

Promoting access to energy and combating energy poverty

3-3 | DMA EU (former EU23)

Access to energy is a challenge and a primary need as stated by the United Nations SDG 7, which aims to ensure access to affordable, reliable, sustainable and modern energy systems for all, due to the role they play as a driving force for fighting poverty and ensuring long-term economic and sustainable growth.

In its “Energy Progress Report” 2022, the International Energy Agency (IEA) reports that, at the current rate, the world will fail to meet the targets of SDG 7 by 2030. In recent years, it reads, there has been a slowdown due to the increasing complexity of reaching remote unassisted populations and the impact of the Covid-19 pandemic. The latter, in particular, continues to hold back economic development, which is also weighed down by the energy crisis triggered by the Russia-Ukraine war.

According to the latest available data,⁽⁶⁾ there are still 733 million people without access to electricity, a figure that, although down from 1.2 billion in 2010, should be read in conjunction with the fact that the recent slowdown in the general trend has particularly affected the most vulnerable countries and those that were already lagging behind. At Enel, we are committed to ensuring that as many people as possible have access to energy, both by using traditional means (connections to the electricity distribution grid) and by developing off-grid solutions, and this enabled us to **connect around 690,000 people in rural and suburban areas in 2022**.

In **Brazil**, 25,800 connections were made in the State of Ceará through on-grid and off-grid solutions in remote areas. The project reached 103,200 people from different isolated communities and traditional populations (indigenous or quilombos).

In **Chile**, during 2022, 1,900 new suburban connections were built in the municipalities of Lampa, Pudahuel, Colina and Maipú. Enel Distribución, in alliance with Fundación Techo and Litro de Luz, installed solar lights and a Wi-Fi point in the “El Esfuerzo 2” camp in the municipality of Cerrillos, as well as offering workshops and training on renewable energies, entrepreneurship and digital literacy, thus attempting to promote social and economic development in the camp. Enel Grids is constantly committed to promoting and implementing training activities related to energy efficiency, electrical risk prevention for communities and climate change workshops, as well as carrying out initiatives to improve local employability such as the development of sustainable lighting in col-

laboration with the Litro de Luz foundation, initiatives that focus on the installation of technical tools that enable the autonomy required to ensure the long-term sustainability of the project. The monitoring process in each field is accompanied by a context analysis to measure the project’s impact on the sustainability of electrification, as well as to establish a socio-energy analysis of the communities.

In the recent past, following the widespread **increase in the prices of raw materials** on international markets, there has been an increase in consumers who **find it difficult to manage the energy expense**, especially families with low incomes.

The main responsibility for guaranteeing safe and economic access to basic energy services obviously lies with governments, but the electric sector is also called on to provide a tangible contribution by promoting fair and sustainable social-economic development.

In all the countries where we operate we, together with governments and local institutions, have always been at the forefront of the **fight against energy poverty** and the campaign to facilitate access to energy for customers in vulnerable conditions, through specific initiatives to support the deployment of energy efficiency and responsible consumption solutions, the modernization of infrastructure and the growth of renewable energy sources, in line with our sustainable business model and our commitment to an **just transition**.

In this respect, our approach has two lines of action:

Pro-active actions aimed at anticipating critical situations through:

- new offers that restructure the prices and reward reduced consumption;
- support for vulnerable customers in accessing the benefits offered to them;
- initiatives to disseminate practical tips for reducing consumption, etc.

Reactive actions when critical situations arise with *ad hoc* interventions:

- suspension/deferral of payments;
- access to tax bonuses or credits for customers in economic difficulties or affected by natural disasters.

In 2022, in developing countries alone, more than 182 energy access projects were developed that reached around

(6) 2020.

1.9 million beneficiaries and roughly 134 related partnerships were in place.

Some examples of projects developed on an international level are provided below:

Training program on access to energy and social services (Spain). This initiative is based on training courses on issues such as energy saving and efficiency measures, optimization of the electricity bill, the new Social Bonus and protection against having electricity cut off if the bills are overdue, and is directed towards NGOs and social services so they are able to improve their consultancy and their efforts for supporting families living in situations of vulnerability. In 2022 more than 106,000 beneficiaries were involved in the project, which was developed together with the trainers at Endesa Energía and with the participation of approximately 100 institutions (NGOs). The purpose of this initiative is to demonstrate the Group's commitment to vulnerable groups and to contribute to the fight against energy poverty, improving the relationships with stakeholders, from local institutions, to municipalities and Non-Governmental Organizations. Involving the NGOs and social services in the task of observing and fighting fuel poverty increases their knowledge in order to help vulnerable families and as a result minimize the barriers to access to energy.

Enel Shares Citizenship Goiás (Brazil). In 2022, more than 13,471 beneficiaries were involved in the project that stages workshops and home visits to socially vulnerable families, disseminating information on how to reduce consumption, in line with other social projects carried out by the Company. The initiative promotes the inclusion of families in public social assistance policies, such as the low-income social tariff, which provides a discount of up to 65% on electricity bills.

We are committed to promoting access to energy in developing countries not only by supplying electricity, but also clean, innovative technologies to the population in order to generate energy that has a reduced impact on the environment. Approximately 1,364 MW of energy from renewable sources was commissioned in Latin America in 2022, increasing the total renewable capacity to approximately 20,808 MW. In Africa, Enel Green Power is currently the main private operator in the renewable sector in terms of installed capacity (more than 1,500 MW in operation and 598 MW under construction), with a presence in different countries, including South Africa, Zambia and Morocco. In Asia, the Group is present in India through its subsidiary Enel Green Power India, one of the country's main renewable energy companies, which owns and manages 340 MW of wind capacity, producing approximately 620 GWh a year in Gujarat and Maharashtra.

PERU - Enlightening my community

This is a program that provides clean and efficient energy to the most vulnerable rural communities close to our sites which currently lack electricity, aiming to contribute to their development and to the improvement of their living conditions by opening up a range of opportunities in relation to education, business development, connectivity, recreation inside and outside the home,

and security, thus generating inclusive and sustainable growth. The communities we target are located in areas that are not part of the districts in our concession area, so they cannot be served as customers. Since 2021, we have installed renewable hybrid systems at 6 locations in 3 regions of the country, with a total installed power of 30,130 MW, benefiting more than 3,500 people, as well as educational centers, sports grounds, public lighting, and municipal premises, thus avoiding the emission of 52.34 tons of CO₂ per year.

Our governance for promoting access to energy

Our commitment to guaranteeing access to energy is also confirmed in our 2023-2025 Strategic Plan through the definition of specific objectives, including an increase in renewable sources, the development of sustainable and circular products and services, engaging local communities through a model for creating shared value (please see the chapter, "[Engaging communities](#)"). The Strategic Plan, the Sustainability Plan that describes in detail the goals and commitments from an ESG point of view, including access to energy and the corresponding financial and non-financial reporting are analyzed and monitored by the Board of Directors, by means of the Corporate Governance and Sustainability Committee and the Control and Risk Committee (see the [Corporate Governance report](#), available at www.enel.com).

Top management is committed on a daily basis to realizing these strategic objectives by contributing towards supporting the global challenge of guaranteeing access to energy. To support Top Management, each Country is responsible for managing relationships with institutional bodies, regulatory authorities on a national, regional and local level, and associations for promoting the development of solutions for access to energy according to different needs. The Innovability[®] Function, both on a holding level as well as a Business Line/Country level, also promotes the dissemination of a shared value model. It supports innovative solutions that can promote access to energy in remote areas with limited access to electricity.

