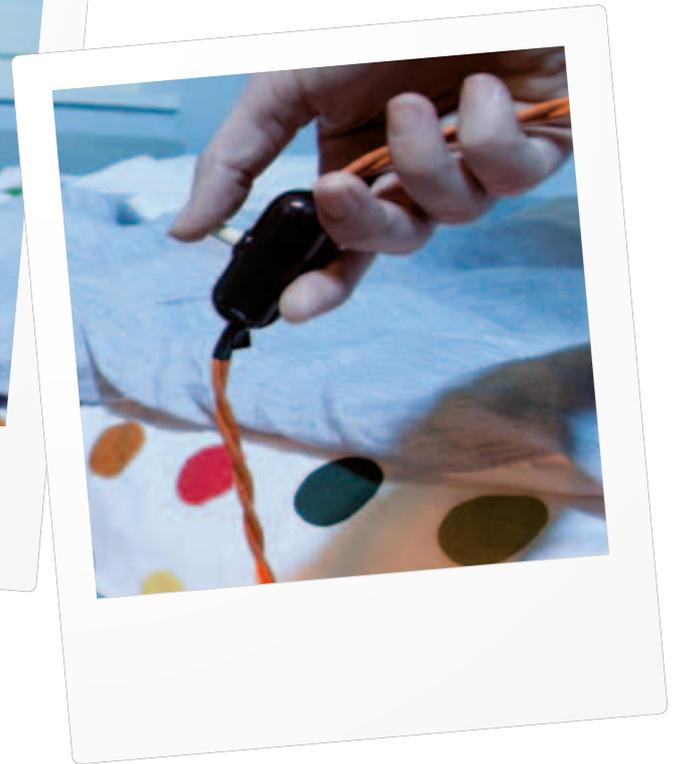


Sustainability Report 2011



FIFTY YEARS

1962 2012



1962 2012



CARBON DISCLOSURE PROJECT



Index

Letter to our stakeholders	8
Our ID	13
Our businesses	14
Enel worldwide	16
Group structure	18
Organizational Chart	20
Energy numbers	22
A sustainable year	24
Methodological note	30
How this Report has been prepared	31
Parameters of the Report	32
Chapter 1 - The Enel Group: identity, values, results	35
1.1 Our identity	36
1.2 A sustainable business	37
1.2.1 Strategic priorities	37
1.2.2 Climate Strategy	38
1.2.3 2012-2016 Sustainability Plan	40
1.3 2011 results	48
1.3.1 Operating results	48
1.3.2 Economic and financial results	51
1.3.3 Value created for stakeholders	53
1.4 Governance	55
1.4.1 Our shareholders	55
1.4.2 The corporate governance system	56

1.4.3 Risk management	67
Dossier - Innovation	68
Chapter 2 - Responsibility, transparency, ethics	79
2.1 The principles underpinning our actions	80
2.1.1 The three pillars of our corporate ethics	80
2.1.2 Lessons on ethics	83
2.1.3 Our key commitments	85
2.2 In line with our stakeholders	89
2.3 The network that multiplies our energy	94
2.4 What they say about us	97
2.4.1 Enel in the media	97
2.4.2 Brand Equity	98
2.4.3 Prizes and awards	99
Chapter 3 - The energy of our people	101
3.1 Our commitments	102
3.2 The numbers	104
3.3 People development	106
3.3.1 Recruitments and selection	107
3.3.2 Value creation	108
3.3.3 Training	110
3.4 Occupational health and safety	112
3.4.1 Objective: Zero accidents	112
3.4.2 Protecting health at Enel	118
3.5 Quality of life in the Company	122

3.5.1 Listening and discussing	122
3.5.2 Company welfare	123
3.5.3 Equal opportunities	129
3.6 Industrial relations	131
3.6.1 Industrial relations	131
3.6.2 European social dialogue	132
3.6.3 Industrial relations for health and safety issues	134
Chapter 4 - Enel for customers	137
4.1 Our commitments	138
4.2 Our customers	141
4.3 Objective: quality	142
4.3.1 Availability and reliability of electricity	142
4.3.2 Service quality	143
4.4 Access to energy	147
4.5 Fairness and transparency in customer relationships	149
4.5.1 Customer communication	149
4.5.2 Advertising	152
4.5.3 Energy sources	152
4.6 Promoting responsible energy consumption	154
4.6.1 Commercial offers	154
4.6.2 Information and awareness-raising	159
Chapter 5 - Environmental challenges	161
5.1 Our commitments	162
5.1.1 Environmental policy	162

5.1.2 Initiatives in progress	163
5.1.3 Environmental management	164
5.2 Air	167
5.2.1 Greenhouse gas emissions	167
5.2.2 Other emissions	172
5.3 Energy	173
5.3.1 Direct consumption	173
5.3.2 Indirect consumption	174
5.4 Raw materials	175
5.4.1 Fuel consumption	175
5.4.2 Consumption of other materials	177
5.5 Water	178
5.5.1 Water consumption	178
5.5.2 Waste water	181
5.6 Transport and logistics	182
5.7 Biodiversity	183
5.8 Waste and spills	184
5.8.1 Waste	184
5.8.2 Spills	187
Dossier - Nuclear power	188
Chapter 6 - Citizens of the world	190
6.1 Create shared value	192
6.2 Sharing objectives and impact assessment	194
6.2.1 Managing relocation	198

6.2.2 Projects in progress	199
6.3 The safety of communities	202
6.4 Value for countries and local communities	205
6.4.1 Promoting social development	206
6.4.2 Disseminating an energy culture	207
6.4.3 Support for local initiatives	212
6.5 The heart of solidarity	214
6.5.1 Enel Cuore	214
6.5.2 The Endesa foundations	216
Dossier - Enabling electricity	218
Chapter 7 - Sustainability in the supply chain	225
7.1 The numbers	226
7.2 Qualification and selection	227
7.3 Protecting human rights along the supply chain	228
7.4 Safety in contract work	231
7.4.1 Information and training on safety	232
7.4.2 Results	233
Appendix	235
Performance indicators	236
GRI Content Index	286
Reconciliation with the 10 Global Compact principles	295
Report of the Independent Auditors	



Letter to our
stakeholders

In 2011 the global panorama was characterized by a persistent phase of economic and financial uncertainty which meant limited growth in developed economies, including those in Western Europe, and rather more vigorous growth in the emerging economies of Eastern Europe, Asia and Latin America.

The energy sector itself was affected by some significant events which contributed to a profound change in its prospects. Among these, the tsunami which struck the Fukushima Daiichi nuclear power plant – following the earthquake which devastated Japan – seems to have slowed down the development of this technology worldwide.

Following this event and the consequent debate on the safety of nuclear power plants, some European countries decided to review their own energy policies. For example, in Italy the referendum of June 2011 marked the country's, and Enel's, withdrawal from its nuclear energy development program.

To these factors we may add the events of the Arab spring which highlighted the importance of the security of energy supplies for European countries.

In this turbulent scenario, Enel continued to represent a reliable international company and a credible industrial Group which has been involved in the development of Italy and of many other countries for half a century.

Enel today means bringing energy to over 61 million customers every day, thanks to the work of over 75,000 employees; operating along the entire electricity value chain in 40 countries; having a technologically and geographically balanced production mix, with over 40% of generation in 2011 being zero emission; being a good citizen and promoting the welfare of the communities around us. These are the achievements that we take pride in and which drive Enel to be a key energy player worldwide.

Being a strong and credible company, in a still highly uncertain global situation, offers a sense of stability and security. Enel, for example, was one of the most active participants in the discussions between business and the G20 at the most recent ministerial meetings of the International Energy Agency (IEA) and at the climate change conferences in Cancun and Durban.

The climate is a significant variable which affects our decisions and our performance. In particular, during 2011, the lack of rainfall caused a significant reduction in hydroelectric production, which was only partially offset by the marked increase (over 30%) in production from other renewable sources that are part of our power generation capacity. Overall, this caused a 5.4% increase in the Group's CO₂ emissions.

Despite last year's performance, Enel confirms its commitment to combating climate change and its long-term strategy to limit CO₂ emissions. Compared to 1990 (the base year for the Kyoto Protocol) the Enel Group's CO₂ emissions have fallen by 34% and this downward trend will continue in future years with targeted investment and set timeframes.

Leadership in renewables and in innovation

Leadership in innovation is one of the priorities of the 2012-2016 Business Plan, a commitment which Enel has been tenaciously pursuing for some time with concrete investments. Electronic meters, for example, have enabled us to introduce the grids of the future. Enel is a world leader in the introduction of this technology, having installed 36 million meters in Italy since 2001, while another 13 million are currently being installed in Spain, besides numerous pilot projects for their use also in Latin America. Together with remote monitoring, electronic meters will be the cornerstone of smart grids which will, in their turn, be fundamental elements in the infrastructure and economic growth of numerous countries. Taking this as our starting point, we are launching pilot projects for the development of smart grids in Spain, Italy and Brazil.

Renewables represent another driver for sustainable development. Enel Green Power, the Group company which focuses solely on renewables, operates in 16 countries using all the main generation technologies. This geographic and technological diversification allows us to make the best possible use of the continuous growth in renewables. Our steadfast commitment is to making these energy sources not only sustainable, but also increasingly competitive compared to traditional generation technologies, by increasing their efficiency and reliability.

We are also very focused on the issue of energy efficiency which is one of the most effective ways to reduce emissions. It is our belief that increasing efficiency must involve all the elements in the value chain, from electricity generation to transmission and distribution grids up to end uses, such as heating and air-conditioning systems, indoor and outdoor lighting, household utilities and mobility.

In this sense, Enel's commitment is achieving very significant results on all directions, such as, for example, the constant improvement in the average yield on our thermoelectric capacity and the increase of approximately 10% in ISO 14001 certified net efficient capacity, which must be added to the constant improvement in the environmental performance of our power generation capacity. In the future we aim to reduce even further the environmental impact by investing in the innovative technology of carbon capture and storage which we are already testing.

Our commitment to innovation continues with the development of projects for electric mobility through agreements with leading vehicle manufacturers such as Mercedes, Piaggio and Renault. The philosophy of sustainable urban development also underpins the realization of the smart city concept, for which Enel is a world leader in developing demonstration programs.

One Company, One Ethics, One Report

Being part of a community means working with our stakeholders in rigorous compliance with best governance practice and maintaining transparency and accountability.

Today in Enel sustainability is part of our strategy, processes and daily activities and represents one of the mainstays of our Business Plan. We are convinced that corporate responsibility has a direct impact on competitiveness and long-term value creation.

The cornerstone of our Corporate Social Responsibility is the Code of Ethics, which summarizes the Group's commitments and responsibilities in conducting its business and which is binding on all the companies in which Enel holds a majority stake, as is the Zero Tolerance of Corruption Plan. The same concept of global standardization lies behind the creation of the "One Company" project which seeks to redraw the Group's organizational model, in order to ensure more streamlined and effective decision-making processes, by sharing common systems and conduct. The aim is to build, day by day, a Group identity which has a solid common base, but which at the same time can create value from diversity by joining the global and local dimensions.

This organizational development, in building the Enel of tomorrow, still puts the safety of its employees and external collaborators first, as shown by the number of dedicated training hours (almost 1.1 million in 2011) and the constantly falling trend in accidents, with a 14.5% reduction in the accident rate. The

“zero accident” target is being pursued with increasing determination also in regard to our suppliers’ employees: in 2011 the accident rate at contracting companies fell by 15.7% compared to 2010. In keeping with the vision of an increasingly integrated Group, we are also moving towards the so-called “One Report”, with the aim of setting out both our financial and non-financial performance in a single document, so as to allow shareholders and stakeholders a complete overview of the value created by the Company. To this end, the Report on Operations in the 2011 Annual Report includes a section dedicated to sustainability together with a set of quantitative performance indicators. Enel is also involved in the G4 Consortium of the GRI (Global Reporting Initiative) and in the Pilot Programme of the IIRC (International Integrated Reporting Council), in order to help establish an internationally agreed framework and guidelines for the integrated reporting of tomorrow. In addition, we have strengthened our commitment to transparency and communication with Socially Responsible Investment (SRI) indexes and funds. Since 2006, Enel’s Sustainability Report has never failed to achieve an A+ rating in application of the GRI guidelines. Enel is also part of the Dow Jones Sustainability Indexes for the eighth year running and in 2011 was readmitted to be part of the FTSE4Good index and is the only utility in the world to have been admitted to the Carbon Performance Leadership Index of the CDP (Carbon Disclosure Project).

Combating energy poverty and creating shared value

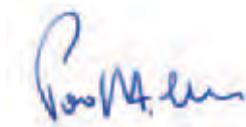
More widespread access to energy can improve the lives of billions of people worldwide. In its World Energy Outlook for 2011 the International Energy Agency (IEA) estimates that 1.3 billion people currently have no access to electricity and 2.7 billion use fuels such as traditional biomass to cook on polluting and inefficient stoves, with fatal consequences for two million people a year.

It is also on the basis of these statistics that the General Assembly of the United Nations declared 2012 “International Year of Sustainable Energy for All” and called on institutions, companies and civil society to collaborate to extend access to energy, improve energy efficiency and increase the use of renewables. The Enel Group, as a member of the Global Compact LEAD, supports combating energy poverty with the “Enabling Electricity” program that aims to facilitate the access of infrastructure to electricity, encourage low-cost access to electricity in low-income areas and build up and share professional know-how and skills in the energy sector, in order to create shared value.

As the history of the previous century shows, the spread of electricity was the driver for economic, social and industrial growth. At a time of economic recession, an efficient energy market can, for industrialized countries, go hand in hand with economic recovery and, for emerging and poorer countries, be a source of growth by allowing wider access to goods and services.

We are convinced that the creation of value for business becomes sustainable and long-lasting if, at the same time, it becomes the creation of value for the community and for the environment. In 1962 Enel came into being in Italy with the aim of completing the electrification of the country, equipping it with leading-edge infrastructure and bringing electricity wherever it was needed. Today, fifty years on, Enel is renewing its mission and its commitment to the benefit of global communities and future generations.

Chairman
Paolo Andrea Colombo



Chief Executive Officer and
General Manager
Fulvio Conti

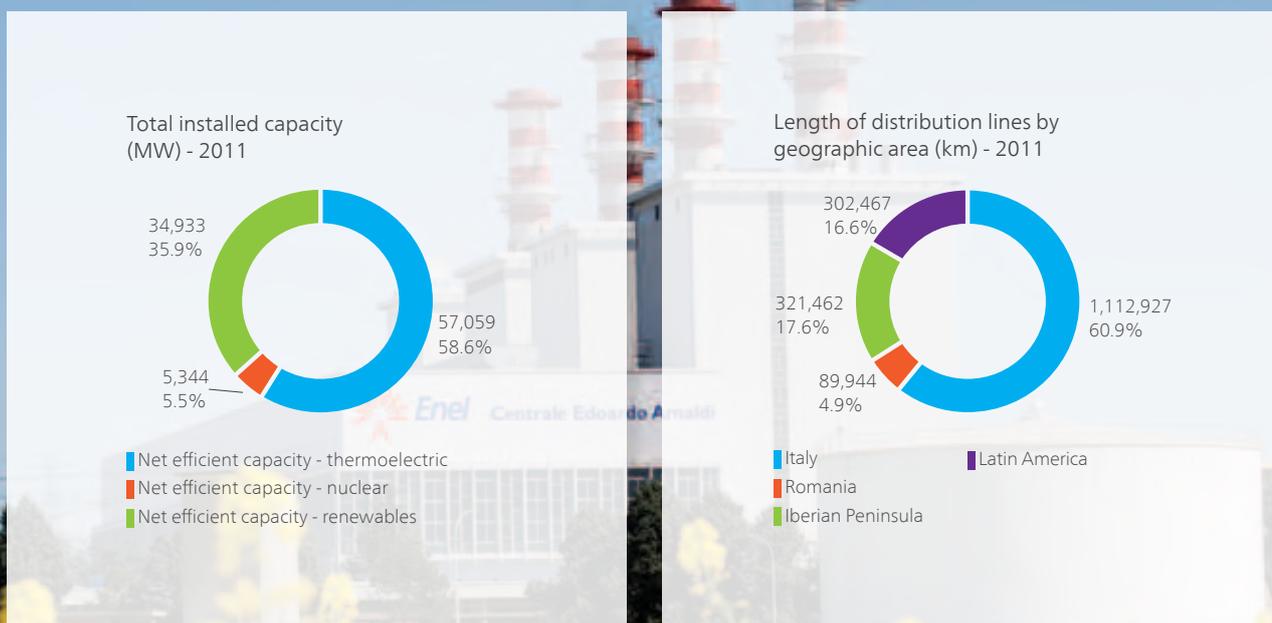




Our ID



Our businesses



Generation

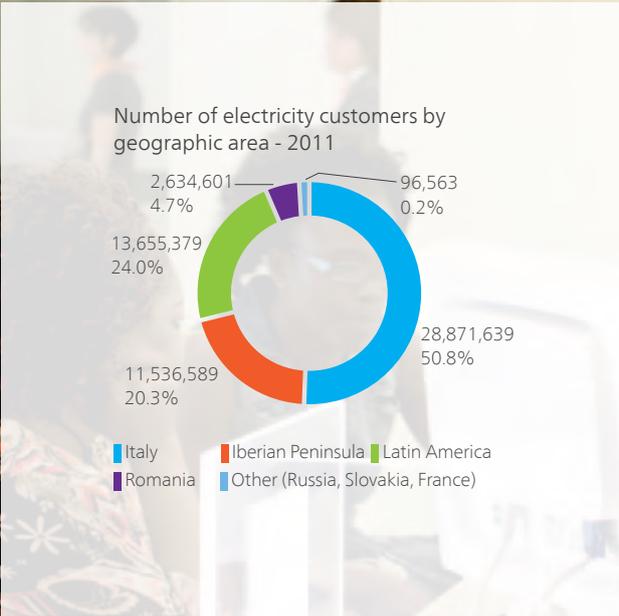
Enel produces energy through a **balanced mix of sources**, in which a leading role is played by renewable sources (hydroelectric, wind, geo-thermoelectric, biomass, photovoltaic, etc.) and where fossil sources are diversified across natural gas, coal and oil (electricity only and combined cycle).

In the whole Group net efficient capacity in December 2011 totaled 97,336 MW. This power generation capacity enabled total net electricity production in 2011 of over 293.9 TWh.

Distribution

Thanks to 1,826,800 km of power lines across two continents, Group distribution companies transport electricity to over 56 million end users in Italy, Romania, the Iberian Peninsula and Latin America.

The electricity transported on the Enel Group distribution grid in 2011 totaled 435.0 TWh, of which 246.0 TWh was in Italy and 189.0 TWh abroad.



Sales

Enel sells electricity in 12 countries. The Group sales companies operate both on the protected categories market, with controlled prices, and on the free market, satisfying all the needs of the Group's 60,952,832 customers (56,794,771 of whom are on the electricity market and 4,158,061 on the gas market).

The Enel Group's electricity sales in 2010 stood at 311.8 TWh, while gas sales to end users totaled 8.5 billion cubic meters.

Upstream

In 2007 Enel started a vertical integration process by entering the sector of direct exploration of gas deposits. The exploration of and production from gas fields will guarantee part of the gas needed in Enel power plants, thus allowing greater flexibility, modularity and partial independence from its existing supply contracts, which will expire around 2017-2018. Russia is the first country in which the Company has created a vertically integrated presence. The Russian fields will start to produce in 2012 and the gas extracted will be used for power plants in the country. The Enel Group has also guaranteed itself, in partnership with other operators, a percentage of production from the Isarene and SE Illizi fields in Algeria and the Longanesi field in Italy.

Enel worldwide

Our business country by country

Generation Net installed efficient power

Italy	41.0 %
Iberian Peninsula	24.6 %
Latin America	16.7 %
Russia	9.3 %
Slovakia	5.5 %
Ireland	1.04 %
North America	1.04 %
Romania	0.28 %
Greece	0.20 %
France	0.17 %
Morocco	0.13 %
Bulgaria	0.04 %

Distribution Power lines

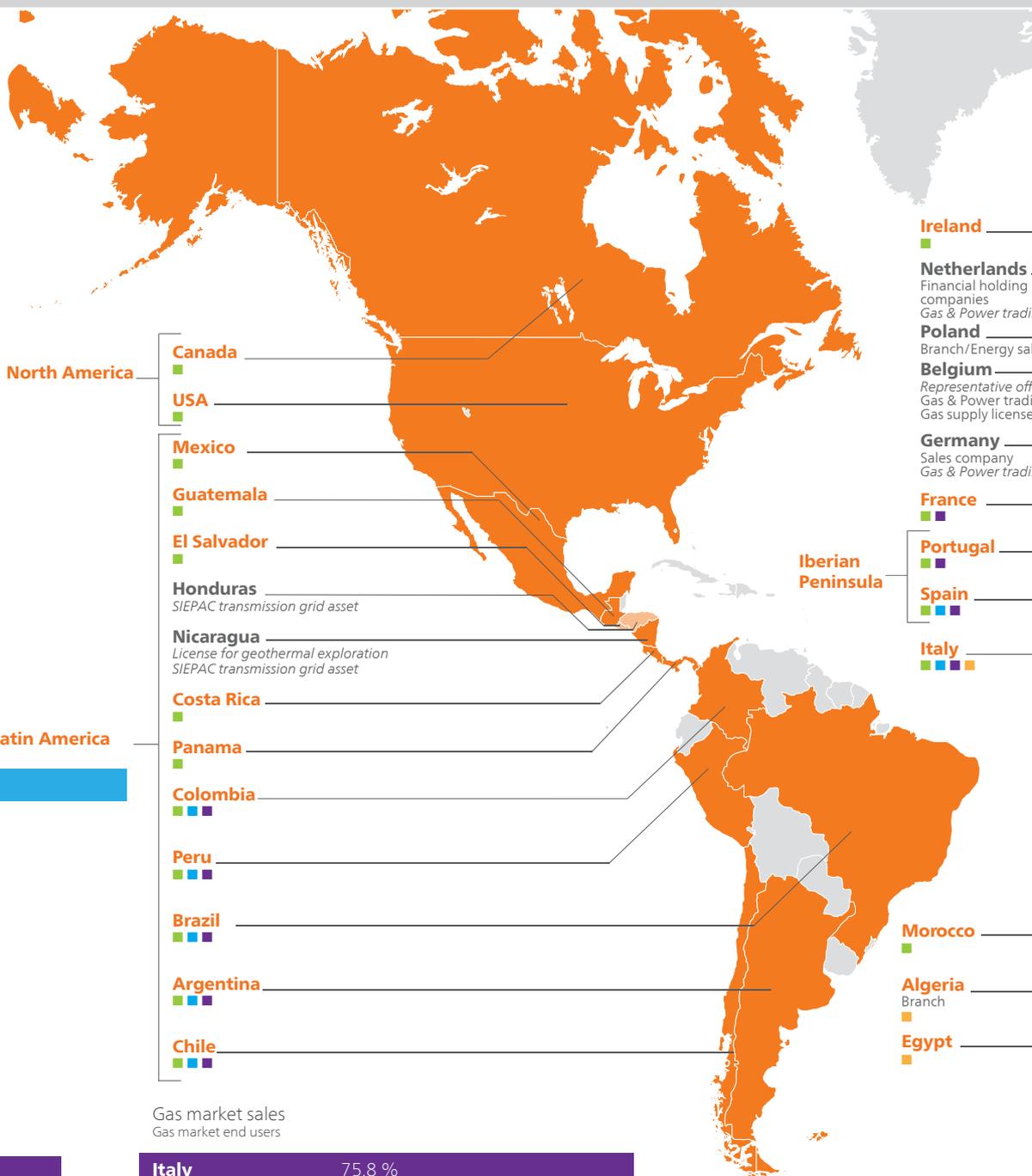
Italy	60.9 %
Iberian Peninsula	17.6 %
Latin America	16.6 %
Romania	4.9 %

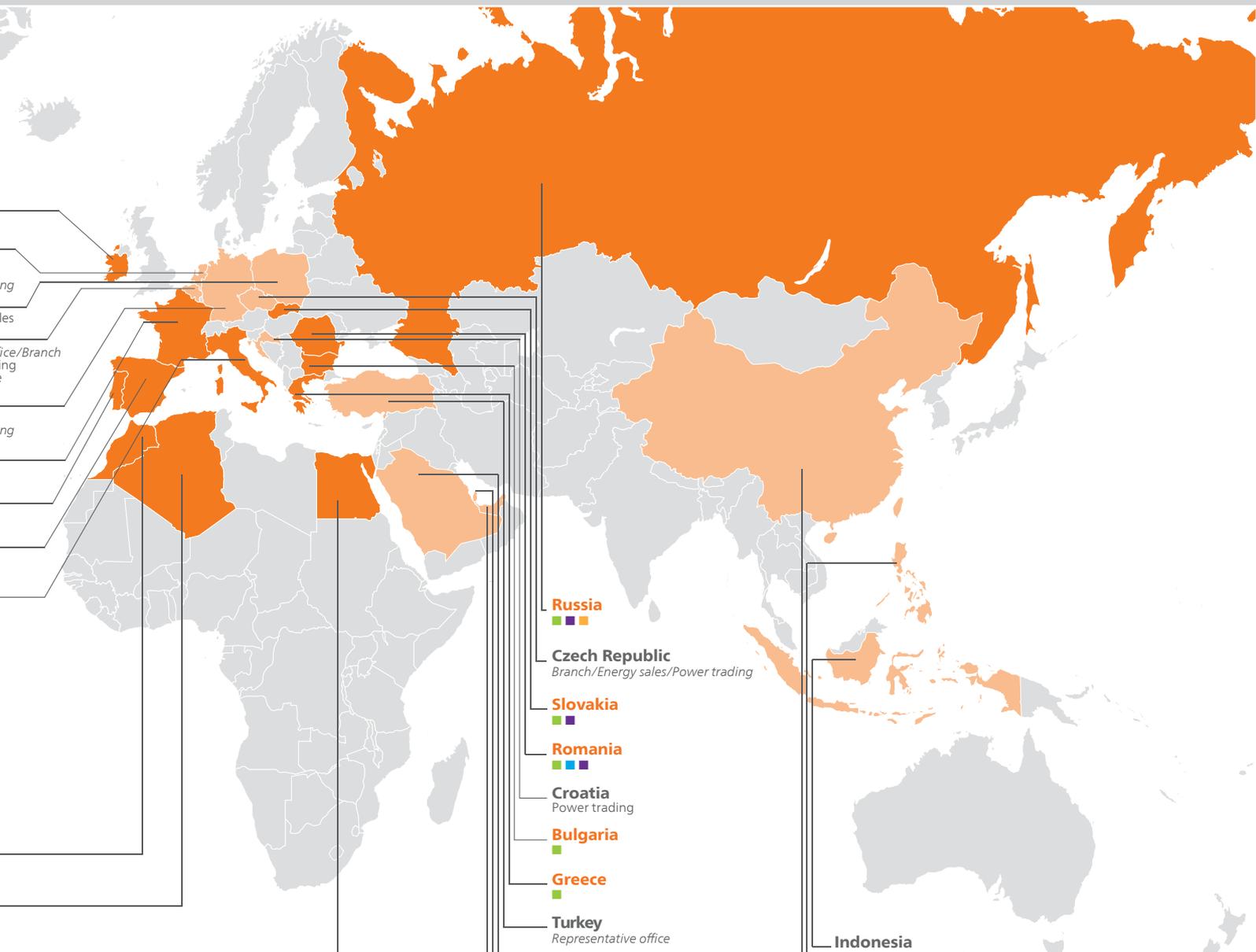
Electricity market sales Electricity market end users

Italy	50.8 %
Latin America	24.0 %
Iberian Peninsula	20.3 %
Romania	4.7 %
Russia	0.2 %
Slovakia	
France	

Gas market sales Gas market end users

Italy	75.8 %
Iberian Peninsula	24.2 %





- Generation
- Distribution
- Sales
- Upstream

- Russia**
- Czech Republic**
Branch/Energy sales/Power trading
- Slovakia**
- Romania**
- Croatia**
Power trading
- Bulgaria**
- Greece**
- Turkey**
Representative office
- Saudi Arabia**
Branch/Plant construction
- Qatar**
Branch
- United Arab Emirates**
*Branch
 Enelpower
 Endesa Engineering branch*
- Indonesia**
*10% equity investment in Bayan
 Representative office*
- Philippines**
*Endesa Carbono office
 CDM projects*
- China**
*Representative office
 CDM projects*

Group structure

Corporate Enel SpA

Sales

Enel Servizio Elettrico
Enel Energia

Generation and Energy Management

Enel Produzione
Enel Trade
Enel Trade Romania
Enel Trade Croatia
Enel Trade Serbia
Nuove Energie
Hydro Dolomiti Enel
SE Hydropower
San Floriano Energy
Enel Stoccaggi
Enel Longanesi Development
Sviluppo Nucleare Italia

Engineering and Innovation

Enel Ingegneria
e Innovazione

Infrastructure and Networks

Enel Distribuzione
Enel Sole
Enel M@p

Iberia and Latin America

Endesa

International

Slovenské elektrárne
Enel Distributie Muntenia
Enel Distributie Banat
Enel Distributie Dobrogea
Enel Energie Muntenia
Enel Energie
Enel Productie
Enel Romania
Enel Servicii Comune
RusEnergoSbyt
Enel OGK-5
Enel France
Enelco
Marcinelle Energie

Renewable Energy

Enel Green Power
Enel.si
Enel Green Power
Latin America
Enel Green Power España (*)
Enel Green Power Romania
Enel Green Power
North America
Enel Green Power Bulgaria
Enel Green Power France
Enel Green Power Hellas

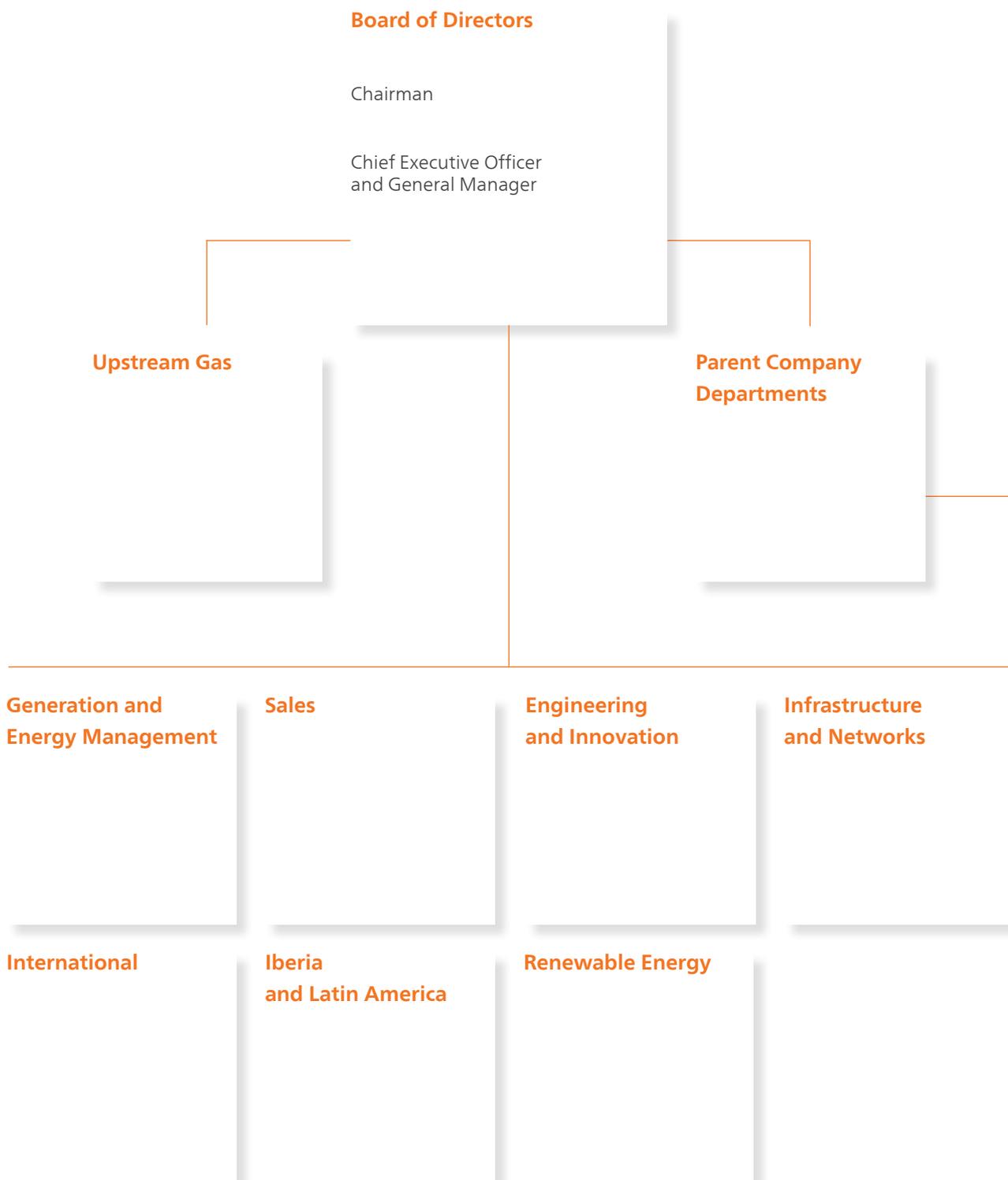
Services and Other Activities

Enel Servizi
Enelpower
Enel.NewHydro
Enel.Factor

(*) Following the merger during 2011, includes the figures for Enel Unión Fenosa Renovables.



Organizational Chart



Procurement and Services

Regulations,
Environment
and Carbon Strategy

External Relations

Accounting,
Finance and Control

Group Risk
Management

Audit

Information and
Communication
Technologies

Legal

Personnel and Organization

Corporate Affairs

Energy numbers

Enel Group

Operating results

Economic results

Countries

40

Net electricity generation

+1.3%

Revenues

+8.4%

Continents

4

Zero-emission generation

41.6%

EBITDA

+1.4%

Subsidiaries and associated companies

853

New renewable power installed

525.3
MW

Gross global added value

23,470
million euro

Sales

Electricity and gas customers

61
million

Environment

Specific CO₂ emissions

+5.4%

Average efficiency of
thermoelectric plants

+1%

Specific water withdrawal

-4.8%

People

Total workforce

75,360
people

Hours of training per head

+23.1%

Electronic meters installed

35
million

Accident rate (LTIFR)

-14.5%

A sustainable year



Enel Sustainability Day: CSR key also for companies of emerging economies.

Leading global CSR experts meet at the Endesa offices in Madrid. 280 senior managers of international companies interviewed for Enel by the Economist Intelligence Unit: sustainability is at the heart of corporate strategies also in emerging markets.



Enel admitted to the FTSE4Good index of the London Stock Exchange.

The company headed by Fulvio Conti is the second group in the world to have satisfied the stringent transparency and security criteria in the management of its nuclear activities required for admittance to the prestigious index of the London Stock Exchange and the Financial Times.

Enel and Endesa in the UN Global Compact LEAD.

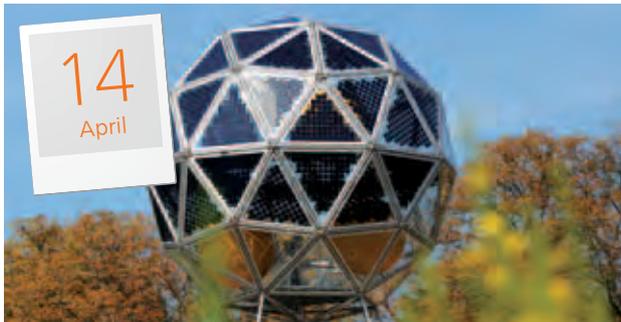
The Enel Group joins the initiative created by the United Nations and presented at Davos, which brings together the 56 best international companies in terms of sustainability.



Enel: inaugurated at Brindisi the first pilot plant in Italy for the capture of CO₂.

The first test of the promising "zero-emission" technology supported by Europe gets underway.





With the "Diamante", the sun shines also at night.

Rome City Council, Enel and La Sapienza University of Rome sign a protocol for the installation of the Diamante, an innovative new-generation photovoltaic plant which allows the accumulation and conservation of the renewable energy produced.

NEC and Enel together for the development of smart grids.

The two companies launch a pilot project to test solutions based on lithium-ion batteries developed by NEC and applied to the Enel distribution network.



Enel: awards for winners of the PlayEnergy 2010 project.

This year too numerous schools took part in the project: over 460,000 students were involved from 8,300 schools in Italy and abroad. 125,000 of these young people took part in the competition and created over 2,830 projects.

Enel Contemporanea Award 2011: won by the artist Carsten Holler.

The international jury met in Venice during the 54th International Art Exhibition. The work which won the Enel Contemporanea Award 2011 was then shown at MACRO (the Museum of Contemporary Art) in Rome.



Enel and Endesa bring electronic meters to Brazil.

Pilot project in Brazil: Coelce, a subsidiary of Endesa, installs 100 Enel "model" electronic meters in the area of Fortaleza. Group synergies will facilitate the development of smart grids also in Latin America.

Fulvio Conti nominated President of Eurelectric.

Eurelectric is the association which represents the interests of the whole European electricity sector: electricity generation, transmission, distribution and sales.



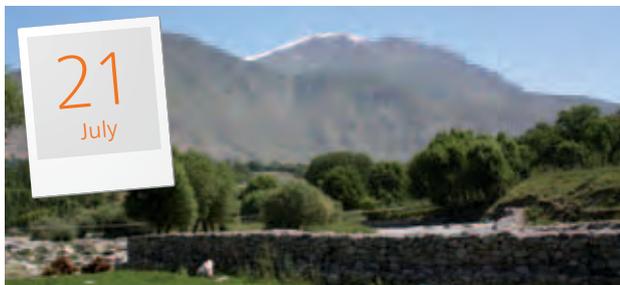


Enel collaborates with the United Nations' World Food Programme (WFP).

Fulvio Conti, Chief Executive Officer of Enel, and Josette Sheeran, Executive Director of the World Food Program, sign a cooperation framework agreement to combat famine and climate change worldwide. Investments planned in "green kitchens" and photovoltaic roofs for the network of humanitarian emergency assistance points managed by the WFP and to support humanitarian action.

Enel.Radio: launch of the network for those working in Enel.

This is the first radio station of an Italian company, joins the web TV and opens a new chapter in corporate interaction and communication.

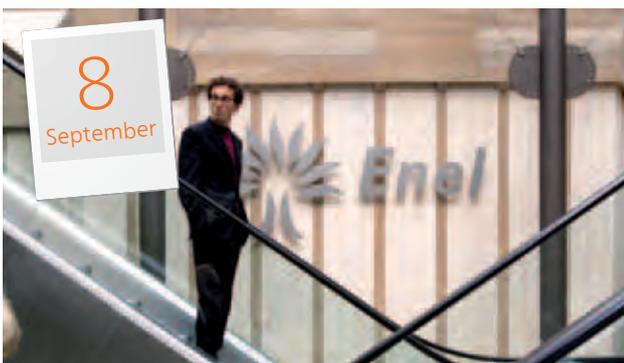


Enel and Terna illuminate the stadium in Herat, Afghanistan.

The two electric companies provide the materials which are brought to the region by Italian military aircraft. The initiative, which seeks to strengthen social cohesion, is completed on the day of handover for security responsibility in Herat from the Italian to the Afghan military.

Awards presented to the winners of "We Are Energy", the international competition for the children of Enel staff worldwide.

Prize-giving for 118 youngsters from 14 countries. The initiative is a success also on Facebook and on the dedicated website.



Enel confirmed in the Dow Jones Sustainability Index also for 2012.

For the eighth year running, Enel is admitted to the exclusive Dow Jones Sustainability World Index (DJSI World) and the prestigious Dow Jones Europe Index. The World Index, in particular, includes only 342 companies worldwide, selected from among the largest 2,500, which are leaders in terms of sustainability. The presence of Endesa in the indexes is also confirmed.

Enel: with Open Data transparency goes online.

Enel publishes the Group's economic and financial information and sustainability data in accordance with the Open Data model. It is the first company in Italy to do so. The data are accessible to everyone and can be downloaded in various formats without any restrictions on their processing or commercial use.





Enabling electricity

New York: Enabling Electricity launched.

At the Private Sector Forum of the United Nations, the Chief Executive Officer Fulvio Conti presents "Enabling Electricity", Enel's global program to facilitate access to electricity, in light of 2012 being the year of "Sustainable Energy for All".

Enel one of the top 29 companies on the Carbon Disclosure Project (CDP) index.

