxable Income of 105 (i.e. 200-95) and current taxes of 21 (i.e. 105*20%). Therefore, against a Nominal Tax Rate of 20%, the company will have a Current Tax Rate of 10.5% (i.e. 21/200).*

(106) For more details on the calculation of the ETR Minimum Tax, please refer to the Glossary.

Impairment losses of fixed assets

The tax treatment of impairment losses of fixed assets provides, in most jurisdictions, for **limitations** on their **deductibility**, as their accounting recognition is of an evaluation nature (impairment). In other words, at the time of their accounting recognition they represent unrealized capital losses that will be tax deductible only when the asset is effectively disposed of from the production process or through the tax depreciation process.

All this results in a **temporary** mismatch between the book value of the asset and the tax value, which will be "**recovered**" in subsequent years through the so-called "**downward adjustments**", equal to the difference between the accounting depreciation calculated on the depreciated cost (lower) and the tax depreciation calculated on the cost before depreciation (higher).

These mechanisms influence the determination of current and paid taxes compared to the theoretical ones, resulting in higher tax rates in the year of impairment and gradually reduced in subsequent years of recovery of the temporary mismatch.

Example – Plant impairment losses: *In financial year x-1 a company purchases and enters in the balance sheet a plant at a value of 1,000 which, according to accounting and tax criteria, will be depreciated over 5 years (20% in each year). At the end of financial year x, the company records an impairment loss of 300. The profit for the year of the company in financial year x and the following 3 years is 500. The Nominal Tax Rate under the tax law of the company's country of residence is 20%.*

Given a profit for the financial year x of 500, the company will have a Taxable Income of 800 (i.e. 500+300), due to the non-deductible impairment loss of 300 (i.e. ***upward adjustment*** *of 300).*

*In compliance with requirements, the company will account for deferred tax assets for 60 (i.e. 300*20%) and Current Taxes for 160 (i.e. 800*20%), recording a Current Tax Rate of 32% against a Nominal Tax Rate of 20%.*

Over the 3 following financial years, the company will determine the Taxable Income by making a ***downward adjustment*** *to the profit for the year of 100 (for each of the 3 financial years), equal to the difference between (i) the book depreciation (100) and (ii) the tax depreciation (200).*

*The Taxable Income for each of the 3 subsequent years will be 400 (i.e. 500-100) and the Current Taxes will be 80 (i.e. 400*20%). Against a Nominal Tax Rate of 20%, the company will have a Current Tax Rate of 16% (i.e. 80/500).*

On the whole*, from year x to year x+3, the sum of the* ***Profit (Loss) for the Year*** *of 2,000 (i.e. 500*4) will be* ***equal*** *to the sum of the* ***Taxable Income*** *of 2,000 (i.e. 800+400*3).*

Loss carry-forward

Most countries apply loss carry-forward and recovery mechanisms.

The carry-forward of tax losses ensures fair taxation based on the effective ability of companies to pay and is a corrective measure to the distortions arising from the conventional division of the life of a company into financial years.

These mechanisms allow tax losses accrued in previous years(107) (loss carry-forwards) to be deducted from income in one year, generating in the year of recovery a lower value of current and paid taxes compared to theoretical taxes.

Example – Carry-forward of past losses: *In financial year x-1, a company records a tax loss of 90. In financial year x the company achieves a Taxable Income of 100.*

In determining the Taxable Income of the financial year x to which the Nominal Tax Rate should be applied, the company will deduct the tax loss for year x-1 (90) from the Profit (Loss) for the Year. Consequently, taxes will be calculated on a Taxable Income of 10. The use of tax losses will reduce Current Taxes, resulting in a lower value than the theoretical ones.

(107) Some jurisdictions provide for limits (which may be quantitative and/or temporal in nature) on loss carry-forwards.

Tax payments on account and balancing payments

In terms of tax payment mechanisms, most countries provide for **payments on account and balancing payments at later stages** (even in different tax periods) than the reporting year.

For example, in the case of Income Taxes, many countries require that taxpayers pay their taxes in advance on a Taxable Income that has not yet been realized.

In such cases, **the calculation of tax payments on account** generally takes place on a **historical basis** (historical method: the payments on account are determined on the basis of the taxes due for one or more previous years) or on a **forecast basis** (forecast method: the payments on account are determined on the basis of taxes estimated to be due for the current year).

The method of determining the tax payments on account described above is **one of the main reasons** that explains the difference between Current Taxes and taxes paid, the trends of which will tend to align in the medium term.

Example – Payment of taxes on account using the historical method: *In the financial year x-3 a company achieves a Taxable Income of 200 which, by applying a rate of 25%, gives rise to Current Taxes of 50. In the financial year x-2 the company achieves a taxable Income of 400, with Current Taxes of 100. In the financial year x-1 the company achieves a Taxable Income of 0. In the financial year x, the company achieves a Taxable Income of 0.*

The relevant tax jurisdiction provides for the payment of taxes on account according to the historical method for an amount equal to 100% of the taxes due for the previous financial year and a balancing payment in the following year.

The effect on Current Taxes and taxes paid will be as follows:

- *Financial year x-2: although Current Taxes are 100, the company has obtained a rebate of 50 (100% of the taxes due for the year x-3);*
- *Financial year x-1: although Current Taxes are 0, the Company has paid taxes of 150 (100 calculated as 100% of the taxes due for the year x-2 and 50 as the balancing payment for the financial year x-2);*
- *Financial year x: although Current Taxes are 0, the company has obtained a rebate of 100 (referring to the credit balance of year x-1).*

The cumulative values over time of taxes due and taxes paid tend to equalize.

Glossary

Other payments to government: these are payments made to government authorities for a right or asset used in the course of business or for the right to explore or extract oil, gas and other minerals from the earth. These include mining activities, royalties and license fees, etc.

Tangible Assets: the sum of net accountable values of tangible fixed assets resulting from the balance sheet, of all entities within the scope in each tax jurisdiction. Tangible fixed assets do not include cash and cash equivalents, intangible assets or financial assets.

Capital:[108] the sum of the book values of the share capital as shown in the financial statements of all entities within the scope in each tax jurisdiction.

