Fuel procurement

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Suppliers of solid and liquid fuel are selected through the "Know Your Customer" process that, for each counterpart, evaluates the reputational and economic-financial aspects and their satisfaction of the appropriate technical and commercial requirements. Checks also ensure that suppliers are not on specific United Nations, European Union and OFAC "Black Lists".

These lists identify individuals or organizations associated with terrorist associations, organizations under EU financial sanctions, and so-called Specially Designated Nationals (SDNs) who are subject to US sanctions on terrorism or drug trafficking charges, among others.

To assess the sustainability aspects of coal sources, an internal process has been established to ensure that Group

requirements for occupational safety, environment and human rights have been satisfied.

Purchase contracts entered into with each supplier are subject to the Group principles embedded in the Human Rights Policy, the Code of Ethics and the Zero Tolerance of Corruption Plan, with which suppliers must be aligned with. We reserve the right to terminate contracts in case of severe breach of those principles.

Lastly, to mitigate the risks arising from the maritime shipment of fuel, we have adopted a tool to vet and select the carriers used. Vetting is a recognized industry standard for oil transportation. Enel, together with an increasing number of operators, is also applying this methodology for dry bulk transports.

	UM	2022	2021	2020	2022-2021	%	Perimeter
Resources used in the production process							
Fuel consumption for thermoelectric production from non-renewable sources							
from non-renewable sources							
Coal	(,000 t)	8,522	5,958	5,893	2,564	43.0	Enel
Lignite	(,000 t)	-	-	105	-	-	Enel
Fuel oil	(,000 t)	889	863	975	26	3.0	Enel
Natural gas	(Mm³)	13,214	15,682	13,075	-2,468	-15.7	Enel
Gas oil	(,000 t)	1,262	1,033	906	229	22.2	Enel
from renewable resources							
Biomass and waste for thermoelectric production	(,000 t)	65	71	89	-6	-8.5	Enel
Biogas	(Mm³)	1.2	0.7	0.1	0.5	71.4	Enel
Geothermal steam used for electricity production	(,000 t)	49,947	350,160	350,090	-300,213	-85.7	Enel



Bettercoal

3-3

Together with major European electric utilities, we are actively engaged in Bettercoal - a global initiative to promote the continuous improvement of corporate responsibility in the international coal industry. Bettercoal has released a code of conduct based on existing and agreed standards of social responsibility in the mining sector. The Code provides detailed guidelines to mining companies in the definition of their social, environment and ethical policies. The Bettercoal Code establishes members' expectations regarding suppliers' practices related to four main categories: management systems; commitment to ethics and transparency; human and labor rights; and environmental performance, while promoting ongoing improvement. In 2021, a new version of the Code was finalized to align it with the latest best practices in sustainability, thereby contributing to achievement of the applicable Sustainable Development Goals. In addition, the new version of the Bettercoal Code ensures the integration of the mine closure and rehabilitation processes, embedding environmental, social, economic and governance aspects into operations from the earliest stages of mine development.

Mining companies adhering, signing a letter of commitment, start a virtuous path by accepting on-site checks,

carried out by independent third parties, to verify that the Code's principles have been applied, and agreeing an ongoing improvement plan to overcome any shortfalls. In addition to Bettercoal's growing presence in several forums in the area of coal and supply chain sustainability, the initiative has become an example of collaboration together with different stakeholders, aimed at improving socially responsible practices within the supply chain. During 2022, as members of Bettercoal within the working group dedicated to Colombia, we participated in the delegation that travelled to Colombia, for the first time since 2018, with the aim of further improving our understanding of the critical issues surrounding coal mining in the country, allowing us to foster better stakeholder relations with all involved in this complex environment, including companies, the government, international NGOs and local communities. During the visit, several meetings were organized with over 60 stakeholders, including business associations, communities and local governments.

In addition, a new working group specifically dedicated to South Africa was established in 2022 due to changing international scenarios. For further information, please refer to the website www.bettercoal.org.