The CDP represents 551 institutional investors that manage 71,000 billion dollars and selects the companies that are most closely committed to transparent reporting and reducing greenhouse gas emissions. Enel is the only utility company in the world to be admitted to the index with the highest possible rating.



Enel Green Power and Renzo Piano together for miniwind.

Presentation of the prototype of an innovative wind turbine developed by the famous architect from Genoa in collaboration with EGP. A new concept of wind generator, which is more responsive to low-level winds which are common in the territory.

Enel delivers to the Port Authority of Venice the Cold Ironing for the maritime area.

"Green" initiatives for the port to benefit the city. Presentation of the feasibility study prepared by Enel for shore-side electrical power: the project is part of the agreement between Enel and the Port Authority of Venice.



Enel Distribuzione: in Isernia the first smart grid in Italy.

It is one of the first smart grids in Europe.

Enel and Opel Ampera, the electric car with extended autonomy and simple zero-emission recharging.

Opel and Enel sign a cooperation agreement for the development of a joint commercial offer dedicated to electric vehicle customers. A package consisting of energy supply and a domestic recharging facility that will guarantee simple, safe and emission free recharging.





Enel: Conti inaugurates the fourth edition of International Safety Week 2011.

Medal from the President of the Republic of Italy Giorgio Napolitano to the Group's Chief Executive Officer in recognition of "the high symbolic value of the initiative".

Enel collaborates on carbon capture in China.

Four days of meetings between Enel and representatives of the Ministry of Science and Technology and of research institutes and universities of the People's Republic of China to study a CCS system in a power plant in Shaanxi province. Enel, which is a leader in this technology in Europe, confirms its commitment in the transition towards a global "low carbon" economy.



Opening of photovoltaic panel factory in Catania.

Start of production at the 3SUN plant – the joint venture between Enel Green Power, Sharp and STMicroelectronics – which in the initial stage will produce photovoltaic modules for 160 MW each year. The factory in Catania will serve the most promising solar markets of Europe, Middle East and Africa.

Events in 2012

Creation of "One Company", the new organization of the Enel Group.

The new organizational structure is based on an operating model which facilitates a more effective and efficient decision-making process, in line with the principles established by the One Company Handbook regarding the roles and responsibilities of the Parent Company compared to the other Group structures.



General Electric and Enel Distribuzione sign a strategic partnership for energy efficiency projects.

The agreement, which aims to reduce CO₂ emissions, will last until December 2014.

Enel and Renault present an innovative model to integrate electric mobility.

Innovative interaction between the respective systems which enables the direct localization by Renault Z.E. electric vehicles of the nearest Enel recharging points. An advanced solution for the management of recharging infrastructure for electric vehicles inside smart grids. By mid-2012 the launch of an innovative recharging solution worldwide: the fast charge using alternating current.



Enel and China Huaneng sign agreement for development of clean coal, renewable sources and distributed generation.

The cooperation concerns reducing pollution from flue gases, carbon capture and storage, generation from renewable sources and implementation of the regulatory framework. The two companies have been working for three years to realize the creation of a carbon capture and storage (CCS) plant in China.



One Company

The “One Company” project aims to transform Enel into a streamlined and compact multinational which can optimize its operations in each of the 40 countries where it operates. The new structure clearly divides responsibilities between the Parent Company,

the business areas (Divisions/Countries) and global services, providing standard rules and speeding up the decision-making process thanks to a clearer allocation of responsibilities.

In particular, the departments of the Parent Company are responsible for providing the direction, coordination and control for the whole Group, in accordance with the guiding principles set out in the One Company Handbook and in compliance with governance laws, regulations and rules. Global services provide services on a global scale for all the structures in the Enel Group, thus promoting the standardization and alignment of services to best internal and external practice, maximizing synergies and optimizing costs.

Finally, the business areas are responsible for managing the operations that fall within their scope.

Methodological note



How this Report has been prepared

Objectives

Since 2003 Enel has published an annual Sustainability Report together with the Group's Annual Report. The 2010 Report was published on April 29, 2011. The 2011 Sustainability Report, in line with the 2010 edition, aims to provide a snapshot of the Group's characteristics, activities, strategies and results through the perspective of economic, environmental and social sustainability, as evidence of Enel's commitment to development which is consistent with the challenges of the world in which it operates.

The document is intended for the Enel Group's stakeholders in order to highlight actions undertaken in regard to the Group's sustainability objectives and so to answer the legitimate expectations of all stakeholders.

The structure of the 2011 Sustainability Report is similar to that of the previous edition so as to enable stakeholders to more easily find the information they are interested in. In particular, the first two chapters address the Group's identity and the conduct criteria which regulate its operations, while the subsequent chapters are focused on the way in which the Company relates to its various stakeholders, giving a clear description of the approach to the handling of the various issues together with a summary of the most important activities. The tables contained in the Appendix complete the information in the main text and report the approximately 270 indicators monitored by Enel and their performance over the last 3 years (page 236). In addition, further information on the environmental performance is available in the Environmental Report, which Enel publishes every year and makes available at www.enel.com.

Information and further details on the issues and indicators in this Report can be requested to:

Enel SpA

**External Relations Department
CSR**

Viale Regina Margherita, 137

00198 Rome - Italy

tel. +39 06 8305 1

email: csr@enel.com

<http://www.enel.com/en-GB/sustainability>

Principles

The 2011 Sustainability Report was prepared in accordance with the "Sustainability Reporting Guidelines" of the Global Reporting Initiative (GRI), version G3.1, and the Electric Utilities Sector Supplement issued in 2009 by the GRI. In particular, in order to define the contents of the Report, the principles of materiality, inclusiveness, sustainability context and completeness were adopted; as regards the quality of the information provided, the principles adopted were balance, comparability, accuracy, timeliness, clarity and reliability. The completeness of the information provided compared to the information required by the GRI Reporting Framework has made it possible to self-certify

an A+ level; at the date of publication of the Report this application level is subject to confirmation by GRI.

This Report is compliant with the three principles indicated in AA1000APS (Accountability Principles Standard) issued in 2008 by AccountAbility, the international research institute on sustainability issues:

- > inclusiveness: being “accountable” to the stakeholders with whom the organization interacts and encouraging their involvement in identifying the key issues and seeking solutions;
- > materiality: determining the importance of each issue for the organization and its stakeholders, in order to take informed and knowledgeable decisions;
- > responsiveness: responding to the needs expressed by stakeholders, also through transparent reporting systems.

In reference to the principle of materiality, in particular, the detail in which the various issues are addressed was determined on the basis of their weight in the objectives and strategies of the Enel Group and of their importance for stakeholders, as emerges from the stakeholder engagement activities undertaken in 2011, from the press review and from public inquiries.

Reporting process

The process of planning, verifying and reporting sustainability occurs through the collection and processing of accounting and non-accounting data relating to Key Performance Indicators (hereafter, “KPIs”).

The process of reporting and monitoring sustainability KPIs requires the involvement both of Enel SpA on the cross-cutting issues, and of the Group’s Divisions and companies on specific issues for the various business sectors. In the areas involved, individuals have been identified to collect, check and process the relevant KPIs. The results are aggregated by the Strategies Unit of the Accounting, Finance and Control Department, which also coordinates the collection and processing of the quantitative indicators. The CSR Unit of the External Relations Department is responsible for the qualitative elements and the comment on the results, as well as the coordination of the preparation of the Sustainability Report.

The Sustainability Report is analyzed and assessed by the Internal Control Committee which, with the support of the Audit Department, checks its completeness and reliability; it is then approved by the Board of Directors and

finally presented at the Annual General Meeting together with the Group Annual Report.

Assurance

The 2011 Sustainability Report was verified by an independent assurance provider who carried out a limited assurance engagement in accordance with the criteria envisaged by ISAE 3000. The report describing the work undertaken and the related conclusions is in the Appendix.

Parameters of the Report

The data and information contained in the 2011 Sustainability Report regard Enel SpA and the consolidated companies for the year ended December 31, 2011. In the text and in the Appendix to the Sustainability Report, “Parent Company” means Enel SpA, while “Group” or “Enel” means the set of subsidiaries controlled by Enel SpA as of December 31, 2011.

For details on the subsidiaries in the scope of consolidation, the reader can refer to the “Performance” section included in the 2011 Annual Report. In particular, the data in this Report refer to the companies included on a line-by-line basis in the scope of consolidation of the 2011 Annual Report.

On the other hand, the associated companies (which in the Annual Report are valued using the equity method) and the other entities over which Enel exercises significant influence (including joint ventures) are included in the calculation of the data, where available, in proportion to Enel’s equity interest. In addition, if these companies and entities produce significant impacts, they are described in the text.

Some divergences from the KPIs and information in the 2010 Sustainability Report can be ascribed to changes in the Group’s scope of consolidation. Below is a list of the Group companies which during 2011 underwent organizational and consolidation changes compared to the previous reporting period:

- > Compañía Americana de Multiservicios Ltda (CAM) – sale;
- > Synapsis IT Soluciones y Servicios Ltda (Synapsis) – sale;

- > Sociedad Eólica de Andalucía SA (SEA) – change from proportional to line-by-line consolidation method;
- > Hydro Dolomiti Enel Srl – change from line-by-line to proportional consolidation method;
- > Enel Unión Fenosa Renovables SA (EUFER) – change from proportional to line-by-line consolidation method;
- > Sociedade Térmica Portuguesa SA – change from proportional to line-by-line consolidation method;
- > Maritza East III Power Holding BV and Maritza O&M Holding Netherland BV – sale;
- > Deval SpA and Vallenergie SpA – sale of 51% of the share capital;
- > San Floriano Energy Srl – acquisition of 33%;
- > Sviluppo Nucleare Italia Srl – change from proportional to line-by-line consolidation method.

For more detailed information on the changes, refer to the 2011 Annual Report in the section “Significant events in 2011”. The effect of the changes in the scope on the results and on the number of employees is given on pages 48 (“2011 results”) and 104.

The text and/or the Appendix also report any significant changes in the scope or in the means of calculating the individual indicators compared to 2010, together with the effects produced on the final figure. The reader can refer to the notes in the tables in Appendix for all other details on the means of calculation, the key assumptions and limitations in the reported indicators.

The calculations are made on the basis of the accounting and non-accounting results and of Enel’s other informa-

tion systems and are verified by the managers responsible for them. There is an explicit indication of data which come from estimates and the related calculation method. In relation to the calculation of the environmental indicators, it should be noted that:

- > the production data given in the section “Environmental challenges” (hereafter, net electricity produced) are shown net of consumption by the auxiliary services of power plants and of the losses in the main transformers;
- > the net electricity produced as defined above does not necessarily correspond to the electricity sold which is set out in the section “The Enel Group: identity, values, results” of this Report and in the Annual Report of the Enel Group at December 31, 2011. The energy sold is, on one hand, affected by grid losses, since it is metered further downstream, and, on the other, it includes the consumption of some auxiliary services (medium-voltage services in some dams, services for the start-up of thermoelectric plants, etc.);
- > in addition, the net electricity produced does not include any plant decommissioning occurred during the year which is not been monitored by the environmental reporting system.

In light of these differences, data relating to the production yield and all the specific environmental indexes (e.g. emissions, energy consumption, etc.) are calculated in reference to the net energy produced, including the heat produced by the combined heat and power (CHP) plants.

Here below is a table summarizing the differences between the aforementioned values:

		2011	2010	2009
Electricity sold (Source: Internal data)	GWh	293,862	290,176	267,806
Net electricity produced (Source: Environmental Report)	GWh	290,678	289,284	286,314
Heat produced	GWh	9,472	8,855	9,164
Total energy produced (used to calculate the specific environmental indicators)	GWh	300,150	298,139	295,478



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Bond freeze ends for companies on Europe periphery

News analysis

Markets appear to be calming after a spate of almost indiscriminate risk aversion, writes Robin Wigglesworth

After a few frenzied weeks, a smattering of stronger companies from the region's periphery have again been able to sell bonds in the market. This marks a welcome return to debt markets. However, this report just shows the extent of the region's periphery's recovery but market still has a long way to go. The market is still very nervous and the region's periphery is still a long way from being able to sell bonds in the market. This marks a welcome return to debt markets. However, this report just shows the extent of the region's periphery's recovery but market still has a long way to go.



Chapter 1

The Enel Group:
identity, values,
results

1.1 Our identity

“ Our mission is to **create and distribute value** in the international energy market, to the benefit of our customers' needs, our shareholders' investment, the competitiveness of the countries in which we operate and the expectations of all those who work with us. We **serve the community**, respecting the environment and the safety of individuals, with a commitment to creating a better world for future generations. ”

Enel is a company which is growing in the global energy market and which intends to increase the skills and opportunities for development of all the people in the Group. In all the countries in which it operates, the objective is to behave as good global citizens, at the service of customers and all those who have dealings with the Group.

To achieve and maintain this objective, the conduct of every Enel employee, at all organizational levels and in all the countries in which the Group operates, is based on 16 guiding principles.

These principles, which are also the pillars on which Enel's Code of Ethics is built (page 81), are the basis for conduct in all dealings between people in the Group and external contacts (partners, suppliers, shareholders, institutions, the public administration, etc.).

The 16 general principles of the Code of Ethics

1. Impartiality
2. Honesty
3. Correctness in case of potential conflicts of interest
4. Confidentiality
5. Correctness in relations with shareholders
6. Appreciation of equity investment
7. Value of human resources
8. Fair exercise of authority
9. Integrity of people
10. Transparency and correctness of information
11. Diligence and thoroughness in executing tasks and contracts
12. Correctness and fairness in managing and renegotiating contracts
13. Service and product quality
14. Fair competition
15. Responsibility to society
16. Protection of the environment



1.2 A sustainable business



1.2.1 Strategic priorities

Enel has undergone international expansion and is now one of the world's leading energy companies. The 2012-2016 Business Plan confirms the validity of the strategic priorities adopted after the phase of international expansion.

Consolidation of its leadership position in Italy and Spain in the electricity generation, distribution and sale

The Enel Group plans to maintain its leadership in the mature markets of Italy and Spain: in Italy, in particular, mainly through projects to improve efficiency, optimize working capital and protect margins; in Spain we will continue to maximize efficiency programs and synergies and invest in new hydroelectric pumped capacity. In ad-

dition, innovative and high added-value projects will be pursued in order to modernize the electricity grid, also to support electric mobility and to continue the plan to install digital meters in Spain.

Enhancement and development in the renewables sector in Latin America, Russia and Eastern Europe

The Enel Group will invest further in these markets in order to diversify its production portfolio and to expand in high potential sectors and geographic areas. It is planned to increase the net installed capacity by around 6.6 GW by 2016, of which around 4.5 GW in the Renewable Energy Division, around 1.1 GW in Latin America (Bocamina II, El Quimbo, Casalaco and Reserva Fria) and around 1

GW in Slovakia (Mochovce 3 and 4), and to streamline generation capacity in Russia.

Leadership in innovation

Research and technological innovation are strategic priorities of the Group, with the objective of making energy production and consumption more efficient and responsible: from improving the environmental performance of plant to carbon capture and storage technology, from renewables such as thermodynamic solar power to the development of electric mobility and smart grids.

Consolidation, integration and operating excellence

The Enel Group will continue to pursue efficiencies and cost savings through the implementation of synergies between Enel and Endesa (which are estimated, including Endesa's Zenith program, at around 1.3 billion euro a year as from 2011) and through the realization of Enel's Zenith program (which should guarantee savings for around 5.9 billion euro over 2009-2015). In addition, the Group has launched a new process efficiency and streamlining program called "One Company", which should allow further savings to be achieved of around 400 million euro per year from 2016. This project is mainly aimed at simplifying decision-making processes, unifying the activities of the Parent Company and bringing together the global service activities.

Close control of investments

Total net investments envisaged for the 2012-2016 period amount to around 27 billion euro, 4 billion euro less than the previous business plan for 2011-2015, due to the lower level of investments in Italy and Spain of around 3 billion euro, and to the benefits arising from the new investment efficiency and optimization project at Group level, called "*Optima Capex*", for around 1 billion euro.

The set of initiatives aimed at pursuing the business plan objectives will enable the Enel Group to consolidate its financial stability by increasing the available cash flows, and so reduce its consolidated net debt by around 14.5 billion euro in the 2012-2016 period.



1.2.2 Climate Strategy

Enel acknowledges the priority of the fight against climate change among its responsibilities as a large global energy company and some time ago launched initiatives to reduce greenhouse gas emissions in all the countries where it operates.

Enel's commitment to meet climate change challenges is driven both by the compliance obligations envisaged by the European Emissions Trading Scheme (EU ETS) and by the commitment, signed as a member of Eurelectric together with 60 other European utilities, to become carbon neutral in Europe by 2050.

Enel is, therefore, working on a wide range of options for the various business sectors it operates in from both a short- and long-term viewpoint.

The directions on which Enel is acting in pursuing its climate strategy are:

- > use of the best existing technologies: the Group invests in the development of technologies to reduce emissions from conventional energy sources. When new high-efficiency, low-emission plants come into operation, the carbon footprint of thermal generation decreases;
- > development of zero-emission energy sources: the continuous investment in renewable technologies and nuclear energy means the Group has a strong presence



in the energy generation mix based on technologies which allow energy production that is completely free of greenhouse gas emissions;

- > energy efficiency: the programs concern both networks, in particular through the development of smart grids, and end users to encourage a change in consumption models, including through post-metering services and the promotion of electric mobility;
- > research and innovation: an increasing commitment to innovative technologies in the solar sector, carbon capture and storage, smart grids, and electric mobility;
- > reduction in emissions through the dissemination of best practice in the countries of Eastern Europe and in developing countries and by exploiting the flexible mechanisms introduced by the Kyoto Protocol (Clean Development and Joint Implementation), in which the Group is a world leader.

Taking account of the strategic choices in terms of the generation mix, the changes to the Group's scope, and the technological investments made, the specific CO₂ emissions of the Enel Group compared to 1990 (the baseline year for the Kyoto Protocol) have fallen by 34%. For 2020 the Company has set as its objective a 15% reduction compared to the levels in 2007.

Enel will continue to reduce its emissions and to make use of international credits, promoting the use and development of market mechanisms to facilitate investments in low-carbon technologies and to achieve its objectives at the lowest cost.

Even more significant reductions will be possible when, presumably as from 2025, technologies will be available at industrial scale, such as carbon capture and storage, which can offer production capacity at large scale with very low emissions. Such long-term development requires a regulatory framework to provide the stability that can direct significant and rising investments towards low-emission technologies.

Besides being a responsibility and growth opportunity, climate change can also have a significant impact on the Group's activities and must be considered as a potential risk for the success of its strategies, competitiveness and stability in key markets.

Currently the main risks for the Group from climate change are regulatory and concern the possibility that the power generation capacity does not comply with the regulatory provisions relating to atmospheric greenhouse gas (GHG) emissions. In Europe, EU law on the system for trading greenhouse gas emission quotas (Emissions Trading Scheme, EU ETS) imposes costs for the electricity sector, which, in the future, may be increasingly significant. In this context, the instability of the emissions trading market worsens the problems in its management and monitoring. In order to reduce the risk factors linked to the law on CO₂, the Group monitors the development and implementation of EU and Italian law and develops strategies which enable it to buy quotas at more competitive prices.

In addition, the Group is constantly engaged in satisfying all the regulatory obligations which may apply to the businesses in the various countries where they are located. In Italy, for example, Enel manages the compliance with the obligations it has as a distributor, as regards the efficiency of final consumption (the white-certificate system), and as a producer, as regards the share of electricity from renewable sources that must be supplied to the grid every year (the green-certificate system).

Finally, additional risks caused by climate change regard the physical effects to which power plants are subject. A reduction in rainfall, for example, can lead to a decrease in production at hydroelectric plants, while an increase in temperature can interfere with the effectiveness of cooling systems in thermal plants. At the present time, these risks occur on an occasional basis.

1.2.3 2012-2016 Sustainability Plan

The Enel Group's strategic sustainability priorities are integrated into its long-term 2012-2016 Business Plan, which sets out the Company's path to growth within a strategic framework of enhanced governance, combating climate change and protecting the environment, social development and transparent dealings with all stakeholders.

The macro sustainability objectives are closely connected to the entire Group's strategic objectives and are established by the Company's top management. These macro objectives are then transmitted to the different operating areas and form the guidelines by which each Division/Department of Enel SpA must establish its own sustainability objectives and identify the key actions planned for the coming years.

This process of agreeing on the objectives at all levels takes place with the assistance of the CSR Unit of Enel SpA's External Relations Department, which cooperates with the Accounting, Finance, and Control Department's Strategic Planning Unit in supporting the process of establishing the sustainability priorities and objectives by providing the guidelines that Enel SpA's Departments and the Group's Divisions and companies must follow in drawing up their short- and medium-term plans.

These guidelines are referred to in the "Plan Letter" that the Chief Executive Officer sends every year to all the operating heads of Enel SpA's Divisions to initiate the process of establishing the objectives. In addition to the guidelines on the specific objectives and the action areas, the letter also highlights the common bases that characterize the Enel Group and which must be followed and reflected in identifying the lines of action (such as the quality of the corporate atmosphere, the concern for the individual and the total commitment to health and safety).

On the basis of the "Guidelines" sent by the Chief Executive Officer, the Divisions establish their sustainability performance indicators, which are aggregated at the Enel SpA level and included in the business plan. These indicators are then analyzed and monitored through Enel's sustainability control system, which prepares a periodical report.

In order to draw on increasingly transparent and complete information, in addition to these key indicators, Enel monitors about 270 indicators – almost 900 considering the various sub-indicators – which are presented in this Report. The strategic priorities of the 2012-2016 Business Plan, which are reported on pages 37-38, constitute the basis for the development of the Sustainability Plan guidelines, at the level of both Enel SpA and the various Divisions. The involvement of stakeholders is one of the elements underpinning the definition of the Group's Sustainability Plan: some time ago Enel activated a set of instruments and initiatives to collect and analyze the requests of stakeholders⁽¹⁾, and these needs have been integrated with the Group's strategic choices in order to define the significant macro areas of engagement for each category of stakeholder. In 2011 Enel implemented a series of projects and initiatives for each objective and for the related actions in the Sustainability Plan. The detailed reference to the individual initiatives launched during the year can be found in the Plan.

(1) In regard to the instruments to involve stakeholders, refer to the stakeholder map on pages 90-91 of this Report.

Macro areas of engagement	Objectives	Proposed actions	In this Report
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Stakeholders: shareholders and lenders

Sustainable policy on dividends and debt reduction	Continuous debt reduction	Disposal of non-core assets and rigorous financial discipline in selecting investment projects	Paragraph 1.2.1
	Leadership in key markets	Organic growth, structural synergies and operating excellence	Paragraph 1.2.1, 3.1, 5.3.1
	Sustainable development	Renewable energy growth and geographic diversification	Paragraph 1.2.1, 5.1.1, 5.2.1, Focus - Social Impact Assessment in CDM projects
Creation of sustainable and lasting value	Strategic risk management	Analysis and assessment of risk control processes	Paragraph 1.4.3
	Transparent reporting which addresses the needs of SRI funds	Monitoring and reporting of the most important sustainability KPIs for socially responsible investment funds	Letter to our stakeholders
Correctness and transparency in conducting business	Maintenance of a corporate governance model to guarantee maximum transparency	Alignment of all the Group companies to the same corporate governance model through the coordination of the three instruments of self-regulation (Code of Ethics, ZTC Plan and 231 Compliance Program)	Paragraph 1.4.1, 1.4.2, 2.1.1, 2.1.2, 2.1.3
	Maintenance of complete and correct disclosure to our shareholders and lenders	Transparency and frequency of financial communication and dealings with institutional and retail investors	Paragraph 1.4.1, 2.4.2
		Constant attention to dealings with ethical investors through dedicated units	Paragraph 1.4.1

Macro areas of engagement	Objectives	Proposed actions	In this Report
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Stakeholders: customers

Service quality	Customer care and customer relationship	Expansion of contact points with customers and development of new channels through technological innovation	Paragraph 1.1, 1.2.2, 1.3.1, 1.3.2, 4.1, 4.2, 4.3.1, 4.5.1, 4.5.2, Our ID, Dossier - Innovation
		Enhancement of instruments to record and monitor customer satisfaction	Paragraph 4.3.2, Focus - Customer Satisfaction Evolution
		Extension of the reconciliation procedure to the whole Group and to small- and medium-size enterprises for quicker and more effective dispute management	Paragraph 4.5.1 Focus - Alternative dispute resolution (Reconciliation)
	Tailoring of service to the customer	Development of instruments and services aimed at customers with specific needs with a view to greater social inclusion	Paragraph 4.4, 4.5.1
	Reduction in interruptions to supply	Improvement in network efficiency through technological innovation and rationalization of infrastructure	Paragraph 1.2.2, 2.1.3, 5.1.2, Letter to our stakeholders, Dossier - Innovation, Dossier - Enabling Electricity
Sustainability of commercial offer	Promotion of energy efficiency in final use	Raising awareness of end users to responsible resource consumption	Paragraph 4.5.1, 4.5.3, 4.6.1, 4.6.2

Macro areas of engagement	Objectives	Proposed actions	In this Report
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Stakeholders: community

Dialogue with the community	Transparent information and openness to dialogue with the community	Involvement of the local communities affected by the realization of major infrastructure projects	Paragraph 2.1.3, 6.2, 6.2.3 Focus - Social Impact Assessment in CDM projects
		Involvement in the most important international networks for the protection of human rights	Paragraph 2.1.2, 2.1.3, 2.3, Letter to our stakeholders, Focus - Enel in the Global Compact
		Realization of a major annual event to encourage global discussion on corporate responsibility themes	Focus - The second Enel Sustainability Day
		Involvement of local communities in information raising initiatives and environmental education	Paragraph 6.2.3
		Creation of value from the Company's historical and cultural heritage through events, exhibitions and dedicated publications	Paragraph 6.4.3, Focus - Enel's Historical Archives
Management of local impacts	Minimization of environmental risks Protection of biodiversity and the landscape	Extension of environmental certification to all Group plant	Paragraph 5.1.2, 5.1.3
		Valorization and preservation of the natural heritage of the countries in which the Group operates and of green areas near plant	Paragraph 5.1.1, 5.1.2, 5.1.3, 5.5.1, 5.7, 6.5.2
Social development initiatives	Investments in communities and charitable giving	Investments in communities	Paragraph 6.4
		Commitment to the growth and development of local areas through education, culture and sport	Paragraph 6.4.1, Focus - Educating the new generations about energy, Dossier - Enabling Electricity
		Development of commercial activities with a social purpose	Paragraph 4.5.1, 6.4, 6.4.1
		Social solidarity and charitable giving	Paragraph 6.4, 6.5
	Promotion of solidarity initiatives among employees	Paragraph 6.4	
	Enabling Electricity	Program to allow access to energy in isolated areas and disadvantaged communities in peripheral, rural and suburban areas	Paragraph 6.4, Letter to our stakeholders, Focus - Enel in the Global Compact, Dossier - Enabling Electricity
Human rights	Adoption of a policy for the respect of human rights in line with the Universal Declaration of Human Rights and the Guiding Principles on Business and Human Rights	Promoting the respect of human rights through instruments to assess, mitigate and prevent abuses in the communities where the Group operates, in particular guaranteeing dialogue and exchange with indigenous populations	Paragraph 2.1.1, 2.1.3, 6.1, 6.3, 7.3

Macro areas of engagement	Objectives	Proposed actions	In this Report
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Stakeholders: employees

Corporate climate based on shared values	Dissemination of the culture of sustainability	Launch of initiatives to provide information and raise awareness about sustainability inside and outside the Group	Paragraph 2.1.2, 3.1, 3.3.3, Focus - Training courses on ethics in Eastern Europe/ Learning about CSR
		Enhancement of in-house communication instruments, in particular Enel TV	Paragraph 3.4.1, 3.5.1
		Integration of sustainability in monitoring and assessment systems	Paragraph 3.3.2
		Promotion of sustainability in dealings with unions in all the countries in which Enel operates	Paragraph 3.6.1
	Improvement in the corporate climate	Enhancement of the instruments to record and monitor the corporate climate	Paragraph 3.3
		Leadership and performance review model extended to the whole Group	Paragraph 3.3
Diversity Management and protection of the individual	Promotion of diversity and equal opportunities	Realization of initiatives to protect and create value from diversity	Paragraph 3.1, 3.2, 3.5.2, 3.5.3, Letter to our stakeholders, Focus - Plan Senda
	Demographic challenge	Valorization of human capital on the basis of the differing ages of Group employees and balancing the contribution from different generations	Paragraph 3.3.2, 3.5.2, 3.5.3
	Promotion of corporate welfare initiatives	Activation of further supplementary services (medical care, cultural and recreational activities) for workers	Paragraph 3.5.2, People Care
Activation of instruments and services to improve the work-life balance		Paragraph 3.1, 3.5.2, Focus - Plan Senda, People Care, Focus - Commuting	
Enhancement of mobility management initiatives		Paragraph 3.5.2, Focus - Plan Senda, People Care, Focus - Commuting	

Macro areas of engagement	Objectives	Proposed actions	In this Report
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Stakeholders: employees

Occupational health and safety	Adoption of a single safety standard in all workplaces	<p>Extension of management policies and systems to all Group locations</p> <p>Intensification of training for all professional groups</p> <p>Intensification of prevention and monitoring</p>	<p>Paragraph 3.4, 3.4.1, Focus - International Safety Week</p> <p>Paragraph 3.4.2, Focus - International Safety Week</p> <p>Paragraph 3.4.1, Nine Points Safety Improvement Plan</p>
	Communication and promotion of the culture of safety	Realization of initiatives and instruments to facilitate the sharing of experiences and best practices regarding safety throughout the Group	Paragraph 3.4.1, Nine Points Safety Improvement Plan, 3.6.3
Development of people	Training and creating value from the skill base	Dissemination of best internal practices and promotion of operational excellence throughout the Group	Paragraph 1.2.1, 3.3, Focus - Plan Senda, 3.3.3
		<p>Dissemination of knowledge management systems</p> <p>Initiatives to support the new Leadership Model</p> <p>Launch of specific e-learning CSR program</p>	<p>Paragraph 2.1.2, 2.1.3, 3.1, 3.3.1, 3.3.3, 3.4, Letter to our stakeholders</p> <p>Paragraph 3.1, 3.3, 3.3.1, 3.3.2, 3.6</p> <p>Paragraph 2.1.2, 3.1, Focus - Training courses on ethics in Eastern Europe/ Learning about CSR</p>
	Development of assessment and incentive systems that can attract and retain the most talented people	Creation of a talent-management system and activities to develop talent pools	Paragraph 3.3.2, 3.5.3
Human rights	Adoption of a policy for the respect of human rights in line with Universal Declaration of Human Rights and Guiding Principles on Business and Human Rights	Guaranteeing respect of human rights through instruments to assess, mitigate and prevent abuses for Enel employees, in all the countries where the Group operates	Paragraph 2.1.3, 3.4.2, 3.5.3, 3.6.1

Macro areas of engagement	Objectives	Proposed actions	In this Report
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Stakeholders: suppliers

Sustainability in dealings with suppliers	Promotion of environmental, social and governance (ESG) sustainability criteria in selecting suppliers and in dealings with contracting companies	Formalization of a system of checks in social, environmental and governance areas on respect of workers' rights by suppliers	Paragraph 1.1, 2.1, 2.1.2, 2.1.3, 5.1.1, 5.1.2, 7.2, 7.3, Focus - Training courses on ethics in Eastern Europe/ Learning about CSR, Focus – Bettercoal
		Review of contracting processes with regard to safety to align contracting companies to Enel's safety standards	Paragraph 3.4.1, 7.4, 7.4.1
		Continuous implementation of Vendor Rating systems in the various parts of the Group	Paragraph 3.4.1, 7.1, 7.4
		Correctness and transparency in selection processes and dealings with suppliers	Paragraph 2.1.3, 7.2, 7.4
Human rights	Adoption of a policy for the respect of human rights in line with Universal Declaration of Human Rights and Guiding Principles on Business and Human Rights	Guaranteeing respect of human rights along the supply chain through instruments of assessment, mitigation and prevention, in all the countries where the Group operates	Paragraph 7.3, Focus - Bettercoal

Stakeholders: organizations representing interest groups

Commitment to good citizenship	Creation of long-term partnerships with associations representing interest groups	Ongoing and sustained openness to the needs and requests of organizations representing interest groups	Paragraph 1.4.2, 2.2, 2.3, 3.5.2, 4.1, 5.7, 6.3, 6.4, Focus - Enel in the Global Compact
		Discussion of critical activities and planning based on shared objectives	Paragraph 5.7, 6.2.3, 6.3, 6.4
Development of shared projects	Activation of projects in close cooperation with associations representing interest groups	Activation of environmental and awareness-raising projects for citizens in favor of sustainable development in partnership with environmental associations	Paragraph 2.2, 6.2.3, 6.3
		Activation of innovative solutions to settle disputes with customers in partnership with consumer associations	Paragraph 4.1, Focus - Alternative dispute resolution (Reconciliation)
		Creation of value from the local area through partnership projects with small- and medium-size business organizations and local authorities	Paragraph 6.2.3
		Promotion of cultural and sporting events	Paragraph 6.4.3

Macro areas of engagement	Objectives	Proposed actions	In this Report
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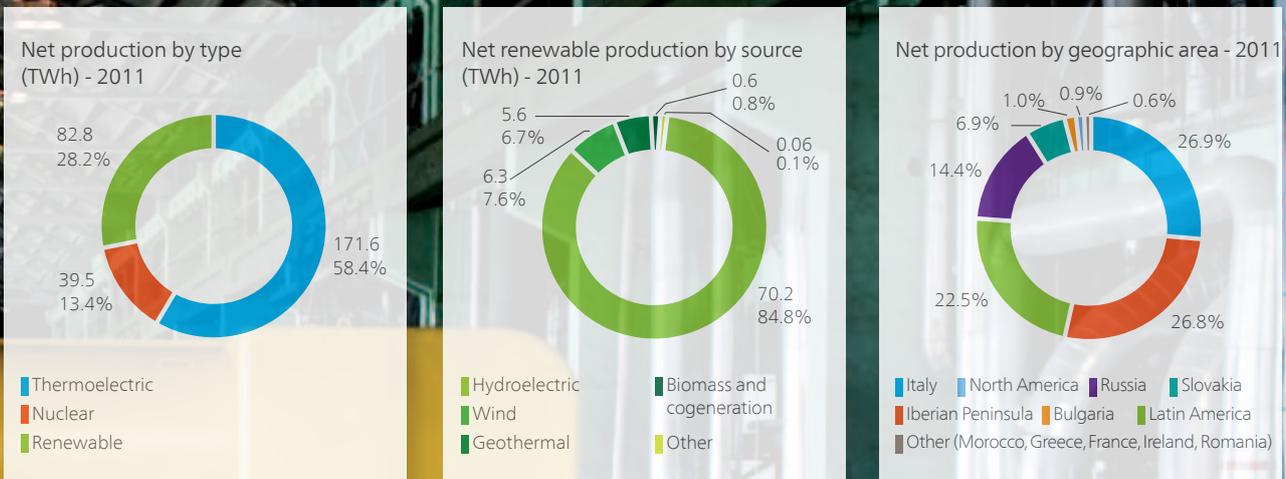
Stakeholders: institutions

Commitment to good citizenship	Promotion of dialogue with local, national and international institutions	Cooperation with national and international public institutions	Paragraph 1.1, 2.1.3, 2.2, 2.3, 5.1.1, 6.1, 6.2, 6.2.3, 6.4.3, Letter to our stakeholders, Focus - Enel in the Global Compact, Focus - The second Enel Sustainability Day, Dossier - Enabling Electricity
		Proactive role in industry and multi-sector talks to promote sustainability issues	Paragraph 2.2, 2.3, Focus - Enel in the Global Compact, Focus - The second Enel Sustainability Day, Dossier - Enabling Electricity

Stakeholders: future generations

Access to electricity	Promotion of initiatives to guarantee access to energy	Realization of electricity generation and distribution plant in developing countries, in particular for rural electrification	Paragraph 4.1, 6.4.1, Letter to our stakeholders, Dossier - Enabling Electricity
	Enabling Electricity	Realization of a program to guarantee access to energy in isolated areas and disadvantaged communities in peripheral, rural and suburban areas	Paragraph 6.4, 6.4.1, Letter to our stakeholders, Focus - Enel in the Global Compact
Climate Strategy	Diversification of sources for energy generation	Balanced development of the generation mix	Paragraph 1.2.2, 5.2.1, 5.3.1, Dossier - Nuclear power
		Generation of energy from renewable sources	Paragraph 1.2.1, 1.2.2, Letter to our stakeholders
		Continuous technological improvement of generation plant in the countries where the Group operates	Paragraph 1.2.1, 1.2.2, Dossier - Innovation
	Research and development in technologies for long-term energy environmental sustainability	Development of technologies to sequester carbon and limit emissions	Paragraph 1.2.1, 1.2.2, Dossier - Innovation
		Development of smart grids and electric mobility	Paragraph 1.2.1, 2.1.3, 4.1, Letter to our stakeholders, Dossier - Innovation, Focus - The Smart City, Dossier - Enabling Electricity
		Commitment to research to overcome obstacles to the spread of renewable energy	Dossier - Innovation, Dossier - Enabling Electricity

1.3 2011 results



1.3.1 Operating results

Electricity production

The Enel Group's total net production in 2011 was 293.9 TWh (+1.3% compared to 290.2 TWh in 2010), of which 79.0 TWh was produced in Italy and 214.9 TWh abroad.

In Italy, Enel's power plants produced 79.0 TWh, down by 2.6 TWh compared to 2010 (-3.2%). The fall in production from hydroelectric sources (-5.9 TWh), due to the less favorable conditions in 2011 compared to 2010, was partially offset by the increase in thermoelectric production (+2.9 TWh) and other re-

newable sources (+0.4 TWh).

The Enel Group's net production abroad in 2011 was 214.9 TWh, up by 6.3 TWh (+3.0%) compared to the previous year. The increase was mainly due to the higher quantities generated by Endesa in the Iberian Peninsula (+8.1 TWh) and to the increase in production by companies in the Renewable Energy Division (+1.0 TWh).

The electricity produced by the Enel Group's power plants in Italy and the rest of the world was 58.4%

28.2%
of production is
RENEWABLE

41.6%
of production is at
ZERO EMISSIONS



Renewable 82.8 Twh



Nuclear 39.5 Twh

Oil/gas 38.1 Twh

CCGT 47.4 Twh

Coal 86.1 Twh

Enel
production
mix

generated from thermoelectric sources, 28.2% from renewable sources, and 13.4% from nuclear energy, giving a total of 41.6% of energy produced from zero-emission sources.

Electricity distribution

The electricity transported on the Enel Group's distribution network in 2011 totaled 435.0 TWh (+0.8%), of which 246.0 TWh was in Italy and 189.0 TWh abroad.

The volume of electricity distributed in Italy fell by 1.0 TWh (-0.4%) compared to 247.0 TWh distributed in 2010⁽²⁾.

Electricity distributed abroad rose by 4.4 TWh (+2.4%) compared to the previous year, mainly as a result of the larger contribution from Endesa (+3.9 TWh) both in the Iberian Peninsula (+1.6 TWh) and in Latin America (+2.3 TWh).

Electricity sales

Electricity sales to end users in 2011 totaled 311.8 TWh, up by 2.8 TWh (+0.9%) compared to 2010. The increase depends mainly on the higher quantities sold abroad (+12.0 TWh), in relation above all to the activities undertaken in France (+5.8 TWh), Latin America (+5.4 TWh) and Russia (+1.6 TWh), partially offset by lower volumes sold in Italy (-9.2 TWh).

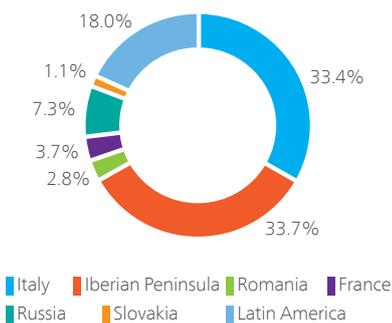
Gas sales to end users totaled 8.5 billion cubic meters, down by 0.4 billion cubic meters (-4.5%) compared to 2010. This phenomenon was due in particular to the fall of sales in Italy of around 0.9 billion cubic meters, while those realized abroad, which refer solely to Endesa, rose by 0.5 billion cubic meters.

Electricity volumes sold (GWh)

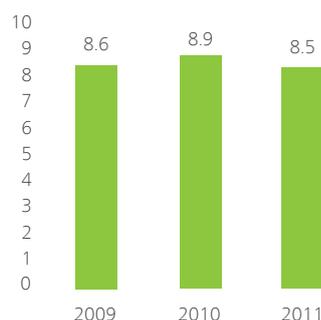


(2) The figure for 2010 has been modified so that it takes account of a more precise calculation of the quantities transported and includes the Deval distribution network.