Corporate Income Taxes Accrued (Current Taxes): the sum of Current Taxes (i.e. for the year in progress) on Taxable Income in the reporting year of all entities within the scope in each tax jurisdiction, regardless of whether or not they have been paid. The data for these does not take account of provisions for tax payables that are not yet certain as regards either amount or existence, of adjustment of Current Taxes for previous years and of deferred tax assets and liabilities.

Corporate Income Taxes Paid: sum of corporate income taxes paid in the year of reference by all entities within the scope in each tax jurisdiction, regardless of whether or not they relate to the current year.

Number of employees: the sum of the number of employees of all entities within the scope in each tax jurisdiction in the reporting year. The figure is calculated based on the headcount at the end of the period.

Average Tax Burden per Employee: an indicator representing the level of employment in relation to the relevant taxes. This indicator is calculated by dividing the total employment-related taxes (both borne and collected) by the number of employees (as defined above).

Revenues:[109] the sum of Third Party Revenues and Cross-border Intercompany Revenues accounted for by the entities within the scope in the pertinent tax jurisdiction in the reporting year.

Third Party Revenues: the sum of Third Party Revenues accounted for by the entities within the scope in the pertinent tax jurisdiction in the reporting year. The term "revenues" is understood in the broadest possible sense[110] to include all revenues, comprising those from extraordinary operations.

Cross-border Intercompany Revenues: the sum of revenues from transactions carried out between entities within the scope resident in different jurisdictions in the tax reporting year, including income from extraordinary operations and excluding dividends.[111]

Retained Earnings:[112] this item represents the amount of net profit realized by the entities within the scope in each tax jurisdiction over the past years, net of dividends paid and any other reduction due to losses, capital increases, etc.

(108) The introduction, already in the 2021 Report, of the disclosure of the items "Capital" and "Retained Earnings" further enriches the contents of the OECD Country-by-Country Reporting. Furthermore, the introduction of this information, in particular that related to "Retained Earnings" supplements the disclosure with that required by the Directive 2013/34 (amended by Directive (EU) 2021/2101) on the topic of the publication of income tax information ("public CbCR"). This additional information provides the disclosure with this content in advance of what is required under Article 48 *octies* of the above-mentioned Directive.
(109) Only for figures and indicators presented in the Netherlands country section, the revenues of the Group's main financial company (i.e. Enel Finance International NV) are represented by net banking income (i.e. net interest income/expense), in consideration of the financial activity carried out by the latter and consistent with the reporting practices generally followed in the banking sector, as provided for in the application framework of the EU CRD IV Directive (e.g. Circular no. 285 of 17 December 2013 of the Bank of Italy).
(110) Specifically, also included are (i) other income, (ii) all extraordinary income (e.g. capital gains from the sale of real estate, unrealized capital gains/capital losses) and (iii) financial income (with the exception of dividends from other companies within the scope) or any extraordinary item. Revenues from Income Taxes (deriving from deferred tax liabilities or from tax consolidation) are excluded.
(111) Revenues do not include payments received from other entities within the scope that are considered dividends in the tax jurisdiction of the payer.
(112) The introduction, already in the 2021 Report, of the disclosure of the items "Capital" and "Retained Earnings" further enriches the contents of the OECD Country-by-Country Reporting. Furthermore, the introduction of this information, in particular that related to "Retained Earnings", complements the disclosure requirement of the provisions of Directive 2013/34 (as amended by Directive (EU) 2021/2101) on the publication of Income Tax information ("public CbCR"). This additional information provides the disclosure with this content in advance of what is required under Article 48 *octies* of the above-mentioned Directive.

Wages and salaries (remuneration): the sum of the wages and salaries of all entities within the scope in each tax jurisdiction in the year of reference. Wages and salaries do not include personal taxes, social security contributions, incentives or benefits and severance costs.

Earnings Before Taxes borne: sum of Earnings Before Taxes borne of all entities within the scope in each tax jurisdiction generated in the reporting year.
Earnings Before Taxes and Earnings Before Taxes borne include all items related to extraordinary revenues and costs.[113] They exclude intercompany dividends in order to avoid double counting of dividends if profits are distributed in the form of dividends to other Group entities. This makes it possible to represent the objective amount of Earnings Before Taxes and Earnings Before Taxes borne at country level, and to calculate appropriate tax rates, since dividends are usually subject to preferential tax treatments if compared to other types of income ("participation exemption").

Earnings Before Taxes: sum of Earnings Before Taxes of all entities within the scope in each tax jurisdiction generated in the reporting year.

Indicators

Cash Tax Rate: this represents the percentage incidence of the tax burden, expressed in terms of taxes paid, on the result for the year, and is calculated as the ratio of corporate income taxes paid to Earnings Before Taxes. It further indicates the portion of Earnings Before Taxes allocated to the payment of Income Taxes.

Current Tax Rate:[114] this represents the percentage incidence of the current (accounted for) tax burden on the result for the year and is calculated as the ratio of accrued corporate income taxes (Current Taxes) to Earnings Before Taxes.

Effective Tax Rate (ETR): this represents the percentage incidence of the tax burden (accounted for) on the result for the year and is calculated as the ratio of total income taxes recognized in the financial statements to Earnings Before Taxes. With respect to the Current Income Tax Rate, in addition to Current Taxes, it also considers among taxes (i) any provisions for tax liabilities not yet certain in their amount or existence, (ii) tax adjustments related to previous years, and (iii) deferred tax assets and liabilities.

Nominal Tax Rate (also **nominal rate**): meaning the rate set down in the relevant tax legislation for the purpose of taxing corporate income.

ETR Minimum Tax: this represents the percentage incidence of the (accounted for) tax burden, including the effects of deferred taxation on the results in the financial statements. It is calculated with reference to the Temporary Safe Harbour rules introduced in the Global Minimum Tax project (Pillar II), as the ratio of two magnitudes derived from accounting extractions mainly using CbCR data[115] where (i) in the numerator are the income taxes per country including deferred taxation and (ii) in the denominator is the Earnings Before Taxes from CbCR.

Total Tax Rate (TTR): provides a concise and complete measure of the burden for all taxes that the business has effectively paid and is calculated as a ratio between Total taxes borne and profit before such taxes. It indicates the portion of Earnings Before Taxes borne allocated to the payment of taxes that represent a cost for the Group.

TTC with respect to turnover (Revenues): this reflects the extent of the contribution made by the Group in relation to the size of its business and is calculated as the ratio between Total Tax Contribution (TTC) and turnover. It indicates the portion of turnover allocated to the payment of taxes, both borne and collected.