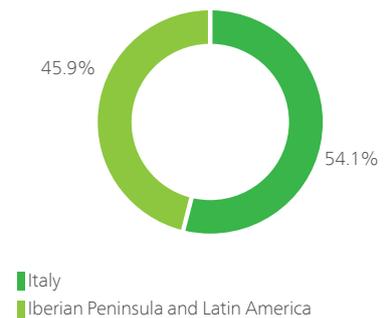
Electricity volumes sold by geographic area - 2011



Gas volumes sold (millions of cubic meters)



Gas volumes sold by geographic area - 2011



1.3.2 Economic and financial results

The global situation in 2011 was one of continuing economic and financial uncertainty which saw limited growth in mature economies, including the countries of Western Europe, and more marked growth in the emerging economies of Eastern Europe, Asia and Latin America.

Despite such a difficult environment, Enel achieved its preset objectives, recording EBITDA of 17.7 billion euro and a net result of 4.2 billion euro, thanks to its geographic and technological diversification and a portfolio that was well balanced between regulated and unregulated activities.

In addition, in 2011 the plan to reduce the Group's debt continued and led to a net financial position of 44.6 billion euro, lower than the previous year. Thanks to these results, at the end of 2011 the debt/gross operating margin ratio stood at 2.5 (2.6 at December 31, 2010).

The year, therefore, provided confirmation of the solidity of the Group's equity structure thanks to the improvement in cash flows, rigorous control of investments, and action to raise efficiency and streamline processes, as well as operational flexibility, all of which were realized throughout 2011 and will continue to provide benefits also in future years.

Consolidated income and financial data

	UM	2011	2010	% difference 2011-2010
Revenues	(m. euro)	79,514	73,377	8.4%
EBITDA (Gross operating margin)	(m. euro)	17,717	17,480	1.4%
EBIT (Operating income)	(m. euro)	11,366	11,258	1.0%
Group net income	(m. euro)	4,148	4,390	-5.5%
Group ordinary net income	(m. euro)	4,097	4,405	-7.0%

Revenues in 2011 stood at 79,514 million euro, up by 6,137 million euro (+8.4%) compared to 2010. The positive change was due mainly to the higher revenues from electricity generation and electricity and fuel trading, as well as the growth in revenues from the sale of electricity to end users on free, non-domestic markets. In addition, revenues in 2011 included income from the

sale of some equity investments (for a total of 429 million euro) and from fair value revaluation of the assets and liabilities of some companies.

Gross operating margin (EBITDA) was 17,717 million euro, an increase of 237 million euro (+1.4%) compared to the previous year. This result arose both from the aforementioned income and from the results of the Sales, Infrastructure and Networks, International and Renewable Energy Divisions, which were only partially offset by the reduction in profits in the Generation and Energy Management and Iberia and Latin America Divisions. The fall recorded for the latter Division was also affected by plant decommissioning, completed at the end of 2010, of assets relating to the gas distribution and electricity transmission networks in Spain.

Operating income (EBIT) totaled 11,366 million euro, up by 1.0% compared to 11,258 million euro in 2010, given an increase in depreciation, amortization and impairment losses of 129 million euro.

Group net income for 2011 totaled 4,148 million euro compared to 4,390 million euro in the previous year (-5.5%). This reduction was due to the higher tax charge in the year, which was also affected by the adjustment to current and deferred tax following the introduction in Italy of the so-called "Robin Hood Tax". This increase in the tax burden more than offset the improvement in the Group's commercial and financial operations.

Group ordinary net income was 4,097 million euro, down by 308 million euro (-7.0%) compared to 4,405 million euro in 2010.

Finally, investments in 2011 totaled 7,484 million euro (of which 6,845 million euro was for property, plant and equipment), up by 394 million euro (+5.5%) compared to 2010.

Enel in the sustainability indexes



Dow Jones Sustainability Indexes (DJSI)

In 2011, the eighth year in a row, Enel is part of the prestigious Dow Jones Sustainability Index and the Dow Jones World Index.

The latter considers only 10% of the world's 2,500 largest companies that are leaders in terms of sustainability.

FTSE4Good

During 2011 the Enel Group was included in the prestigious FTSE4Good index^(*). Created by the FTSE Group, the FTSE4Good series of indexes is designed to favor investment in companies that meet globally recognized standards of corporate social responsibility.

The companies included in the FTSE4Good have satisfied stringent social and environmental criteria and have been considered capable of capitalizing the benefits deriving from responsible business behavior.

^(*) The FTSE Group confirms that Enel was independently assessed according to the FTSE4Good criteria and that it satisfied the requirements for participating in the FTSE4Good Index Series.

Carbon Disclosure Project (CDP)

In September 2011 Enel was included in the classification of the best sustainable companies worldwide drawn up by the Carbon Disclosure Project (CDP), known as the Carbon Performance Leadership Index (CPLI).

The Carbon Performance Leadership Index includes the 29 companies in the FTSE Global Equity Index Series (Global 500) which, like Enel, have shown the greatest commitment in terms of strategy, governance, stakeholder communication and emissions reduction.

1.3.3 Value created for stakeholders

The economic value created and distributed by Enel provides a useful indicator of how the Company has created wealth for its stakeholders.

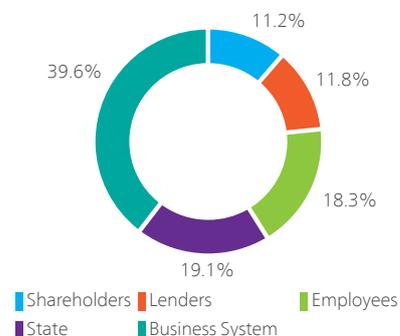
Most of the economic value created by the Group in 2011 was reinvested in corporate development and investment plans to support growth and innovation (39.6%). After the Company, the main beneficiaries of the generated value were national and local public administrations, with 19.1% of the value distributed in the form of taxes and contributions, and employees (18.3%) through pay, benefits, pension plans and other individual benefits provided for people in the Group.

Millions of euro	2011	2010
Revenues	79,514	73,377
Net income/(costs) from commodity risk management	272	280
External costs	56,308	49,567
Gross global added value continuing operations	23,478	24,090
Gross added value discontinued operations	-	-
Gross global added value	23,478	24,090
distributed to:		
Shareholders	2,635	2,350
Lenders	2,774	2,682
Employees	4,296	4,907
State	4,475	3,711
Business System	9,298	10,440

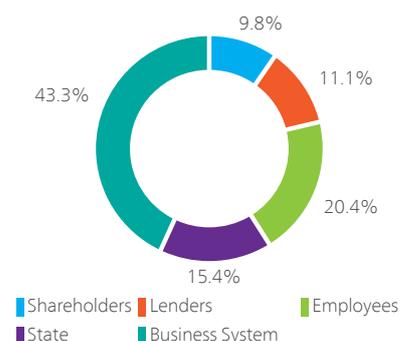
The providers of share capital (lenders and shareholders) were remunerated for their investments through interest on debt and dividends amounting respectively to 11.8% and 11.2% of the total value created during the year.

The fall in value distributed to employees was largely due to the ending of the voluntary redundancy program in Italy (which finished in December 2011), as well as the related agreement to eliminate subsidized tariffs for employees working in Italy. The increase in the value distributed to the State was affected not only by the "Robin Hood Tax", but also by the higher pre-tax income realized in 2011, as well as the different weighting of some income items that were exempt or partially exempt in the two years.

Distribution of added value - 2011



Distribution of added value - 2010





1.4 Governance

1.4.1 Our shareholders

At the end of 2011 Enel SpA's share capital was 31.2% held by the Ministry of Economy and Finance, 40.3% by institutional investors, and 28.5% by private investors.

Socially Responsible Investors (SRI) are among the Group's main institutional investors: at December 31, 2011, 81 Socially Responsible Investors held Enel share capital representing around 13.9% of the shares owned by institutional investors. The figure refers to SRIs which include Environmental, Social and Governance (ESG) principles in the criteria which determine their investment choices. At the end of December 2011 these investors held around 4.7% of all Enel shares in circulation, i.e. 6.8% of the free float. These funds represent a stable shareholder base over time with a wide geographical presence spread across continental Europe, Great Britain and North America.

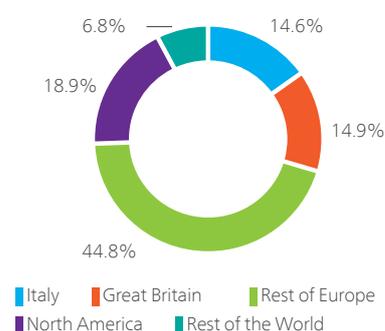
Enel has created continuous dialogue with all its shareholders through dedicated corporate structures, and in particular through the Investor Relations area within the Accounting, Finance and Control Department, which manages dealings with institutional investors, and an area dedicated to dealings with retail shareholders inside Corporate Affairs.

In 2011 there were 395 meetings with institutional investors. As part of the continuous interaction with shareholders and investors, numerous information requests were replied to, to be precise 428 from retail shareholders and 58 from ethical funds specifically asking for information on Enel's CSR.

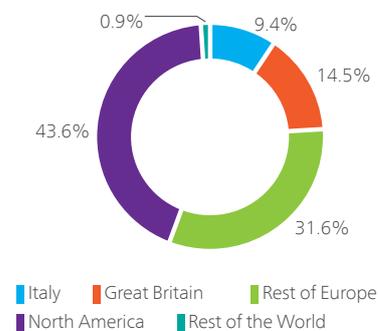
In addition, the CSR Unit set up, together with the Investor Relations Unit, a working group and specific investigations to monitor the information needs and requests of Socially Responsible Investors. This work involved joint participation in one-to-one meetings with analysts and international meetings dedicated to SRIs. One of the future objectives is to integrate CSR issues into specific roadshows.

In addition, Enel continuously publishes information that is of use to the Company's shareholders through the "Investors" and "Governance" sections of the corporate website, where economic and financial information can be found (annual reports, half-year and interim reports, presentations to the financial community, analysts' estimates, trading data for financial instruments issued by the Company), as well as data and updated documents of interest to shareholders (press releases, composition of Enel's corporate bodies, related corporate bylaws and regulation for shareholders' meetings, information and documents relating to shareholders' meetings, documents on corporate

Location of institutional investors - 2011



Location of socially responsible investors - 2011



governance, Code of Ethics, Compliance Program pursuant to Legislative Decree 231/2001, as well as an organization chart of the Group).

1.4.2 The corporate governance system

Enel's corporate governance system is based on the highest standards of transparency and correctness in corporate management. The system accords with the principles contained in the Self-Regulation Code for listed companies prepared by the Italian Stock Exchange and published in March 2006⁽³⁾, and with the changes on directors' pay made to Article 7 of the Code in March 2010⁽⁴⁾. The corporate governance system is also inspired by the recommendations made by CONSOB and, more generally, by international best practice.

The corporate governance system adopted by Enel, besides being an essential instrument in ensuring the effective management and control of corporate activities, aims at:

- > creation of value for shareholders in the medium to long term;
- > quality of customer service;
- > control of business risks;
- > transparency;
- > reconciliation of the interests of all shareholders, with particular regard to minority shareholders;
- > awareness of the social importance of the activities in which Enel is engaged and the consequent necessity of giving adequate consideration to all the interests involved in carrying them out.

The governance bodies responsible for pursuing these objectives are mainly:

- > the Board of Directors, which plays a crucial role in the corporate organization and which is responsible for the Company's strategic and organizational policies, as well as ensuring the existence of the controls necessary to monitor the performance of Enel SpA and the Group;

(3) Available on the website of Borsa Italiana at: http://www.borsaitaliana.it/borsaitaliana/ufficio-stampa/comunicati-stampa/2006/codiceautodisciplina_pdf.htm.

(4) Available on the website of Borsa Italiana at: http://www.borsaitaliana.it/borsaitaliana/regolamenti/corporategovernance/corpgovart7_pdf.htm.



- > the Board of Statutory Auditors, which is entrusted with the tasks of (i) checking compliance with the law and the bylaws, as well as with correct administrative standards in carrying out corporate activities, (ii) checking the financial disclosure process, as well as the appropriateness of the organizational structure, the internal control system, and the Company's administrative and accounting system, (iii) overseeing the external audit of the annual accounts and the consolidated accounts, as well as the independence of the independent auditors, and, finally, (iv) checking the procedures for the concrete application of the corporate governance rules provided for by the Self-Regulation Code;
- > shareholders' meetings, which are empowered to approve, among other things, in ordinary and extraordinary sessions (i) the appointment and removal of members of the Board of Directors and of the Board of Statutory Auditors, as well as their related fees and responsibilities, (ii) the approval of the financial statements and the allocation of net income, (iii) the acquisition and disposal of own shares, (iv) stock-option plans, (v) amendments to the corporate bylaws, and (vi) the issue of convertible bonds.

With regard to the **Board of Directors**, under current law all directors must possess the requisites of integrity envisaged for the statutory auditors of listed companies, as well as for representatives of companies that own equity interests in financial intermediaries.

Pursuant to the bylaws, the election of the entire Board of Directors takes place according to the mechanism of the



“slate vote”, which is aimed at ensuring that three tenths of the directors elected to the Board have been designated by minority shareholders, rounding up as necessary. In addition to the outgoing Board of Directors, slates may be presented by shareholders who – alone or together with other shareholders – own a minimum equity interest established by a CONSOB regulation, which at the date of this Report amounts to 0.5% of the share capital.

Each list must include at least two candidates possessing the requisites of independence envisaged by the law, mentioning these candidates specifically and indicating one of them in the first place in the list.

In addition – in implementation of the additions made during 2011 to Legislative Decree 58/1998 (the “Unified Finance Law”) and the implementing provisions set by CONSOB in order to guarantee gender balance in the composition of the administrative and control bodies of listed companies, as well as on the basis of the changes to the bylaws which will be put to the Company’s shareholders’ meeting called to approve the Report at December 31, 2011 – during the first three renewals of the Board of Directors subsequent to August 12, 2012 lists which have three or more candidates must also include candidates of different sex, in accordance with the specific indications in the notice of the shareholders’ meeting.

Exhaustive information on the personal and professional characteristics of the candidates – accompanied by a statement as to whether they qualify as independent pursuant to the law and/or the Self-Regulation Code – is deposited at the registered office together with the slates,

as well as promptly published on the websites of Enel SpA and Borsa Italiana SpA.

In accordance with a resolution of the ordinary shareholders’ meeting of April 29, 2011, the current Board of Directors consists of nine members, whose term expires on approval of the Annual Report for 2013.

The **Chairman** of the Board of Directors (Paolo Andrea Colombo) has a proactive and oversight role as regards the functioning of the Board of Directors, as well as coordinating its activities.

In addition to the powers provided for by the law and the bylaws with regard to the functioning of the governing corporate bodies (shareholders’ meetings and the Board of Directors) and the legal representation of the Company, the Chairman is also entrusted with the tasks of (i) contributing to the establishment of corporate strategies, in agreement with the Chief Executive Officer and without prejudice to the powers entrusted to the latter by the Board of Directors, as well as (ii) overseeing internal audit in agreement with the Chief Executive Officer, with the related Department being under the control of the latter. In this regard, it is, in any case, envisaged that decisions regarding the appointment and removal of the head and the other senior executives of this Department are to be made jointly by the Chairman and the Chief Executive Officer.

The Board of Directors consists of both executive and non-executive directors. Pursuant to the recommendations of the Self-Regulation Code of listed companies, the following are considered **executive directors**:

- > the Chief Executive Officer of Enel SpA (Fulvio Conti)

or of strategically significant Group companies, as well as the related Chairman who has been entrusted with individual managerial responsibilities or who has a specific role in establishing corporate strategies;

> directors who have managerial roles in Enel SpA (or in strategically significant Group companies) or with the controlling shareholder if the role also regards Enel SpA.

Directors who do not belong to any of the aforementioned categories qualify as non-executive.

On the basis of the analysis performed by the Board of Directors in May 2011, with the exception of the Chairman and the Chief Executive Officer, the 7 other current members of the Board of Directors (Alessandro Bianchi, Lorenzo Codogno, Mauro Miccio, Fernando Napolitano, Pedro Solbes Mira, Angelo Taraborrelli and Gianfranco Tosi) qualify as non-executive.

As far as the Chairman is concerned, it should be pointed out that the definition as an executive director stems solely from the specific role assigned to the role by the current structure of powers with reference to the establishment of corporate strategies, despite the fact that the Chairman is not entrusted with any managerial powers.

On the basis of the information provided by the individuals concerned or in any case at the Company's disposal, following the appointment (May 2011), in January 2012 the Board of Directors certified the existence of the **requisites of independence** contemplated by the Self-Regulation Code in 5 directors (Alessandro Bianchi, Mauro Miccio, Pedro Solbes Mira, Angelo Taraborrelli and Gianfranco Tosi).

Specifically, the Board considered independent those Directors who do not have, or have not recently had, even indirectly, relations with Enel SpA or parties connected with it that could currently condition their independence of judgment. In assessing the independence of its non-executive directors, the Board of Directors took into account the cases in which, according to the Self-Regulation Code, the requisites of independence must be considered lacking and in this regard applied the principle of the prevalence of substance over form recommended by the Code. In this regard, it should be noted that, during the aforementioned assessments concerning the independence of the non-executive members, the Board of Directors, in applying the general principle of substance over form, recognized the possession of the requisites of independence indicated by the Self-Regulation Code also in the director Gianfranco

Tosi, since it considered that the independence of the latter can be assessed more appropriately by taking account of the independence of judgment demonstrated by the director concerned in regard to the Company, to the related executive directors and to the main shareholder of the Ministry of Economy and Finance which nominated him, rather than having regard to the merely temporal criterion of having served as a director of Enel for more than nine years in the last twelve.

In addition, the Board of Directors confirmed the validity of specific quantitative parameters applicable to the commercial, financial, and professional relations that may take place, directly or indirectly, between directors and Enel; exceeding these parameters⁽⁵⁾, together with the cases in which, according to the Self-Regulation Code, the requisites of independence must be considered as lacking, should as a rule preclude – unless specific circumstances occur, which should be examined in concrete terms – the existence of the requisites of independence envisaged by the Code in the non-executive director to whom they are applied. It is noted in this regard that, during the aforementioned assessments regarding the independence of its non-executive members, the Board of Directors noted the lack of dealings of a commercial, financial or professional nature currently or in the past year, directly or indirectly, between the directors indicated as independent and the Company or subjects linked to the latter.

(5) According to application criterion 3.C.1 of the Self-Regulation Code, a director should normally be considered to lack the requisites of independence in the following cases:

- a) if, directly or indirectly, including through subsidiaries, trustees, or intermediaries, he/she controls the issuer or is able to exercise a significant influence on it, or participates in a shareholders' agreement through which one or more parties can exercise control of or significant influence on the issuer;
- b) if he/she is, or was in the previous three years, a significant representative of the issuer, one of its subsidiaries with strategic importance, or of a company subject to joint control with the issuer, or of a company or an entity which, also together with others through a shareholders' agreement, controls the issuer or is able to exercise significant influence over it;
- c) if, directly or indirectly (for example through subsidiaries or companies of which he/she is a significant representative, or as a partner in a professional firm or consultancy), he/she has, or had in the previous year, a significant commercial, financial or professional relationship:
 - with the issuer, a subsidiary, or any of the related significant representatives;
 - with a party that, also together with others through a shareholders' agreement, controls the issuer, or – if it is a company or organization – with the related significant representatives;or is, or was in the previous three years, an employee of one of the aforesaid entities. In this regard in February 2010 the Board of Directors of Enel SpA established the following quantitative parameters applicable to the aforesaid commercial, financial and professional relationships:
 - commercial and financial relations: (i) 5% of the annual revenue of the company or organization of which the director has control or is a significant representative or of the professional firm or consultancy of which he/she is a partner and/or (ii) 5% of the annual costs incurred by the Enel Group regarding the same kind of contractual relations;
 - professional services: (i) 5% of the annual revenue of the company or organization of which the director has control or is a significant representative or of the professional firm or consultancy of which he/she is a partner and/or

During the assessments made in May 2011 and January 2012, the Board of Directors was able to confirm for the five non-executive directors mentioned above possession of the requisites of independence envisaged by the law (in particular by the Unified Finance Law) for statutory auditors of listed companies⁽⁶⁾.

In May 2011 and February 2012, the Board of Statutory Auditors found that, in carrying out the aforementioned assessment on the independence of its non-executive members, the Board of Directors correctly applied the criteria recommended by the Self-Regulation Code, following for that purpose a transparent examination procedure which enabled the Board to learn about potentially significant relationships in terms of assessing independence.

To ensure the effective performance of its duties, in January 2000 the Board of Directors set up a **Compensation Committee** and an **Internal Control Committee**, entrusted with proactive and advisory duties and charged with handling sensitive issues that are potential sources of conflicts of interest. These committees consist of at least 3 non-executive directors, a majority of whom are independent, appointed by the Board itself which also chooses one of them as Chairman and determines the tasks of the committees by means of a specific resolution.

- (ii) 2.5% of the costs incurred by the Enel Group regarding similar assignments. Exceeding such parameters should in principle preclude – unless there are specific circumstances, which should be examined in concrete terms – the non-executive director to whom they apply from possessing the requisites of independence provided for by the Self-Regulation Code;
- d) if he/she receives, or received in the previous three years, from the issuer or a subsidiary or Parent Company, significant compensation in addition to his/her fixed fee as a non-executive director of the issuer, including participation in an incentive plan tied to the company's performance, including stock-option plans;
- e) if he/she has been a director of the issuer for more than nine of the last twelve years;
- f) if he/she is an executive director of another company in which an executive director of the issuer is a director;
- g) if he/she is a partner or director of a company or organization belonging to the network of the firm entrusted with the external audit of the issuer;
- h) if he/she is a close relative of a person who is in one of the situations referred to previously.
- (6) According to Article 148, paragraph 3, of the Unified Finance Law, the following do not qualify as independent:
 - a) individuals who are in the conditions provided for by Article 2382 of the Civil Code (i.e. disqualification from holding public office, incapacitation, or bankruptcy, or who have been sentenced to a punishment that entails disqualification, including temporary disqualification, from holding public office or legal incapacity to exercise executive functions);
 - b) spouses and other relatives (including by marriage) up to the fourth degree of the directors of the company, as well as the directors and the spouses and other relatives (including by marriage) up to the fourth degree of the directors of its subsidiaries, of the companies that control it, and of those subject to joint control;
 - c) individuals who are connected with the company or its subsidiaries or the companies that control it or those subject to joint control or the directors of the company and the parties referred to under letter b) above by employment relationships as employees or self-employed persons or by other relations of a patrimonial or professional kind that could compromise their independence.

In November 2010, during the adoption of a new procedure to regulate dealings with related parties which meets the requirements indicated by CONSOB with a specific regulation approved in March 2010, the Board of Directors set up from among its own members a new committee (**Related Parties Committee**) consisting of at least 3 independent directors.

Finally and subsequently, in May 2011, the Board of Directors set up from among its own members a further committee with power to consult and make proposals on corporate governance (**Corporate Governance Committee**), consisting of at least 3 directors, the majority of whom are non-executive, and at least one of whom is independent.

The **Compensation Committee** is assigned the following advisory and proactive duties:

- > to present to the Board of Directors proposals on the pay policy for directors and executives with strategic responsibilities, and periodically assess the adequacy, overall coherence and concrete application of the policy adopted and draw on the information provided by the Chief Executive Officer as regards the implementation of this policy for executives with strategic responsibilities;
- > to present to the Board of Directors proposals for the remuneration of executive directors and other directors who have particular roles, as well as proposals on setting the performance-related objectives for the variable part of pay. It also arranges to monitor the application of the decisions adopted by the Board itself and to check, in particular, the effective achievement of the performance objectives;
- > to examine in advance the annual report on pay, which must be published ahead of the annual shareholders' meeting for the Annual Report.

As part of its duties, the Compensation Committee also plays a leading role in devising and ascertaining the performance of incentive systems, including stock-option plans, for executives, in the sense of instruments to attract and motivate human resources with the appropriate qualities and experience, as well as to develop their sense of belonging and to ensure that they constantly strive to create value. As an additional task with respect to those provided for by the Self-Regulation Code, the Compensation Committee also assists the Chief Executive Officer and the relevant corporate departments with regard to developing managerial resources, finding talented employees, and promoting initiatives with uni-



versities to that end. During 2011 the Compensation Committee consisted of the directors Augusto Fantozzi (as Chairman), Giulio Ballio and Fernando Napolitano in the period from January to April, while as from May and until the end of the year the members were the directors Fernando Napolitano (as Chairman), Alessandro Banchi and Pedro Solbes Mira. The Board of Directors recognized in all three directors it had indicated the prerequisite of adequate financial knowledge and experience.

The **Internal Control Committee** is entrusted with the following proactive and advisory tasks:

- > to assist the Board of Directors in carrying out the duties regarding internal control assigned to it by the Self-Regulation Code;
- > to examine, together with the executive in charge of preparing the Company's accounting documents and the independent auditors, the correct use of accounting standards and their uniformity for the pur-

pose of preparing the Annual Report;

- > to express opinions, at the request of the executive director charged with the task, on specific aspects regarding the identification of the Company's main risks, as well as the planning, implementation, and management of the internal control system;
- > to examine the work plan prepared by the head of internal control, as well as the periodic reports drawn up by the latter;
- > to assess the results presented in the report of the independent auditors and any management letter;
- > to perform the additional tasks it is assigned by the Board of Directors, with particular reference to assessing the adequacy of the commitment to corporate social responsibility issues, as well as the completeness and transparency of the information supplied in this regard through the Sustainability Report (a task assigned to the Committee as from February 2010);
- > to report to the Board of Directors, at least on a half

yearly basis, on the work undertaken and on the adequacy of the internal control system.

During 2011 the Internal Control Committee consisted of the directors Gianfranco Tosi (acting as Chairman), Lorenzo Codogno (for whom the Board of Directors had earlier recognized his adequate experience in accounting and financial matters), Renzo Costi and Alessandro Luciano in the period from January to April, while as from May and until the end of the year the members were the directors Gianfranco Tosi (again acting as Chairman), Lorenzo Codogno (for whom the Board of Directors confirmed the prerequisite of adequate experience in accounting and financial matters), Mauro Miccio and Angelo Taraborrelli.

The **Corporate Governance Committee** has been given the task of helping the Board of Directors carry out preparatory work for the purpose of making proposals and providing advice for the corporate governance assessments and decisions of Enel SpA and of the Enel Group. In this context, the Committee has been given the following tasks:

- > to monitor the development of the law and national and international best practice on corporate governance, providing updates for the Board of Directors when there are significant changes;
- > to check the alignment of the corporate governance system which Enel SpA and the Enel Group have adopted to the law, to the recommendations of the Self-Regulation Code and to national and international best practice;
- > to formulate for the Board of Directors proposals to update the aforementioned corporate governance system, whenever the Committee notes the need or case for doing so;
- > to set up board review proceedings, by putting to the Board of Directors proposals regarding entrusting the task to a specialist company, identifying the issues that will be covered by the assessment and defining the means and timeframes for the proceedings themselves;
- > to examine in advance the annual corporate governance report which is to be included in the documentation for the Annual Report;
- > to carry out further duties which are attributed to it by the Board of Directors.

During 2011 the Corporate Governance Committee consisted of the directors Paolo Andrea Colombo (acting as Chairman), Lorenzo Codogno, Mauro Miccio and Fernando Napolitano.

The **Related Parties Committee** has been given the task of formulating specific opinions on the interests of Enel SpA – as well as of the companies that it directly and/or indirectly controls and which are involved in the individual case – in undertaking transactions with related parties, and it expresses its judgment regarding the convenience and substantial correctness of the related conditions, subject to receiving timely and adequate information. The Committee also has the power to ask for information and to formulate observations to the Chief Executive Officer and to the managers responsible for conducting the negotiations or the preparatory works regarding the cases covered by the information flows received, where these are transactions of “major importance” (as defined by the specific corporate procedure). Finally, the Committee arranges to resolve those cases in which the identification of a related party is controversial and which have been referred to it by the advisory board set up pursuant to the same procedure. During 2011 the Related Parties Committee consisted of Augusto Fantozzi (acting as Chairman), Giulio Ballio and Renzo Costi in the period from January to April, while as from May and until the end of the year the members were the directors Alessandro Banchi (acting as Chairman), Pedro Solbes Mira, Angelo Taraborrelli and Gianfranco Tosi.

As from January 1, 2011 a new **procedure has been in operation to regulate transactions with related parties**, the key parts of which are described below and which was adopted by the Board of Directors in November 2010, in compliance with the requirements indicated by CONSOB in its regulation approved in March 2010 implementing the provisions of the Italian Civil Code.

On the basis of this procedure, transactions with related parties are divided into three categories:

- > transactions of “major importance”, which are identified on the basis of exceeding a specific quantitative threshold (set at 5%) applied to three relevance indexes, which take account in particular of the value of the transaction, the total assets of the body undertaking the transaction, and the liabilities of the body being acquired. These transactions, where they are not, under the law or bylaws, the responsibility of the shareholders’ meeting, must be examined and approved by the Board of Directors. In any case, the approval of transactions of “major importance” must be preceded by the binding opinion of the Related

Parties Committee. If the Related Parties Committee issues a negative opinion, the Board of Directors can submit the transactions in question to the authorization of the ordinary shareholders' meeting, which, without prejudice to the majorities required by law, bylaws and provisions applicable in case of conflicts of interest, approves its resolution with the favorable vote of at least half of the disinterested shareholders who vote (so-called whitewash); in any case the completion of transactions of "major importance" is prevented only if the disinterested shareholders present at the shareholders' meeting represent at least 10% of the share capital with voting rights;

- > transactions of "minor importance", defined in a negative sense as those transactions which are not of "major importance" and not those for "small amounts". These transactions, where they are not, under the law or bylaws, the responsibility of the shareholders' meeting, are approved by the competent body on the basis of the delegated power arrangements in force in the Company, subject to a non-binding opinion from the Related Parties Committee. Nevertheless, within 15 days after the close of each quarter, Enel SpA is required to make available to the public a document containing an indication of the counterparty, the object of and consideration for transactions of "minor importance" approved in the quarter with a negative opinion from the Related Parties Committee, as well as the reasons why it was deemed suitable not to share that opinion;
- > transactions for "small amounts", in other words with a value below specific thresholds which vary depending on the type of related parties with which these transactions are realized. Transactions for "small amounts" are excluded from the scope of application of the procedure.

In order to allow the Related Parties Committee to express a prior reasoned opinion on Enel's interest in the completion of transactions with related parties, as well as on the convenience and substantial correctness of the related conditions, the procedure establishes specific information flows. As regards in particular transactions of "major importance", it is envisaged that the Related Parties Committee, or one or more delegated members of the Committee, has the right to ask for information and to formulate observations to the Chief Executive Officer of Enel SpA and to those responsible for conducting the negotiations or the preliminary work regarding the cases

subject to the information flows received, as well as to ask for any other information considered useful for the purposes of assessing the transaction.

Specific disclosure obligations are also envisaged should the related party relationship exist with a director or statutory auditor of Enel SpA or with a related party through them. In addition, in these cases, the director concerned must leave the Board meeting at the time of discussing and voting on the resolution, where this does not pre-



dice the necessary *quorum* or the Board of Directors does not decide differently; should the relation exist with the Chief Executive Officer of Enel SpA or with a related party through the Chief Executive Officer, in addition to the above, the Chief Executive Officer shall also abstain from executing the transaction, and entrusts this to the Board of Directors.

A specific procedure is prescribed for transactions with related parties realized by Enel SpA not directly but through subsidiaries.

Pursuant to the relevant CONSOB regulation, the scope of application of the procedure does not include the following types of transactions with related parties: (i) sha-

reholders' meeting resolutions setting the compensation due to all the members of the Board of Directors and statutory auditors; (ii) transactions for "small amounts"; (iii) compensation plans based on financial instruments, approved by the shareholders' meeting pursuant to the provisions of the Unified Finance Law, and the related implementing operations; (iv) resolutions other than those indicated at point (i) above, regarding the compensation of Enel SpA directors with particular responsibilities

are not the responsibility of the shareholders' meeting.

As regards **remuneration**, the fee for directors and pay for executives with strategic responsibilities are set at a level that is sufficient to attract, retain, and motivate people who have the professional qualities required to manage the Company successfully.

In this context, it is the Compensation Committee's responsibility to ensure that a significant part of the com-



as well as of Group company executives with strategic responsibilities, where the specific conditions envisaged by the relevant CONSOB regulations are respected; (v) regular transactions which are completed at market or standard conditions; (vi) transactions with or between companies controlled, or jointly controlled, by Enel SpA as well as transactions with companies affiliated to Enel SpA, provided that in the controlled or affiliated companies that are counterparties to the transaction there are no significant interests (as identified in the procedure) of other related parties of Enel SpA. Finally, a simplified procedure is envisaged in cases where urgent approval of transactions with related parties is needed and these

compensation for executive directors and executives with strategic responsibilities is defined so as to align their interest with achievement of the primary goal of creating value for shareholders in the medium to long term. In particular, a significant part of the compensation for executive directors and executives with strategic responsibilities is tied to the achievement of specific performance objectives, which may also be non-economic, which are preset and indicated in keeping with the guidelines contained in the pay policy.

The compensation of non-executive directors is commensurate with the commitment required of each of them, taking into account their participation on committees.

It should be noted in this regard that, in accordance with the recommendations of the Self-Regulation Code, such compensation is in no way linked to the economic results achieved by the Company and the Group and non-executive directors do not participate in stock-option plans. The compensation of members of the Board of Directors is determined by the shareholders' meeting; the additional compensation for members of committees whose function is to be consulted and make proposals and which are set up from within the Board of Directors is established by the Board itself, at the proposal of the Compensation Committee and having consulted the Board of Statutory Auditors; the Board of Directors also determines the total pay due to the Chairman and to the Chief Executive Officer/General Manager, again at the proposal of the Compensation Committee and having consulted the Board of Statutory Auditors.

For a full description of the structure and amount of the compensation for members of the Board of Directors for 2011, refer to the contents in the second section of the report on remuneration, as approved by the Board of Directors, at the proposal of the Compensation Committee, and which is available at the Company's offices, as well as on the Company's website and that of Borsa Italiana SpA. That report also contains a detailed illustration of the pay policy adopted by Enel SpA, including the policy on the treatment envisaged in the case of termination of the particular appointment or termination of the employment relationship.

Towards the end of 2011, the Board of Directors, with the help of a specialist firm which had no other pro-

fessional or commercial relationship with Enel SpA or with other Group companies, undertook a board review – which was completed in February 2012 – to assess the size, composition and functioning of the Board itself and its committees, in line with the most advanced practices of corporate governance abroad adopted by the Self-Regulation Code.

The analysis, which was conducted through the compilation of a questionnaire by each director during individual interviews organized by the consulting company, was intended to report on the functioning of the Board of Directors during the first few months following its taking of office and focused, as is standard practice, on the most important aspects of the Board, such as: (i) the structure, composition, role and responsibilities of the Board; (ii) the meetings of the Board, the related flows of information and the decision-making processes adopted; (iii) the composition and the functioning of the Board committees; (iv) the assessment of the adequacy of the organizational structures which support the work of the Board of Directors and its committees. The overall picture which emerges from the board review relating to 2011 leads to the conclusion – according to the observations of the consulting company and also in light of a benchmarking analysis it undertook – that the Enel Board of Directors and its committees operate effectively and transparently and broadly apply best practice in corporate governance.

As regards internal control, for some years the Enel Group has used a specific system which is required to (i) ascertain the adequacy of the various corporate proces-



ses in terms of their effectiveness, efficiency and economic viability, as well as (ii) ensure the reliability and the correctness of the accounting records and the safeguarding of the Company's assets and (iii) guarantee the compliance of the operating procedures to internal and external regulations and to the corporate directives and guidelines aimed at guaranteeing sound and efficient management.

The **internal control system** in the Enel Group covers three different types of activity:

- > "line control" (or "first level control"), consisting of the set of control activities the single operating units or Group companies perform on their own processes. These control activities are entrusted to the primary responsibility of the operating management and are considered an integral part of every corporate process;
- > "second level" controls, which are entrusted to (i) management control (located within the Accounting, Finance and Control Department of Enel SpA) in terms of monitoring the economic and financial performance of the Company and the Group, and (ii) the Group Risk Management Department for the development of policies to manage the main risks (connected, for example, to interest rates, exchange rates and commodities risk);
- > internal auditing, which is entrusted to Enel SpA's dedicated Audit Department and whose main purpose is to identify and limit corporate risks of all kinds through monitoring the line controls, in terms of both the adequacy of such controls and the results actually achieved by their application. The activity in question is therefore extended to all of the corporate processes of Enel SpA and the Group companies and the related managers are entrusted with both proposing the corrective actions they consider necessary and the implementation of follow-up to determine the results of the proposed actions.

The adoption of an appropriate internal control system that is consistent with national and international benchmarks and best practice is the responsibility of the Board of Directors, which, to this end, avails itself of the assistance of the Internal Control Committee.

During 2011, the Board of Directors discussed:

- > various corporate governance issues in 13 meetings (out of a total of 16 meetings);
- > general CSR issues in 2 meetings (with particular refer-

ence to the approval of the 2010 Sustainability Report and to the making of an extraordinary contribution to Enel Cuore Onlus to cover its projects for 2011);

- > issues relating to the Compliance Program pursuant to Legislative Decree 231/2001 in 2 meetings.

With regard to **shareholders' meetings**, Enel SpA agrees with the recommendation in the Self-Regulation Code to regard them as important opportunities for discussion between shareholders and the Board of Directors and, to this end, in addition to ensuring the regular participation of its members in the meetings' proceedings, has considered it advisable to adopt specific measures aimed at appropriately enhancing this institution, such as, in particular, the provision of the bylaws that facilitates the collection of proxy votes from shareholders who are employees of Enel SpA or its subsidiaries. This clause provides for making space available for communications and collecting proxies to associations to which such shareholders belong and which satisfy the prerequisites provided for by the relevant regulations in force, in accordance with the terms and procedures agreed with their legal representatives as necessary.

The Italian regulations regarding the functioning of shareholders' meetings of listed companies were significantly changed following the enactment of Legislative Decree 27 of January 27, 2010, by which Italian law adopted Directive 2007/36/EC (regarding the exercise of a number of rights by shareholders of listed companies). Among other things, this decree regulates the deadlines for calling shareholders' meetings, the number of sessions, *quorum*, the exercise of the rights of minority shareholders to call meetings and add items to the agenda, information provision prior to meetings, representation at meetings, the identification of shareholders, and the introduction of the so-called record date for the purpose of recognizing the right to speak and vote at meetings. It should be noted in particular that (i) shareholders may ask questions about the items on the agenda, which must be answered, at the latest, during the meetings themselves; (ii) shareholders representing at least 5% of the share capital may ask the directors to promptly call a shareholders' meeting, stating in their request the subjects to be discussed; and (iii) shareholders representing at least 2.5% of the share capital may, within 10 days from publication of the meeting notice, request that items be added to

the agenda, stating in the request the additional items they propose and preparing a report on the subjects. Shareholders can also inform Enel SpA of their proxies electronically by sending a message to the dedicated section of the website specified in the meeting notice. In accordance with the provisions of the Unified Finance Law and the bylaws of Enel SpA, shareholders are also entitled to entrust a representative designated by the Company with a proxy and instructions on how to vote on all or some of the items on the agenda, something which does not entail any expense for the shareholder. Finally, the bylaws of Enel SpA entrust to the Board of Directors the power to determine, in relation to individual shareholders' meetings and taking into account the development and reliability of the technical instruments available, the acceptability of participating in shareholders' meeting through electronic devices, specifying the related procedures in the meeting notice. For further information on corporate governance, see the "Report on corporate governance and ownership structure" attached to the 2011 Annual Report.

1.4.3 Risk management

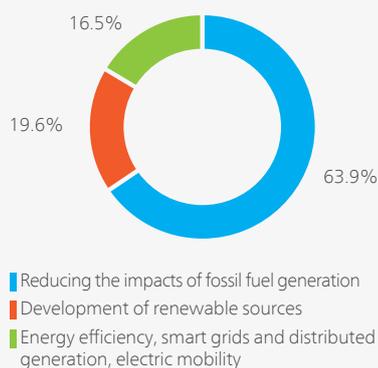
During 2009, in line with best practice in corporate governance, a specific Group Risk Management Department was set up with the objective of guaranteeing the effective implementation at Group level of the process of managing all significant financial, operating, strategic and business risks, as well as the main risks that may, in whatever way, impact the income, financial and equity results of Enel SpA and the Group.

During 2011 the main activities undertaken by the Group Risk Management Department concerned:

- > the development and initial activation of the risk governance system at Group level;
- > the development of the guidelines for the management of financial, commodity and credit risks, including the definition of the system of operating limits;
- > the definition of the Group enterprise risk management model, the launch and completion of the first assessment of the main sources of risk with a potential impact on the achievement of the strategic and business objectives;
- > the launch of the work of some local risk management structures;
- > the activation of a periodic communication flow with the operating Divisions and senior management;
- > the establishment and launch of the work of the dedicated risk committees, set up both centrally and in the various countries in which the Group operates. This was accompanied by the definition by these committees of the qualitative and quantitative risk limits assigned to the risk owners and the means of monitoring compliance with them;
- > the development of an integrated model (the so-called Business Plan @Risk) aimed at analyzing (i) the quantitative risks connected to the achievement of the budget and business plan targets and (ii) the economic and financial profitability of the major investments, through due sensitivity, scenario and probability analyses; the aim is to assess the impact of changes in external variables (i.e. prices, interest rates, inflation, energy demand, gross domestic product, etc.) on the forecast results in terms of Group cash flow and financial sustainability, as well as on the total portfolio risk;
- > the identification, purchase, parameter-setting and activation of software solutions for industrial risk management and enterprise risk management activities;
- > the development of specific methodologies to analyze and measure the various risks.

Dossier - Innovation

Investment in research and development for innovative technologies - 2011



In 2011 the Enel Group undertook research and development work on innovative technologies for a value of around 97 million euro, an increase of around 10 million euro (+11.5%) compared to 2010. The commitment to research and development was focused for around 64% to innovation in the field of the fossil fuel generation, in order to reduce its impact (carbon capture and storage, emissions reduction, increase of efficiency in production plant), around 20% to the development of renewable sources (with a focus on photovoltaic and thermodynamic solar, geothermal, wind and biomass, energy accumulation), and around 16% to energy efficiency programs and the development of smart grids, distributed generation and electric mobility.

Research and innovation activities form part of the Plan for Technological Innovation which provides an overall framework of the research and innovation strategy and projects developed within the Group. The Plan has been developed in an integrated form with Endesa and in coordination with all the Group companies and aims to increase the Group's competitiveness and enhance its technological and environmental leadership.

Here below are the main activities and most important results achieved.

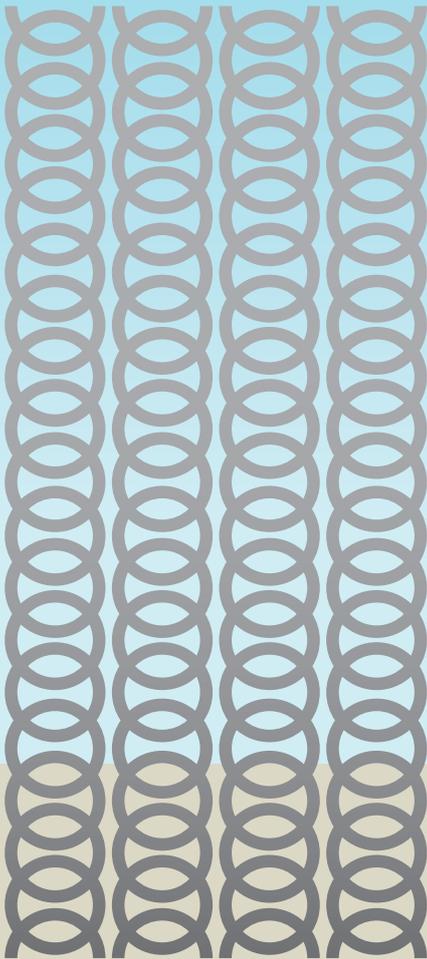
Reducing the impacts of fossil fuel generation

Traditional energy sources (such as coal or natural gas) will continue to play an essential role in coming decades in satisfying growing global demand for electricity. It is therefore necessary to ensure that thermoelectric generation technologies are increasingly compatible with environmental needs, and ultimately the "zero emissions" goal.

Enel is one of the leading companies in research into and demonstration of Carbon Capture and Storage (CCS) technologies, with work on the capture of carbon dioxide from flue gases of coal-fired power plants (post-combustion capture), innovative combustion technologies in oxygen and fossil-fuel gasification (pre-combustion capture), and solutions for storing CO₂.

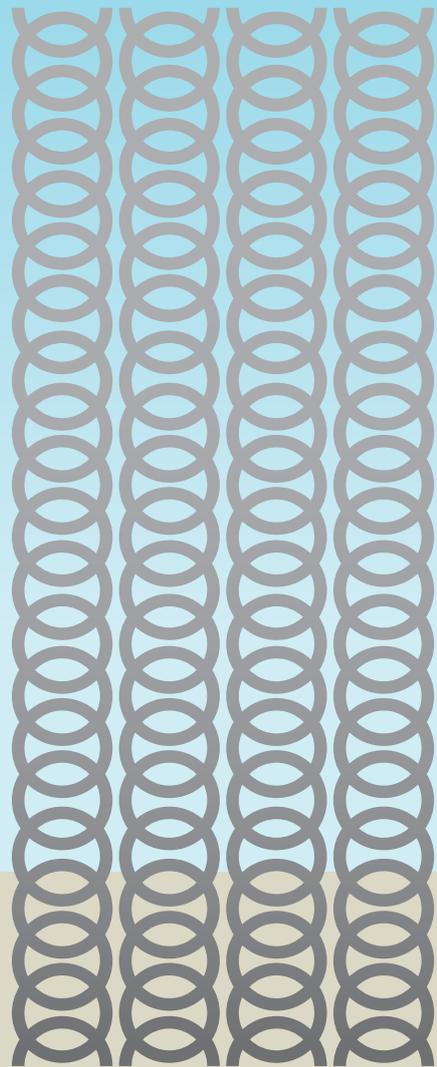
Spending on innovation

+11.5%



87 million euro

2010



97 million euro

2011

Post-combustion capture and storage of CO₂

In 2010 construction of the CO₂-capture pilot plant integrated into the power plant in Brindisi was completed. It was inaugurated on March 1, 2011 in the presence of the European Commissioner for Energy. This pilot plant, one of the first of such a size in Europe and worldwide, can treat 10,000 Nm³/h of flue gases (corresponding to around 3.5 MWe) and will enable the optimization of the capture process and the testing of innovative sorbents, increasing Enel's know-how ahead of the realization of the industrial-scale demonstration plant.

In Spain at the Compostilla power plant, a 300 kWt pilot plant has been put into operation for amine-based post-combustion capture, where the activities undertaken complement the plant at Brindisi and seek to test processes and solvents which are in the development stage.

Pre-combustion capture and combustion in oxygen

As far as pre-combustion capture – based on the use of technologies for gasifying fossil fuels – is concerned, Enel has concentrated its activity on systems for the generation of electricity from hydrogen produced by the process of separation. In Italy in 2011 the operation of the 16 MWe hydrogen-fired plant at Fusina (Venice) exceeded 1,000 hours; the next stages envisage the fine-tuning and test of a new burner realized in collaboration with General Electric, with the objective of reducing NO_x emissions below 100 mg/Nm³.

The gasification of coal is developed at Group level also through the joint participation of Endesa and Enel in the Elcogas plant at Puertollano in Spain. The CCS technology with oxy-combustion at atmospheric pressure is developed mainly by Endesa through its Compostilla demonstration project. This 30 MWt pilot plant was completed at the end of 2011.

Storage of CO₂

Besides the identification and preliminary selection of the areas suitable for the construction of permanent geological sites to store CO₂, studies have been started on its use in the context of biochemical processes. As for research into the biological capture of CO₂ by algae and exploiting the concept of bio-refinery, a pilot plant with 500 m² of photo-bioreactors has already been built in Spain at the coal-fired power plant at Litoral Almeria in Andalusia.

Systems to increase efficiency and to limit emissions

Increasing the efficiency of thermal plant is crucial both to improve environmental performance and as a key factor for the development of technologies for carbon capture and storage. In this regard the main ongoing activity is the ENCIO project, which will see the realization at the Fusina power plant of a pilot plant to test innovative materials that can resist temperatures and pressures well above current levels (700°C at 365 bar), to be deployed in the realization of future coal-fired plant with efficiency up to 50%. This increase in efficiency will enable the construction of coal-fired power plants which will emit around 15% less carbon dioxide compared to the most modern plants in operation today.

Development of renewable sources

Enel's research covers all the main generation technologies from renewable sources with the aim of identifying the technologies and applications which will be capable of generating energy at minimum cost, for each Enel site concerned.

These are the main activities and results achieved in 2011:

Thermodynamic solar

The development in the medium to long term of the Concentrating Solar Power (CSP) plant is increasingly focusing on the use of molten salt as a fluid to collect solar radiation and for energy storage. In addition, technologies are being studied which can become commercially available in the medium to long term, such as systems for the direct generation of steam or Stirling engine systems.

Here below are the main ongoing activities relating to the Archimede project and Geothermal-Thermodynamic Solar Integration:

Archimede

The first stage of the operating tests ended and confirmed the performance as being close to that planned, with the heating of the salts to 540°C and the generation of steam at temperatures above 520°C. Work was started to optimize the system of regulating and controlling the plant, in view of the realization of large-scale industrial plant, and the realization of a test circuit to experiment with salt at low melting temperature (80÷140°C) and innovative components.

Geothermal-Thermodynamic Solar Integration

Work was started for the preliminary project of a thermodynamic solar plant integrated with the geothermal plant at Stillwater (NV, USA). The plant will enable the exploitation of the synergies between the geothermal source and the solar source, enabling the maximization of the economic return on energy generation.

Innovative Photovoltaic

The main research activities in the photovoltaic field are focused on the solar laboratory in Catania, which during 2011 obtained CEI EN 61215 and 61646 accreditation for verification of the performance of photovoltaic modules in silicon and thin film. The laboratory has completed a review of all the main photovoltaic technologies present on the market, both in the laboratory and in the field, and has validated models that can forecast their performance in differing operating conditions. Work has been started as envisaged under the joint venture between Enel Green Power, STMicroelectronics and Sharp (3SUN) for the development of a joint research and testing program aimed at testing new materials and at integrating advanced electronic components.

TOB - Triangle-based Omni-purpose Building

The design and planning has been completed of a system that can provide electricity generated from renewable sources to populations that live in remote areas that are not connected to the electricity grid. The structure, the design of which is an Enel international patent, integrates photovoltaic modules and accumulation systems. The first prototype was installed in February 2012 at the Enel Ricerca facility in Pisa. For further details on the expected benefits of this project in terms of access to electricity, please refer to page 219.

Diamante

In 2011 a Memorandum of Understanding was signed between Rome City Council, Enel SpA and La Sapienza University of Rome for the installation of a new *Diamante* model in Rome, near the Valle Giulia site of the Architecture Faculty of La Sapienza University.

Innovative Geothermal

Enel is engaged in research on a high-performance supercritical organic cycle, which will make it possible to construct more efficient geothermal plants to exploit low enthalpy geothermal sources. Activities are being completed at the Livorno Experimental Area for the construction of a prototype 500 kWe pilot circuit in cooperation with Turboden and *Politecnico di Milano*.

Wind

The program has been finished to fit all wind plant in Italy with instruments for short-term production forecasting as developed by Enel Ricerca. These instruments can guarantee a level of reliability that is higher than the solutions that are currently available on the market.

Energy from the sea

The technologies to generate electricity from waves and tides have not yet reached the technological maturity and cost levels needed to guarantee their competitiveness in terms of the price of the energy generated. Therefore, Enel has carried out a first stage of analysis and selection of the most interesting areas from the viewpoint of natural resources, which was undertaken in Europe and Latin America (Chile) with Endesa. In addition, the Company has scouted the most promising technologies among those being developed.

Energy accumulation

Energy accumulation is essential in order to guarantee reliable and safe electric grids in the case of energy produced from renewable sources, which by its nature is discontinuous and intermittent. In addition, accumulation systems installed with end users can allow the optimization of the draw-down of energy from the grid, thus allowing customers to minimize energy generation costs and enabling the grid to benefit from active management of demand in terms of the stability and planning of grid loading.

The Enel Group's research activity is monitoring and developing technological solutions that are already on the market or which are being developed, so as

to understand their real performance and potential to act as a back-up to the whole electricity system.

2011 saw the completion of the analysis of the performance of the first three systems installed at the Livorno test station (batteries with Vanadium, Lithium ions, and ZEBRA). Finally, a hydrogen accumulation system was installed which boasts technological advances that could make it a possible candidate for energy accumulation in the medium to long term.

In Spain, as part of the STORE project financed by the CDTi, Enel and Endesa researchers are working together to demonstrate the use of accumulation systems that are integrated into networks with a high level of renewables in the Canary Islands.

Sensible Plant, Zero Accident Plant, Cybersecurity

Enel's research is analyzing the effective performance and potential development of advanced applications for sensors, diagnostics and automation for the Group's production plant, in order to increase its reliability, safety and efficiency, and to reduce accidents during construction, maintenance and routine operations of Group plant.

Smart grids and distributed generation

In the context of innovation in distribution, the main issues of interest for the Group are:

- > integration and intelligent management of distributed energy resources;
- > technological development of the network (energy efficiency, use of the electric vector);
- > standards and infrastructure (interoperability, security and privacy);
- > Customer Empowerment.

ADDRESS

During 2011 work continued in the context of the European ADDRESS project, of which Enel Distribuzione is leader and coordinator, which aims to develop "active demand", i.e. the participation of small and medium electricity consumers on the energy market.

Smart Info

Enel's device to provide domestic solutions under the ADDRESS project is Smart Info. The device, when installed domestically, provides customers with the data recorded by smart meters and so enables functions to increase awareness of energy consumption and energy efficiency, with the ultimate goal of promoting proactive conduct by customers in the energy market. A first concrete example of this potential is represented by the Energy@home project undertaken in collaboration with Telecom Italia, Indesit and Electrolux.

Casa Enel

In the context of the Casa Enel project which aims to develop added value services for end users for the efficient management of domestic energy use, a trial, involving 1,800 customers, was started with Enel Energia of a system to improve customer awareness.

Navicelli

The Navicelli project, which started in 2010 and aims to develop and test systems for the optimal management of thermal and electric networks in a service-industrial energy district, has completed its development and planning stage and has started the construction stage which will end in 2012.

Isernia project

From the viewpoint of grid infrastructure, in 2011 Enel Distribuzione was one of the electric companies that were admitted to the AEEG incentive program dedicated to pilot projects on active networks. With the "Isernia project" the Company will invest around 7 million euro over 3 years to realize a pilot project for new smart grid applications in the area of Carpinone (Isernia). The project includes the management of distributed generators, the trial of an accumulation device, an optimized recharging station for electric vehicles, and an extensive (8,500 customers) field test of the Smart Info device (a terminal for users to receive consumption data from their own smart meter). This project will represent the base architecture for Enel Distribuzione's smart grids for coming years.

Electric mobility

In 2011 Enel's projects continued to develop electric mobility, the scope of which was further expanded.

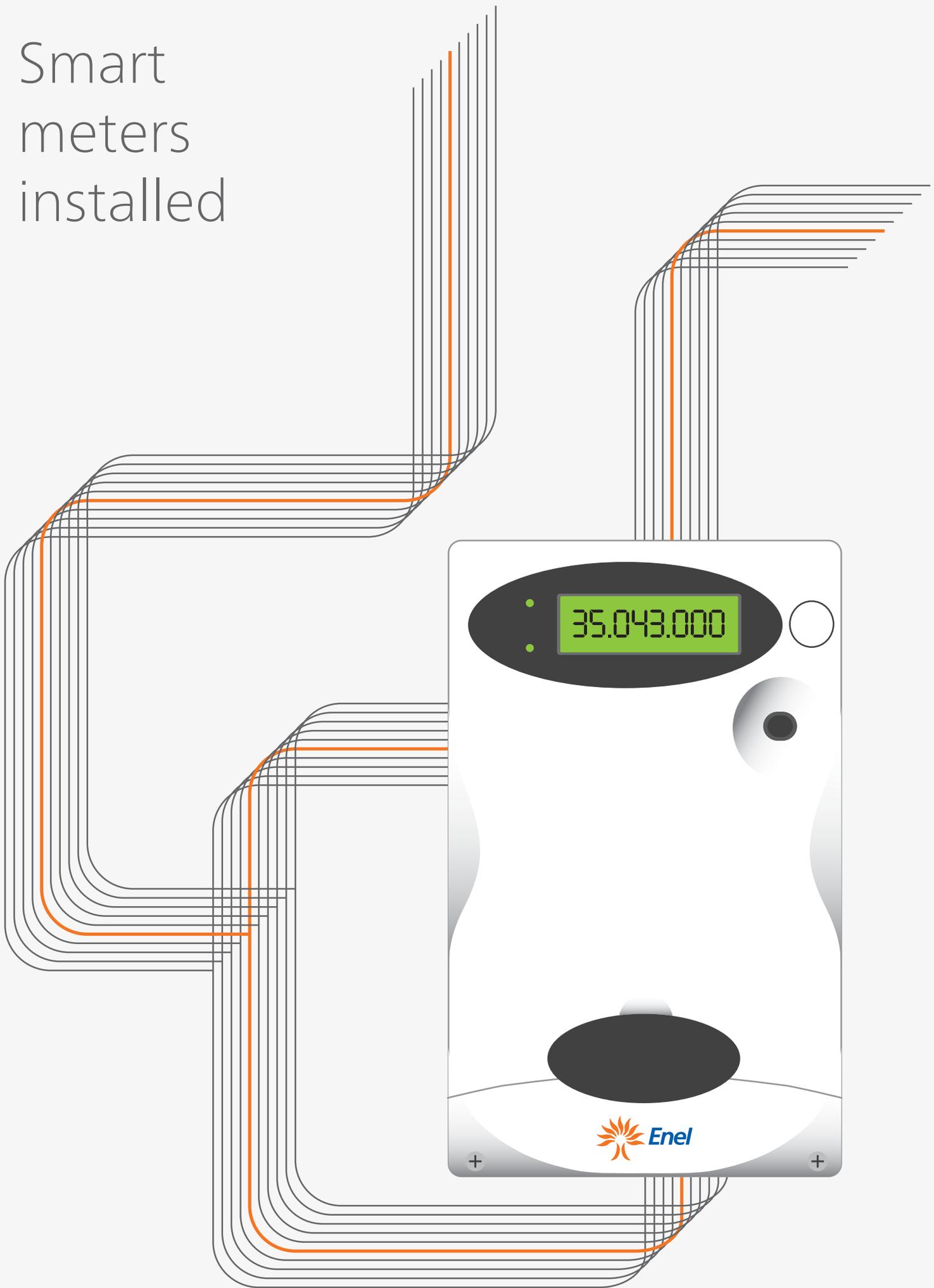
In the context of the "E-mobility Italy" project, developed in partnership with Daimler-Mercedes, the installation of public and private recharging infrastructure continued, to the benefit of the first 100 customers who rented Smart Electric Drive cars in Rome, Milan and Pisa. As for agreements with manufacturers, collaboration was further developed with the main players in the sector, in view of the possible integrated offers to be made to end users.

Green eMotion

The Green eMotion project, which was started in 2011 by the European Commission, sees 42 partners involved including utilities, municipalities, car manufacturers and ICT companies, with the aim of achieving one shared standard on processes and technologies for recharging electric vehicles, to apply to all of Europe.

The work to develop electric mobility has continued also in Spain, on both the commercial and infrastructure front, by exploiting as far as possible the synergies that could be achieved within the Group. In this context there are also the first installations of fast charging infrastructure, integrated for example in the ongoing "Smart City" project in Malaga.

Smart
meters
installed



Green ports

The initiatives for sustainable mobility include the "Green ports" project, which involves the definition of an integrated service offer in order to reduce emissions in ports. During 2011 a preliminary project was delivered to the Port Authority of Venice in Italy for the electrification of the maritime basin. The agreement with Venice joins that signed with the Port Authority of Civitavecchia, for which Enel has already realized the project to electrify a quay in the pleasure and cruise ship port, and agreements signed with the Port Authorities of La Spezia in Italy and Barcelona in Spain. The Green ports issue is also part of the activities under the "Smart City" projects, in accordance with the agreements that Enel Distribuzione is developing with the cities and Port Authorities of Genoa and Bari in Italy.

Grid4EU

The project, which started in December 2011, consists of 6 demos realized by a similar number of distributors at European level with the aim of demonstrating smart grid solutions and promoting their dissemination. In particular the Italian demo, the technical coordination of which is entrusted to Enel Distribuzione, will realize a solution to increase the capacity of generation connection from renewable sources to the medium-voltage network.



The Smart City

The smart grid concept, combined with the philosophy of sustainable urban development, is the basis for the realization of Smart Cities in which the integrated application and management of infrastructure, technologies and services will allow the optimization of energy consumption and use linked to all urban needs, from air-conditioning of buildings to public transport, from grid integration of renewable energy plant to “Active Demand”, from electric mobility to street-lighting. In Italy Enel is developing Smart City projects in Bari and Genoa, as well as starting further collaboration on the issue with other cities. Enel and Endesa, in collaboration with various research institutes, universities and companies, are leaders in the development of demonstration programs in the context of Smart Cities.

In the context of the Smart City projects of Genoa, Bari and Malaga (which will end its demonstration stage in 2012), the main intervention areas concern: the development of “Smart” functions on the electricity distribution network for greater integration of production from renewable sources; the development of electric mobility provided by the installation of Enel recharging infrastructure; setting up users for “Active Demand” functions and improving the energy efficiency of public lighting by using “Archilede” Enel LEDs. The year also saw the start of the “Smart City Barcelona” project, which ended its initial development stage, and the first projects were launched in Latin America with “Smart City Búzios” in Brazil and “Smart City Santiago” in Chile.



A photograph of a kitchen scene. In the foreground, a gas stove with black grates is visible. The background shows a white wall with a light fixture. A white card with a grey border is overlaid in the bottom right corner, containing text.

Chapter 2

Responsibility,
transparency,
ethics

2.1 The principles underpinning our actions

2.1.1 The three pillars of our corporate ethics

231 Compliance Program

The Organizational Model pursuant to Legislative Decree 231/01 on the administrative liability of legal persons constitutes a concrete commitment to rigour, transparency, and responsibility in our relations internally and with the external world, and at the same time provides our shareholders with guarantees of efficient and correct management.

Enel's policy provides that all the Group subsidiaries must adopt the Code of Ethics and the ZTC Plan, implementing the provisions of the two documents in all their activities. All the Italian subsidiaries adopt 231 Compliance Program, whose guidelines were extended to subsidiaries abroad in May 2010.

Code of Ethics

The Code of Ethics is the main pillar of Enel's CSR and summarizes the Group's commitments and responsibilities in conducting its activities. It regulates and harmonizes the behavior of all its employees according to standards based on the utmost transparency and fairness with regard to the market and our stakeholders.

ZTC Plan

The Zero Tolerance of Corruption Plan was drawn up to concretely implement the tenth principle of the Global Compact. It lays out our specific commitments regarding the fight against corruption and reflects the Enel Group's participation in the PACI, the Partnering Against Corruption Initiative.

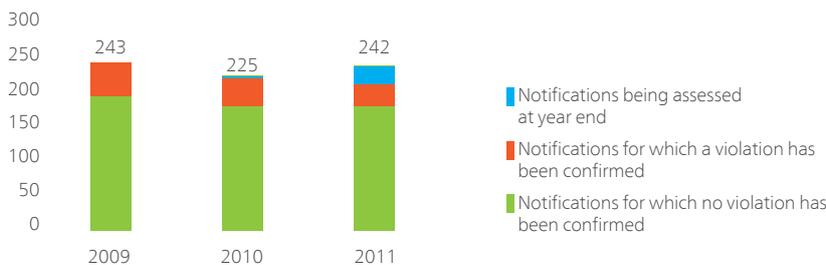
Code of Ethics

Awareness of the social and environmental impacts of the Group's activities, together with the importance of a transparent and cooperative approach with our stakeholders and a good reputation – in both internal and external relations – led Enel to adopt a Group Code of Ethics in 2002. With the Code of Ethics, Enel expresses clear commitments to its ethical responsibilities in the conduct of its affairs by regulating and harmonizing corporate behavior according to standards based on the utmost transparency and fairness towards all the Company's stakeholders.

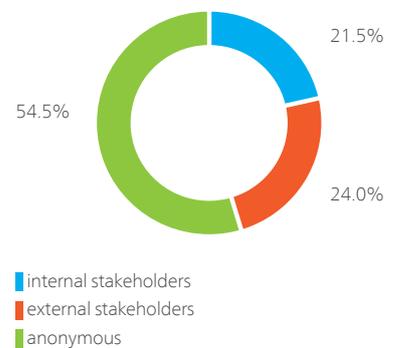
The principles of the Code of Ethics range from market correctness to protecting the environment and workers. The Code sets out the general conduct criteria to be adopted in relations with the various stakeholders, thus providing the guidelines that Enel's employees are required to follow in order to avoid the risk of unethical conduct.

The Code of Ethics is binding for the conduct of all employees and also applies to the companies in which Enel has a majority interest: every subsidiary, as soon as it is included in the Group's scope of consolidation, is required to adopt the Code of Ethics and the Zero Tolerance of Corruption Plan by means of a specific resolution of its own Board of Directors. In addition, the Group's main suppliers are required to act in keeping with the general principles expressed in the Code. The Audit Department, with the support of the corporate divisions concerned, is entrusted with checking the application of and compliance with the Code of Ethics through the analysis and assessment of ethical-risk control, as well as through receiving and analyzing reports of violations of the Code of Ethics. All the stakeholders can report violations or suspected violations through dedicated channels (audit.enel.codice.etico@enel.com, codigoconducta@endesa.es, www.endesa.es, www.enel.com or by post). Without prejudice to legal obligations, the identity of those making such reports is always kept confidential and they are protected from any kind of retaliation, i.e. from any act that could be considered (or even suspected) of being a form of discrimination or penalization. The Audit Department arranges a careful analysis of every report received, involving the Internal Control Committee in the most important cases. The latter, following suitable study of the case, informs the Chief Executive Officer or, if necessary, the Board of Directors, of the violations found and the provisions to be adopted.

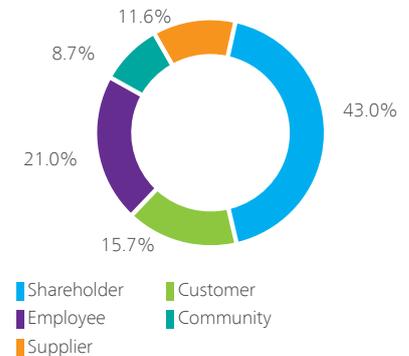
Notifications received by status



Notifications received by type of stakeholder - 2011



Notifications received from harmed or potentially harmed stakeholder - 2011



Compliance Program pursuant to Legislative Decree 231/2001

Legislative Decree 231/2001 introduced into Italian law a regime of administrative, but in reality criminal, liability for companies with regard to several kinds of crimes committed by their directors, executives, or other employees in the interest or for the benefit of said companies. In 2002 Enel was the first company in Italy to adopt an Organizational and Management Model in accordance with the requirements of Legislative Decree 231/01 (the "231 Compliance Program"). The Model consists of a "general part" (which describes, among other things, the objectives and functioning of the Model, the duties of the internal control body, the information flows, and the related penalty regime) and distinct "special parts" concerning the different kinds of crimes provided for by Legislative Decree 231/01 which the Model aims to prevent (for example crimes in dealings with the public administration, crimes of negligent manslaughter and serious or very serious injury committed in violation of the laws on occupational health and safety).

All the Italian subsidiaries adopt the Compliance Program pursuant to Legislative Decree 231/01. In addition, on May 12, 2010 the Board of Directors of Enel SpA approved the 231 Guidelines for non-Italian subsidiaries. In implementation of the provisions of the decree, a collegial body has been set up in Enel SpA with autonomous powers of action and control (the "Control Body"), with the duty of overseeing the functioning and observance of the Model and arranging its revision. The other Group companies, on the other hand, normally adopt a "single-person" control body. During 2011 the general part of the Model was updated and a new special part dedicated to preventing crimes related to organized crime was drafted. In addition, Endesa implemented the "*Modelo de Prevención de Riesgos Penales*" which takes account of the provisions of the 231 Guidelines for non-Italian subsidiaries, the reform of the Spanish penal code and Chilean Law 20.393 on the penal responsibility of legal persons.

"Zero Tolerance of Corruption" Plan

In observance of the Global Compact's tenth principle, which states "businesses should work against corruption in all its forms, including extortion and bribery", Enel intends to continue its commitment to the fight against corruption. To this end, in 2006 Enel SpA adopted the "Zero Tolerance of Corruption" Plan (the so-called "ZTC Plan"), confirming the Group's commitment, which was already set out in the Code of Ethics and in the 231 Compliance Program, to guarantee correctness and transparency in the conduct of its business and corporate activities, in order to safeguard its position and image, the work of its employees, and the expectations of its shareholders and of all the other stakeholders in the Group. Enel's policy envisages that all the Group's subsidiaries adopt the ZTC Plan.

The ZTC Plan neither replaces nor overlaps with the Code of Ethics and 231 Compliance Program, but represents a more in-depth approach to the issue of fighting corruption and aims to comply with the sustainability commitments entered into by Enel and to adopt a series of recommendations in order to implement the principles formulated by Transparency International. The primary objective of the ZTC Plan is to identify and promote actions aimed at developing a culture of lawfulness through educational initiatives and making the Group's personnel aware of their responsibilities. The Plan gives substance to Enel's participation in the United Nations' Global Compact and the PACI, the Partnering Against Corruption Initiative, which was initiated by the Davos World Economic Forum in 2005 and has been joined by 60 global companies.

2.1.2 Lessons on ethics

Enel organizes specific courses aimed at ensuring the thorough dissemination and due understanding among its employees of the basic contents of the Group's sustainability instruments. As from 2002, in particular, courses have been provided on the Code of Ethics and, as from 2004, on 231 Compliance Program. In addition, as from 2005, training courses have been provided on corporate responsibility, aimed at raising awareness of sustainability issues and of the way in which these are integrated into Enel's everyday activities. Between 2010 and 2011 the online course on the Code of Ethics was completely restructured, and will be translated into 5 languages and supplied as from the start of 2012.

In total, since 2002 27,220 employees in Italy have received training on the Code of Ethics, on Corporate Social Responsibility and on the 231 Compliance Program (around 92% of supervisors and executives and around 70% of other employees). The courses deal with all the sustainability issues in the Group, with particular attention to the policies and procedures to combat corruption and the principles to safeguard human rights.

In 2011, in particular, training was given a boost thanks to the launch of both a new training program on Legislative Decree 231/01 regarding the company's "penal" responsibility, which was completely restructured and integrated with new content compared to the past, and an e-learning course on CSR (see "Learning about CSR"). Thus in 2011 alone 19,776 people were involved in ethical training, some for the first time and others for an update on training provided previously.

The new course on Legislative Decree 231/01 illustrates, also through practical cases, the rules of conduct to be adopted in dealings with competitors, customers and suppliers; and it also includes checks and multiple choice tests to verify learning.

The issues of the Code of Ethics, of the 231 Compliance Program, of the Zero Tolerance of Corruption Plan and Social Responsibility are included not only in these specific training courses, but also in the institutional training courses for new recruits (such as JET) and for newly promoted supervisors (LINK). The distance training courses on these issues, in particular, precede access to institutional training.



Training courses on ethics in Eastern Europe

In January 2012 a workshop was held in Moscow and in the Konakovskaya GRES power plant on the Enel Code of Ethics for managers and service and Department heads. The course also addressed the issues of anti-bribery laws in the United States and United Kingdom, and subsequently a similar training initiative was launched in Romania in cooperation with Transparency International.

The course addressed the need to establish cooperation between the main Russian multinationals and the State control bodies in order to encourage the creation of uniform standards and to thus meet the ethical and legal requirements in the energy supply sector in Russia. International laws

to combat corruption were therefore considered.

Particular attention was also paid to the issue of disseminating the Code of Ethics and the 231 Guidelines for Enel OGK-5, in order to standardize the corporate conduct at Group level on the basis of the principles of transparency and loyalty to shareholders.

The workshop, which was highly appreciated by the participants, was repeated in all the Enel OGK-5 thermoelectric plants throughout February 2012. In addition, 4,000 copies of the Enel Code of Ethics were distributed to all employees and they were asked to sign a letter of commitment to respect the principles contained in the Code.

Learning about CSR

In autumn 2011 the CSR Unit, in collaboration with Enel University, launched a 45-minute online course to look at the issue of sustainability.

The course is broken down into five lessons. The first three ("Sustainable development", "What is Corporate Social Responsibility" and "Best Practice in CSR"), which were created with the support of Cattolica University of Milan, provide an overview of corporate responsibility at a global level, and address the effects of CSR in an economic context, as from the '70s, and the importance of the concept of stakeholders.

The other two lessons ("The history of CSR in Enel" and "The business of CSR:

reporting, integrating, communicating") focus on the Company's strategic priorities: the approach based on balancing the economy, environment and society, the importance of ethics and combating corruption in business. In this way various aspects are addressed: from the reporting process to the increasing importance of socially responsible investment funds; from the presence of Enel in the leading global sustainability indexes to communication, to Sustainability Day. The course, which was initially available only in Italian, is being prepared in various languages and will be provided to all the countries in which Enel operates.

2.1.3 Our key commitments

Combating corruption

Adopted in 2006, the Zero Tolerance of Corruption Plan strengthened the Company's commitment to the fight against corruption – already reflected in the Code of Ethics and in the 231 Compliance Program – by assigning precise responsibilities for monitoring the corruption risks and for correctly handling suspect cases.

In particular, all Units and Departments are responsible, as appropriate, for an effective risk management process by putting adequate control and monitoring systems into place. The analysis and oversight of corruption risk is also part of the general process of Group risk assessment, which is carried out periodically by the Audit Department.

During 2011 the Group as a whole recorded 20 incidents of corruption. In relation to these, Enel imposed disciplinary measures on the staff involved in line with the relevant law (warning letters, dismissals) and imposed sanctions on suppliers (provisions in regard to tender qualification and contracts, reports to the competent authorities).

Respect of human rights

“Enel shall avoid any kind of discrimination on the basis of the age, gender, sexual preferences, health, race, nationality, political opinions, and religious beliefs of its stakeholders. It shall guarantee the physical and moral integrity of employees, working conditions that respect individual dignity and rules of conduct based on politeness, and safe and healthy work environments. Furthermore, it shall act to prevent incidents of intimidation, mobbing, or stalking in the workplace, and shall not tolerate requests or threats aimed at inducing individuals to act against the law and the Code of Ethics or act in ways that are detrimental to their convictions and moral and personal preferences”.

Furthermore, Enel undertakes to respect, promote, and realize in all the countries where it is present the following principles regarding the fundamental rights of workers: freedom of association and collective bargaining, the prohibition on child labor, and the prohibition on forced labor. The identification of these principles follows the Tripartite Declaration of the International Labor Organization (ILO) regarding employment, training, living and working conditions, and industrial relations, as well as several

specific ILO Conventions regarding freedom of association and union membership, the prohibition on forced labor and child labor, and occupational health and safety.

In 2011, in terms of reports of possible violations of the principles set out by the Code of Ethics, no incidents were reported that were detrimental to the right of non-discrimination or contrary to the prohibition on forced labor and child labor.

The commitment to defend these fundamental rights is not confined to the Group itself. Operating in numerous countries and markets in cooperation with a dense network of suppliers, Enel is constantly engaged in defending human rights along its entire supply chain (see in particular page 228).

Furthermore, as part of investment agreements, the acquisition of majority equity interests in other companies entails the extension of the Code of Ethics and therefore all the principles it contains, including those regarding human rights. During 2011 Enel SpA's Board of Directors approved two significant investment agreements⁽¹⁾, which both entail the application of the human rights principles in the Enel Code of Ethics.

Transparency in institutional relations

Relations between Enel and national and international public institutions are characterized by absolute transparency and precise rules of conduct.

Contacts between the Group and such institutions regard “exclusively forms of communication aimed at assessing the implications for Enel of legislative and administrative activity and to respond to informal requests and supervisory actions (queries, interpellations, etc.) or in any case to make known Enel's position on issues that are important for the Company” (clause 3.27 of the Code of Ethics). Consequently, Enel does not have direct relations with political parties or finance them in any way, as explicitly

(1) By “significant” is meant investment agreements entailing the incorporation of companies, the acquisition of majority or minority equity interests, the creation of or participation in joint ventures, etc.

Enel in the Global Compact



The United Nations Global Compact is a private sector action plan promoted in 1999 by the then United Nations Secretary-General Kofi Annan. The network of companies, international organizations, associations and NGOs which form the Global Compact aims to involve the private sector in a new type of cooperation, through undertaking to observe ten universal principles regarding the issues of human rights, labor, and environmental protection and combating corruption.

Enel has been an active member of the international network since 2004 and regularly communicates its commitment through an annual report called "Communication on Progress" (COP), for which in 2011 Enel was recognized as achieving the "Advanced" level of application.

Page 295 provides a table linking the 10 principles of the Global Compact and the actions adopted in response to them which are noted in this Report.

In addition, since January 2011 Enel has actively participated in the Global Compact LEAD platform, which brings together the best global companies in terms of promoting the 10 principles of the Global Compact and which are committed to leading new global sustainability initiatives.

As part of the participation in the Global Compact initiatives, during the edition of the United Nations Private Sector Forum held on September 20, 2011 in New York, the Chief Executive Officer and General Manager of Enel Fulvio Conti launched the Group program "Enabling Electricity" (page 218).

established by clause 2.2 of the Zero Tolerance of Corruption Plan (“Enel refrains from all forms of pressure, whether direct or indirect, on politicians, does not finance political parties, their representatives or their candidates, whether in Italy or abroad, and does not sponsor any event whose exclusive purpose is political propaganda”) and by clause 3.26 of the Group Code of Ethics: “Enel does not finance political parties in Italy or abroad, nor their representatives or candidates, nor does it sponsor meetings or celebrations which have exclusively political propaganda ends. It refrains from applying any kind of direct or indirect pressure on political representatives (for example, by allowing the use of Enel facilities or accepting recommendations for hiring or consultancy contracts)”.

In some countries where Endesa is present the application of the Zero Tolerance of Corruption Plan means that some situations, albeit compliant with local law, may conflict with compliance with the provisions relating to the financing of political parties. Should this occur, these cases are put for approval by the *Comité de Auditoria* of Endesa for a specific assessment.

In keeping with the commitment stated in the Code, Enel cooperates with Italian and European institutions to study and develop laws and agreements for the electricity sector, and makes proposals to improve and change legislative provisions that impact on the

Group’s business. In all the countries where it is present, therefore, the units dedicated to institutional relations work to consolidate dealings with national institutions and bodies, in order to most effectively represent the Company’s positions and interests to public decision makers.

Again in 2011, the macro objective of the work of the Institutional Affairs Unit in the various countries where the Group is present was to enhance Enel’s image with institutions, by reinforcing the perception of the strategic role which it plays in generating value for national, European and international systems.

In Italy, in particular, relations were further strengthened with governmental institutions (the Prime Minister’s Office, the Ministry of Foreign Affairs, the Ministry of Economic Development, the Ministry of the Environment and the Department for International Trade) and parliamentary institutions (the Presidents’ Offices of the Chamber of Deputies and of the Senate), and with bodies that are active internationally (the Italian Foreign Trade Institute - ICE, Confindustria, and the Italian Export Credit Agency - SACE).

Aside from talking to the key players in the legislative and executive process, the Group – also through the Regulations, Environment and Carbon Strategy Department – constantly analyses and monitors legislation and regulations and prepares and presents posi-



tion papers and proposals to amend the provisions of greatest interest to the Company. In 2011, there was particular interest in the transposition of the directives on the promotion of the use of energy from renewable sources, on the geological storage of carbon dioxide (CCS), on the internal energy and gas market (the so-called "Third package"), and on the work undertaken to approve the resolution on the proposed energy efficiency directive. Work also focused on the preparation and monitoring of the ministerial decrees on incentives for photovoltaic energy (4th Feed-in Tariff Program), the bill on economic stability, the decrees on anti-crisis measures, the summer budget and the so-called Save Italy decree.

At a European level, the European Affairs Office and the Regulations, Environment and Carbon Strategy Department of Enel focused in particular on the issues of energy efficiency, smart grids, electric cars, the transparency of financial and energy markets, combating climate change and the European 2050 energy strategy. Each of these issues saw new proposals for European directives and regulations, to which the Enel Group made an important contribution – drawing on its own technical know-how – in the framework of a structured, transparent and well-established dialogue with the European Parliament, European Commission and Council of the European Union.