(113) Consistent with the reporting criteria applied to Revenues, Earnings Before Taxes and Current Taxes are indicated net of dividends paid by the companies within the scope (as also indicated by the OECD in the report "Guidance on the Implementation of Country-by-Country Reporting" published in 2019 point II.7).
(114) Current Taxes and Taxes Paid are generally determined on the basis of a Taxable Income calculated from a Profit (Loss) for the Year determined in accordance with local generally accepted accounting principles (local GAAP), whereas the economic data presented in this Report are expressed on the basis of the IFRS-EU accounting standards adopted by the Group. The indicators listed above may therefore be affected by differences between the economic and financial data expressed on the basis of IFRS-EU accounting standards, adopted for the purposes of this Report, and those expressed on the basis of local GAAPs.
(115) The CbCR does not provide for deferred tax liabilities, which consequently are accounted for separately.

Main data

Europe

EUROPE – main countries													
	UM	France	Germany	Greece	Italy	Netherlands	Portugal	Romania	Spain	TOTAL 2022	TOTAL 2021	2022-2021	%
Taxes borne (cash basis accounting)		**8.4**	**0.3**	**18.3**	**1,699.9**	**23.4**	**7.2**	**29.0**	**1,330.8**	**3,117.2**	**2,631.5**	**485.7**	**18%**
Income Taxes	M€	6.6	-0.1	12.0	930.8	22.8	6.3	19.9	257.4	**1,255.7**	1,013.3	242.4	24%
Corporate Income Taxes Paid	M€	*6.3*	*-0.1*	*12.0*	*859.9*	*22.8*	*6.3*	*19.3*	*227.7*	***1,154.3***	*984.2*	*170.0*	*17%*
Property Taxes	M€	0.1	-	0.3	152.2	-	0.0	3.8	99.2	**255.5**	250.8	4.8	2%
Taxes on Labor	M€	1.7	0.4	1.4	541.3	0.2	0.9	2.7	133.7	**682.4**	671.1	11.4	2%
Taxes on Products and Services	M€	0.0	-	4.6	2.2	0.5	-	2.4	308.9	**318.5**	213.3	105.2	49%
Environmental Taxes	M€	-	-	0.0	73.4	-	-	0.1	531.6	**605.0**	483.1	121.9	25%
Taxes collected		**145.8**	**113.9**	**3.5**	**4,229.2**	**22.2**	**257.8**	**173.7**	**1,687.6**	**6,633.7**	**4,955.4**	**1,678.3**	**34%**
Income Taxes	M€	-	-	0.0	27.2	-	0.0	-	75.5	**102.7**	103.4	-0.7	-1%
Property Taxes	M€	-	-	-	-	-	0.1	-	0.2	**0.3**	0.2	0.1	81%
Taxes on Labor	M€	1.2	0.7	2.0	643.2	1.0	1.7	39.4	242.0	**931.1**	885.9	45.2	5%
Taxes on Products and Services	M€	97.8	87.6	1.5	1,934.9	15.2	238.5	125.9	1,260.6	**3,761.9**	2,063.4	1,698.4	82%
Environmental Taxes	M€	46.9	25.5	-	1,624.0	6.0	17.6	8.4	109.3	**1,837.8**	1,902.5	-64.8	-3%
Total Tax Contribution – TTC (cash basis accounting)	M€	**154.2**	**114.1**	**21.7**	**5,929.1**	**45.6**	**265.0**	**202.7**	**3,018.4**	**9,751.0**	**7,587.0**	**2,164.0**	**29%**
Economic data	UM	France	Germany	Greece	Italy	Netherlands	Portugal	Romania	Spain	TOTAL 2022	TOTAL 2021	2022-2021	%
Third Party Revenues	M€	1,161.3	484.4	111.7	103,258.9	2,744.1	1,582.7	3,140.7	37,331.6	**149,815.3**	75,051.8	74,763.5	100%
Cross-Border Intercompany Revenues	M€	72.1	81.8	14.5	4,608.8	1,415.2	493.6	65.8	1,737.3	**8,489.1**	15,491.3	-7,002.2	-45%
Earnings Before Taxes	M€	35.1	42.6	38.7	810.7	-64.2	74.2	-179.8	91.9	**849.2**	13,672.2	-12,823.0	-94%
Corporate Income Taxes Accrued	M€	5.1	3.8	6.1	1,339.8	26.6	18.1	19.2	339.1	**1,757.7**	1,251.5	506.2	40%
Tangible Assets	M€	4.4	0.3	595.7	31,700.4	0.6	6.5	2,036.7	22,957.6	**57,302.2**	55,597.2	1,705.0	3%
Number of employees	no.	63	23	130	31,643	20	82	3,265	9,489	**44,715**	43,219	1,496	3%
Retained Earnings	M€	-2.2	-46.2	-159.0	8,503.2	-342.6	-5.3	1,109.5	35,656.7	**44,714.0**	65,981.9	-21,267.9	-32%
Stated Capital	M€	4.1	47.7	623.7	53,668.4	11,550.1	18.8	1,281.8	28,679.1	**95,873.8**	67,978.6	27,895.3	41%
TTC Rate	%	22.6%	0.7%	40.6%	103.0%	-36.9%	9.6%	-17.0%	111.4%				
TTC Ratio to Turnover	%	12.5%	20.2%	17.2%	5.5%	1.1%	12.8%	6.3%	7.7%				
Taxes borne in relation to Revenues	%	0.7%	0.1%	14.5%	1.6%	0.6%	0.3%	0.9%	3.4%				
Taxes collected in relation to Revenues	%	11.8%	20.1%	2.8%	3.9%	0.5%	12.4%	5.4%	4.3%				

North America

NORTH AMERICA – main countries

	UM	USA and Canada	Mexico	TOTAL 2022	TOTAL 2021	2022-2021	%
Taxes borne (cash basis accounting)		**78.0**	**6.4**	**84.4**	**57.5**	**26.9**	**47%**
Income Taxes	M€	1.6	3.9	**5.5**	7.8	-2.3	-30%
Corporate Income Taxes Paid	M€	*1.6*	*3.9*	***5.5***	*7.8*	*-2.3*	*-30%*
Property Taxes	M€	60.0	–	**60.0**	37.6	22.5	60%
Taxes on Labor	M€	15.7	2.5	**18.2**	10.5	7.7	73%
Taxes on Products and Services	M€	0.7	–	**0.7**	1.6	-0.9	-58%
Environmental Taxes	M€	–	0.0	**0.0**	0.0	-0.0	-55%
Taxes collected (cash basis accounting)		**60.9**	**17.3**	**78.2**	**65.8**	**12.4**	**19%**
Income Taxes	M€	–	0.0	**0.0**	0.2	-0.2	-97%
Property Taxes	M€	–	0.8	**0.8**	1.0	-0.2	-20%
Taxes on Labor	M€	60.3	4.5	**64.9**	49.2	15.7	32%
Taxes on Products and Services	M€	0.6	12.0	**12.5**	15.3	-2.8	-19%
Environmental Taxes	M€	–	–	**–**	–	–	0%
Total Tax Contribution – TTC (cash basis accounting)	M€	**138.8**	**23.7**	**162.6**	**123.3**	**39.3**	**32%**
Economic data	**UM**	**USA and Canada**	**Mexico**	**TOTAL 2022**	**TOTAL 2021**	**2022-2021**	**%**
Third Party Revenues	M€	2,130.7	351.2	**2,481.9**	1,752.0	729.9	42%
Cross-Border Intercompany Revenues	M€	51.0	14.4	**65.4**	23.9	41.5	174%
Earnings Before Taxes	M€	239.9	-590.2	**-350.3**	107.6	-457.9	-425%
Corporate Income Taxes Accrued	M€	48.3	8.1	**56.4**	-2.8	59.2	2,132%
Tangible Assets	M€	12,876.9	841.2	**13,718.1**	11,410.2	2,307.9	20%
Number of employees	no.	1,775	325	**2,100**	1,914	186	10%
Retained Earnings	M€	1,104.5	-32.8	**1,071.7**	913.7	158.0	17%
Stated Capital	M€	23,185.6	1,702.2	**24,887.8**	17,383.3	7,504.5	43%
TTC Rate	%	24.6%	-1.1%				
TTC Ratio to Turnover	%	6.4%	6.5%				
Taxes borne in relation to Revenues	%	3.6%	1.8%				
Taxes collected in relation to Revenues	%	2.8%	4.7%				

Latin America

LATIN AMERICA – main countries													
	UM	**Argentina**	**Brazil**	**Chile**	**Colombia**	**Costa Rica**	**Guatemala**	**Panama**	**Peru**	**TOTAL 2022**	**TOTAL 2021**	**2022-2021**	**%**
Taxes borne (cash basis accounting)		**53.6**	**812.6**	**131.5**	**400.9**	**1.4**	**6.3**	**32.1**	**136.4**	**1,574.8**	**1,392.7**	**182.1**	**13%**
Income Taxes	M€	22.1	135.5	71.8	285.5	0.6	5.8	29.5	113.9	**664.8**	753.9	-89.0	-12%
Corporate Income Taxes Paid	M€	*19.3*	*135.5*	*71.8*	*262.8*	–	*5.7*	*29.5*	*113.9*	***638.6***	*730.9*	*-92.3*	*-13%*
Property Taxes	M€	1.3	30.2	3.6	1.6	0.2	0.2	0.4	2.6	**40.1**	19.1	21.0	110%
Taxes on Labor	M€	18.7	72.1	–	13.8	0.6	0.3	0.5	2.1	**108.1**	89.8	18.3	20%
Taxes on Products and Services	M€	7.9	574.6	17.9	77.2	–	–	0.2	15.6	**693.4**	479.3	214.2	45%
Environmental Taxes	M€	3.6	0.2	38.1	22.9	0.0	0.0	1.5	2.1	**68.3**	50.6	17.7	35%
Taxes collected (cash basis accounting)		**166.8**	**2,071.8**	**61.3**	**70.1**	**2.9**	**5.6**	**5.5**	**96.2**	**2,480.3**	**2,356.2**	**124.1**	**5%**
Income Taxes	M€	10.6	18.5	9.8	20.6	0.0	0.9	4.7	1.6	**66.8**	64.3	2.5	4%
Property Taxes	M€	–	–	–	–	–	–	–	–	**–**	–	–	0%
Taxes on Labor	M€	18.7	42.6	19.8	10.9	0.2	0.1	0.4	8.1	**100.8**	85.5	15.3	18%
Taxes on Products and Services	M€	137.4	2,010.8	31.7	24.7	2.7	4.6	0.4	86.5	**2,298.8**	2,195.3	103.5	4.7%
Environmental Taxes	M€	–	–	–	13.9	–	–	–	–	**13.9**	11.1	2.8	25%
Total Tax Contribution – TTC (cash basis accounting)	M€	**220.4**	**2,884.5**	**192.8**	**471.0**	**4.3**	**12.0**	**37.6**	**232.6**	**4,055.1**	**3,748.9**	**306.2**	**8%**
Economic data	**UM**	**Argentina**	**Brazil**	**Chile**	**Colombia**	**Costa Rica**	**Guatemala**	**Panama**	**Peru**	**TOTAL 2022**	**TOTAL 2021**	**2022-2021**	**%**
Third Party Revenues	M€	3,216.0	10,435.1	6,897.2	2,837.0	21.2	95.8	179.7	1,516.6	**25,198.6**	18,971.6	6,226.9	33%
Cross-Border Intercompany Revenues	M€	27.3	295.7	476.5	7.9	1.0	2.5	0.3	0.1	**811.4**	113.8	697.6	613%
Earnings Before Taxes	M€	261.1	241.7	1,935.2	932.3	1.9	44.2	79.6	448.8	**3,944.7**	1,341.8	2,602.9	194%
Corporate Income Taxes Accrued	M€	44.2	225.8	374.2	371.0	0.4	5.6	23.2	138.4	**1,182.9**	595.6	587.4	99%
Tangible Assets	M€	2,402.1	4,198.6	7,525.3	3,558.7	29.4	359.3	416.9	2,803.7	**21,294.1**	18,602.9	2,691.2	14%
Number of employees	no.	4,032	7,506	2,197	2,327	35	92	96	1,075	**17,360**	18,762	-1,402	-7%
Retained Earnings	M€	765.4	295.8	1,305.0	874.9	-85.9	175.1	128.8	-340.2	**3,118.9**	6,788.5	-3,669.6	-54%
Stated Capital	M€	1,097.7	14,772.4	22,150.2	1,932.2	275.9	264.2	437.7	2,896.8	**43,827.0**	36,381.3	7,445.7	20%
TTC Rate	%	18.2%	88.4%	6.6%	37.5%	42.1%	14.2%	39.1%	28.9%				
TTC Ratio to Turnover	%	6.8%	26.9%	2.6%	16.6%	19.3%	12.2%	20.9%	15.3%				
Taxes borne in relation to Revenues	%	1.7%	7.6%	1.8%	14.1%	6.2%	6.4%	17.8%	9.0%				
Taxes collected in relation to Revenues	%	5.1%	19.3%	0.8%	2.5%	13.2%	5.7%	3.0%	6.3%				