In addition, internationally, advocacy activities were of fundamental importance both at a bilateral level (direct contact with the governments of the countries where the Group operates) and at multilateral level (direct or indirect government-led contact with international organizations, above all on climate change issues). These actions include the advocacy offered for the Durban Conference in December 2011 and the active participation at the Major Economies Forum (MEF) on smart grids, at the G20 Summit in Cannes, the Energy Business Forum of the International Energy Agency (IEA) and at the Global Compact and Global Compact LEAD of the United Nations.

In 2011 the Enel Group received 111.3 million euro in contributions, of which 65.7% was for the development of energy networks, 33.2% for research & development, and 1.1% for work in renewables. In total 50 projects were financed. The remaining debt regarding the European Investment Bank (EIB) and other loans was 4,876.4 million euro, invested mainly in energy networks (68.9%) and in renewable energy (20%).

Correctness on the market

As a principle on which Enel's practices are based, clause 3.30 of the Code of Ethics states that the Group "shall fully and scrupulously observe the antitrust rules and the resolutions of the market's regulatory authorities. Enel SpA's subsidiaries are obliged to inform Enel SpA's Regulations, Environment and Carbon Strategy Department of all initiatives with an antitrust impact that they undertake. Enel SpA's Regulations, Environment and Carbon Strategy Department shall provide guidelines regarding antitrust policy to all the Group companies, as well as the necessary assistance to management".

Furthermore, "Enel shall not deny, hide, manipulate, or delay any information requested by the Antitrust Authority and other regulatory bodies in their supervisory duties and shall cooperate actively during investigative procedures. In order to ensure the utmost transparency, Enel undertakes to not become involved with employees of any authority or members of their families in situations where there is a conflict of interests".

In Italy, during 2011 the Antitrust Authority did not initiate any procedure against Enel for violation of antitrust law. On the other hand, the Authority for Electricity and Gas (AEEG) issued three sanctions relating to conduct which, according to the regulator, hindered the correct functioning of the market. In particular administrative sanctions were applied for a total of 1,419,000 euro for violations linked to the supply of electricity transmission, dispatching and measurement services, delays in the switching on of the drawing points of the new default service providers⁽²⁾ and failure to transmit information to the new operators (registered office of end user, tax data, etc.).

As for Endesa's operations, at the end of 2011, 5 legal cases were still outstanding relating to alleged abuses of dominant position (for example denying access to information on customers for competitors), collusive agreements with other electricity companies and the application of unfair contractual conditions for customers.

(2) This is the service, envisaged by the Law Decree of June 18, 2007, which guarantees continuity in electricity supply to medium-size and large customers which, after the energy market liberalization, have not chosen a supplier on the free market or which, for whatever reason, have no supplier. In these cases the customers are automatically assigned to the provider of the safeguarding service. The safeguarding service is reserved for customers who have no right to the protected categories service or to non-domestic customers with low voltage supply with more than 50 employees or an annual turnover of more than 10 million euro.

2.2 In line with our stakeholders



Enel's core business and the way it operates determine the identification of its stakeholders and their interests. In effect, Enel's stakeholders are those categories of individuals, groups, and institutions whose contribution is required for Enel to carry out its mission or that, in any case, have an interest at stake in its pursuit.

Thus the key stakeholders are the people who make investments connected with Enel's business, first of all its shareholders and then its employees, customers, suppliers, and business partners. In a broader sense stakeholders are also all the individuals and groups, as well as the organizations

and institutions that represent them, whose interests are affected by the direct or indirect effects of Enel's activities. This category includes, for example, the local and national communities in which Enel operates, environmentalist associations, and future generations.

Through the numerous corporate units dedicated to handling relations with its different stakeholders, the Group pays constant attention to the expectations of each and so knows when it should promote initiatives and actions in response to the needs expressed and establishes additional stakeholder engagement processes.

Accounting, Finance and Control Department

Investor Relations Unit

The Unit manages relations with analysts, institutional investors and retail investors in accordance with specific procedures through official meetings, roadshows, and the corporate website. Together with the CSR Unit, it also handles relations with socially responsible investors.

Personnel and Organization Department

Planning, Development and Enel University Unit

The Unit surveys the expectations of employees through the climate analysis and *ad hoc* meetings.

Industrial Relations Unit

The Unit maintains constant relations with labor union representatives.

External Relations Department

External Communication and CSR Unit

The Unit plans the Group's institutional communication activities and establishes the corporate identity guidelines. It coordinates local and national communication events, while ensuring constant engagement with local communities, among other things through support for educational, social, cultural, and sports activities. Within this unit, the CSR Unit coordinates the Group's CSR activities, manages relations with consumers, environmentalists, local-government associations, and promotes the Enel Historical Archives.

Large-scale Infrastructure Projects Unit

The Unit discusses issues with communities affected by significant local industrial construction.

Internal Communication Unit

The Unit promotes participation and involvement by "Enel citizens", with the objective of facilitating integration through innovative methods and instruments.

Italian Institutional Affairs Unit

International Institutional Affairs Unit

Local and Confindustria External Relations Unit

European Institutional Affairs Unit

These Units manage relations with institutions at the local, national, European and international levels through the relevant units, drawing on the guidelines indicated by the External Relations Department.

They manage European social dialogue, through regular annual meetings with European trade union federations and, together with Enel Personnel and Organization Department are part of the Technical Secretariat which manages relations with union representatives of the European Company Committee.

Procurement and Services Department

The Department organizes training meetings, above all on the issue of safety, aimed at suppliers, in order to promote sustainability along the entire supply chain.

Regulations, Environment and Carbon Strategy Department

Antitrust and Regulatory Analysis Unit

The Unit handles relations with the Directorate General for Competition of the European Commission and with the Italian Antitrust and Data Protection Authorities.

Italian Regulations Unit

The Unit monitors and examines regulatory provisions and coordinates the process of de-

fining and defending the Company's position, by managing relations with the competent authorities.

European and International Regulations Unit

The Unit defines and defends the Company's position in relation to regulatory issues in the EU, of countries covered by the International Division and of other countries of interest.

The Unit represents the Company's interests on regulatory issues to the European energy regulator (ACER) and the network of national regulators (CEER).

Engineering and Innovation Division

The Division establishes the Strategic Plan for Innovation and the Environment and ensures the monitoring and promotion of environmentally significant innovation initiatives. It promotes the areas of technological excellence that distinguish the Enel Group.

Sales Division

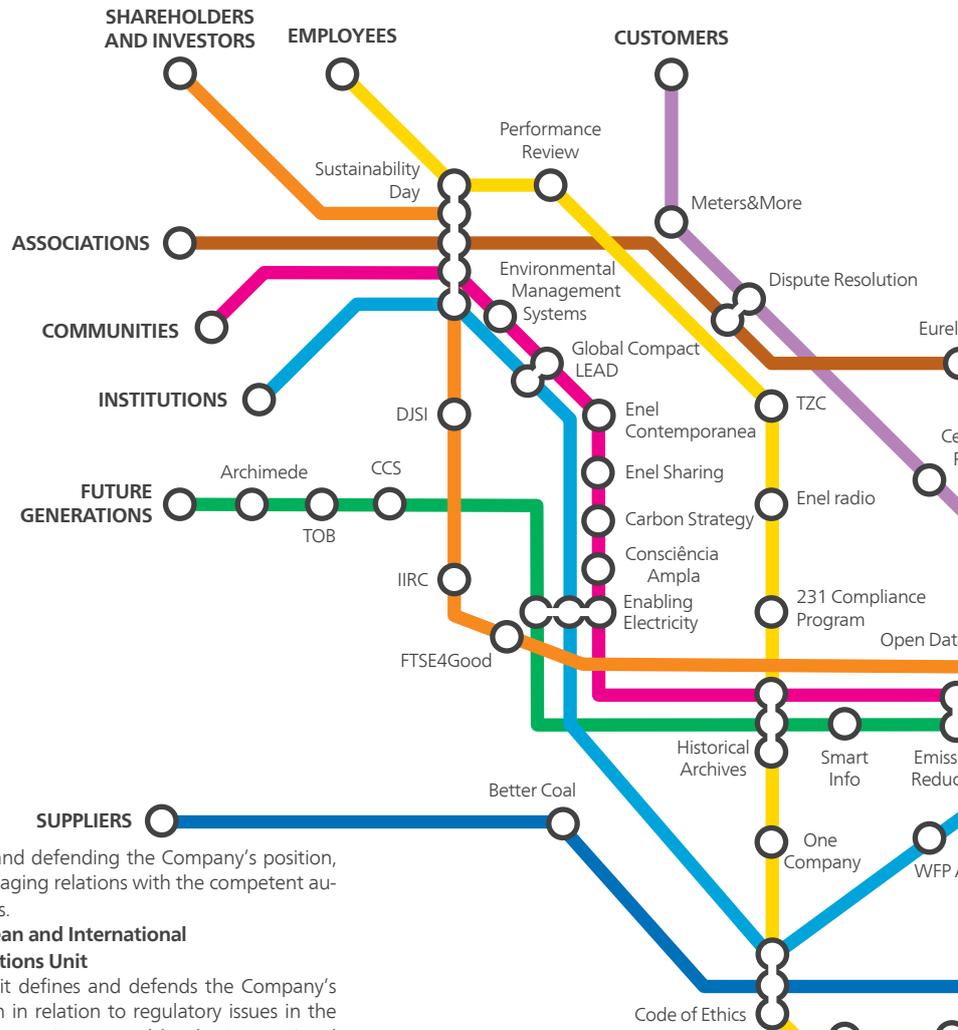
The Division systematically surveys the satisfaction of customers and the requests they make through customer satisfaction surveys and complaints analysis. In addition, Enel, the first of the European utility companies to do so, has developed an online reconciliation service for electricity and gas customers.

Infrastructure and Networks Division

The Division develops remote-management and remote-control systems, ensuring its assistance for multi-metering activities (electricity, gas, etc.) achievable with remote management systems. It is the reference point for the implementation of smart grids.

Renewable Energy Division

Thanks to its range of photovoltaic and thermal solar systems, the Company is in the forefront particularly with regard to solar energy. The Division manages more than 500 franchises that specialize in the renewables sector.



- SHAREHOLDERS AND INVESTORS**
Investor Relations
CSR
- EMPLOYEES**
Personnel and Organization
Internal Communication
Audit
- CUSTOMERS**
External Relations
Sales
Infrastructure and Networks
Renewable Energy
- SUPPLIERS**
Procurement and Services
- INSTITUTIONS**
Institutional Affairs
- ASSOCIATIONS**
CSR
- COMMUNITIES**
External Relations
Infrastructure and Networks
Engineering and Innovation
Regulations and Environment
- FUTURE GENERATIONS**
Engineering and Innovation
Regulations and Environment
CSR

Stakeholders map





Sustainability Day
Business in all seasons

We need strong roots for sustainable growth

February 15, 2011

www.sustainabilityday.com



February 15, 2011: "Business as Unusual", the second Enel Sustainability Day

Building a different type of economy, promoting growth and a new way of doing business. This is the challenge facing companies today and Fulvio Conti, Enel's Chief Executive Officer, told the audience at the second Sustainability Day it was a duty and responsibility.

The second world day dedicated to corporate responsibility organized by the Enel Group took place on February 15, 2011 at the Endesa headquarters in Madrid, where international experts, managers of ethical funds, representatives of communities and international institutions met to propose new global strategies for sustainable growth. Sustainability Day is an opportunity to promote a culture of responsibility, leading to an innovative way of thinking about corporate sustainability at global level.

As on the first Sustainability Day, this second edition was chaired by Professor Mervyn King. After the addresses of Fulvio Conti, Borja Prado, Chairman of Endesa, and of the Spanish Minister to the Presidency Ramon Jauregui, a panel discussed how to rethink business strategies to promote growth. The panel consisted of: Andrea Brentan, Chief Executive Officer of Endesa; Christiana Figueres, Executive Secretary of UNFCCC; Enrico Giovannini, a member of the Stiglitz Commission and President of Istat; Teresa Ribera, Spanish Secretary of State for Climate Change; Deepa Gupta, co-founder of the India Youth Climate Network; Emma Howard Boyd, Director of Jupiter Asset Management; Eduardo Montes, President of UNESA; and Aldo Olcese, Chairman of the Business and Finance Section of Spain's Royal Academy of Economics and Finance.

During the event the conclusions of the report by Economist Intelligence Unit "Sustainable future: promoting growth through sustainability" were presented. The re-

search was undertaken, on Enel's behalf, by interviewing over 280 senior managers in international companies in Asia, Western Europe and North America.

Sustainability Day also saw the publication of an issue of Oxygen, Enel's magazine promoting scientific debate, dedicated to Corporate Social Responsibility. A global journey through sustainability involving international figures from the CSR world, Italian and foreign journalists, writers and academics. The contributions included in the magazine are by personalities such as Georg Kell, the Executive Director of the Global Compact of the UN and Mervyn King, Chairman of the Global Reporting Initiative. For the first time, Oxygen was also available on iPad, in Italian and English.

For the event Enel created a dedicated website (www.enelsustainabilityday.com) where the works could be followed live and the research study and interviews with the participants were made available, together with the issue of Oxygen and an interactive map of the exhibition area.

On Twitter, Enelsharing (<http://twitter.com/enelsharing>) published updates on the works. Outside the auditorium Enel and Endesa's most important sustainability projects were on display: from investments in research and innovation, to examples of dialogue with local communities, from respect for the environment to corporate governance.

Enel also neutralized the CO₂ emissions produced in organizing the event (for a total of 58 metric tons) by planting 420 trees in the deforested area of Mbam Kim in Cameroon.

2.3 The network that multiplies our energy

The Enel Group's international role is also shown by its active participation in the international associations and organizations that establish long-term goals and commitments to cope with the challenges of climate change and the social and economic pressures concerning the energy industry and the macroeconomic situation in general. In addition, it is involved in the main national and international industry associations and plays a proactive role in the main networks that develop Corporate Social Responsibility projects and promote a way of doing business that is consistent with a sustainability-based perspective.

Global Sustainable Electric Partnership (formerly E8)

<http://www.globalelectricity.org/>

Headquarters: Montreal (Canada)

An international non-profit organization consisting of the 12 leading electricity companies from the G8 countries. It plays an active role in global matters connected with electricity and promotes the sustainable development of energy, above all in developing and emerging countries. In 2011, the organization welcomed new members from China and South Africa. The Chairman of Enel attended the organization's annual Board of Directors' meeting.

Observatoire Méditerranéen de l'Energie, OME

<http://en.omenergie.com>

Headquarters: Nanterre (France)

An energy study and information center, think tank and permanent meeting point for its members. The OME promotes cooperation and collaboration among the largest energy companies in the Mediterranean.

The Chairman of Enel takes part as a member in the annual meetings of the General Assembly.

Eurelectric

<http://www.eurelectric.org/>

Headquarters: Brussels (Belgium)

Association which represents the interests of the European electricity sector, consisting of the national electricity associations. Its mission is to contribute to the development and enhanced competitiveness of the electricity industry and to promote the role of electricity in advancing society. On June 13, 2011 the Chief Executive Officer of Enel was appointed Chairman of Eurelectric for a two-year term. The Chairman of Eurelectric chairs the meetings of the Board of Directors and also the meetings of the Coordination Committee which is responsible for preparing guidance for the Board's most important decisions.

World Energy Council, WEC

<http://www.worldenergy.org/>

Headquarters: London (United Kingdom)

One of the most important organizations in the world dealing with energy, it brings together companies from over 100 countries and has a consultancy and mediation role that is recognized by the United Nations.

Enel takes part in periodic meetings through a representative. Since



March 2010 Enel's Institutional Affairs Manager has been the Deputy Chairman of WEC Italia.

International Emissions Trading Association, IETA

<http://www.ieta.org/>
Headquarters: Geneva (Switzerland)

The IETA seeks to facilitate achievement of the goals set by the United Nations Framework Convention on Climate Change (UNFCCC).

Enel takes part in working groups and events promoted by the IETA, as well as developing position papers on the most important issues. Since 2011 Enel has been represented on the Board of Directors through its Carbon Regulation Manager.

Alliance for Rural Electrification

<http://www.ruralelec.org/>
Headquarters: Brussels (Belgium)

The organization promotes rural electrification in developing countries by bringing together all the key players in order to create a common position on the issue involving the use of renewable energy and offer-

ring technical and financial solutions. Since 2010 Enel Green Power has been on its Board of Directors.

Global CCS Institute, GCCSI

<http://www.globalccsinstitute.com/>
Headquarters: Canberra (Australia)

An international organization created at the behest of the Australian Government, which promotes CCS technology in commercial and regulatory terms and in terms of its public acceptance, with the long-term objective of creating partnerships between industry, governments and research institutes at global level and of defining the regulatory parameters which in the future will regulate CCS.

Enel takes part in the Institute's periodic activities through its own representative.

Corporate Social Responsibility Europe, CSR Europe

<http://www.csreurope.org/>
Headquarters: Brussels (Belgium)

A network of European companies and organizations which work together to include Corporate Social

Responsibility in their business strategies and practices.

Enel takes active part in the work and meetings of the network.

European Photovoltaic Industry Association, EPIA

<http://www.epia.org/>
Headquarters: Brussels (Belgium)

An association dedicated to the photovoltaic solar industry.

Enel takes part in the association's activities as a member through Enel Green Power. In 2010 the Executive Vice-President and Business Development Manager of Enel Green Power was appointed Chairman until 2012.

European Wind Energy Association, EWEA

<http://www.ewea.org/>
Headquarters: Brussels (Belgium)

An association which actively promotes the use of wind energy in Europe and worldwide and has more than 600 members (90% of the global wind market), together with component suppliers, research institutes, national associations, developers, electricity suppliers and

finance and insurance companies. Since 2010 Enel Green Power has been on its Board of Directors.

Renewable Energy Certificate System, RECS

<http://www.recs.org/>
Headquarters: Utrecht (Netherlands)

The RECS was created to foster the international development of renewable energy. The system promotes the use of a standard certificate as proof of the production of a quantity of renewable energy and provides a methodology which qualifies companies to trade in renewable energy. This enables the creation of a sustainable energy market, so as to promote the development of new energy capacity in Europe.

Enel takes part in the association's periodic activities through its own representative.

Global Reporting Initiative, GRI

<http://www.globalreporting.org/>
Headquarters: Amsterdam (Netherlands)

A multi-stakeholder network consisting of thousands of experts and representatives of companies from over a dozen countries worldwide, which works collaboratively to develop a framework on sustainability reporting.

Since 2006, in preparing its own Sustainability Report, Enel has applied the reporting guidelines issued by the GRI, and sponsors the definition of the new GRI guidelines, G4.

Global Compact and Global Compact LEAD

<http://www.unglobalcompact.org/>
Headquarters: New York (USA)

Launched in 1999 by the then Secretary-General of the United Nations Kofi Annan, the Global Compact is

the private sector global network to promote 10 global principles of corporate citizenship. Enel has been a member of the global network and of the Italian network since 2004.

Global Compact LEAD is a program created in 2011, as part of the United Nations' Global Compact project, involving companies and organizations with experience as a member of the Global Compact and which are particularly active in terms of Corporate Social Responsibility. Enel is one of the fifty or so organizations worldwide involved in the program.

World Association of Nuclear Operators, WANO

<http://www.wano.org.uk/>
Headquarters: London (United Kingdom)

An international association which aims to improve the safety and increase the credibility of activities in nuclear power plants worldwide, through the information exchange, communication and discussion among its members.

Enel takes part in the association's periodic activities through its own representative.

European Corporate Leaders on Climate Change, EU-CLG

http://www.cpsl.cam.ac.uk/our_work/climate_leaders_groups/clgcc.aspx/

Headquarters: Cambridge (United Kingdom)

Group created in 2006 as part of Cambridge University's "Programme for Industry" to promote new long-term policies to fight climate change. Enel takes part in the group's periodic activities through its representative.

European Distribution System Operators (EDSO) for Smart Grid

<http://www.edsoforsmartgrids.eu/>
Headquarters: Brussels (Belgium)

Non-profit association bringing together 29 leading companies in electricity distribution in 17 countries in the European Union, with the objective of seeking out, developing and realizing large-scale demonstration projects for smart grids.

Enel holds the presidency of the association.

Meters & More

<http://www.metersandmore.com/>
Headquarters: Brussels (Belgium)

International non-profit association founded by Enel Distribuzione and Endesa Distribución Eléctrica, which seeks to achieve a European-wide standard for intelligent management systems for electricity meters. Members include electricity distribution companies, electronic industries and telecommunication companies worldwide.

Enel Distribuzione, through the head of the Remote Management and Metering System team, holds the presidency of the association.

BusinessEurope

<http://www.businesseurope.eu/>
Headquarters: Brussels (Belgium)

It is the main European business organization and, through the 41 federations that are members, represents 20 million companies from 35 countries.

Enel chairs the Environment Working Group.

2.4 What they say about us

2.4.1 Enel in the media

Enel's Media Relations Unit constantly monitors the perception of the Group in the local, national and international general and specialist press.

In dealing with the national and international press Enel's approach has always been open and positive. In Italy, this commitment is mirrored by the results of the "City *Giornalisti* 2011" study undertaken by Demoskopoea, which analyzes the judgments of leading Italian business journalists on the quality of the Media Relations offices of the main Italian companies: in 2011 Enel was once again number one for the quality of its media relations.

According to the study undertaken by Eikon, which analyzes Enel's presence in the media in Italy, among the most positive aspects in 2011 as judged by the Italian and international media were the income and financial results for 2010 and the success of the bond issues for institutional investors.

There was significant interest from foreign and Italian press in Enel's clean technologies, such as "Archimede", the thermodynamic solar plant. There was also a very positive assessment of some new projects by Enel Green Power (such as the opening of the world's biggest photovoltaic panel factory in Sicily or the inauguration of new wind farms in Italy and abroad) and of the Group's initiatives to reduce environmental impact (such as the inauguration of the carbon capture and storage plant at the coal-fired power plant in Brindisi or the progress in the field of electric cars).

In Italy the press highlighted the sentence of the *Consiglio di Stato* (Council of State court) in favor of the construction of a regassification plant at Porto Empedocle and the favorable judgments on the oil-to-coal conversion of the Porto Tolle power plant. In Russia, the inaugurations of two new combined-cycle plants with a low environmental impact received positive media coverage.

Corporate Social Responsibility initiatives also received positive coverage, both in Italy and in the foreign press. There was particular coverage of the Sustainability Day held in Madrid in February 2011, the initiatives of the non-profit organization Enel Cuore, and the educational project PlayEnergy.

In the Italian and international media there was negative coverage of the downward trend in Enel's share price and the impact of the Robin Hood Tax on the Company's results and, consequently, on the share price. The international press was also uncertain about Enel's ability to reduce its debt and about the distribution of dividends in Italy and Spain.

The main problems highlighted by the foreign press (with an impact also on Italian coverage) concerned some hydroelectric projects in Latin America which were fiercely opposed by local communities, such as Hidroaysén in Chile and El Quimbo in Colombia (both Endesa projects) and Palo Viejo in Guatemala (Enel Green Power). The opposition to the Hidroaysén project was also reflected in some North American and European newspapers. In Italy, on the other hand, there was some negative coverage due to the protests over the conversion of Porto Tolle and the polluting emissions of power plants. For further details on these projects refer to page 199 and following.

Despite Fukushima and the end of Italy's nuclear power program, the nuclear issue was not negatively covered by the foreign press in regard to the Enel Group, except for some critical articles on the possible extension of the lifespan of the power plant at Garoña in Spain and the Mochovce project in Slovakia.

As for customer relations, in Italy some letters were published in newspapers complaining about service quality, scams by people pretending to be Enel employees, inflated bills and blackouts. In Romania there was critical coverage of the problems caused by the state of distribution lines, above all in winter, while in Latin America the Argentine company Edesur attracted the most criticism with problems on its distribution lines.

Finally, in Slovakia between the end of 2011 and the first few days of 2012 a phone tapping scandal exploded, involving representatives of the country's government and key companies, leading to the re-emergence of the controversial case of the privatization of Slovenské elektrárne.

2.4.2 Brand Equity

According to the ninth report on Enel's Brand Equity produced by GfK-Eurisko, in 2011 Enel's image in Italy maintained the positive results achieved in previous years.

The Brand Equity (BE) indicator is a model to assess the level of brand perception on the part of citizens, companies and opinion leaders, based on an annual statistical study. The 2011 survey showed a largely stable performance (both in regard to private individuals and to the business segment), a result which must be seen positively given the negative socio-economic situation.

In Italians' "mental map" Enel's overall image remains stable and better than that of its competitors, despite the fact that the latter have improved in recent years. In particular Enel has consolidated its leadership in terms of "institutional importance" (also in the sense of its market presence, know-how and experience) and "guarantee of reliability" perceived by customers. The Brand Equity survey also highlights Enel's leadership in terms of the transparency of its commercial offer, innovation and ability to offer alternative energy and real projects (such as the electric car and systems for efficient consumption). As regards sustainability issues, the perception of Enel is positive in all target groups (residential, business, opinion leaders), in particular for the aspects connected to economic and environmental responsibility and the ability to build relations with the local community.

Thus Enel has managed to maintain its position on the market not only since it is the "historic" leader, but also thanks to the efforts made over the years in terms of innovation and the development of technologies that respect the environment.

The Enel Group's Brand Equity

	UM	2011	2010	2009
Customer relations	(%)	47	49	47
Price transparency	(%)	49	50	47
Technical competence	(%)	60	62	61
Institutional aspect	(%)	78	77	76
National system	(%)	47	57	57
Ethics	(%)	41	45	44
Brand Equity index	(index)	72.1	72.4	72.2

2.4.3 Prizes and awards

Top Employer 2011

For the third year running the international institute CRF awarded Enel its certification as "Top Employer" due to the quality of Enel's assessment and training systems and the career and development opportunities it offers employees.

Zero accidents, the Italian President rewards Enel

The Italian President Giorgio Napolitano awarded a medal to the Chief Executive Officer and General Manager Fulvio Conti in recognition of the high value of the "Zero accidents" initiative.

In the message which accompanied the consignment of the medal, President Napolitano said: "I thoroughly appreciate this initiative and its strong symbolic value, through which this company has long been active in promoting, with a strong sense of ethical and civil responsibility, a broader awareness of the need to ensure full and effective protection of worker health and safety, through appropriate prevention methods".

Prize for environmentally-friendly innovation 2011

Legambiente presented an award to Renzo Piano and Enel Green Power's "libellula", the wind turbine which unites innovation, technology and design, in order to exploit slight winds and minimize environmental impact. The prize, which was presented in Milan on November 25, was given to seven different innovations from seven different companies which have strived to create a zero-impact world.

Child Guardian Award

Enel received the Child Guardian Award 2011 from *Terre des Hommes*, the prize for advertising campaigns which offer an appropriate image of children, combining respect of children's rights with effective communication. The prize was won by Enel's 2011 TV campaign, which sets out Enel's history in a child's dream, starting with archive images from the 1967 advert which recounts the work to create an electrical connection between the Italian islands and mainland.

Prize for "Good practices in occupational health and safety"

As part of the European campaign "Healthy workplaces" Enel received the prize for "Good practices in occupational health and safety", which it participated in through the Safety and Environment Unit of the Generation and Energy Ma-

agement Division. The prize was, in particular, awarded for the "Maggior supporto" safety project, an initiative that was successfully tested during the extraordinary maintenance of the Division's plants.

Randstad Globe award

The Randstad Award is recognition for those companies which are most attractive for Italian workers, based on the results of a research study which measures the attractiveness perceived by potential employees. Enel Green Power received a special award, the Randstad Globe, for its particular sensitivity to the environment and to the community.

CRC Oro prize for the best call center sales service in 2011

Endesa won the prestigious CRC Oro prize awarded by the Spanish Association of Experts in Customer Support Centers, which acknowledged the company's excellence in the handling and processing of its call centers in the outbound sales category.

Prize for commitment against child labor

In Peru Endesa, through the distribution company Edelnor, was granted an award by the National Committee for the Prevention and Eradication of Child Labor (CPE-TI) for the commitment in its national awareness-raising campaign to eradicating the phenomenon of the exploitation of minors. The campaign invites customers to notify cases of exploitation of minors by using the contacts supplied on their Edelnor bill and on the blog "El Rincón de Endesa". In addition, the initiative was disseminated among the employees of the Endesa Group in Peru through the Group's in-house communication tools.

National Business award for the Environment

Slovenské elektrárne won the first prize in the "product" category in the third "National Business award for the Environment", organized by the Association of Industrial Ecology in Slovakia (ASPEK). The prize recognized the self-sufficiency in energy throughout the year of Téry Chalet in the High Tatras through the installation of a photovoltaic system.





Chapter 3
The energy of
our people

3.1 Our commitments



Enel's profile has changed radically in recent years. From being an Italian monopoly supplier, it has become one of the most important players in the international energy market, with more than 50% of its staff working in countries other than Italy.

In this context, the Group's main challenge is to develop into "One Company", sharing processes, systems and common conduct. The aim is to build, day by day, a Group identity which has a strong common base, but which, at the same time, can create value from local strengths. In order to achieve this objective, it is necessary to develop skills to integrate the global and local, which must be based on the ability to acknowledge, manage and create value from differences. That is the

aim of the Company's human resource policies.

An example in this sense is represented by the further extension of the Leadership Model, which includes references to the issue of diversity and represents one of the essential cornerstones in the processes of managing human resources, from recruitment to training, from annual performance assessment to the system of Management by Objectives (MBO).

Another important element in the process of international integration has been the dissemination throughout the Group of the Management Model, an instrument to handle and develop managers. The Model, by setting out key managerial roles and access criteria that are valid across the Group, facilitates career planning for

people who aspire to managerial positions. Among the access criteria, varied experience (of role, geography or business) is of fundamental importance: being an Enel manager requires acquiring a range of experience to allow the development of the ability to manage complexity and to create value from diversity, which are essential elements in building the Enel of the future.

From this viewpoint, the Group continues to rely on international mobility, with more than 500 colleagues working in countries other than their home country. The system of international job postings is also set up to this end and is an essential instrument to widen the pool of candidates for vacant positions and to thus increase the possibility for everyone to access internal career development opportunities.

As for training, from a global viewpoint a process has been started to review the training programs of the Leadership Curriculum, together with training initiatives to encourage the dissemination of corporate values and of the Leadership Model and to develop the distinctive cross-cutting skills of Enel Group staff. Classes that are mixed in terms of geographic and professional origin encourage exchange and discussion between participants and greater integration. In this context, a training project will soon be launched aimed at all managers with the aim of encouraging the sharing of values, consolidating the approach to safety and developing people management in terms of diversity.

In addition, Enel continues to focus on the issue of equal opportunities. Besides the local initiatives that have already been developed, such as the signing in Italy of the agreement on teleworking, Enel will apply extensively the Italian legal obligation which rebalances access to senior positions in companies listed on regulated markets in favor of women. The law will in fact be applied also to the Group's unlisted companies as from the next round of appointment renewals, and, gradually, to foreign companies. In addition, an international working group has already been set up to define a structured system to manage diversity (in terms of age, gender, culture, disability).

At an organizational level, in 2011 the "One Company" project was launched and aims to redraw the Group's organizational structure and operating model in order to guarantee more streamlined and effective decision-making processes which are the same in all the areas where Enel operates. The first stage in the project has led to the definition of a new "streamlined" hol-

ding company, with responsibility for the strategic direction and control of all staff processes. The second stage of the project will be developed in 2012 and will lead to the definition of three cross-cutting global Departments (Procurement, ICT and Business Services) and to the implementation of the new operating model. The project will be developed by geographically and professionally mixed work groups, in the belief that, in order to design the Enel of the future, it is necessary to draw on the experiences and contributions of all parts of the organization.

There were also several safety initiatives in 2011. In particular, the 4th Edition of International Safety Week, aimed at employees, contracting companies and local communities, saw the realization of 1,607 training, communication and awareness-raising initiatives involving 82,323 participants worldwide. This initiative was marked by the award to the Chief Executive Officer Fulvio Conti of a medal by the Italian President Giorgio Napolitano.

Finally, the attention to Corporate Social Responsibility issues is shown by the online course which was first provided to more than 4,000 people in 2011, with a further roll-out planned for 2012.

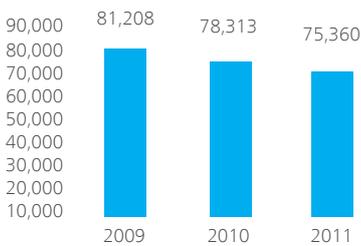
Enel wants to build a company in which everyone can identify themselves, feel accepted and recognized, regardless of their age, gender and cultural background. That is the only way to increase the likelihood of success for the whole organization, to be competitive and to continually increase the value created for the Company and for all its stakeholders.

3.2 The numbers

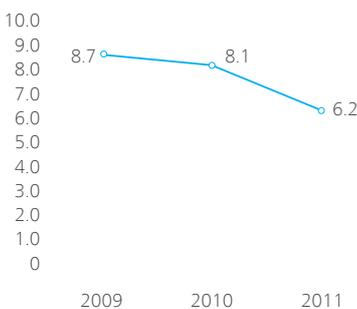
At December 31, 2011 the Enel Group had 75,360 employees, of whom 36,842 (48.9%) were in Italy and 38,518 (51.1%) in Group companies located abroad. The fall of 2,953 units was due mainly to the changes in scope during the year, in particular to company disposals which led to a fall in the workforce of 2,462 people, and secondly to the slightly negative net balance between recruitment and terminations (-491 units).

97.3% of Group employees had a permanent work contract, while the use of fixed-term contracts, insertion contracts and work experience contracts fell further in 2011, falling from 2.9% to 2.7% of the Group workforce. The turnover rate also continued to fall going from 8.1% in 2010 to 6.2% in 2011, as did the absenteeism rate which fell by 1.2% compared to 2010.

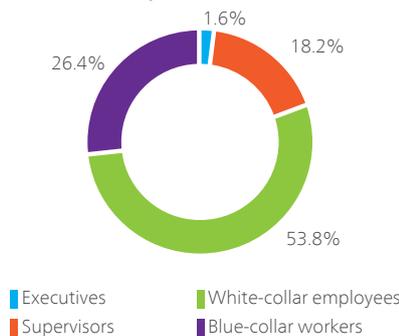
Number of employees



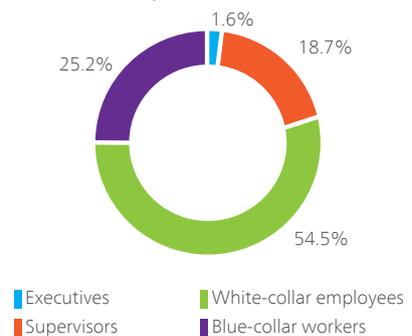
Turnover rate (%)



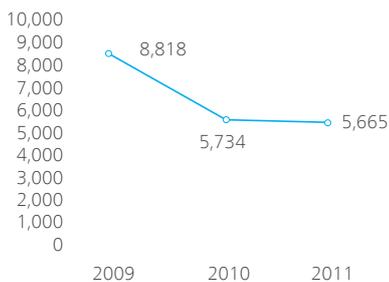
Classification of employees by level - 2010



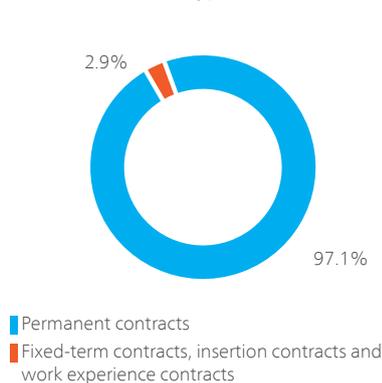
Classification of employees by level - 2011



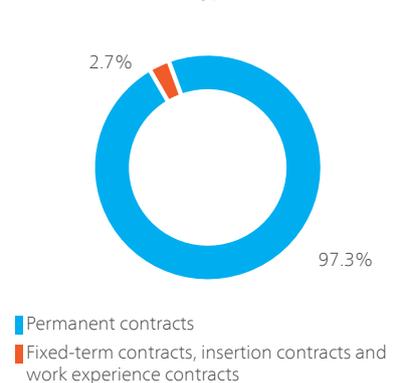
Absenteeism rate (i)^(*)



Contract types - 2010



Contract types - 2011



(*) Excluding holidays, personal reasons, maternity leave, study leave, extended leave, strikes, military service, paid leave, etc.

ABROAD ITALY

38,518 employees 36,842 employees
8,594 women 6,338 women
29,923 men 30,505 men

EU	22,502
SOUTH AMERICA	11,649
RUSSIA	3,870
NORTH AMERICA	320
OTHER	177



3.3 People development

The new global challenges that characterize the energy sector, together with an increasingly complicated and rapidly changing situation, make it even more important to invest in the development of people. That is why Enel has built up a system to manage and develop human resources, which is continuously evolving in order to effectively meet the business challenges. This system consists of a series of instruments that facilitate the standardization of opportunities for everyone at Enel, regardless of their geographical or professional origin. Of these the Leadership Model and the Management Model in particular are reference points for all human resource policies, from recruitment to development.

Management Model

The Management Model is a dynamic system which identifies and informs the whole corporate population as to what the key roles in the Group are, describes their essential characteristics and defines clearly and transparently the access criteria that are valid throughout the Group, thus decoupling career profiles from contract types in the various countries in which the Group is present. The standardization of the access criteria for managerial positions allows all staff, regardless of gender and geographic origin, to actively promote the development of their own career. The management mapping carried out in 2011 revealed that around 50% of the key managerial positions are in countries other than Italy.

Leadership Model

The Leadership Model is a summary of what the Group “expects” from the people who work in Enel and defines the conduct to be adopted to achieve objectives. The Model identifies seven distinct characteristics which each “Enel citizen” should possess.

This conduct is then further developed on the basis of the type of work undertaken, identifying five target profiles: Top management, Management, People managers, Professionals, and Operators.

The Leadership Model also stresses the sustainability of conduct, so that, besides the attention dedicated explicitly to safety, it contains some expectations for conduct linked to the issue of diversity, such as recognizing and creating value from differences in terms of nationality, culture, gender and age.

Enel citizen

- > puts safety first
- > “is” Enel
- > leads change
- > takes responsibility and risks
- > masters content
- > helps develop other workers
- > always delivers

3.3.1 Recruitment and selection

The instruments and channels used to attract candidates, in particular young graduates and school-leavers, are above all the website and contacts with schools and universities with which specific agreements are in place. The process of selection and recruitment is aimed at finding the most talented people who can show that they possess the attitude and technical and specialist skills that are most suitable for the roles to be filled. The selection process, therefore, envisages a period of work experience in order to evaluate attitude and motivation and another period more focused on technical and professional aspects. The assessment of soft skills, in particular, mirrors the key skills expected from the various corporate populations identified within the Group's Leadership Model.

In addition, with the aim of becoming a "School of Management" which invests in the best internal resources to help them grow and offer them the best development opportunities, there is a significant focus on internal growth: generally the search for people to fill vacant positions is first done within the Group and, only should that not be possible, is done externally.

As for recruitment policies, Enel does not have a Group policy aimed at favoring the recruitment of local staff, even if, when possible, it tends to favor residents, above all for technical and operative roles. In some countries, this possibility takes the form of a specific policy (for example in the Group's Romanian companies), or can be stressed in order to respect national regulations which encourage local recruitment, as happens in Russia.

Newly hired employees are introduced with care and attention through a process which, by balancing training and work, ensures a better understanding of the organization and gradual integration in differing corporate situations, also as regards the global dimension of the Group. For example, the recruitment of new graduates includes an international training course (JET International) involving young people recruited in the various countries where Enel is present.

The enhancement of the "global" identity of Enel people is also the objective which inspires various internal mobility programs aimed at promoting and creating value from the development of international professional programs, in line with the provisions of the corporate Management Model. In 2011, in particular, 15 internal job postings were published as well as a further 35 "non-managerial" positions to be filled within the international scope of the Group. These processes involved a total of around 500 people who decided to apply from the various Enel Divisions and countries.

In 2011 investment also continued in various international mobility programs, such as the International Mobility and the Twin Position Exchange Program. In total there are more than 500 people in the whole Group working in a country different than their country of origin.

In 2011 the activities undertaken to promote and enhance Enel's image as the "Employer of Choice" in the most sought-after segments of the labor market led the Group to achieve, for the third year running, certification in Italy as a "Top Employer" by the international institute CRF.