Africa and Oceania

AFRICA AND OCEANIA – main countries

	UM	South Africa	TOTAL 2022	TOTAL 2021	2022-2021	%
Taxes borne (cash basis accounting)		**0.1**	**0.1**	**–**	**0.1**	**0%**
Income Taxes	M€	0.1	**0.1**	–	0.1	0%
Corporate Income Taxes Paid	M€	*0.1*	***0.1***	–	*0.1*	*0%*
Property Taxes	M€	–	**–**	–	–	0%
Taxes on Labor	M€	–	**–**	–	–	0%
Taxes on Products and Services	M€	–	**–**	–	–	0%
Environmental Taxes	M€	–	**–**	–	–	0%
Taxes collected (cash basis accounting)		**4.2**	**4.2**	**3.8**	**0.4**	**10%**
Income Taxes	M€	0.4	**0.4**	0.2	0.2	132%
Property Taxes	M€	–	**–**	–	–	0%
Taxes on Labor	M€	3.9	**3.9**	3.7	0.2	5%
Taxes on Products and Services	M€	–	**–**	–	–	0%
Environmental Taxes	M€	–	**–**	–	–	0%
Total Tax Contribution (cash accounting) - TTC	M€	**4.4**	**4.4**	**3.8**	**0.5**	**14%**
Economic data	**UM**	**South Africa**	**TOTAL 2022**	**TOTAL 2021**	**2022-2021**	**%**
Third Party Revenues	M€	120.5	**120.5**	133.3	-12.9	-10%
Cross-Border Intercompany Revenues	M€	0.2	**0.2**	7.2	-7.0	-97%
Earnings Before Taxes	M€	-16.9	**-16.9**	-1.8	-15.1	-835%
Corporate Income Taxes Accrued	M€	–	**–**	–	–	0%
Tangible Assets	M€	384.3	**384.3**	1,271.6	-887.3	-70%
Number of employees	no.	182	**182**	178	4	2%
Retained Earnings	M€	-166.3	**-166.3**	-223.7	57.4	26%
Stated Capital	M€	689.7	**689.7**	1,151.5	-461.9	-40%
TTC Rate	%	-0.7%				
TTC Ratio to Turnover	%	3.6%				
Taxes borne in relation to Revenues	%	0.1%				
Taxes collected in relation to Revenues	%	3.5%				

Asia

ASIA – main countries						
	UM	**India**	**TOTAL 2022**	**TOTAL 2021**	**2022-2021**	**%**
Taxes borne (cash basis accounting)		**1.4**	**1.4**	**0.4**	**1.0**	**260%**
Income Taxes	M€	1.4	**1.4**	0.4	1.0	260%
Corporate Income Taxes Paid	M€	*1.4*	***1.4***	*0.4*	*1.0*	*246%*
Property Taxes	M€	–	**–**	–	–	0%
Taxes on Labor	M€	–	**–**	–	–	0%
Taxes on Products and Services	M€	–	**–**	–	–	0%
Environmental Taxes	M€	–	**–**	–	–	0%
Taxes collected (cash basis accounting)		**5.4**	**5.4**	**2.2**	**3.3**	**149%**
Income Taxes	M€	3.0	**3.0**	1.1	1.9	169%
Property Taxes	M€	–	**–**	–	–	0%
Taxes on Labor	M€	1.4	**1.4**	0.9	0.5	52%
Taxes on Products and Services	M€	1.1	**1.1**	0.2	0.9	0%
Environmental Taxes	M€	–	**–**	–	–	0%
Total Tax Contribution – TTC (cash basis accounting)	M€	**6.9**	**6.9**	**2.6**	**4.3**	**166%**
Economic data	**UM**	**India**	**TOTAL 2022**	**TOTAL 2021**	**2022-2021**	**%**
Third Party Revenues	M€	42.2	**42.2**	14.4	27.8	193%
Cross-Border Intercompany Revenues	M€	9.0	**9.0**	7.5	1.5	20%
Earnings Before Taxes	M€	-20.7	**-20.7**	-5.7	-15.1	-267%
Corporate Income Taxes Accrued	M€	–	**–**	0.1	-0.1	-100%
Tangible Assets	M€	225.6	**225.6**	320.3	-94.7	-30%
Number of employees	no.	397	**397**	418	-21	-5%
Retained Earnings	M€	-23.3	**-23.3**	-22.2	-1.1	5%
Stated Capital	M€	210.9	**210.9**	189.3	21.6	11%
TTC Rate	%	-7.0%				
TTC Ratio to Turnover	%	13.5%				
Taxes borne in relation to Revenues	%	2.8%				
Taxes collected in relation to Revenues	%	10.6%				

Minor countries: Europe, Latin America, Africa and Oceania, Asia

EUROPE – minor countries[116]

Economic data	UM	Ireland	Norway	Poland	Slovakia	Turkey	UK	Russia	TOTAL 2022	TOTAL 2021	2022-2021	%
Third Party Revenues	M€	10.9	0.4	19.4	–	0.0	22.0	327.1	**379.8**	612.0	-232.2	-38%
Cross-Border Intercompany Revenues	M€	3.9	0.1	0.2	–	1.0	0.9	21.3	**27.5**	13.2	14.2	107%
Earnings Before Taxes	M€	1.7	-1.7	1.9	-1.3	-2.5	2.0	43.2	**43.4**	33.8	9.5	28%
Corporate Income Taxes Accrued	M€	–	0.0	0.5	–	0.1	–	5.5	**6.2**	0.1	6.1	4,847%
Corporate Income Taxes Paid	M€	0.0	–	0.4	–	0.1	–	0.0	**0.5**	5.5	-5.0	-90%
Tangible Assets	M€	0.5	0.0	0.4	0.0	0.0	0.1	2.7	**3.7**	852.2	-848.5	-100%
Number of employees	no.	57	4	22	–	1	32	5	**121.0**	1,566.0	-1,445.0	-92%
Retained Earnings	M€	-0.6	-0.4	-1.6	–	-7.5	-7.1	5.1	**-12.1**	346.8	-358,9	-103%
Stated Capital	M€	30.0	5.1	5.8	–	2.9	20.9	3.5	**68.1**	1,020.1	-952,0	-93%

LATIN AMERICA – minor countries[117]

Economic data	UM	Uruguay	TOTAL 2022	TOTAL 2021	2022-2021	%
Third Party Revenues	M€	0.3	**0.3**	1.6	-1.2	-80%
Cross-Border Intercompany Revenues	M€	–	**-**	0.0	-0.0	0%
Earnings Before Taxes	M€	-0.2	**-0.2**	1.2	-1.4	-119%
Corporate Income Taxes Accrued	M€	–	**-**	0.1	-0.1	-100%
Corporate Income Taxes Paid	M€	0.2	**0.2**	0.0	0.1	0%
Tangible Assets	M€	0.0	**0.0**	0.0	-0.0	0%
Number of employees	no.	1	**1**	1	–	0%
Retained Earnings	M€	0.4	**0.4**	-0.8	1.2	157%
Stated Capital	M€	0.0	**0.0**	0.0	0.0	0%

(116) Beyond what is shown, in some tax jurisdictions the Group is present through entities in pre-operations phase and/or in liquidation and whose overall values are immaterial. For this reason, these countries are not represented in the Report. They are: Serbia and Sweden.
(117) Beyond what is shown, in some tax jurisdictions the Group is present through entities in pre-operations phase and/or in liquidation and whose overall values are immaterial. For this reason, these countries are not represented in the Report. They are: El Salvador.

AFRICA AND OCEANIA – minor countries[118]

Economic data	UM	Australia	Kenya	Morocco	New Zealand	Zambia	TOTAL 2022	TOTAL 2021	2022-2021	%
Third Party Revenues	M€	45.2	0.0	4.4	3.9	7.4	**60.8**	86.0	-25.2	-29%
Cross-Border Intercompany Revenues	M€	1.6	-	-	0.3	-	**1.9**	2.7	-0.8	-29%
Earnings Before Taxes	M€	-25.4	-0.5	-2.4	0.2	0.4	**-27.7**	-18.4	-9.3	-50%
Corporate Income Taxes Accrued	M€	0.0	-	0.0	0.1	-	**0.1**	2.1	-2.0	-94%
Corporate Income Taxes Paid	M€	0.0	-	-	0.1	-	**0.1**	-0.4	0.5	123%
Tangible Assets	M€	334.3	0.0	0.9	0.1	26.7	**362.0**	316.8	45.1	14%
Number of employees	no.	95	2	39	6	6	**148**	139	9	6%
Retained Earnings	M€	-66.9	-3.9	1.5	-0.4	-7.1	**-76.8**	-55.9	-20.9	-37%
Stated Capital	M€	496.6	2.7	59.8	2.0	9.5	**570.6**	434.8	135.8	31%

ASIA – minor countries[119]

Economic data	UM	China	Indonesia	Israel	Japan	Singapore	South Korea	Taiwan	TOTAL 2022	TOTAL 2021	2022-2021	%
Third Party Revenues	M€	0.0	-0.0	1.2	17.6	0.4	30.7	1.3	**51.2**	39.8	11.4	29%
Cross-Border Intercompany Revenues	M€	0.4	-	-	0.2	-	0.1	0.0	**0.7**	0.6	0.1	20%
Earnings Before Taxes	M€	-3.5	-0.1	-0.0	0.1	-2.3	-1.8	-1.4	**-9.1**	-10.7	1.7	16%
Corporate Income Taxes Accrued	M€	-	-	0.0	-0.0	0.0	0.0	-	**-0.0**	0.1	-0.1	-117%
Corporate Income Taxes Paid	M€	-	-	0.0	0.0	-	0.0	-	**0.0**	0.0	-0.0	0%
Tangible Assets	M€	0.2	0.0	0.0	0.3	0.2	8.1	1.1	**10.0**	8.4	1.6	19%
Number of employees	no.	12	-	1	21	2	43	10	**89**	81	8	10%
Retained Earnings	M€	-3.7	-3.0	-	1.4	-7.6	-24.0	-1.7	**-38.7**	-33.2	-5.5	-16%
Stated Capital	M€	3.2	3.7	-	0.2	6.4	34.6	4.8	**52.9**	59.9	-7.0	-12%

(118) Beyond what is shown, in some tax jurisdictions the Group is present through entities in pre-operations phase and/or in liquidation and whose overall values are immaterial. For this reason, these countries are not represented in the Report. They are: Namibia, Ethiopia and Egypt.
(119) Beyond what is shown, in some tax jurisdictions the Group is present through entities in pre-operations phase and/or in liquidation and whose overall values are immaterial. For this reason, these countries are not represented in the Report. They are: Saudi Arabia and Vietnam.

Reconciliations with the Integrated Annual Report 2022

In the following paragraphs, a reconciliation of data represented in the Tax Transparency Report is made with respect to the contents of the Integrated Annual Report 2022.
This reconciliation is necessary given the different methods for drafting the Tax Transparency Report – **which have been taken from the OECD rules for Country-by-Country Reporting** – with respect to the principles adopted for the drafting of the Consolidated financial statements.