3.3.2 Value creation

Assessment of performance and skills

In most countries in which the Group is present there are instruments to assess the performance and technical skills of employees. In 2011 46,474 people throughout the Group were assessed (of whom 25,039 in Italy and 21,435 abroad), or 61.7% of total human resources. The categories most commonly involved were supervisors (90.6% of the total), executives (86.1%) and white-collar employees (72.3%). As for performance assessment, in most cases the qualitative assessment is based on conduct under the Leadership Model.

In particular, in terms of the Performance Review (which involved around 28 thousand people), in 2011 some important changes were made, drawing on the principles of clarity, fairness and transparency. The description of the assessment and self-assessment criteria was reviewed and the criteria were standardized so as to facilitate discussion between managers and workers during feedback meetings. In order to guarantee greater fairness, "weighting" meetings were also envisaged for the assessments between the various manager-evaluators, in order to discuss and analyze the criteria and outcomes of the process. Finally, the person being assessed was guaranteed full knowledge of the final outcome at the end of the feedback stage.

In 2011 there were also important changes as regards systems to assess know-how and technical skills. In particular, the assessment process was completed for the group of professionals in Accounting, Finance and Control (around 900 people) and for the first time the Energy Ma-

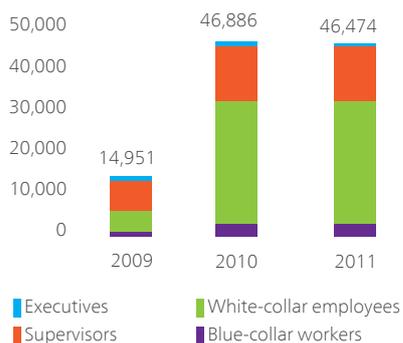
agement area (around 400 people) was involved.

During the year the Global Professional System (GPS) was launched, which aims to define at Group level a global catalogue of the technical and professional skills of each professional group and area, and which allows consideration of the skills present in the Group in a cross-cutting, integrated and global fashion. Among the steps envisaged for the future development of the project is the definition, in each professional area, of the "Key Professional Roles", i.e. of the roles which, due to their significant impact on Enel's business and due to the high level of competence required, will represent the summit in terms of technical careers in the Group.

Development of talented employees

During 2011 a single Talent Management system was developed at Group level, and three key talent pools were identified. The first pool identifies the people to be developed for the most senior corporate positions; the second the candidates for managerial level positions; the third the best young recent graduates on which to rely in the future. In order to select the resources to be included in the three pools, clear access criteria have been defined as well as mechanisms to share candidacies across the divisional and Group Development Committees which assess candidates, taking into consideration their performance, professional history, range of experience, individual characteristics and potential. The people selected are then included in development programs which envisage their participation in tailored training programs which are undertaken in cooperation with the leading business schools worldwide (including Harvard, IESE, Bocconi), to which are added, depending on the pool concerned, programs for mobility, mentoring, coaching, all-round assessment and feedback.

People assessed by job classification



Incentive systems

In order to create value from the performance during the year, in Italy there is a system of "Management by



Performance Review

Performance Review is the assessment process used in Italy and in the countries of the International and Renewable Energy Divisions.

The assessment process is broken down into four stages:

1. **Assessment:** managers assess the performance of each worker in the year that has just finished, considering quantitative (results achieved) and qualitative (conduct under the Leadership Model on the basis of the work undertaken) elements.
2. **Weighting assessments:** specific meetings in which the assessments are shared and studied among the various manager-evaluators, in order to improve the coherence of the criteria applied and – at the same time – to increase the transparency and fairness of the assessment process.
3. **Self-assessment:** each person being assessed expresses their own assessment of their work performance using a form similar to that used by their manager. Self-assessment is an opportunity for the person being assessed to reconsider their conduct with a view to constructive “criticism” and facilitates dialogue with their manager during the feedback session.
4. **Feedback:** meeting in which the manager and the person being assessed share the outcome of the assessment and of the self-assessment, and discuss what has emerged and compare any differences. The conversation is also an opportunity to consider and agree the development actions planned for the worker.



Objectives" (MBO), which involves around 98% of executives and 19% of supervisors.

The MBO system contains, among its parameters, also objectives linked to environmental and social issues. In 2011, in Italy, around 48% of managers were given objectives linked to sustainability, which represent around 16% of all the objectives.

In particular, the management incentive system envisages specific safety objectives, linked both to reducing the number of accidents and activities undertaken to improve safety standards. In 2011, 46% of the MBO recipients had at least one target linked to the achievement of safety objectives. There was also a review of the current system of collective incentives for safety performance, with the aim of defining a standard set of indicators for the whole Enel Group, encouraging integration with other incentive systems, and adopting a balanced mix of indicators to promote a culture of prevention as regards safety.

In addition, staff working in the sales area in Italy have an incentive system which was updated in 2010 (following careful international benchmarking with other leading companies) with an improvement both in the speed with which objectives are allocated and in the connection to commercial planning activities.

3.3.3 Training

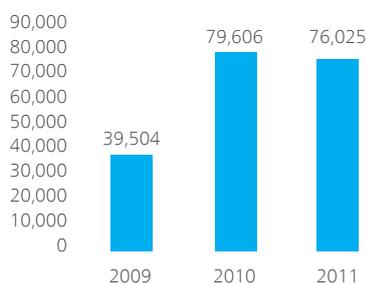
The Enel training system is broken down into several levels, each of which meets the range of needs in terms of developing human resources. The training programs refer to three broad macro-categories: training to develop organizational conduct (team building, communication, raising awareness of safety, etc.), technical/specialist training and technical preparation (procedures, safety, etc.).

Among the instruments adopted, the Leadership Curriculum is the collection of initiatives which assist improved performance and the development of people's potential from the moment they join the Company, accompanying all the important steps in their professional career. The introduction of the new Management Model in 2011 entailed an update to the structure and contents of the Leadership Curriculum. Enel University (the internal structure specifically dedicated to training) therefore created the new institutional training package so as to meet the needs of the various target profiles of the new Management Model.

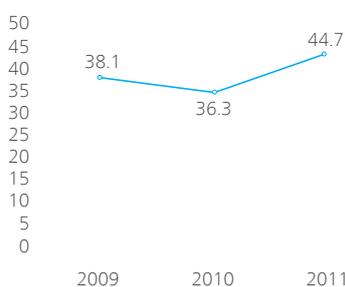
Then there are training campaigns, which aim to facilitate the process of sharing guidelines, policies, messa-

ges, corporate procedures and cross-cutting know-how with all the professional groups (for example the Code of Ethics, CSR, the 231 Decree). In this context, 2011 saw the online provision of the “Sustainability and CSR” program realized with the CSR Unit, and the “Organizational and Management Model under Legislative Decree 231/01” program realized with the Audit Department. In 2012 it is envisaged to roll out these courses to a wider population and also to provide a new online course on the Code of Ethics. Finally, the Technical Academies aim to develop distinctive skills and to help acquire mastery of the technical aspects and instruments that are useful for specific professional groups. The system of Academies, which was launched in 2010, has continued both through the provision of courses linked to the pre-existing Academies (Procurement, Accounting, Finance and Control, Legal, Engineering, etc.) and with the launch and planning of new Academies, in particular the Safety Academy and the Energy Management Academy. In addition to these training tools promoted by Enel University and which are shared across the Group, there are training initiatives at local and divisional level which meet the specific needs of the divisions and of the various Italian and foreign companies, in terms of both training and preparation. In most of the training programs particular attention is paid to integration, both in terms of the issues addressed and by encouraging the participation of people from various parts of the Group, so as to make training also an opportunity for exchange and discussion between people with different experiences and backgrounds. Finally, in the context of the Group’s “Performance Improvement Program”, the development of the “Best Practice Sharing” project continues and aims to extract value from the multinational nature of the Group by sharing best operational practice and aligning processes and controls. The project has already enabled the creation of tangible benefits and shared technical and cultural values.

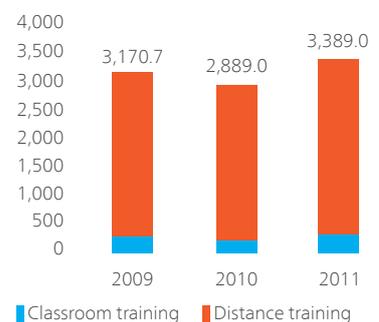
Number of people trained



Training hours per employee (h)



Total training hours (thousands of h)



3.4 Occupational health and safety



3.4.1 Objective: Zero accidents

For Enel safety is a strategic value and an absolute priority. The Company is strongly committed to disseminating a culture of safety and the conscious adoption of virtuous conduct in all the countries where it operates, as a value that represents its way of doing business.

In 2011 the total financial commitment for health and safety (training and information, communication, healthcare supervision, purchase and management of personal protection devices, fire surveillance and medical facilities, personnel costs, studies and research, etc.) was over 149 million euro, giving a *per capita* amount of 2,004 euro.

The strategy which Enel has adopted since 2009 to achieve the "Zero accidents" objective is represented by the "Nine Points Safety Improvement Plan", an innovative project based on the genuine commitment of top management and on the adoption of an interdepartmental approach to safety.

In the last three years the “Nine Points” project has produced an important cultural change, contributing to the revision and refocus of the main corporate processes from a safety viewpoint. The intervention tools identified by the nine project teams have in fact become part of corporate processes and have become established practice. The progress of the “Nine Points” from “project” to “process” will also continue in 2012, following new action lines: in particular, the “One Safety” initiative will be started which is the same for all Divisions and aims to promote coordinated and collaborative commitment in order to make significant progress towards “Zero accidents”. The project has the strong backing of the Chief Executive Officer and is focused on two principles: promoting safe and responsible conduct and enhancing safety leadership.

In 2011 the activities of the “Nine Points” were focused on promoting safe conduct, enhancing the preventative approach to safety management, and consolidating contract processes from a safety viewpoint.

Below are the main activities realized in the nine spheres of the plan.

Culture of safety

2011 saw the continuation of awareness-raising projects and initiatives aimed at promoting safe conduct in undertaking all activities. In particular, with the inclusion of Endesa in the scope of consolidation, the Safety 24/7 project was fully applied in all the Group Divisions. This aims to promote attention to safety also in low-risk activities. In Argentina implementation of the “*Abrí los ojos*” project of Edesur continued and aims to prevent accidents caused by underestimating risks due to over-familiarity and invites staff to “open their eyes” and pay more attention in their everyday routines. The dissemination of the “Safe Behavior” project was completed in Enel Green Power, focuses on reducing at-risk conduct and is based on intensive and structured observation carried out with the help of a conduct checklist and on the adoption of improvement measures in the short and long term. Also thanks to this project, there was a 16% fall in accidents at Enel Green Power compared to 2010. In addition, the preventative approach to safety was enhanced with the dissemination throughout the Group of the “Pre-job Check”, a meeting prior to the start of works, aimed at guaranteeing that all members of the team are aware of the risks relating to the work to be carried out and on the operational means to carry out the work safely.

In addition, the consolidation of the process to notify and manage “near misses”⁽¹⁾ continued through various initiatives (videos, manuals, leaflets and information campaigns) aimed at making staff aware of the importance of notifying “near misses” in order to prevent accidents.

(1) Unforeseen, work-related event which did not cause injury or a work-related illness but which could potentially have done so.

Nine Points Safety Improvement Plan

- > Promote the culture of safety at all levels.
- > Revise the processes of contract work from the point of view of safety to align contractors with Enel’s safety standards.
- > Develop communication initiatives aimed at keeping up attention to safety.
- > Make the process of reporting and analyzing accidents and the management of emergencies increasingly prompt and effective.
- > Increase safety training throughout employment.
- > Introduce new indicators to improve the monitoring of safety performances and facilitate the active involvement of all workers.
- > Adopt a single safety standard in all workplaces both in Italy and abroad.
- > Revise the organization of safety to increase the integration of safety with business and enhance the resources in charge of safety.
- > Facilitate the sharing of experiences and best practices within the Group.

There also continued the systematic undertaking of safety walks, i.e. operational visits to workplaces undertaken by management to check the application of laws, the state and maintenance of plant and structures and the adoption of safe conduct by staff, so as to promote the culture of safety at first hand. Following issue in 2010 of the Group policy aimed at disseminating, formalizing and standardizing the process of undertaking safety walks, in 2011 11,719 visits were carried out, almost 80% more than in 2010.

Safety for contractors and suppliers

Enhancing the importance of safety in contracting processes was one of the objectives which the activities of the "Nine Points" most focused on in 2011. Attention for contractors has always been a priority for Enel which is thoroughly committed to protecting the safety of workers of companies that operate for the Group, without distinguishing between its own staff and the staff of contracting companies.

The main initiatives concerned the consolidation of the processes of tender qualification and vendor rating with their gradual extension abroad, review of the subcontracting process from a "safety" viewpoint, the realization of intensive awareness-raising and training, the organization of meetings and periodic discussions with contractors ("Contractors Safety Days"), and the launch of awareness-raising campaigns.

More information on the initiatives adopted for the safety of contractors and suppliers is in the chapter "Training".

Communication and information

Corporate communication is an essential instrument to maintain focus on safety issues. In Italy each month the magazine "Enel insieme", for example, dedicates a full page to the issues of health and safety, highlighting initiatives, projects and results; Enel.TV and Enel.Radio constantly offer special in-depth services and programs. During 2011 there was a reorganization of the section

of the corporate intranet dedicated to health and safety. This gave rise to "Global Health&Safety", a new section including information, instruments and services on health and safety, in order to raise the awareness of staff and to stimulate them to share their experiences. The website also includes "Safetypedia", a multimedia, interactive and collaborative safety encyclopedia. Again in a spirit of bottom-up collaboration, two important channels for dialogue were opened: "Give your ideas", through which users of the corporate network can send proposals, ideas and projects on safety, and "That's not right", aimed at encouraging notification of any situations that are considered unsafe.

Training

The commitment to training, information-giving and preparation on safety is very strong: in 2011 almost 1,100,000 hours of training were provided for a *per capita* average of 14.5 hours. As for the financial commitment, more than 37 million euro was spent on information-giving and training, or 500 euro *per capita*. Besides training courses with technical content for staff dedicated to safety, which were provided in collaboration with Enel University (prevention managers and officers, worksite safety coordinators, workers' safety representatives), various courses are provided aimed at making safety part of the know-how of each worker, starting from when they join the Company. Specific courses are also aimed at newly recruited graduates and reflect their area of origin. In 2011, in particular, the training and development course "Six months in safety" came fully into operation and is aimed at enhancing know-how and skills over a 6-month period in the structures dedicated to safety, in which classroom based training alternates with on the job training.

Safety is also one of the distinctive factors in the Enel Leadership Model: therefore, the general training model on safety includes modules dedicated to "leadership for safety", aimed at stimulating managers to have an increasing awareness and acceptance of the responsibility for safety linked to their role and promoting a vision of safety as a competitive factor and as an opportunity to improve the life of the organization. In 2011, 18 editions were held dedicated to managers and 44 to human resource operators, in total involving 720 people.



International Safety Week

From November 28 to December 4 the 4th Edition of "International Safety Week" (ISW) took place, a now well-established project which, for one week, sees the organization throughout the Group of training, communication and awareness-raising initiatives dedicated to the issues of health and safety, which involve not only workers but also contracting companies and local communities. The aim is that of promoting throughout the Company and in the surrounding environment a standard view and a single approach to safety. In the 2011 edition

1,607 initiatives were realized, over 20% more than in 2010, involving 82,323 participants worldwide.

The 4th edition of the ISW also saw an important recognition: the medal conferred by the Italian President Giorgio Napolitano on the Chief Executive Officer Fulvio Conti "[...] for the high symbolic value of the initiative in which Enel is engaged to promote, driven by a strong sense of ethical and civil responsibility, a wider awareness of the need for full and effective protection of workers' health and safety".

In addition, the Safety Academy was launched (see also page 111), aimed at building a training system that can increase the technical and professional know-how that is essential for safety managers and at developing some key forms of conduct.

Finally, in 2011, various training initiatives on safety when driving were provided. For all Italian staff an online course was provided aimed at promoting risk perception while driving, while for workers who frequently use company vehicles, a series of courses was also realized at private tracks.

Training through playing

In 2011 there was a great drive to find alternative training methods, aimed at making classroom based training more “enticing” and effective.

In Italy, for example, in collaboration with Explora - the Children’s Museum of Rome, the project “Play Safe: playing is a serious thing” was launched. The training initiative aimed at non-operational staff addressed key safety issues contained in the underlying law through the use of games. Taking as its starting point some accidents that really happened in Enel, case studies were realized to be used during training workshops aimed at operating staff.

In addition, in the Infrastructure and Networks Division, the dissemination of the project “Training goes to the theater and safety takes center stage” continued: the project envisages the use of “theatrical techniques” to represent work situations thus taking them out of their context, in the belief that the direct experience of work situations, characterized by a strong emotional impact, can “fix” concepts more firmly and facilitate learning.

Analysis of the phenomenon of accidents

In 2011 the process of automating and digitalizing health and safety processes continued in the context of the “Health & Safety Program”. The project is aimed at implementing a single information system at Group level, integrated with the SAP HR Global system, to guarantee a centralized and controlled process of reporting, monitoring and analysis of safety data.

In 2011 the project was launched in Russia and in Enel Green Power North America. In 2012 it is planned to activate the system in Romania and in Enel Green Power Latin America, and gradually in the rest of the Group, in order to complete its roll-out in 2015.

In addition, a methodology is currently being implemented throughout the Group to analyze accidents (Root Cause Analysis) which formalizes and standardizes the process of investigating causes, by defining targeted actions to resolve any problems highlighted and prevent the occurrence of other accidents.

Safety KPIs

The system of Key Performance Indicators (KPIs) adopted in Enel to measure, assess and monitor the phenomenon of accidents and health and safety performance envisages both “after the event” indicators (trailing KPIs), such as the frequency index and gravity index, and “before the event” indicators (leading KPIs), such as the number of safety checks, the percentage of cases of non-compliance found, the *per capita* hours of training supplied, etc.

In 2011 the process of reporting the leading KPIs became better established and aimed at disseminating and enhancing the adoption of a preventive approach to safety management processes. In particular, it was arranged to integrate in the Safety KPIs being monitored some indicators focused on safety and non-compliance controls, in order to guarantee more standardization in the processes of recording and calculating the indicators in all the parts of the Enel Group..

Structural prevention

With a view to disseminating the same approach to safety in all the countries in which Enel operates, ten



operating standards have been drawn up on key issues to improve safety processes, aimed at defining a minimum set of measures and procedures to be applied in a standard way across the Group. The program to implement the standards is being defined, on the basis of which it will be arranged to analyze the level of “compliance” of each operational area.

In parallel to this, and in support of the planned training initiatives, the launch of an information-raising campaign is planned which envisages the realization of posters and leaflets aimed at recalling in a direct and graphic way the set of minimum rules to be respected (“golden rules”): in 2011 the first campaign was undertaken, dedicated to preventing electrical risk.

In 2011 a great deal of attention was given throughout the Group to technological innovation, through the launch of a series of pilot projects. For example, the testing of devices was started which allow, in the case of a worker falling ill, the immediate activation of an emergency call, thus allowing prompt assistance of the injured person and increasing the protection of workers who work by themselves.

In addition, the extension continued into Romania and into the geothermal and wind plants of Enel Green Power of “Visual Safety”, a project aimed at creating a continuous improvement cycle by sharing and integrating the best practice present throughout the Group. “Visual Safety” is based on the adoption of visual management instruments, aimed at making safety ‘visible’ and easy to use by everyone.

Organization

Enel management is directly involved in the processes of safety management, as shown by the participation of top managers in “Nine Points” as sponsors of the 9 working groups for the project. In addition, periodically a Safety Steering Committee is called, consisting of division managers and department managers from the Parent Company, which has the task of approving the strategic choices and the corporate policies on safety, promoting cross-cutting initiatives to disseminate the culture of safety, and periodically re-examining the effectiveness of safety management processes at Group level.

A standardized system of safety incentives has been activated that is integrated with the current forms of collective incentives (see also page 170). The system envisages the introduction of a new indicator, based on the “near miss”, with the objective of promoting the process of notifying and communicating these incidents. The management incentive system envisages specific safety objectives linked both to reducing the phenomenon of accidents and activities to improve safety standards.

In 2011 there was also a review of some key processes in safety. The safety checks carried out in all organizational Divisions/companies were strengthened through the creation of dedicated structures or the enhancement of the existing processes.

In addition, for some years now almost all the Divisions and companies in the Enel Group have been equipped with health and safety management systems that conform to the international standard OHSAS 18001:2007. In 2011 the process of certification continued with the

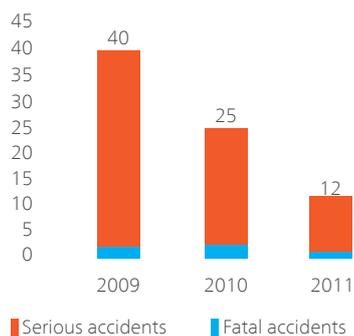
completion of certification of the Russian company Enel OGG-5. Safety management systems had already been implemented at the company and then activities to maintain the certification were systematically organized: audit, training of auditors, support activities and records management.

Integration of the various parts of the Group

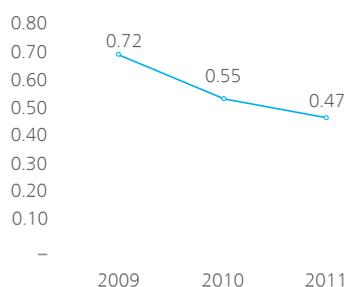
In 2011 the "Nine Points" project was enhanced with a new activity dedicated to its development abroad, with the objective of facilitating the processes of disseminating the initiatives across all countries, at the same time ensuring their coherence and standardization. In this context a period of "Best Practice Sharing" was started between Enel and Endesa, aimed at identifying and disseminating best practice in generation and distribution.

The results obtained

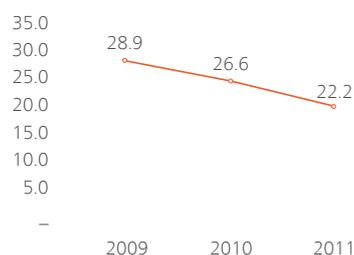
Serious and fatal accidents at work



Injury rate - LTIFR (i)



Lost Day Rate - LDR (i)



The set of actions and programs undertaken enabled the achievement in 2011 too of a significant improvement in accident indexes, thus helping to bring the Group ever closer to the "Zero accidents" objective.

The accident rate (Lost-Time Injuries Frequency Rate, LTIFR) fell by 14.5% compared to 2010, going from 0.55 to 0.47. This result represents a fall of 57% in the last 5 years, against the value of 1.09 recorded in 2007⁽²⁾.

The downward trend is also confirmed by the operating frequency index which focuses on some types of injuries which are more closely connected to the Company's core business and characterized by a high level of seriousness (injuries from electric shock, falling from height, crash-crush-cut, harmful agents and explosions). In 2011 this index was 0.84, in line with 2010 and with a reduction of 57% compared to 2007 (1.96).

Also the Lost Day Rate (LDR), which measures the seriousness of the accidents that have occurred, fell significantly compared to 2010 (-16.5%) to a value of 22.2, around half the figure recorded in 2007 (44.0).

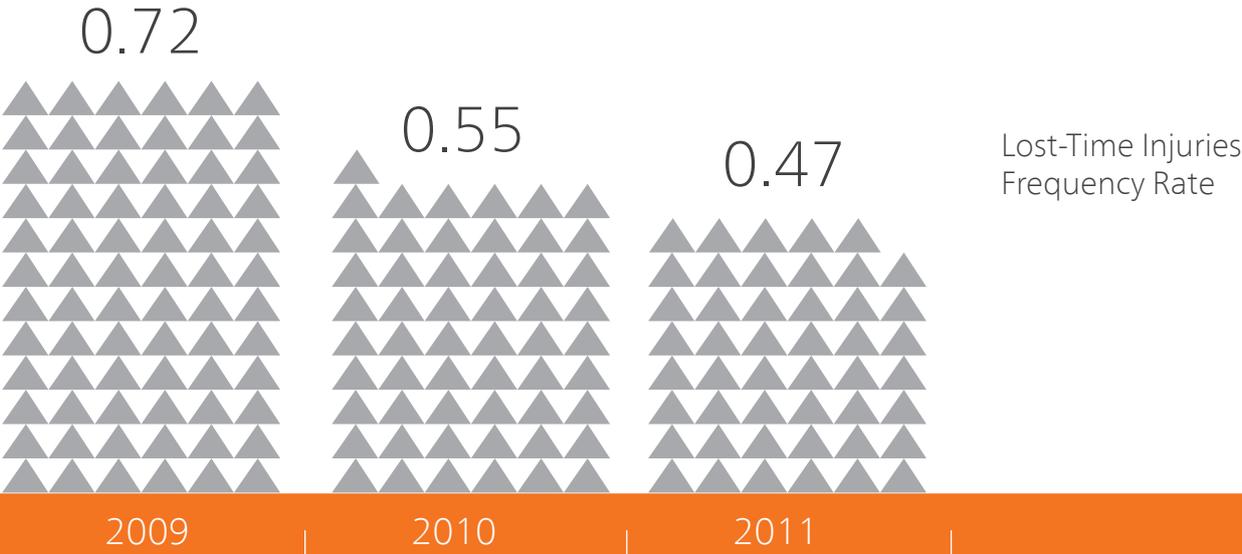
During 2011 there were 12 serious and fatal accidents involving employees of the Enel Group, around half compared to 2010. The only fatal accident occurred in Italy: a road accident involving a worker of the Infrastructure and Networks Division.

3.4.2 Protecting health at Enel

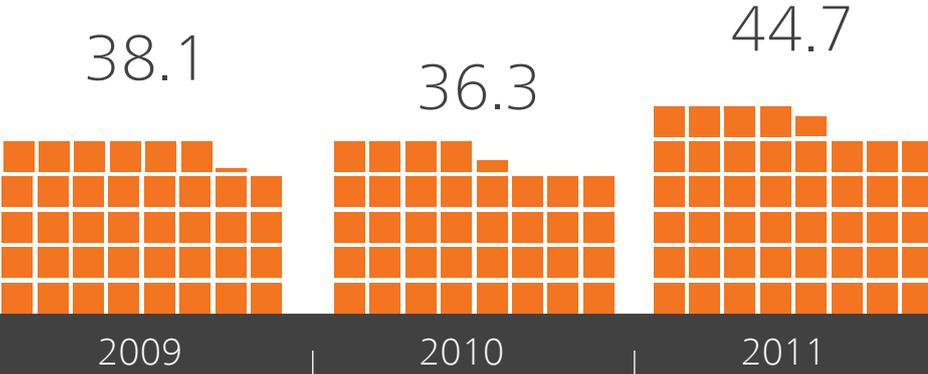
Enel is committed to promote health and safety, both at work and in everyday life, by adopting an integrated approach which seeks to protect

(2) In order to make the scope of the Enel Group comparable, as from 2007 Endesa has been considered as fully consolidated. On the basis of these considerations the number of serious and fatal accidents which affected Enel staff in 2007 was 109.

Injury rate



Hours of training by employee



the person's psychological and physical health and to promote the worker's physical and mental wellbeing. For this reason, in addition to numerous activities supporting the promotion of safety, much attention is dedicated to initiatives regarding the prevention of ailments and diseases – including ones not connected to work – and the provision of care and assistance.

In the context of **preventing** and **controlling work-related risk**, in all the countries where the Group operates assessments are periodically made of the health and safety risks in the work environment, which are identified in line with specific situations and in compliance with key laws.

In Argentina, for example, programs of prevention and periodic checks have been started for alcohol and drug addiction, while in Colombia risk control programs are focused on cardiovascular disease, ergonomics, hearing problems and AIDS/HIV.

In Russia, every year workers undergo healthcare checks to identify early any occurrence of work-related illnesses. In all plants there are medical sections where, on the basis of agreements with qualified medical organizations (public and general hospitals), specialist doctors provide healthcare assistance to workers of Enel and of contracting companies. Workers who have chronic illnesses are subject to extra healthcare and control programs.

In Italy, the implementation of the project to assess the risk associated with work-related stress, which was launched in 2009, continued during 2011. The project consists of a preliminary stage to study objective risk indicators and a subsequent analysis stage, aimed at identifying the specific risk areas for the Company and their trigger factors, and defining remedial action. Following completion of the first stage, in 2011 the analysis stage was undertaken with interviews with safety managers in production units (Employer, Prevention and Protection Service Manager and Workers Safety Representative) and the compilation of questionnaires by a representative sample of employees.

For work-related risk prevention, a vital role is played by information-giving and **training**.

For example, in Spain, in 2011 specific training programs were organized on work-related stress, on muscular-skeletal problems and cardiovascular disease through the dissemination of brochures, posters and online training courses, which led to a significant reduction in the absenteeism index.

Also in Argentina a training program was held for the management of work-related stress, aimed in particular at customer service operators.

In Italy, also in the case of activities which do not entail particular risks, such as office work, specific training is provided aimed at preventing disturbances due to the use of video screens and the microclimate.

This type of training, aimed at preventing work-related risks, is supported by intensive **information-giving and awareness-raising** conducted at global and local level to **promote more attention to health in everyday life**.

This issue was given particular emphasis during "International Safety Week", in which attention to health, and in particular a correct diet, cancer and cardiovascular disease prevention and the promotion of a healthy lifestyle, were promoted through the organization of training workshops and analyses in in-house media. Internal communication instruments also



dedicate some space to health: in 2011 a new section on the corporate intranet was launched dedicated to the issues of healthcare prevention, diet and wellbeing, in order to promote a correct lifestyle both at work and in everyday life. In addition, on Enel.TV there is the "Dr. Enel" section, in which medical specialists are occasionally interviewed to analyze health, diet and medical prevention issues.

Finally, in all the countries campaigns to promote preventative medicine are supported through the repayment of medical expenses or the realization of check-ups, in particular for possible cancer and cardiovascular disease. There are also numerous campaigns to prevent diabetes, obesity, mental illness and AIDS/HIV, and to promote correct diet and a healthier lifestyle.

3.5 Quality of life in the Company

3.5.1 Listening and discussing

The climate survey

The third climate survey was completed in December 2010, two years on from its predecessor, and provides a fresh snapshot of Enel. These two years have seen numerous events and the Group's appearance has radically changed. The survey, which was extended to new areas such as En- desa and Russia, enabled not only a comparison with the results from the 2008 survey on a constant size basis, but also to assess them in the light of the Group's increasingly international set-up.

The third climate survey involved around 74,000 people in 22 countries, with a very high participation level (82%). The results, compared with those in 2008, showed, on a constant size basis, a significant improvement in most of the areas surveyed, and in particular in those linked to safety, participation, satisfaction and sense of belonging. *Vice versa*, the recognition of individual's work and contribution, internal organization and training were the areas for improvement identified by the respondents.

In 2011 the results of the climate survey 2010 were covered in workshops which involved 660 local managers from across the Group. Following this program 1,817 remedial actions were planned to be realized up to the next climate survey (the fourth), which is planned for the end of 2012. Of these actions, 1,732 were planned for 2011.

The survey, with over 1,600 units mapped, also enabled careful analysis and the provision of precise results on the individual organizational units. In this way, local managers were able to define targeted action plans and were given a sense of responsibility in regard to the effectiveness of the planned actions.

In the second half of 2011 around 30 interviews were held with local staff to monitor the quality of the actions

following the climate survey, to study their means of realization, their development and the effectiveness perceived by all the players involved. These interviews were also the opportunity to collect broader feedback on the frequency and on the whole process of the climate survey.

Internal communication

In 2011 the main objective of internal communication was to reduce the distance and increase the interaction between the different "territories" in the Group. In particular, the concept of "One Company" was at the center of the **cascade process**, which involved around 51,000 people (around 20% more than in 2010, thanks to greater participation abroad) with 307 events.

In addition, for the first time a process to neutralize the CO₂ produced during the realization of the 22 events in the **cascade process** was introduced, as well as, as from June, that produced by the printing of the company magazine **Enel Insieme**.

The higher level of involvement was also reflected in the growth of the Intranet (Global in Enel), which saw an average of 1,070,000 visits each month (+25% compared to 2010). The "corporate identity" aspect of the intranet was also driven by the creation of the new intranet "Endesa Corporativa" at the end of 2011, characterized by a look that followed the Enel websites, by greater content integration and by simplified navigation.

During the year a fresh impetus was given to Enel.TV, whose format and programming were revised, and Enel.Radio was created.

Also important in 2011 was the commitment to initiatives to raise the awareness of employees on sustainability issues. In particular, during World Environment Day 2011, a multilingual section of the intranet was created in which employees could share their "green advice" (everyday environmental sustainability practices) which fed a "green meter" of environmental savings obtained thanks to good practice. The section received 21,000 visits and more than 900 contributions from colleagues around the world. From June 5 to the end of 2011 the green counter for the initiatives of Enel employees reached 16,000 kg of CO₂ and 24,000 liters of water saved.

In addition, the involvement of the children of employees continued with the 7th edition of "We are Energy": 3,800 registered participants (up by 4.3% compared to 2010) from 21 countries, and 118 winners who took part in the international campus.

Finally, the process of listening to the needs of "Enel citizens" in Italy envisaged the realization of 9 focus groups in Enel offices and power plants, involving around 100 people, with the objective of reflecting on current and future internal communication instruments.

3.5.2 Company welfare

A way of doing business that is inspired by the principles of Corporate Social Responsibility, aimed at the creation of value both for the Company and for the people within it, implies the adoption of resource management systems that pay regard to the intangible elements of people's lives, inside and outside the organization.

For this reason Enel has put in place, in the various parts of the Group, an "internal welfare" system which envisages various types of benefit and services which aim to support employees also outside the professional context. In Italy, in particular, company benefits are supplied regardless of the type of contract which regulates the employment relationship. Both part-time employees and those with insertion contracts enjoy the same benefits as permanent full-time employees. The only employees who do not enjoy these benefits are those on a fixed term with a contract other than an insertion contract, who, in any case, represent only 0.07% of all employees in Italy. The Group welfare system includes benefits and incentives regarding the following areas:

- > **supplementary healthcare;**
- > **complementary pensions;**

- > **work-life balance;**
- > **incentives and agreements.**

The initiatives in these fields vary depending on the countries where the Group operates, in regard to both the specific nature of the various national settings (regulatory framework, public services available, etc.), and the existence of prior agreements developed in the context of the various parts of the Company before entering the scope of Enel.

Supplementary healthcare

In Italy, the instrument with which health and prevention programs are carried out is the Supplementary Healthcare Fund for Enel Employees (FISDE). All employees are automatically enrolled in the FISDE, and the services are extended also to dependent family members. In addition, former Enel employees can continue to make use of the same services by paying a membership fee.

The FISDE reimburses the medical expenses specified in the Supplementary Healthcare Plan. Members can access the services by using the network of agreements entered into by the FISDE with numerous medical facilities (public and private hospitals, clinics, health centers, dentists, etc.) or be reimbursed for services received at other facilities.

The FISDE also provides support for families, for example in the case of disabilities (see page 130) and social emergencies (problems of adjustment, alcoholism, drug addiction, etc.), areas in which it provides a series of services for both the individual being treated and the whole family. Finally, additional support programs aimed at workers and their families as well as at external communities are provided by the Social Action Protocol which is an appendix to the National Collective Labor Contract.

Supplementary healthcare insurance is also envisaged in most foreign countries at favorable conditions to the alternatives available on the market. In addition, in many cases it is the Company itself which guarantees services linked to prevention and periodic checkups (see also section 3.4.2 "Protecting health at Enel").



Plan Senda

Endesa, in keeping with the objectives of the Strategic Sustainability Plan 2008-2012 and of its human resource policy, in 2010 approved a Global Corporate Social Responsibility Plan for Human Resources, called Plan Senda, which was developed during 2011.

The main objectives of Plan Senda are to:

- > promote in the organization a culture of responsibility, inclusion and commitment, based on respect for the development of people and on their participation in the social objectives of the community;
- > increase people's commitment and satisfaction in order to maxi-

mize the performance and productivity of staff.

In particular, Plan Senda sets strategic guidelines, actions and objectives for 2011-2012 in the following areas:

- > management of diversity and equal opportunities;
- > reconciliation and flexibility;
- > integration of the people with disabilities and those who risk social exclusion;
- > promotion of the voluntary sector;
- > socially responsible investments.

Plan Senda Global is applied locally through Plan Sendas for each country – Argentina, Brazil, Colombia, Chile, Spain and Peru.

Complementary pensions

Another instrument for assisting employees is the provision of complementary pension funds and the payment of various forms of individual benefits connected with the termination bonus.

In Italy, in addition to the obligatory system provided for by Italian law, there are two defined-contribution complementary pension funds: the FOPEN, for electricity-industry employees (90% membership), and the Fondenel, for executives (100% membership).

On the Boards of Directors of these pension funds, Enel exercises control through its own directors, auditors and members of the Supervisory Committee, and assesses their reliability and economic/financial stability. The duties and prerogatives of the directors are envisaged by the law in force and by the bylaws of the pension funds themselves, in the exclusive interest of and to protect the registered members.

In Slovakia, Group companies offer complementary pension plans to which the Company contributes an amount every month (between 3% and 5.5% for employees who work in the nuclear sector). In Russia too Enel OGK-5 offers a defined contribution pension plan.

As for Endesa, complementary pension funds are available only in Spain and Brazil. In 2011 16,487 employees benefited from these funds, while the overall contribution paid by Endesa in the year was almost 57 million euro.

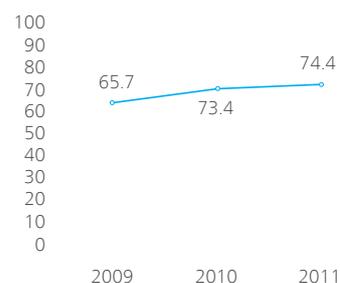
In 2011 the fund for the management of pension plans of Endesa employees formally signed the UN PRI - United Nations Principles for Responsible Investments, thus incorporating non-financial criteria in managing investments linked to the pension fund.

In the United States, Enel Green Power offers a pension plan in which the employee can choose the total deductions from pay to be invested in the fund. The Company makes available a financial consultant to advise and help employees make informed and knowledgeable decisions.

Furthermore, the Group pays employees individual forms of benefits connected with the termination bonus, additional monthly salaries after reaching the age limit or when the right to a length-of-service pension matures, and loyalty bonuses for achieving determined requisites of seniority at the Company. At December 31, 2011, the liability recognized in regard to termination bonuses and pension benefits totaled 1,199 million euro, while the liability relating to other benefits was 1,801 million euro, for a total of 3,000 million euro.

Another item regards the "Provision for early - retirement incentives", which records the estimated expense for offers for consensual early employment termination because of organizational requirements. At the end of 2011 the Provision totaled 1,548 million euro (for more details see the 2011 Annual Report at page 219).

Employees covered by pension plan (%)



Work-life balance

In Italy, through the associations ARCA (Cultural Leisure Association) and ACEM (Association for Cultural and Leisure Activities for Energy and Multiservice Managers), various financial contributions are supplied to address the needs of employees with children. In particular:

- > contribution of 50% of the cost incurred by the employee for a nursery place (children aged 0-3 years), up to a maximum of 150 euro per month;
- > grants for senior school and university;
- > grants for post-graduate courses in Italy or abroad;
- > conventions with nurseries and primary schools;
- > summer holidays for young people, with study camps both in Italy and abroad.

Alongside these offers are the services proposed by the People Care Unit, such as the online service "Buying school books", which was activated in 2011 and which, through a system that can be used from the company

intranet, allows a check on the text books needed for children (lower and upper middle schools) and their purchase to be requested. The books are home delivered and payment (with a 10% discount) is done in installments from pay. There is also a "repurchase" service for the IT equipment used at work when this is replaced with a new system (generally every four years).

An important sign of the Company's increasing attention to the issue of reconciling family life and work was the signing in November 2011 of an agreement with Italian unions in the electricity sector on teleworking, also thanks to the support and encouragement of the Enel National Equal Opportunities Committee (active since 1989).

Among the various types of teleworking envisaged in the agreement, in particular, "Home teleworking" will be reserved first for those cases that require particular protection, such as maternity/paternity or the need to provide family care in the case of very serious illness, handicap or drug addiction. The instrument, in this way, represents an ideal completion of the Protocol on Social Actions attached to the CCNL (National Collective Labor Contract).

As regards support for maternity, teleworking joins the more favorable terms, compared to the legal provisions, already envisaged by the CCNL for workers in the electricity sector. In fact, the payment for maternity envisaged for obligatory absence is 100% of pay (instead of 80%), while for optional absence it is 45% for the first month, 40% for the second and third month and 30% for the subsequent three months (the law envisages, on the other hand, 30% for 6 months).