M€

Items subject to reconciliation	Tax Transparency Report	Consolidated financial statements	Difference to be reconciled
Third Party Revenues	178,151	140,518	-37,633
Earnings Before Taxes	4,411	8,741	4,330
Tangible Assets	93,300	88,615	-4,685
Taxes paid	1,800	1,934	134

Third Party Revenues

The variances between the data given in the Tax Transparency Report and the data in the Integrated Annual Report 2022 are:

i. **Derivatives (-25,827 million euros)**: for the purposes of the consolidated annual report, intercompany derivative instruments are accounted for in the Balance Sheet, while in the separate financial statements of the companies that operate on the market they are recognized in the Income Statement;
ii. **Financial income (-8,287 million euros)**: for the purposes of the Integrated Annual Report, the financial data for financial income is entered in the financial statements on a specific line of the Income Statement that is different than the revenue item, unlike as required by the OECD rules[120] applied for the purposes of the Tax Transparency Report;
iii. **Revenues from discontinued operations[121] (-3,998 million euros)**: for the purposes of the consolidated annual report, the revenues related to Group components (branches, companies or geographical areas) that have been discontinued or classified as held for sale are stated in a single net amount on a separate line of the Income Statement, whereas for the purposes of the Tax Transparency Report these revenues are represented analytically among the results of the companies within the scope;
iv. **Fair value of companies consolidated using the equity method (436 million euros)**: for purposes of the Integrated Annual Report, revenues related to impairment operations on companies consolidated using the equity method are included in the year's results. For the purposes of the Tax Transparency Report, the results related to the companies consolidated using the equity method are excluded as these entities are not relevant;
v. **Dividends from companies consolidated using the equity method (-262 million euros)**: for purposes of the Integrated Annual Report, dividends received from consolidated companies[122] are eliminated. These revenues are considered in the Tax Transparency Report;
vi. **Other consolidation adjustments** made on the basis of the application of international accounting standards **(305 million euros)**.[123]

M€

Third Party Revenues - Tax Transparency Report	**178,151**
Derivatives	-25,827
Financial income	-8,287
Revenues from discontinued operations	-3,998
Fair value of companies consolidated using the equity method	436
Dividends from companies consolidated using the equity method	-262
Other consolidation adjustments	305
Revenues - Consolidated financial statements	**140,518**

(120) For the purposes of OECD Country-by-Country Reporting (BEPS Project - Action 13).
(121) For more details regarding the definition of discontinued operations, please refer to the Integrated Annual Report.
(122) Using the full, proportional and equity method.
(123) These include the following specific situations listed by way of example only: (i) elimination of intercompany margins and gains, (ii) recognition of any negative goodwill following M&A transactions, (iii) capitalizations of financial expenses in cases of equity injection and (iv) adjustments to contracts with physical delivery stated at fair value.

Earnings Before Taxes

The variances between the data given in the Tax Transparency Report and the data in the Integrated Annual Report are:

i. **Impairment on shareholdings (3,326 million euros)**: the accounting records for equity investments consolidated with the full method does not have an impact on the Income Statement. These accounting records, however, involve a reduction in profit before taxes for the purposes of the Tax Transparency Report;

ii. **Derivative management (1,467 million euros)**: for the purpose of the Integrated Annual Report, the accounting records related to the reversal of the cash flow hedge reserve for a possibly different qualification of the derivatives between the stand-alone view of the Company and that of the Group do not have any impact on the Income Statement. These accounting records, however, involve a reduction in profit before taxes for the purposes of the Tax Transparency Report;

iii. **Company dividends measured at equity (-262 million euros)**: for the purposes of the Integrated Annual Report, dividends received from consolidated companies are eliminated. These revenues are considered in the Tax Transparency Report;

iv. **Results from discontinued operations (-154 million euros)**: for the purposes of the Integrated Annual Report, the results related to Group components (branches, companies or geographical areas) that have been discontinued or classified as held for sale are stated as a single net amount on a separate line of the Income Statement, whereas for the purposes of the Tax Transparency Report these results are represented analytically among those of the companies within the scope;

v. **Other consolidation adjustments** made on the basis of the application of international accounting standards **(-47 million euros)**.[124]

M€	
Earnings Before Taxes - Tax Transparency Report	**4,411**
Impairment losses on shareholdings	3,326
Derivative management	1,467
Dividends from companies accounted for using the equity method	-262
Results from discontinued operations	-154
Other consolidation adjustments	-47
Earnings Before Taxes - Consolidated financial statements	**8,741**

Tangible Assets

The variances between the data given in the Tax Transparency Report and the data in the Integrated Annual Report are due to Adjustments from consolidation (-4,685 million euros).[125]

M€	
Tangible Assets Tax Transparency Report	**93,300**
Adjustments from consolidation	-4,685
Tangible Assets - Consolidated financial statements	**88,615**

(124) These include the following specific situations listed by way of non-exhaustive example only: (i) adjustments for adaptation of value following impairment tests and consequent adjustments of depreciation and amortization, (ii) elimination of gains from intercompany sales of assets and consequent adjustments of depreciation and amortization, (iii) changes during the year in the scope of consolidation, (iv) provision (or release) of funds in the Income Statement, (v) result of companies accounted for using the equity method, and (vi) intercompany capital losses (capital gains).

(125) Adjustments due to the effects of (i) Purchase Price Allocations made during acquisition of controlling interests in companies, (ii) impairment of cash generating units, (iii) capitalizations of financial expenses of fixed assets realized internally, (iv) elimination of any gains during the sale of intercompany assets and (v) elimination of effects related to discontinued operations and assets qualified as available for sale.

Income Taxes paid

The data of Income Taxes paid for the purposes of the Integrated Annual Report is determined through the method of indirect recognition, provided for under international accounting principle IAS 7.
Contrarily, the Tax Transparency Report recognizes the data for income taxes paid on the basis of information collected from the individual companies in the different tax jurisdictions, consistent with the rules laid down by the OECD for Country-by-Country Reporting.
The deviation is due to the different methods of recognizing the data and to the principles to which they refer.[126]

M€	
Taxes paid - Tax Transparency Report	**1,800**
Differences due to the use of the indirect method for the purposes of the cash flow statement	134
Taxes paid - Consolidated financial statements	**1,934**

Tax Rate

With reference to the reconciliation between the theoretical and actual tax rate, reference should be made to the analysis contained in the Integrated Annual Report 2022.

(126) By way of example only, the differences in 2022 can be related to: (i) inclusion in the data of the Integrated Annual Report of the taxes related to dividends (excluded from the data in the Tax Transparency Report) and (ii) changes during the year in the scope of consolidation.

Exchange rates in 2021 and 2022

		Average exchange rate		Exchange rates at year-end	
		Local currency/Euro		Local currency/Euro	
Country	Local currency	2022	2021	2022	2021
Argentina	ARS Argentine Peso	189.03	116.31	189.03	116.31
Brazil	BRL Brazilian Real	5.44	6.38	5.63	6.31
Canada	CAD Canadian Dollar	1.37	1.48	1.45	1.44
Chile	CLP Chilean Peso	917.65	897.86	909.24	964.59
Colombia	COP Colombian Peso	4,474.26	4,428.42	5,174.97	4,609.89
Costa Rica	CRC Costa Rican Colón	682.06	734.27	638.30	727.34
Guatemala	GDQ Guatemalan Quetzal	8.16	9.15	8.38	8.74
India	INR Indian Rupee	82.71	87.43	88.29	84.20
Mexico	MXN Mexican Peso	21.20	23.99	20.80	23.15
Panama	PAB Panamanian Balboa	1.05	1.18	1.07	1.13
Peru	PEN Peruvian Nuevo Sol	4.04	4.59	4.07	4.52
Romania	RON Romanian Leu	4.93	4.92	4.95	4.95
South Africa	ZAR South African Rand	17.20	17.48	18.16	18.07
USA	USD American Dollar	1.05	1.18	1.07	1.13

Assurance Report by the independent auditors KPMG

KPMG S.p.A.
Revisione e organizzazione contabile
Via Curtatone, 3
00185 ROMA RM
Telefono +39 06 80961.1
Email it-fmauditaly@kpmg.it
PEC kpmgspa@pec.kpmg.it

(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative.)

Independent auditors' report on the Tax Transparency Report

To the board of directors of
Enel S.p.A.

We have been engaged to perform a limited assurance engagement on the 2022 Tax Transparency Report (the "report") of Enel S.p.A. (the "company"), prepared in accordance with the Global Reporting Initiative Sustainability Reporting Standards ("GRI – With Reference to"), to the document "Measuring Stakeholder Capitalism: Towards Common Metrics and Consistent Reporting of Sustainable Value Creation" from the WEF – World Economic Forum and to the Responsible Tax Principiles from B Team.

Responsibilities of the company's directors for the Report

The directors are responsible for the preparation of the report in accordance with the framework described in the "Introduction and reporting criteria" note to the report.

They are also responsible for such internal control as they determine is necessary to enable the preparation of a report that is free from material misstatement, whether due to fraud or error.

Moreover, the directors are responsible for identifying the content of the report, selecting and applying policies and making judgements and estimates that are reasonable in the circumstances.

Auditors' independence and quality control

We are independent in compliance with the independence and all other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our company applies International Standard on Quality Management 1 (ISQC Italia 1) and, accordingly, maintains a system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditors' responsibility

Our responsibility is to express a conclusion, based on the procedures performed, about the compliance of the report with the prepared in accordance with the Global Reporting Initiative Sustainability Reporting Standards ("GRI – With Reference to"), to the document "Measuring Stakeholder Capitalism: Towards Common Metrics and Consistent Reporting of Sustainable Value Creation" from the WEF – World Economic Forum and to the Responsible Tax Priniciples from B Team. We carried out our work in accordance with the criteria established by "International Standard on Assurance Engagements 3000 (revised) - Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 3000 revised"), issued by the International Auditing and Assurance Standards Board applicable to limited assurance engagements. This standard requires that we plan and perform the engagement to obtain limited assurance about whether the report is free from material misstatement. A limited assurance engagement is less in scope than a reasonable assurance engagement carried out in accordance with ISAE 3000 revised, and consequently does not enable us to obtain assurance that we would become aware of all significant matters and events that might be identified in a reasonable assurance engagement.

The procedures we performed on the report are based on our professional judgement and include inquiries, primarily of the parent's personnel responsible for the preparation of the information presented in the report, documental analyses, recalculations and other evidence gathering procedures, as appropriate.

Specifically, we performed the following procedures:

1 interviewing relevant staff at corporate level responsible for the 2022 Tax Transparency Report management and reporting;

2 understanding the processes underlying the generation, recording and management of the qualitative and quantitative information disclosed in the report;

3 holding interviews and discussions with the company's management personnel to obtain information on the processes and procedures used to gather, combine, process and transmit data and information to the office that prepares the report;

4 performing sample-based documental analysis and analytical procedures to check the indicators included in the report.

5 Comparison between the economic and financial data and information included in the Tax Transparency Report and those disclosed in the 2022 annual consolidated financial statement.

Specifically, we held interviews and discussions with the parent's management personnel and personnel of Enel S.p.A.. We also performed selected procedures on documentation to gather information on the processes and procedures used to gather, combine, process and transmit non-financial data and information to the office that prepares the Report.

Furthermore, with respect to significant information, considering the group's business and characteristics:

- at parent level,

  a) we held interviews and obtained supporting documentation to check the qualitative information presented in the Report and, specifically, the business model, the policies applied and main risks for consistency with available evidence,

  b) we carried out analytical and limited procedures to check, on a sample basis, the correct aggregation of data in the quantitative information;

- at subsidiaries level,

  we held videoconferences with the management società Enel Hydro Appennino Centrale s.r.l., Enel Energia S.p.A., Enel Green Power S.p.A., Enel X Italia s.r.l., Maicor Wind s.r.l., Servizio Elettrico Nazionale S.p.A., Edistribucion Redes Digitales s.l.u, Endesa Energia s.a.u, Endesa Generacion s.a.u., Ampla Energia e Serviços S.A., Central Geradora Termeletrica Fortaleza S.A. e Eletropaulo Metropolitana Eletricidade De Sao Paulo S.A., which we have selected on the basis of their business, contribution to the key performance indicators at consolidated level and location, to obtain documentary evidence supporting the correct application of the procedures and methods used to calculate the indicators.

Conclusion

Based on the procedures performed, nothing has come to our attention that causes us to believe that the 2022 Tax Transparency Report of Enel S.p.A. has not been prepared, in all material respects, in accordance with prepared in accordance with the Global Reporting Initiative Sustainability Reporting Standards ("GRI – With Reference to"), to the document "Measuring Stakeholder Capitalism: Towards Common Metrics and Consistent Reporting of Sustainable Value Creation" from the WEF – World Economic Forum and to the Responsible Tax Priniciples from B Team.

Rome, 26 MAy 2023

KPMG S.p.A.

(signed on the original)

Marco Maffei
Director of Audit

enel