Alongside these more favorable terms are other actions that were implemented in the past, such as the extension of supplementary healthcare assistance also to common law couples for the expenses connected to pregnancy and birth.

Endesa, in the context of reconciling professional and personal life, aims above all at work flexibility. In Spain this attention has led Endesa to obtain the certification of being a "Family friendly firm" from the *Fundación Más Familia*. The company's commitment in 2011 therefore focused on "exporting" this model to the countries of Latin America. In particular, some flexibility initiatives were identified in managing work time and were adapted to the legal regulations and individual cases of the countries. Among the most striking examples, in this case too, is teleworking, which has already been activated in Brazil, Colombia and Argentina with pilot projects.

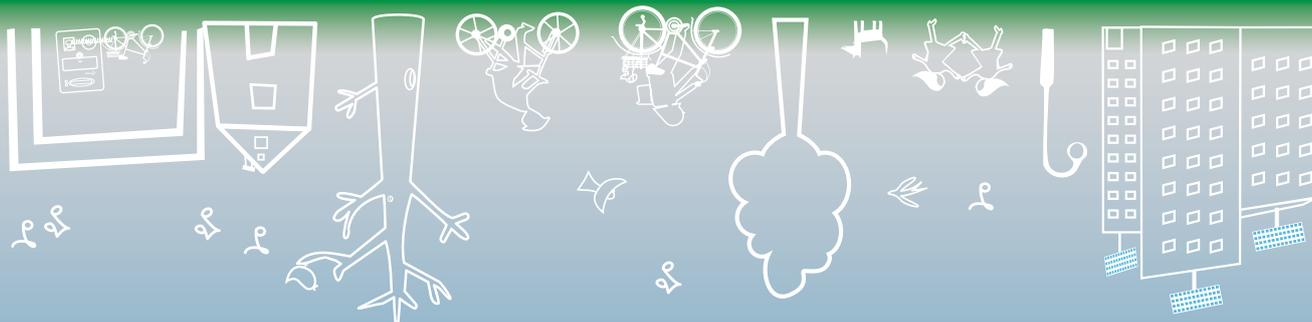
People Care

In Italy, as part of the company welfare system consisting of services provided by Enel's social institutions, a major innovation is the People Care Unit, which works to promote the wellbeing of people by seeking to provide concrete solutions to the everyday needs of Enel employees, and at the same time developing a culture based on sharing and mutual support between people.

The areas where People Care acts are:

- > wellbeing and health: support to maintain steady and sound physical and mental health;
- > looking after the family: support for the management of family care duties;
- > time and cost saving: instruments to make use of services at favorable conditions;
- > Mobility Management: solutions to facilitate commuting by providing incentives for the use of environmentally friendly means of transport.

There is a permanent dedicated email address (people.care@enel.com) through which all employees can contact the People Care Unit and put questions, reports, proposals, requests for information or complaints on any subject.



Commuting

During 2011 the People Care Unit especially promoted in Italy the provision of incentives for the use of public transport. By coordinating the activities of a network of eight Enel Mobility Managers in Italy, new agreements were signed with local public transport companies for the purchase of annual season tickets on favourable terms for Enel employees. In addition, Enel promoted company car-pooling by recognising some particular advantages for employees

who, in the journey to and from the workplace, make their own car available to colleagues.

In collaboration with the public transport services of Turin, Milan, Bologna, Florence and Rome, a car-sharing service was also activated with discounts and instalments taken directly from pay, which can be accessed through a simple online request from the person's work station. Similarly, for Milan a bike-sharing service was activated. Finally, in 2011, in col-

laboration with Enel Green Power, a new service was activated in Rome on an experimental basis to purchase electric bicycles at advantageous prices and with payment in instalments directly from pay.

For information and requests employees can contact People Care through a freephone number, an email address and an online chat service dedicated to sustainable mobility.

Also in the other countries where the Group operates special arrangements are envisaged such as special leave in particular family circumstances (for example bereavements, as in Slovakia) or cash contributions for events such as a wedding or birth of a child (as in Romania).

Alongside these initiatives, depending on the various countries, are incentives in the context of education (contributions towards school fees, study grants for graduate or post-graduate education, etc.), agreements for free time (for example summer camps), and different forms of support for disabled children or elderly parents.

Incentives and agreements

Enel supports its employees also with contributions or incentives for various needs, first of all the cost of electricity supply. In Italy, Romania and some countries of Latin America, the Company envisages discounts on tariffs or supports, in full or in part, the employee's personal spending on electricity. Other incentives, which vary in quantity among the various countries, concern the taking out of life insurance and the granting of subsidized loans for home or car purchase or for personal needs (in particular study and training). In addition, there are forms of support for sport and cultural activities.



3.5.3 Equal opportunities

In a multinational company such as Enel focusing on people means accepting cultural, age and gender differences in order to create value from their specific features, to the benefit of both the individuals and the organization. The management and development policies (for example Talent Management and the Management Model) therefore seek to define single directions and common values that are applicable to all the people in the Group, regardless of their gender, age and cultural background.

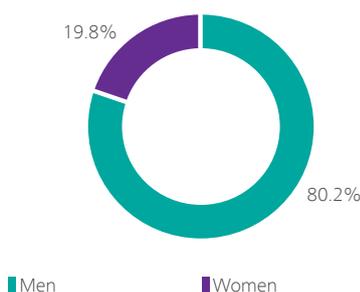
On gender diversity, in Italy Enel intends to promote managerial development, starting from the incentive offered by the Italian law issued in July 2011, relating to equality of access to the administration and control bodies of companies listed on regulated markets. In this context the Company proposes to bring forward the application of so-called "pink quotas" envisaged as from 2013, to the renewals relating to its subsidiaries which are planned for 2012, encouraging where possible the presence of at least 1/3 of female directors, and thus transforming a legal guideline into a growth opportunity for its talented staff. In fact, the candidacies will be identified in accordance with the criteria of the Management Model and from within talent "Pool 1" (from which male candidates will also be taken). In parallel, it is envisaged to structure training courses dedicated to corporate governance issues for all new directors (men and women), as well as the promotion of these issues both inside and outside the Company.

Regardless of the fact of the legal requirement in relation to the "quotas", it is also intended to gradually extend this good practice to the Group's foreign companies.

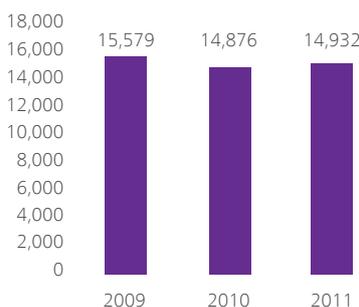
In keeping with this commitment, Enel also confirms its support and active participation in the initiatives of "Valore D", an Italian association whose mission is to support and increase female representation in senior positions in the main Italian companies.

In 2011 the number of women in the Enel Group rose from 14,876 to 14,932 (an increase of 0.4% compared to 2010). The increase was due to the entry of 83 women into managerial positions (supervisors and executives, +2.4%) which more than offset the slight fall in women in white and blue-collar positions (-0.2%). Overall women represent 19.8% of the Group's total workforce, and, in particular, 24.5% of all supervisors and executives and 23.7% of white-collar employees.

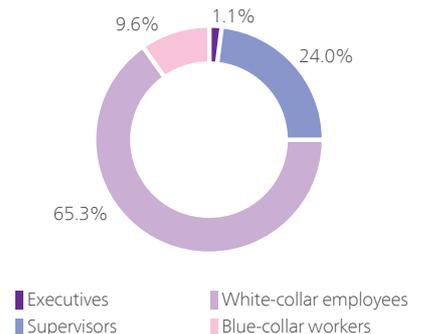
Personnel composition by gender - 2011



Women in the workforce

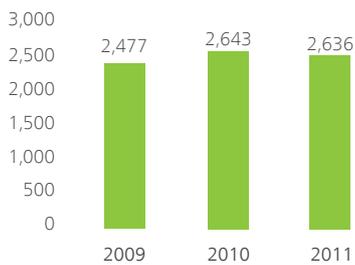


Women by position - 2011

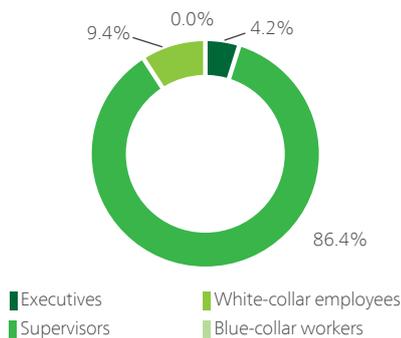


In 2011 workers with disabilities or belonging to protected categories numbered 2,636, in line with 2010. Most hold white-collar positions (86.4%), but 4.2% are supervisors and 9.4% blue-collar workers.

Disabled employees or those belonging to protected categories



Disabled employees or those belonging to protected categories by level - 2011



Managing diversity also means guaranteeing people with disabilities have the instruments, services and methods of working available to enable them to perform their job easily and independently. In Italy the People Care Unit followed up the 2010 assessment that sought to identify the various types of disability in the Company. Following this mapping, in 2011 priority action areas were defined in order to improve the working conditions of individuals. The "Information Point on Disabilities" was set up and can be used through the corporate intranet. It aims to provide correct and complete information on the rights of the disabled, and at the same time to raise awareness. The Information Point aims to publicize and facilitate the use of a series of services that are useful for the disabled, thus encouraging their active participation in the Company. It also acts as a sounding-board to collect notifications, suggestions and ideas.

Also in this context is the "C'è posto per te - legge 104" program, which guarantees people with serious disability a reserved parking space close to the entrance to their workplace.

In the context of the services provided by the FISDE, financial support is available for expenses connected with disabilities, such as, for example, the removal of architectural barriers, home care, or fees for nursing homes. Personal support services are provided through a network of FISDE consultants at a regional level, in general psychologists, who help families to find the most appropriate strategies to facilitate the satisfactory integration of disabled family members into the environments they inhabit.

Finally, with regard to social activities, mention should be made of summer breaks for disabled people, as well as different kinds of initiatives specifically for parents and which aim to help them acquire specific skills in order to better fulfill their role.

In Spain, Endesa established an "Integration Plan for the Disabled" through which it undertakes various initiatives aimed at encouraging work placement and full social integration, for example through the subcontracting of auxiliary services for corporate premises to companies which employ people who are disabled or invalidated (which in 2011 led to the employment of more than 120 people). In 2011, in this light, a new cooperation agreement was signed with the Prevent foundation to strengthen the integration of people with disabilities with specific programs for students and/or apprentices.

In addition, concrete help is offered to employees who have disabled or invalidated members of their family.

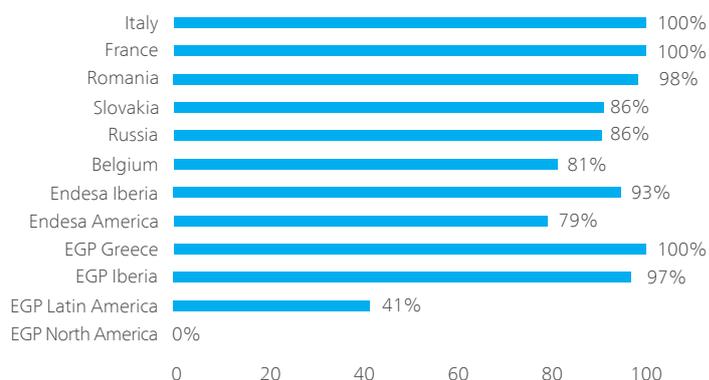
3.6 Industrial relations

Model of International Industrial Relations

In 2011 a Model of International Industrial Relations was drawn up at Group level, integrated with the elements underpinning the international nature of the Group, such as the Code of Ethics, the Leadership Model, the Management Model and Corporate Social Responsibility strategies. This model aims to become the reference point for industrial relations at global level, so as to guarantee an integrated and coherent approach, while not overlooking the individual nature of each country in which Enel operates.

3.6.1 Industrial relations

Employees covered by collective contracts - 2011



From the beginning, and gradually also in the process of internationalization over the last few years, Enel has had an open and totally cooperative relationship with union representatives. This is confirmed by the high percentage of Group employees who are covered by collective-bargaining agreements, not only in Italy (where all of them are covered by such agreements), but also in countries where, historically, there is a less consolidated tradition of cooperation between the industry and union representatives.

With regard to the right to strike, as early as 1991 Enel and the Italian unions signed an agreement aimed at balancing the exercise of this fundamental right against the need to guarantee an essential public service such as electricity. This agreement was rescinded by the unions in 2009.

During the most recent contract renewal, an understanding was reached on guidelines for a new agreement. As part of these guidelines, the parties agreed on the principle that strikes in the electricity industry must be carried out in accordance with procedures that, in any case, ensure service

continuity and security for all users.

In Romania too, employers and unions have signed agreements which recognize the need to regulate the right to strike in order to safeguard service continuity and security. For example, it is envisaged that also during strikes, in the production units that serve the population directly, it is necessary to keep operating at no less than a third of the normal business level.

In Slovakia there are collective agreements which regulate the right to strike and the means and limits within which this can be freely exercised, compatibly with the needs of service continuity.

In 2011 throughout the Group, there were no episodes in which the freedom of association and collective bargaining were violated or were at risk.

Another essential aspect in the dialogue between the Company and the unions is that relating to any organizational changes that may occur in the structure of the Group and of the companies that comprise it, and which may impact on the employment status or the working conditions of the employees involved.

According to European law, which has been incorporated by member States, should a transfer of companies or premises or parts of companies or premises occur to a new entrepreneur following a contractual sale or merger, the transferor and transferee are required to inform the representatives of the workers involved "in good time". Under Italian law⁽³⁾ good time is at least 25 days beforehand.

In Spain and Portugal the "Framework Guarantee Agreement for Endesa SA and its electricity subsidiaries that are domiciled in Spain" (September 12, 2007) envisages that "the transferor must start a period of consultation with the workers' representatives lasting at least 30 days". For companies not included in the Framework Guarantee Agreement the provisions of Article 51.4 of the Workers' Statute will apply, which establishes that "the consultation with workers' legal representatives will last no less than 30 calendar days or 15 days in the case of companies with fewer than 50 employees".

In the rest of the Group the relevant laws vary markedly from country to country: in **Slovakia** the minimum notice period goes from two to three months depending on whether the worker has been employed for more or less

than 5 years; in **Russia** it is two months; in **Romania** it is 30 days for managers and 15 days for other employees. In **Argentina**, traditionally the notice period for changes in working hours, in the employee's role or in the work location is 48 hours, although there is no specific regulation; for more significant organizational changes, there is only the obligation of providing periodic updates to union representatives. In Brazil, every time significant organizational changes occur, the law requires "prompt" information. In **Colombia**, **Peru** and **Chile** neither the law nor collective bargaining envisage a minimum notice period in the case of organizational changes.

In this varied context, Enel, besides keeping strictly to the regulatory dictates in all the countries where it operates, adopts the approach of systematically progressing consultations between the parties at all levels on issues of common interest and, more generally, of seeking in all cases an adequate level of consensus on the part of the workers for corporate strategies, as augured by the Italian regulation for the sector (Article 2 "Industrial relations" of the National Collective Labor Contract of July 18, 2006).

In Italy, in particular, the Industrial Relations Protocol that Enel has signed with the most important unions regulates union relations and further refines the practices that are already provided for at industry level. In effect, in the event of significant organizational changes, the Protocol provides for a preliminary discussion with the workers' representatives, which must not last longer than three months. Before the discussions begin, Enel is committed to making all the documentation available, in its entirety, to the parties in order to ensure that the workers' representatives have a complete view of the project and can thus put their own proposals.

3.6.2 European social dialogue

In 2011 Enel – representing Italy – chaired the "Human Resources and Social Affairs" Working Group of Eurelectric, the association of European electricity companies. The association is officially recognized and qualified by the European Commission as a partner (employer) in the industry social dialogue together with the EPSU and the EMCEF, European union federations, of which the relevant Italian union federations – FILCTEM, FLAEI, and UILCEM – are members. The industry social dialogue took place in

(3) The Italian law which provides a general framework for information-giving and consultation of workers is Legislative Decree 25/2007, implementing Directive 2002/14/EC.



4 official meetings in 2011, which led to the signing of an agreed position on the possible impact on employment and on the training needed in the nuclear production sector, following the results of the stress tests undertaken by the individual member States under the coordination and control of the European Commission. During the year Enel adhered to the project setting up a “European Skills Council”, which will be entirely financed by the European Commission and which will operate throughout 2012.

In addition, in March 2011 a joint position was signed with the European Commission regarding the importance of the social dimension in drawing up the energy roadmap through to 2050. This should include, for each energy scenario identified, a parallel assessment concerning the possible effects on employment levels, skills and training of workers in the sector, ensuring, in any case, a non-traumatic transition for the workers involved.

Finally, in 2011 a training project was realized for Enel’s European Works Council, supported by the European Commission, called “Joint training project for the Enel EWC and the HR Managers on a suitable linkage between the national and transnational levels of dialogue within an European framework”, which enabled a comparison and study of all the industrial relation and safety systems in the Group’s EU countries. The subjects covered by the training project were, among others: European sector scenarios, Italian and European regulatory framework on health and safety, models of industrial relations in the different European countries represented on the European Works Council (Italy, Spain, Romania, Slovakia), and European labor law.

In addition, in December, the agreement on Enel’s European Works Council was renewed for another four years.

3.6.3 Industrial relations for health and safety issues

In most of the countries in which the Enel Group operates, specific collective agreements are in force to regulate aspects of workers’ health and safety. In other cases these aspects are included in the collective bargaining applied at national level.

The issues addressed in these agreements refer, among other things, to the following:

- > Personal Protection Devices (PPD);
- > training, information-giving and development;
- > work hours and rest hours;
- > mechanisms of notifying and making complaints;
- > right of the worker to refuse work which can put their health and safety at risk;
- > insurance cover;
- > right to undertake periodic inspections.

All the agreements in force with employees in the context of industrial relations and collective bargaining are established in conformity with the standards of the United Nations’ International Labor Organization (ILO) and envisage compliance with objectives and performance standards and the creation of joint bodies to resolve particular problems.

In order to facilitate the application of health and safety initiatives and to encourage the sharing of decisions and results, joint committees have been set up in all the countries dedicated to monitoring and checking health and safety conditions.

Half of the members of these permanent committees are union representatives and half representatives of company management and workers; they provide guidance, control and promotion of training initiatives for workers, as well as representing the first forum to assess any problems notified by workers to their representatives or by the representatives themselves.

The committees operating in Italy (the Workers' Health and Safety Committee of the Infrastructure and Networks Division and the joint Committee of the Generation and Energy Management Division) represent in total 68.6% of workers. In addition, the instrument of "meetings" is used as per Article 35 of Legislative Decree 81/08, involving the employer (or their representative), the Prevention and Protection Service Manager, the competent medical officer and the Workers Safety Representative. This meeting is called at least once a year and represents all the employees of Italian Group companies in which Legislative Decree 81/08 is applied.

In Russia there is a health and safety committee which represents 70% of all workers in the country. In addition, there is a "Health and Safety Directorate", consisting of 30 workers, which has the task of promoting and consolidating the culture of safety in the company. In Romania and Slovakia, in compliance with the law in force, there are health and safety committees which represent all workers in each of the Enel Group companies.

In the context of the Endesa Group, over 75% of workers are represented on the "*Comités de Seguridad y Salud*", i.e. committees set up at all worksites and plant of Group companies with a number of workers that exceeds a minimum value established by the law of each country. In addition, in each company, "*Comités de Dirección*" are set up, dedicated solely to analyzing health and safety issues.

Finally, alongside the joint bodies set up at national level, it is possible to envisage specific bilateral bodies in particularly complex areas and production sites, characterized by the participation of contracting companies. An example of this type of body is the Observatory for Safety at the Torrevaldaliga Nord worksite in Civitavecchia (Italy), which was set up in 2005 and represents around 600 people (or 100% of the area), with 60 Enel people and 8 people dedicated full time to workplace safety. The Observatory is chaired by an Enel manager (Safety Coordinator) and is attended by representatives of all the companies operating on the site. The Observatory has the task of "defining safety guidelines and objectives for workers on site, in order to guarantee cooperation and coordination between companies in the implementation of prevention and protection measures against occupational risks".



Chapter 4
Enel
for customers



Punto
business

fa



4.1 Our commitments



Guaranteeing access to electricity for as many people as possible, satisfying their needs for security and high-quality service and relationships, guaranteeing efficiency and innovation: these are the activities Enel relies on to manage a service that is increasingly oriented at customers and satisfying their needs.

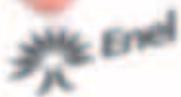
The main commitment involves constantly controlling technical quality in distribution, guaranteeing reliability and continuity in the electricity service. In this, innovation is one of the key levers and takes the form of optimizing operations, but above all enabling new services for end users which are made possible by technological innovation and by increasing use of the electricity grid

for advanced applications that are more environmentally-friendly.

One of these essential services, which is universally recognized as a key element in energy efficiency, is the smart meter. In 2011 the Smart Metering System (*Telegestore*), Enel's automatic system for the management of the electronic meters installed with all its Italian customers, enabled the remote management of over 7 million transactions and more than 400 million meter readings, thus avoiding the emission of CO₂ from the work of its operators. In Spain the Cervantes project continued, which was started in 2010 and which by 2015 will have installed 13 million new meters. In addition, pilot projects are under way in Latin America, in particular in Brazil and Chile.

Enel customers worldwide

Italy		28,871,639	electricity market end users
		3,150,968	gas market end users 
Latin America		13,655,379	
Iberian Peninsula		11,536,589	
		1,007,093	
Romania		2,634,601	
Russia		92,748	
Slovakia		3,183	
France		632	



23



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ELETTRICITA'

Entra nel mondo dei Vantaggi di
Enel Energia

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The Smart Metering System is also the key instrument for the realization of smart grids and for the numerous innovative applications which it can enable, such as energy efficiency, electric mobility, post-metering services for the end user, up to the creation of Smart Cities. The Innovation Dossier details the programs developed by the Group in the field of smart grids (page 68).

Service quality also means quality in customer relationships, on all the occasions in which customers come into contact with the Company. In Italy, the constant customer-focus has led to the realization of a new Customer Care model and to the introduction of advanced contact channels with customers: from text messages to send and receive contractual information, to the app to receive information on Enel Energia directly on a smart phone or tablet.

Enel has also expanded its efforts to protect customers in order to be sure that they are fully aware of their choices from the first commercial contact. It is the Company's responsibility to guarantee that customers are always correctly informed, both through commercial communication and through the numerous contact and support points. For this reason, the principles of transparency, clarity and customer-orientation drive advertising, customer communication and relations in all the physical and virtual contact channels. In order to guarantee correct access to information also by those who speak a different language or who are limited by their disability, the Group sale companies in the various countries use forms of communication and contact

which enable physical or language barriers to be overcome. Customer-focus also means managing complaints and resolving disputes. In the context of the Reconciliation project in Italy, in order to create a direct channel of contact with Consumer Associations, during 2011 a national roadshow was organized with local representatives in Italy, in order to disseminate clear and accurate information on the initiatives developed by Enel and to listen to suggestions. In addition, in order to facilitate effective operational management, a permanent working group has been set up with national representatives of the Associations to monitor the joint online reconciliation procedure and to find agreed solutions. In the countries where it operates, Endesa also has the figure of the *Defensor* of customers, a "civic defender" who offers customers and other external interlocutors a privileged channel for their complaints and dialogue, operating in compliance with the principles of independence and fairness.

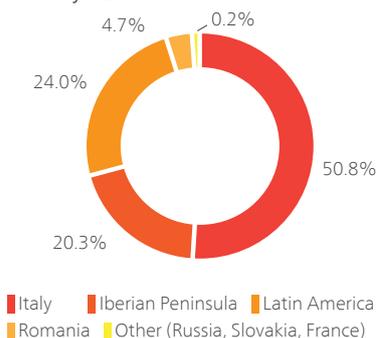
Finally, attention to customers but also respect for the environment are values by which Enel promotes, also in its customer relations, the value of respect for the environment through constant commitment to seeking innovative solutions for efficient energy use. The range of "green" products based on differentiated time bands is backed by services for families (such as energy certification), companies and public administrations. In addition, with the "Enel Drive *Tutto Compreso*" program, Enel Energia has launched a greenhouse gas free, set-price offer for electric car owners.

4.2 Our customers

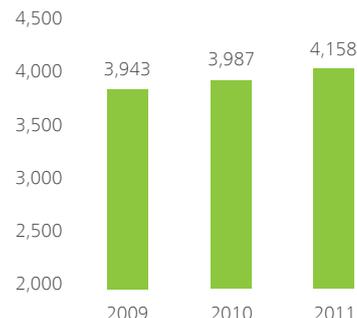
Total end users on electricity market (thousands)



Customers on electricity market by country - 2011



Total end users on gas market (thousands)



4.3 Objective: quality

4.3.1 Availability and reliability of electricity

Enel is the leading company in the Italian electricity market and is an important presence in the markets of the other countries in which it operates. This places a major responsibility on the Group's distribution companies, because it is their duty to ensure a continual, efficient, and secure supply of electricity so that the national economic systems can function without interruption.

In order for electricity to be supplied continually and uninterrupted, two things are necessary: the long-term availability of sufficient energy sources, on one hand, and reliable and efficient transmission and distribution infrastructure, on the other.

In terms of production, the Group's power generation capacity relies on a balanced mix of highly efficient traditional sources and renewable energy sources, which can guarantee the constant availability of the energy needed for Italy's electricity system (see also pages 48-49).

In addition, in order to guarantee that also the electricity infrastructure of all the countries in which the Group operates is adequate for their needs, Enel is constantly engaged in extending its distribution networks and making them more efficient.

The identification of these network extensions starts from an analysis of requirements undertaken in collaboration with the various companies that operate on the grid (national transmission operators and distribution companies). The analysis starts with estimates of the increase in energy and power demand for the whole national electricity system, which are made on the basis of historical statistical series and forecasts of the increase in energy produced from renewable sources. These calculations generate a "load map" on the basis of which it is possible to identify, for each year, the areas of possible saturation, and therefore identify the necessary expansion.

Besides the grid's capacity to "support" the loads required by the level of demand, the continuity of energy supply depends also on the frequency and length of service interruptions.

In Italy the main work aimed at reducing such interruptions and their length involves changing the grid structure, replacing components on medium-voltage lines which are technically inadequate, and increasing the level of remote monitoring of the network through the automation or execution of remote actions on secondary substations.

The mission of Enel Distribuzione in Italy to guarantee the service to the country takes the form of a continuous commitment to improving the quality of the energy supply; in emergencies such as that which occurred in February 2012 due to the exceptional snowfall which hit Italy and Europe, Enel worked tirelessly around the clock to restore the service as soon as possible in continual coordination with the Italian Civil Protection and all the bodies involved in the emergency.

In Spain, Endesa Distribución implemented an action plan to forecast, prevent and mitigate the most serious episodes of disconnection, with the aim of minimizing their impact on customers.

In Latin America too, the Group's distribution companies continue to develop quality plans to improve the continuity of supply to their customers. In Brazil, for example, in 2010 a major investment plan was launched to be completed over five years, which envisages modernizing the grid, increasing resources dedicated to maintenance, and intensifying tree-pruning work, given that more than 50% of supply interruptions are due to falling trees and branches.

In addition, in 2010 the distribution company Coelce launched an innovative program aimed at guaranteeing a rapid response to service interruptions even in the most isolated areas, where often the identification of the malfunction and its resolution can be difficult. This pro-

gram identifies some key customers in the relevant communities and involves them in training initiatives aimed at making them capable of identifying problems with the structural elements of the network by themselves (pylons, voltage regulators, switches, fuses, transformers, etc.). In this way the notification of the malfunction is prompt and the company's intervention can be quicker and more efficient. In addition, in order to quickly handle "minor" problems, a "self-service" platform has been envisaged which allows video-conferencing with an operator and access to supporting documentation.

In Romania long-term investments are planned on networks, which envisage the construction or renewal of parts of the grid, the replacement of obsolete or unsuitable lines and components and an increase in grid sections. In addition, in the short term, Enel Distribuzione in Italy is implementing a system of remote monitoring of most primary substations and a significant number of secondary substations, which will help reduce service interruptions and grid losses.

The work to make lines more reliable has the further objective of making the network more efficient also in Italy: interventions such as increasing the cross-section of power lines, reducing the "electrical length" of the lines or replacing exposed overhead lines with cables, for example, help to reduce grid losses. To this end, the means of operation are also very important: careful management of the arrangements, which is made possible by advanced systems to monitor the network and by the possibility of remote management of the maneuver points, can in fact allow significant reductions in the energy dissipated in the power lines.

A decisive contribution to monitoring network loads and their correct management with a view to optimizing distribution is provided by the Smart Metering System, the integrated remote measurement and management system for the electronic meters of Enel Distribuzione. Electronic meters are currently installed with 32 million customers in Italy, and their installation has started in Spain, with 1 million meters already installed and 13 million envisaged for 2015, and in Romania, where a pilot project was launched. Other pilot projects are under way also in Latin America, in particular in Brazil and Chile.

The sum of these efforts, in all the countries in which Enel operates as a distributor, is aimed at limiting as far as possible discontinuity and inefficiencies in the electricity service and maintaining quality levels above the minimum levels required by domestic laws. Despite this, cases

of non-conformity can occur for which Enel takes its due responsibility. In 2011, in particular, in Romania the national energy regulator (ANRE) imposed 22 fines on Enel distribution companies for failure to conform with service quality parameters, for a total of 99,048 euro, while 13 more fines are currently being appealed. In addition, in 2011 in Colombia 93 complaints were recorded linked to discontinuity in electricity supply to the region of Cundinamarca; in order to raise service quality, investments were made in the network to improve the distribution infrastructure.

Finally, throughout the Group in 2011 no legal disputes were recorded in which electronic meters were connected to damage to the health and safety of customers.

4.3.2 Service quality

For an integrated Group such as Enel, service quality means not only reliability of the supply, but also the quality of relationships with customers who turn to the Company to activate or modify their contract, ask questions, and notify problems or doubts.

For this reason, Enel constantly monitors the satisfaction of its customers in relation to the various contact channels available, and in recent years has started a series of projects aimed at focusing the attention of all Enel staff on the common objective of providing a quality service to customers, by proposing working methods and improvements to create excellence for customers at every moment of their relationship with Enel.

Surveys

In Italy, during 2011, over 70 customer-satisfaction surveys were carried out on the electricity and gas market (the free market and the protected categories market) for both residential and business customers. The surveys regarded customers who had contacted Enel through the Group's toll-free phone numbers, customers who had been acquired through sales channels, customers who had gone to retail outlets or customers who had been randomly selected. The surveys were undertaken through the realization of around 68,500 interviews which were conducted by a specialist company.

During 2011 Enel also continued to use and refine the "on-the-spot" monitoring system introduced in 2008,



Customer Satisfaction Evolution

In Italy, the Sales Division is committed not only to monitoring all the traditional performance indicators, linked to the levels of the service supplied and to the productivity achieved by customer service, but also to monitoring the perception of customers in relation to the service received. The main objective is to make customers an integral part of the internal control and performance assessment systems for the service offered.

In this light, as part of the Passion For Quality Project (already active as from 2009), the initiative “Custo-

mer Satisfaction Evolution” has been created to review the current model for measuring customer satisfaction with reference to the sample being analyzed, the segmentation of information and the survey method.

The new model also considers the satisfaction index for customers who call the contact center, which AEEG measures every six months, exploiting the statistical correlation with the “Enel” index which is measured monthly. This correlation can be used to check the returns on initiatives undertaken in terms of the quality and accessibility of the service supplied.

which gives customers the chance to express their overall judgment on the quality of the phone assistance by simply pressing a number from 1 to 5 after their contact with the operator; in addition, customers can say whether the issue for which they had called Enel was resolved and whether they would recommend Enel to a friend.

Besides the normal Customer Satisfaction surveys and the “on-the-spot” monitoring, during 2011 the Perceived Quality (PQ) survey was established, which involves recontacting customers within 24 hours after they have called for assistance, in order to record their judgment. Customers are asked to give a vote from 1 to 5 on the following aspects: courtesy of the operator, ability to resolve the problem and to understand their needs, clarity and completeness of the replies, waiting time; the mean vote assigned to each item is then averaged to calculate the indicator of Perceived Quality. This type of survey, which is done using an automatic Interactive Voice Response system, allows over 9,000 customers to be recontacted each day and to have a detailed index by partner, team, type of customer and reason for call. This provides a way to promptly identify any lack of satisfaction and to measure the effectiveness of the actions undertaken.

In addition, in Italy the Authority for Electricity and Gas (AEEG) undertakes a six-monthly survey on the contact centers of electricity and gas sale companies with more than 50,000 customers. The results for the first half of 2011 showed a level of customer satisfaction of 87.5/100 for the free market (Enel Energia) and 90.9/100 for the protected categories market (Enel Servizio Elettrico)⁽¹⁾, and an overall score (Total Quality Index, TQI, which takes

account not only of customer satisfaction, but also the levels of quality and accessibility for the phone service) of 95.6 for Enel Energia and 97.3 for Enel Servizio Elettrico. With these results Enel has taken the top two places (out of the 32 companies involved) in the classification of call centers drawn up each half year by the AEEG.

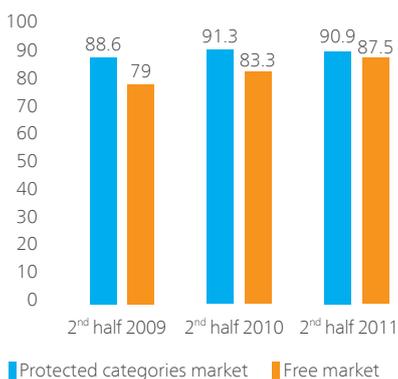
In Romania 1,200 phone-based interviews were undertaken, from which a general satisfaction level of 82.9% emerged for the free market and 76.3% (business customers) and 67.3% (residential customers) for the regulated market. The satisfaction with the call center service was also higher on the free market (86%) compared to the regulated market (75.6%).

In Spain and Portugal phone-based interviews were undertaken together with online surveys which are continuously developed, to which may be added Mystery Shopping⁽²⁾ surveys at sales points. Overall, in 2011 more than 80,000 phone-based or online interviews were undertaken as well as over 1,200 surveys at commercial offices and service points.

In Brazil, in particular, in various sale channels there are customer “Defensor”⁽³⁾, who collect the criticisms made by customers and transmit them to the structures concerned to activate the necessary improvements to the services. In addition, at the start of 2011 Ampla started monitoring its online reputation on the main social media (Twitter and Facebook).

As well as Customer Satisfaction surveys, Enel monitors customer satisfaction by analyzing the complaints which customers make by calling dedicated toll-free numbers or in writing. The constant monitoring of complaints and information requests makes it possible to understand and keep under observation customer perceptions and any ongoing weaknesses. Enel analyses all the notifications received and is committed to putting in place a series of interventions to reduce any problems notified by customers, providing all the necessary information on what happened and on the actions taken in response.

Customer Satisfaction score for customers in Italy (AEEG survey)



(1) These values have been shown with the classification for the 1st half of 2011 since the result for the 2nd half is still to be published by the AEEG.

(2) Method of measuring service quality which uses “incognito consumers”, who make real or simulated requests to operators and assess, on the basis of this experience, various aspects of the service quality (waiting times, conduct of employees, ability to satisfy needs, clarity of content, etc.).

(3) Ombudsman or Civic Defender.

Improvement programs

IQT3 - Italy

The Sales Division project aims to keep Enel Energia and Enel Servizio Elettrico in the top two positions in the half yearly classification drawn up by the AEEG with its "Total Quality Index" (TQI). The project focuses on the various aspects that impact on the quality which Enel intends to provide to customers, which range from the efficiency of the organization to the quality of the replies which are provided to customers, to the promptness with which needs are satisfied.

Churn rate - Italy

The decision of a consumer to change their supplier or, on the contrary, to stay with their current supplier, depends in most cases on the company's performance whenever interacting with the consumer. The project aims to intervene on various aspects: simplicity and flexibility of products, convenience and clarity of the commercial offer, layout of the bill, accessibility and navigability of the website. In this way the project aims to reduce the churn rate, which in 2011 stood at 16.9% for the free electricity market and 6.9% for the gas market.

Retail Outlets Project - Italy

The project has involved, on a rolling basis, all the Enel retail points in Italy, with the aim of transforming them from operational units to real "contact points" for customers, that are reliable, effective and efficient. The project has taken action on various aspects: from valorization of the contact points in Italy to training of specialist consultants, from restyling of the environments to investment in systems, from the introduction of energy sale and certification work to the increase in service quality.

Client in Focus - Romania

The program, whose ultimate aim is to increase customer satisfaction, addresses the redesign of working processes and procedures, the modernization of contact points and greater focus on virtual contacts (launch of online services and payment channels, addition of extra functions at call centers), the development of the know-how and the ability of staff to handle all customer requests, and improvement in internal communication for the new services offered.

Customer Project - Spain and Portugal

The project aims to increase the awareness of employees at all levels of the importance of service quality for competitiveness. The levers used are internal communication campaigns and work groups focused on various environments (quality of the contact, operating quality in the commercial cycle). The results on the quality perceived by customers are shared every month with senior management.

Passion for the customer - Colombia

The program aims to generate a "cultural change" involving all the areas of the organization in constructing a shared vision focused on value creation and customer satisfaction. With this in mind, a training model has been activated ("Comprehensive Training Model") which addresses six areas: Training, Assessment, Training of trainers, Educational material, Virtualization and Knowledge Management.

4.4 Access to energy



Enel is close to citizens in order to improve and maintain access to electricity in the poorest areas and among the neediest populations.

In all the countries in which the Group operates, there are forms of support (often linked to government initiatives) to favor some sectors of the population in meeting electricity and gas costs, so as to allow equal access to energy.

In Italy, since 2008 for the electricity sector and since 2009 for the gas sector, there has been an incentive for residential consumers in a state of economic need and – for the electricity sector alone – for customers who use life-saving electrical medical devices (the so-

called “social bonus”). The bonus is financed by State resources and with specific tariffs set by the Authority. Bonus requests are processed by local authorities and – if admitted – the customers are given a credit on their bills which varies on the basis of the number of family members, their energy use category and the climatic zone in which they live (for gas) or the type of hardship they suffer (for electricity).

In addition, should a customer not pay and this lead to their electricity being cut off, in Italy in most cases the customer is not completely cut off, but the available power is reduced to 15% of the contractual amount. This allows essential services (lighting, refrigeration) to be maintained until the arrears are paid.

In Romania customers who are considered “vulnerable” (the elderly, people with health problems or who are disadvantaged) benefit from incentives in electricity supply at the discretion of the national and local authorities. Enel Group companies contribute financially for these customers, in accordance with the law, and offer services that are free of charge (such as meter and electricity-system checks) or which offer extendible payment terms (such as installations).

with a 10% discount compared to other types of customers with similar consumption levels (industry and commerce), and can achieve up to a 90% discount if they undertake irrigation and aquaculture activities.

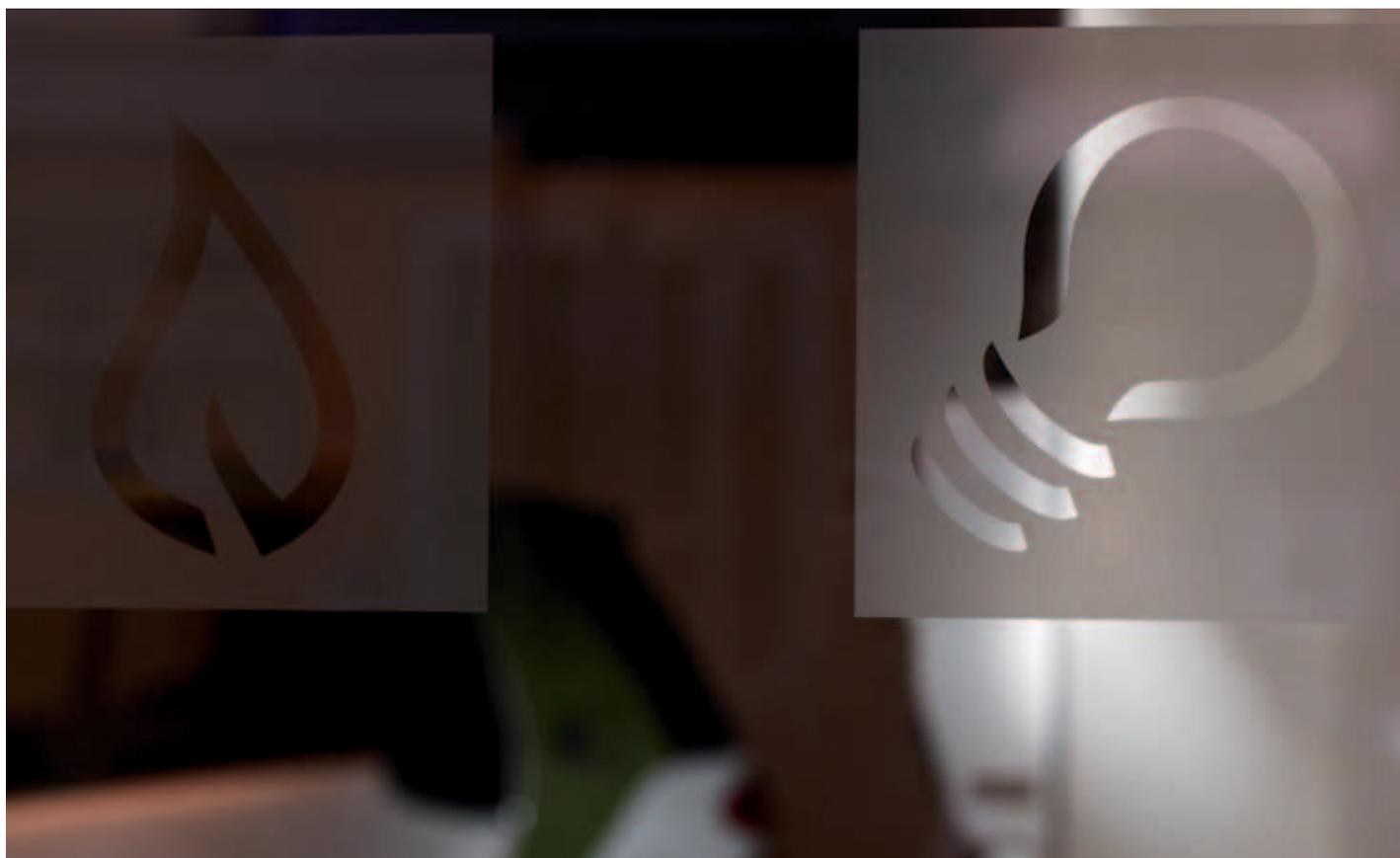


In Spain the State has implemented a similar initiative to that in Italy (the “*Bono Social*”), which continued in 2011. Electricity prices were frozen at the tariffs of June 30, 2009, so that the customers who benefit from the bonus avoided the price increase of the last 30 months. At the end of 2011 the total number of customers who used the *Bono Social* was 1,029,408.

In Brazil, low-income residential and rural customers benefit from reductions up to 65% of the official tariff thanks to the “*Pagamento subsidiado de contas*” program of the Federal Government.

In addition, in order to assist “rural” populations and boost activities which bring benefits to the local area, rural industrial customers have the right to a fixed tariff

4.5 Fairness and transparency in customer relationships



4.5.1 Customer communication

In all companies in the Enel Group, in compliance with the Code of Ethics (point 3.16), all contracts, communications addressed to customers and advertising must be:

- > clear and simple, using language that is as close as possible to that normally used by interlocutors (for example, avoiding clauses that are comprehensible only to experts, stating prices transparently, and explaining costs clearly);
- > compliant with the laws in force, without using evasive or unfair practices (such as for example the inclusion of restrictive covenants as regards consumers);
- > complete, without neglecting any detail that is significant in terms of customers' decisions;
- > available on the corporate website and at retail outlets.

In addition, it is Enel's responsibility to inform customers of the means of managing their contract (how to become a customer, how to change contract, what information is contained on the bill, etc.), of any changes to the contract, changes in the economic and technical terms for supplying the service, different tariffs and power levels available on signing or changing contract, complaint procedures, etc.

Endesa also considers it an essential part of its responsibility to customers to guarantee their right to information about the characteristics of the products and services they purchase. Therefore, the company complies with the regulatory requirements concerning information for customers in the various stages of the commercial cycle, and undertakes as a minimum that:

- > when supply contracts are signed or changed, customers are informed of the various types of tariff and power available, so as to find the solutions most suited to them;
- > when interruptions to supply are planned due to grid maintenance, customers and the general public are generally advised in advance;
- > when supply is cut off due to non-payment, consumers are advised in advance and the cut-off is only effected if there is proof that consumers have been advised.

In Italy, during 2011, various initiatives were undertaken aimed at improving customer relations both on signing the contract and in subsequent dealings.

Among the main innovations was the extension of "Vocal Ordering" from purchasing processes to after-sales activities, such as contract transfer or handover, changing the power level and changing product. This instrument allows the registration of the customer's acceptance of contractual terms, thus avoiding the dispatch of documentation, and so reducing times to fulfill requests.

In addition, in order to facilitate the management of the supply contract, numerous services have been activated in "self-care" form: through the website, for example, it is possible to ask for payments to be made in installments, to check the details of bills and their status, pay invoices and installments directly with a credit card and view the progress of outstanding cases. Text messages provide a service to find the nearest Enel retail outlet and it is possible to modify contact details and data. In addition, an app has been launched for iPhone and iPad to communicate self-meter readings for light and gas.

In Romania too there are numerous activities which the customer can do directly online, such as asking for a change in power, viewing the status of payments and payment history, modifying the means of paying or delivering bills, communicating self-meter readings and comparing energy consumption in various periods of the year, in order to analyze their own consumption trends. In addition, in order to allow for informed and knowledgeable decisions to be taken as regards their

supply contract, customers can find on the website an instrument which calculates their bills and enables a comparison of the different tariffs, so as to be able to choose the best tariff profile in relation to their own consumption characteristics.

In 2011, in Italy, no sanctions were applied for violation of the regulations on transparency to the harm of customers or for unfair commercial practices. In fact, the only proceeding opened by the Italian Antitrust Authority against Enel Energia, relating to unrequested activations of electricity and gas supplies, was closed without any fine being imposed. In Romania fines were imposed by the Authority for a total of 17,500 euro.

As regards policies to protect customer privacy, Enel operates in compliance with the laws in force in all the countries where it is present. In Italy, in particular, Enel adopted an organizational model and specific procedures in accordance with the provisions of Legislative Decree 196/2003 and subsequent additions. Therefore, all the necessary IT adjustments have been made to guarantee safe data processing and storage and teleselling processes have been adjusted to bring them fully into line with the new regulations on the Register of Objections⁽⁴⁾.

Enel is also committed to careful monitoring of all the third party companies which may use the personal data of Enel's customers. Specific clauses are envisaged for this in contracts with partners which must use personal data to carry out specific activities, such as for example sales or Customer Satisfaction surveys.

Despite this, in Italy, in 2011 the Data Protection Authority sent Enel 42 notifications. Enel Energia, in addition, following inspections at its offices, was subject to prescriptive and prohibitory proceedings regarding the illegality of data processing in the context of its teleselling. On the other hand, there were no cases of leaks, thefts or losses of data. In Slovakia, Romania, Russia and France in 2011 there were no documented cases of violations of customer privacy.

(4) The Register of Objections, which was set up by Presidential Decree 178/2010, allows operators who conduct telephone marketing campaigns to phone users listed in public telephone directories who have not exercised their right to object by recording their phone number in the aforementioned Register.



Alternative dispute resolution (Reconciliation)

Enel was the first company in the energy sector in Italy and Europe to adopt a Joint Reconciliation procedure with Consumer Associations to resolve disputes with customers. This totally free procedure, which involves an online platform, offers the possibility of quickly resolving commercial issues with Enel companies that undertake sales work in Italy (Enel Energia and Enel Servizio Elettrico) and without resorting to the courts.

The project, which was created in 2004, took concrete form in 2006 with the signing of a Joint Reconciliation Protocol between Enel SpA

and the Consumer Associations of the National Council of Consumers and End Users. After a trial period and numerous training courses, financed by the Authority for Electricity and Gas, since 2009 the implementing regulation has been active throughout Italy and enables access to the procedure for over 28 million customers for the supply both of electricity and gas for residential use, through qualified local branches of Consumer Associations.

In 2011 testing started on a similar procedure also for non-residential customers, in collaboration with the six most important confederations of

small- and medium-size companies in Italy: Confartigianato, CNA, Confapi, Confagricoltura, Confcommercio and Confesercenti. At the end of the trial period business customers too from all over Italy will be able to access the online Joint Reconciliation procedure.

Of the 1,392 reconciliation cases started in 2011, 252 regarded Enel Servizio Elettrico, 725 gas customers of Enel Energia and 289 the electricity supplies of Enel Energia. The disputes for which reconciliation procedures are started regard, in 70% of cases, complaints relating to the invoicing of energy consumption.

Breaking down linguistic and cultural barriers

In order for communication with customers to be truly transparent, fair, and effective, it is necessary to break down the barriers caused by culture, language, illiteracy, and disability that can make access to information uneven among the Group's customers.

In Italy, during 2011, in 6 Enel retail outlets a new simultaneous translation service was launched, which was subsequently extended to all such outlets. The service is available in 10 languages (English, French, Spanish, Chinese, Arabian, Russian, Rumanian, Punjabi, Albanian, Serbian and Croatian) and enables the customer and Enel consultant to discuss matters easily regardless of linguistic obstacles, thanks to the support of a third person who provides remote simultaneous translation. In Spain, on the other hand, Endesa sends all its commercial communications and information to customers in both Castilian and Catalan, and all the customer service channels are available in both languages. In order to avoid linguistic differences impacting on the effectiveness of the awareness-raising initiatives for responsible and safe use of energy, in addition, informative materials on safe energy use are realized for all the linguistic minorities in the country (Catalan, Basque and Galician).

Some forms of disability can markedly limit due access to information and services to support customers. For this reason, many Group companies have envisaged solutions to assist customers with hearing or sight problems. In Italy, in the context of the "Enel services for the social sector" program which was created in collaboration with the Prime Minister's Office - Department for Social Affairs, for some time Enel Servizio Elettrico has been sending bills in Braille to non-sighted customers. The bill in Braille contains all the main information on consumption and useful phone numbers, and is sent at no extra cost.

Sale companies in Peru, Brazil, Colombia and Argentina also send bills in Braille. Edesur, in Argentina, has also realized an "audio" invoicing service: an audio file is emailed in which the bill is read by a registered voice. In Brazil, on the other hand, Coelce has put on courses to learn sign language in Brazilian for its customer service staff, with the support of the National Federation for the Education and the Integration of the Hearing Impaired (FENEIS).

4.5.2 Advertising

The Group Code of Ethics clearly establishes that commercial communication must be inspired by the principles of clarity and truthfulness. In keeping with this line, in all the countries where it operates, Enel adheres to the relevant domestic laws and, in some cases, adheres to self-regulation codes that go beyond the legislation.

In Italy, for example, in its advertising Enel abides by the Self-Regulation Code for Commercial Communication of the Institute of Advertising Self-Regulation (IAP), to which it adheres through the Union of Associated Advertisers (UPA).

In Spain, Endesa is one of the organizations which signed the "Agreement on Self-Regulation of environmental aspects in commercial communication", an initiative promoted by the Ministry of the Environment, by the Association for the Self-Regulation of Commercial Communication and by various companies in the electricity and automobile sector. Under this agreement the companies set clear rules for themselves regarding the development and dissemination of advertising referring to the environment.

In Chile, on the other hand, Endesa has signed the Chilean Code of Advertising Ethics promoted by the Council of Self-Regulation and Ethics in Advertising (CONAR), a non-profit organization whose main aim is to self-regulate domestic advertising in keeping with the principles defined in the Code (legality, decency, non-violence, honesty, truthfulness). The Code is based on the standard defined by the International Chamber of Commerce of Paris and on the best rules and procedures of self-regulation worldwide.

In 2011 Enel was not subject to proceedings for misleading advertising in any of the countries where the Group operates.

4.5.3 Energy sources

Various Italian or supranational regulations require specific disclosure on the source of the electricity sold, to allow informed purchasing choices by end users who are interested in responsible energy consumption. All the Group sale companies respect the obligations of transparency envisaged by the law regarding the source of the electricity sold.

In Europe, in particular, Directives 2009/72 (electricity sector) and 2009/73 (gas sector) of the European Union on the liberalization of the energy markets envisage that “in the member States electricity suppliers include or attach to their bills, and to all the promotional material sent to end users, the following indications:

- > the share of each energy source compared to the total fuel mix used by the energy supply company;
- > alternatively, if the information on the environmental impact of the supply company is available to the public, the sources through which to access this information (for example the web pages)”.

As for Italy, a recent resolution of the Authority for Electricity and Gas envisages specific provisions to “promote the transparency of sale contracts for electricity pro-

ducts of their renewable energy offers, and every customer who signs a “green” offer must receive on their bill, at least three times a year, an indication of the mix of energy sources used for their electricity supply, in addition to information on the energy mix required by European directives. The clear description of the sources from which the energy sold comes is particularly important in the context of offering products which propose the offset of the emissions generated by energy production and by billing processes with the issue of certificates. In Italy, in order to guarantee the correct issue of these certificates, the process is subject to periodic checks and certification by Det Norske Veritas (DNV). This certification (available on the Enel website) aims to guarantee for the customer the correspondence between con-



duced from renewable sources, guaranteeing protection of the consumer, in accordance with the principles of competition and transparency, and ensuring that the electricity produced from renewable sources is not included in more than one sale contract for renewable energy” (Resolution ARG/elt 104/11 of July 28, 2011). Italian sale companies, therefore, must indicate in their promotional and informative material the characteris-

tics of their renewable energy offers, and every customer who signs a “green” offer must receive on their bill, at least three times a year, an indication of the mix of energy sources used for their electricity supply, in addition to information on the energy mix required by European directives. The clear description of the sources from which the energy sold comes is particularly important in the context of offering products which propose the offset of the emissions generated by energy production and by billing processes with the issue of certificates. In Italy, in order to guarantee the correct issue of these certificates, the process is subject to periodic checks and certification by Det Norske Veritas (DNV). This certification (available on the Enel website) aims to guarantee for the customer the correspondence between con-

4.6 Promoting responsible energy consumption



4.6.1 Commercial offers

For families

Time-based offers

In Italy, Romania, Spain, Portugal and Chile, the Group sale companies offer “hourly” tariffs, i.e. tariffs in which the price of energy is differentiated on the basis of the period in which it is consumed: in the peak hours of national energy consumption (typically daytime hours) energy has a higher cost, while in the hours in which the network is not subject to peaks in demand (evenings and non-working days), the price is closer to the real cost of electricity production.

In this way the hourly tariffs encourage an overall improvement in the efficiency of the loading on the electricity grid, with positive effects on the efficiency of both production and distribution and consequent important environmental benefits.

For the customer the advantage is access to energy at a lower price in the preset time periods. This enables a significant saving on the costs billed compared to undifferentiated flat tariffs. With flat tariffs, also when using electricity in off-peak hours, the consumer still pays the same (higher) price, thus bearing part of the costs

of those who consume in the more expensive periods. To help customers in the correct management of the hourly tariff, by making them adopt a more responsible and informed attitude to energy consumption, the Company explains clearly how to read bills to check whether consumption has taken place mainly during the time period in which electricity costs less, so as to

used in this offer is produced by power plants that exploit renewable sources such as water, wind and sun, and the CO₂ emissions produced by the invoicing process and by the consumption of the power plants are offset through the corresponding purchase and subsequent annulment of VER or CER certificates. In addition, the "*Energia Tutto Compreso Green*" formula encourages customers to adopt



correct any misalignment and ensure the maximum possible cost saving.

"Green" offers

Some of the commercial offers proposed by the Group companies are addressed to those customers who are most sensitive to environmental issues, because they provide a guarantee that the energy source is renewable or because they include an amount for financing renewable sources. In Italy, again in 2011, the "*Energia Tutto Compreso Green*" offer was available, which is based on the concept of "size" (Small, Medium, Large, Extra-large) which was already part of the "*Energia Tutto Compreso*" offer and was enhanced by the addition of the "Zero CO₂" offer. The energy

responsible electricity and gas consumption, since, if during a particular time period the monthly consumption never exceeds their chosen size category, the customer receives as a "prize" one month's free consumption for its size.

The product portfolio of Enel Energia also includes offers that are offset with CO-FERs (Certification of Origin from Renewable Energy Sources), such as the "*Energia Pura*" product line or the business offers with optional CO-FER annulment.

Finally, in Romania in 2012 a product (Green Energy) was developed which guarantees 100% energy from renewable sources and is certified by an independent body.

Products and services for energy saving

The commitment of families to energy saving also requires they pay more attention to the characteristics of the household appliances and equipment they purchase and to ways of improving the performance of those they already own. For this reason, Enel also offers products for energy saving and advisory services for residential customers.

In Italy, Romania, Spain, Argentina, Brazil, Peru, Chile and Colombia, Enel has promoted energy saving programs with end users, thanks to which low-consumption light bulbs have been distributed free of charge to citizens, as well as water economizers for taps and showers, and class-A appliances (refrigerators, air-conditioners). These initiatives are joined by the offer of high energy-efficiency products (micro-cogeneration plants, condensing boilers, heaters with regulators to rationalize consumption, cut-out switches with automatic reconnection, voltage stabilizers, etc.), maintenance and assistance services through select partners and consultancy services on tariffs, subsidies and incentives, environmental impact, energy audits, etc.

In Italy Enel Energia, in collaboration with Enel Ingegneria e Innovazione launched the project *"ComeConsumo"* with a sample of customers. The project envisages the installation of a system for real-time viewing of consumption, both locally and online, which also enables access to past consumption data. During 2012 the consumption conduct of the sample will be monitored to check the instrument's potential.

Enel Energia, in addition, offers an energy certification service in the regions of Lombardy, Piedmont and Emilia Romagna, aimed at property owners who wish to sell, rent or restructure their property. The certification enables them to obtain all the information on how the building was constructed in terms of its heat insulation and energy consumption. The energy certification allows customers to benefit from a tax deduction, to valorize the property (a property valued as class A+, A or B has a higher market value than buildings with a lower energy class) and to carry out works on the property in greater safety, guaranteed by specialist technicians from companies selected by Enel Energia.

In Brazil in 2009 Coelce launched the *"Luz Solidària"* project, in the State of Ceará, which encourages the replacement of old high-consumption appliances with new high-efficiency equipment. In order to stimulate this exchange, Coelce offers discounts on the purchase

of the new appliances, which can be obtained in exchange for a donation to the social projects included in the program.

In addition, with the *"Troca Eficiente"* program, Coelce offers the free replacement of obsolete electrical equipment for low-income residential customers, clinics, hospitals, daytime centers, etc.

"Easy" photovoltaic

During 2011 Enel.si (Enel Green Power Retail) launched *"Raggio senza pensieri"*, a new "turnkey" offer for photovoltaic plant for homes which makes life easier for the customer in all aspects, from technical issues (installation, certification and testing of the plant) to financial and bureaucratic aspects (assistance in authorization procedures for connection to the electricity grid and applying for incentives), to the final disposal of the photovoltaic plant, simply organized by calling a toll-free number.

For business

The industrial system is responsible for the demand for much of the total energy consumed in a country, especially in some sectors. For this reason, many products, services, and activities to raise awareness about energy conservation are addressed to business customers.

For small- and medium-size companies which do not have an Energy Manager, in October 2010 in Italy Enel Energia launched *"Screening Energy"*, which entails the monitoring of the customer's energy consumption for 12 months and the provision of an "efficiency report". The report sets out the evidence collected during monitoring and makes suggestions for energy saving, thus aiming to encourage greater awareness of their consumption in customers. Enel.si, on the other hand, has proposed energy audit solutions to promote high efficiency electric engines, in the context of the European *"Motor Challenge"* program.

In Spain and Portugal Endesa undertakes various services and projects for energy efficiency: energy audits, energy classification, installation of efficient technologies (in the context of lighting, engines, heat recovery, HVAC



systems, etc.), ISO 50001 energy management systems and systems to trace and control energy consumption. With the aim of reducing peaks in demand, in Peru Edelnor offers its industrial customers a differentiated tariff on the basis of the periods of energy use, which encourages avoiding high consumption on the days in which the highest peaks are statistically recorded on the grid.

In Colombia an online instrument was launched in 2011 by Codensa called "*Gestiono Mi Energía*", which helps customers understand how to save energy and how to make their company's consumption more productive. The instrument envisages a free diagnosis of energy consumption (expressed both in kWh and emissions of CO₂), the proposal of tailored solutions to reduce consumption and advice for more efficient energy use. Codensa and Emgesa, in addition, are involved in the public program "*Gestión Integral de la Energía*", which envisages the development, at national level, of know-how and skills in energy management systems and efficient energy use.

For cities

As part of its product portfolio, Enel has developed a range of products designed specifically for public administrations. In Italy, for example, Enel makes avail-

able a series of instruments aimed at facilitating and simplifying the management of electricity supply for public administrations, including:

- > the possibility of receiving bills electronically;
- > the "Easy Click" service, to consult consumption data at any moment or to view bills online;
- > access to payment methods that can be personalized.

Technologies and services are being developed aimed at the "energy redevelopment" of cities. In Italy, in the field of public and artistic lighting, Enel Sole has set itself the objective of redeveloping and improving the comfort of the urban environment and road safety, reducing energy consumption and the consequent cost, limiting light pollution and eliminating waste. An important success for Enel Sole's research is the innovative device for LED road illumination (Archilede), which has numerous advantages in terms of consumption, environmental impact of the components on disposal, quality of the light emitted and reduction of light pollution. Thanks to its unique performance, Archilede has been chosen by around 950 local authorities in Italy and abroad, for a total of over 89,000 units sold, with energy saving of around 23 GWh/year (equivalent to the consumption of 8,600 families) and a reduction in emissions of CO₂ of over 16,000 ton/year.

Similar solutions to those proposed in Italy and Spain are also present in Chile: the program "*Proyectos de eficiencia del Alumbrado Público*" aims to modernize the



lighting of streets, parks and public places, and all the ornamental and artistic lighting solutions are made with LED technology, thus allowing an 80% reduction in energy consumption compared to traditional lighting.

Finally, with the “*Coelce Solidária com a Saúde Pública*” program in Brazil projects are promoted to reduce energy consumption in public buildings, by modernizing the cooling and lighting systems and encouraging the replacement of old equipment with more modern and efficient substitutes.

4.6.2 Information and awareness-raising

In order to promote the efficient use of energy among customers, it is essential to also make an effort to provide information and raise awareness of the importance of energy efficiency in daily consumption.

In Italy in 2011 the loyalty program “*Enel Premia*” of Enel Energia continued. It offers “green” prizes (such as the possibility of converting energy bonus points into trees planted for reforestation projects) and envisages, among the various methods of collecting points, a bonus should the customer have consumed less than in the same period in the previous year. On the website of Enel Romania, on the other hand, there is a section in which customers can find information and advice on how to save energy in their own homes.

In Spain and Portugal a range of informative material on efficient and safe energy consumption is disseminated, such as *brochures* with advice on energy saving and communications on safety and on the correct use of equipment. For example, the first bill after signing a gas contract includes the “Gas Guide”, while the “Welcome Pack” for lighting contracts offers information on the functions of the electric control panel and advice on its maintenance, on the correct use of appliances, on how to protect homes from power surges, etc. Endesa, in addition, in 2009 launched the online community “Twenergy” (www.twenergy.es), in which users can interact and learn how to use energy responsibly thanks to the tips and suggestions provided. The community has more than 30,000 users and in 2011 recorded two million visits.

In Argentina a newsletter is sent to all residential customers, containing information on energy safety and efficiency, while in Peru various suggestions are disseminated through the dedicated section of the website, as well as through the company magazine and “recreational” initiatives (such as theatrical representations). Finally, in Colombia, Codensa for the second year running implemented the “*Siempre Energía*” program, which is aimed at various customer segments in order to raise awareness about responsible and efficient energy use. In 2011 the campaign involved 1,600,000 families and was directed in particular at housewives, teenagers and children, with the participation of around 1,200 schools.

The background of the slide features two circular inset images, one above the other, showing a factory interior. In both images, a worker wearing a white protective suit and a mask is visible, standing in a large industrial space with various equipment and structures. The images are slightly blurred and have a reddish tint.

Chapter 5

Environmental
challenges



5.1 Our commitments

5.1.1 Environmental policy

Enel regards the environment, the fight against climate change and sustainable development as strategic factors in carrying out and expanding its activities and as key drivers for strengthening its leadership in energy markets. The Group's environmental policy is based on 3 fundamental principles and pursues 10 strategic targets.

Principles

- > Safeguarding the environment
- > Improving and promoting the environmental features of products and services
- > Creating corporate value

Strategic targets

- > **Application** of internationally-recognized environmental management systems to its entire organization.
- > **Optimized integration** of installations and buildings into the landscape, while conserving biodiversity.
- > **Mitigation of environmental impacts** by applying the best available technologies and the best practices in building, operating and decommissioning its installations.
- > **Leadership in renewables** and low-emission electricity generation.
- > **Efficient use** of energy, water and raw materials.
- > **Optimized management** of waste and liquid releases.
- > **Development of innovative technologies** for the environment.
- > **Communication** of Enel's environmental management efforts to the public at large and to institutions.
- > **Environmental awareness**, training & education of employees.
- > **Promotion** of environmentally-sustainable practices among suppliers and contractors.

Group environmental objectives in 2012^(*)

Specific total emissions of CO ₂	- 7%
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Group environmental objectives in 2020^(*)

Specific total emissions of CO ₂	- 15%
Specific total emissions of SO ₂	- 10%
Specific total emissions of NO _x	- 10%
Specific total emissions of particulates	- 50%
Specific water withdrawal	- 10%

^(*) The base year for the given objectives is 2010, except for the objectives for CO₂ reduction for which the baseline year is 2007.

5.1.2 Initiatives in progress

Enel translates the aforesaid principles included in the environmental policy through a series of initiatives to achieve its strategic objectives.

Strategic target	Initiatives/programs in progress
Application of internationally-recognized environmental management systems to its entire organization	<ul style="list-style-type: none"> > Extension of certification to sites that currently do not possess it > Annual renewal of the ISO 14001 certifications and EMAS registrations that have already been obtained
Optimized integration of installations and buildings into the landscape, while conserving biodiversity	<ul style="list-style-type: none"> > Projects on protecting biodiversity (conservation of habitats of protected species, reintroduction of particular species, research institutes and observation posts, replanting of indigenous flora) > Bio-monitoring (land, sea, rivers) > Use of cables instead of bare conductors for power distribution lines > Works to mitigate the visual impact of production and distribution plants and mines
Mitigation of environmental impacts by applying the best available technologies and best practices in building, operating and decommissioning its installations	<ul style="list-style-type: none"> > Environmental impact assessment for the construction of or for significant changes in plants > Study and sustainable use of Best Available Techniques > Protection, monitoring and enhancement of the quality of surface water, soil and subsoil in areas around plants
Leadership in renewable and low-emission electricity generation	<ul style="list-style-type: none"> > Increase in power generation capacity from renewable sources through realization of new plants, acquisitions and signing and development of partnerships > Development of new generation capacity from conventional low-emission sources and from nuclear power
Efficient use of energy, water and raw materials	<ul style="list-style-type: none"> > Improvement in efficiency of production plant (use of higher-yield components and/or processes, reduction of consumption by auxiliary services) > Reduction in grid losses associated with electricity distribution (optimal network design, use of power lines with larger cross-sections and electric components with lower losses) > Mapping and monitoring of all production centers in order to identify possible situations of water stress and to intervene, where necessary, through more efficient water management > Internal recycling of water for industrial use > Valorization of ash and gypsum from coal and lignite as raw materials in external production processes > Work to promote energy efficiency in end uses (distribution of higher energy efficiency products for the lighting and heating of buildings, use of higher-efficiency light bulbs in public lighting)^(*) > Dissemination of systems such as smart meters and tariff options aimed at raising awareness of and providing incentives for efficient electricity use by customers^(**)
Optimized management of waste and liquid releases	<ul style="list-style-type: none"> > Reduction in waste generation > Reduction in the waste load of liquid releases > Increase in the percentage of recycling of waste and liquid releases produced (also through waste differentiation practices) > Selection of waste disposal service providers > Use of IT systems to trace waste
Development of innovative technologies for the environment	<ul style="list-style-type: none"> > Research and realization of pilot projects on: <ul style="list-style-type: none"> - Carbon Capture and Storage (CCS) - systems to raise efficiency and reduce emissions - smart grids - thermodynamic solar power - innovative renewables (photovoltaic, geothermal, wind, marine energy) - multi-generation systems - electric mobility - green ports (electrified docks in ports)^(***)
Communication of Enel's environmental management efforts to the public at large and to institutions	<ul style="list-style-type: none"> > Publication of the Sustainability Report, the Environmental Report, and a section on sustainability in the Annual Report > Communication with analysts and participation in various sustainability indexes > Initiatives to open plants to public > Website reporting on environmental initiatives > Preparation of Environmental Statement for EMAS-registered sites
Environmental awareness, training & education of employees	<ul style="list-style-type: none"> > Periodic training on environmental issues > Intranet with analyses by subject
Promotion of environmental-sustainable practices among suppliers and contractors	<ul style="list-style-type: none"> > Use of supplier qualification criteria based on environmental performance > Checking contractor's work when in progress and during final tests and completion > Meetings for information-giving/training on significant environmental aspects at the start of works through the transmission of environmental policy and explanation of the management of impacts generated by the activities undertaken (waste, emissions, discharges, etc.)

^(*) Further details on page 156 and following.

^(**) Further details on page 154 and following.

^(***) Further details on page 68 and following.

5.1.3 Environmental management

Environmental governance is implemented through widespread organization in the operating units and is coordinated by a unit of Enel SpA (Regulations, Environment and Carbon Strategy Department) whose mission is to:

- > define the strategic environmental policies and objectives;
- > monitor risk management and the achievement of objectives;
- > define the guidelines of the Environmental Management Systems, manage Group reporting and prepare the Environmental Report;
- > promote the dissemination of best practice.

In the business units and service departments, in relation to specific problems, there are structures and people responsible at the various levels for carrying out environmental activities. The staff departments coordinate the management of the respective environmental issues, providing the necessary specialist assistance in accordance with the guidelines of the Parent Company, and the operating units manage specific aspects of the industrial sites.

In the whole Enel Group 530 full-time employees work on environmental issues.

The gradual application of Environmental Management Systems to all the activities undertaken by the Enel Group (industrial, planning, coordination, services, etc.) is a strategic

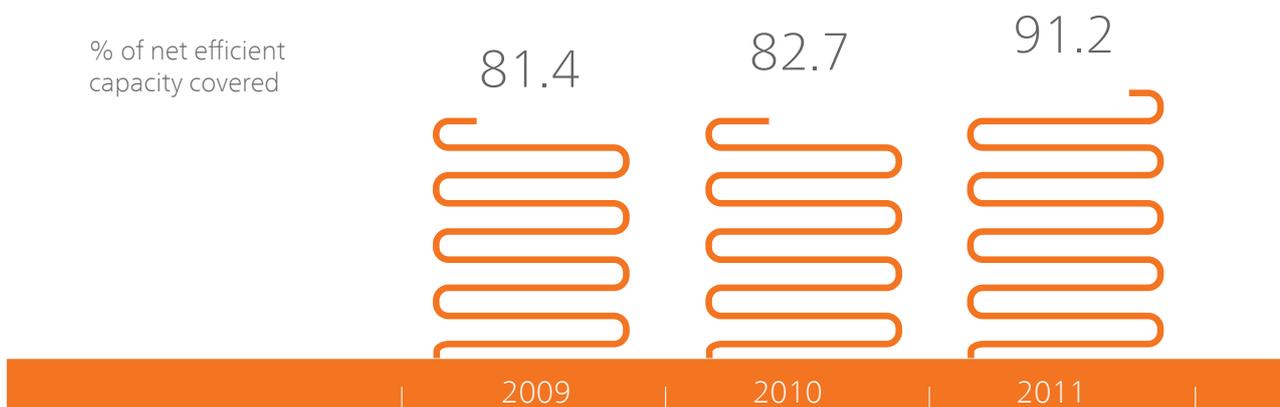
objective of the Company's environmental policy. Currently Environmental Management Systems certified in accordance with ISO 14001:2004 cover 91.2% of the net efficient capacity, 93% of the electrical grid, and 100% of the management of services and real estate in Italy (around 1,000 buildings) and the sales work in Italy and Romania.

In the context of the project to extend Environmental Management System certification in accordance with ISO 14001:2004 to the whole Group, the development and dissemination of solid environmental know-how is of vital importance: environmental training and information programs are, therefore, key elements in the annual training plan for staff dedicated to environmental management and, in general, for Enel staff.

In 2011, in particular, in Italy a training course divided into two modules ("Auditing techniques" and "Auditors/Lead Auditors") was held, aimed at around 30 senior staff with environmental roles and who will carry out environmental audits under the Environmental Management Systems. As part of the same project, "basic" training will be provided for all staff realized through distance training instruments. This seeks to disseminate awareness on environmental issues, making people take responsibility for the consequences of their choices and actions on the environment, and to promote sustainable conduct inside and outside the workplace.

ISO 14001 certification

% of net efficient capacity covered



Assessment and management of environmental risks

In 2011 the commitment to manage environmental risks continued, in accordance with an implementation plan that was started in 2010 and which envisages the coverage of over 500 sites worldwide by 2014.

The methodology adopted enables the identification, analysis and mapping of potential risks to the environment and to the strategy, reputation and economic resources of the Company, associated with the operation of generation power plants and energy grid and the governance of environmental issues.

The aim of the assessment is to provide management with qualitative elements and indications of priorities in order to support the decision-making process and investment planning to improve environmental performance, by assessing the positioning of sites that belong to differing technological and regulatory contexts.

The analysis, which is carried out annually so as to reflect any changes in the Company's internal and external situation, is undertaken by those responsible for processes which entail an environmental impact, as identified at the sites and in the related companies.

The methodology is based on the application of the following steps:

- > assessment of the inherent risk, in other words the probability of a critical event occurring and the related impact, in the case of there being no control activities aimed at mitigating the risk itself;

- > assessment of the level of control, in other words the effectiveness of the existing management and control activities specifically implemented to manage or mitigate the risk;

- > calculation of the residual risk: by applying the level of control to the inherent risk, it is possible to obtain the residual level of risk which represents the Company's risk exposure.

In 2011, 158 facilities were assessed in 13 different countries.

Expenditure to protect the environment

In 2011 the total financial commitment for environmental protection was 833 million euro, of which 582 million euro was in current expenses and 251 million euro in investments.

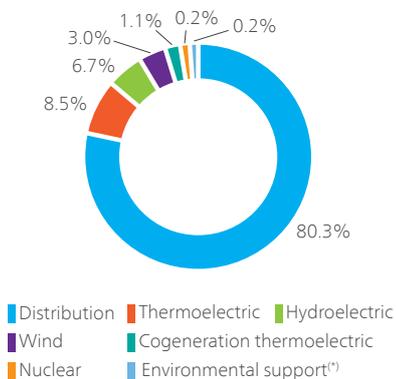
Current expense, linked in particular to abatement systems (emissions, water treatment and waste management), rose compared to 2010 due to the increase recorded in fossil fuel thermoelectric production. As for investments, on the other hand, 2011 saw the coming into operation of the huge investments made in 2010 for systems to reduce emissions and the environmental fitting-out of new CCGT plant.

Environmental expenditure - GRI EN30 criterion

		2011	2010	2009	Difference 2011-2010	% difference 2011-2010
Total environmental expenditure	m. euro	833	786	689	47	5.9
Current expense (costs):	m. euro	582	433	495	149	34.4
For waste disposal, emission treatment and environmental remediation	m. euro	282	193	244	89	45.8
For prevention and environmental management	m. euro	300	240	251	60	25.2
Investments	m. euro	251	353	194	-102	-29.0
For waste disposal, emission treatment and environmental remediation	m. euro	142	254	69	-112	-44.0
For prevention and environmental management	m. euro	109	99	125	10	10.1

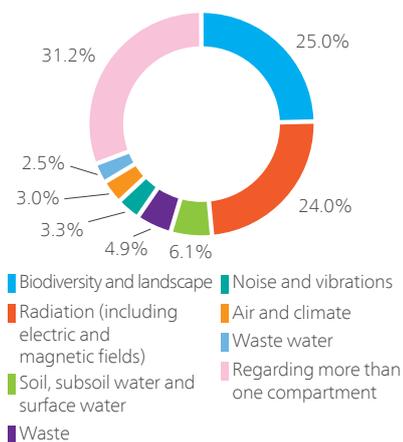


Environmental proceedings by sector - 2011



⁽¹⁾ "Environmental support" means consultancy and advice not directly regarding a specific area.

Environmental proceedings by environmental compartment - 2011



Environmental disputes

There were 608 legal proceedings⁽¹⁾ pending at December 31, 2011, of which 68 started during 2011.

Most of the pending proceedings (over 80%) regarded the electrical grid. As for energy production, on the other hand, the main ongoing disputes relate to issues connected to the construction, reconversion or operation of electricity production plants, and in particular thermoelectric (8.6%) and hydroelectric (6.7%) plants.

Analysis by environmental compartment shows the clear prevalence of disputes relating to biodiversity and the landscape (25%) and electromagnetic fields (24%). Then there is a broad grouping of proceedings which cover more than one environmental compartment (31.2%). The high incidence of disputes relating to electromagnetic fields, which involves only electricity distribution, is due to the fact that, despite Enel infrastructure systematically complying with the limits envisaged by the relevant laws, there is, above all in Italy, exceptional sensitivity to this issue (see also the section "The safety of communities").

⁽¹⁾ The only proceedings considered are civil and penal environmental cases in which the Group is sued and those arising from third-party appeals for the annulment of administrative orders that are favorable to the Group.

5.2 Air

5.2.1 Greenhouse gases emissions

The Enel Group has adopted a long-term strategy to contain, reduce and offset greenhouse gases (GHG) emissions. The Enel Group's Climate Strategy (pages 38-39) translates the commitment to reducing emissions through action plans covering all the Group's activities, from production to distribution, from sales to end users to emission quotas trading.

The emission of carbon dioxide (CO₂), besides representing one of the factors which can markedly influence the Group's operations, represents one of the biggest challenges which the Group is facing to protect the environment.

Development of renewable energy

In the context of energy generation, one of the pillars of the Climate Strategy is the continuous investment in the development of technologies for production from renewable sources: biomass, wind, photovoltaic, geothermal, hydroelectric, and thermal solar are the areas that Enel has decided to back with investment, thus becoming one of the leaders in the sector.

In order to valorize its activities in this field the Company has concentrated the work to develop and operate new renewable source energy plants in Enel Green Power, the Group's company dedicated to the development and management of energy generation from renewable sources, which can count on a diversified technological mix which is spread internationally. The strategy of the Enel Group in the renewable sector puts particular attention on the following aspects:

- > technological diversification: alongside the conventional technologies such as hydroelectric and geothermal, the Group uses the entire range of available technologies (wind, solar, and biomass), so as not to rely on a single source;
- > integration in the market: the Group supports the full integration of renewable sources in the market, and therefore sees the existing incentives for renewable sources as instruments which necessarily must be transitory. The Group's renewable plants should, therefore, have a low level of dependence on State incentives;
- > research and development: the Group promotes innovation by monitoring emerging technologies and developing pilot projects on technologies that are close to commercialization, in order to identify new high-potential technologies on which to focus its investments.

During 2011 the Group further invested in the development of its renewable energy generation capacity, increasing the net efficient renewable capacity by around 525 MW, in particular in the wind sector.

New renewable power installed^(*)

		2011	2010	2009	Difference 2011-2010	% difference 2011-2010
Hydroelectric	(MW)	2.5	6.8	1,335.7	-4.3	-62.9
Wind	(MW)	481.5	347.4	221.8	134.1	38.6
Geothermal	(MW)	0.0	33.0	70.9	-33.0	-100.0
Photovoltaic	(MW)	41.2	15.8	6.0	25.4	160.4
Total	(MW)	525.3	403.0	1,634.4	122.2	30.3

^(*) Excluding changes boundaries and decommissioning occurred, which were included in the data published until the 2010 Sustainability Report.

The total emissions saved in 2011 thanks to the production of energy through renewable and nuclear plants amount to 92.8 million tons.

Carbon strategy

In all the European countries in which the Group operates generation fossil fuels power plants, National Allocation Plans (NAPs) are established for assigning CO₂ emission quotas. These Plans set the total number of quotas, at both plant and industry level, assigned by the competent national authorities to implement the EU directives regarding emission trading (Directives 2003/87/EC and 2004/101/EC).

The current NAPs, for the period 2008-2012, establish that, within certain limits, the companies involved in the Emission Trading system can use, to meet their obligations, "emission credits" arising from the so-called "flexible mechanisms" of the Kyoto Protocol: CDM (Clean Development Mechanism) and JI (Joint Implementation). The credits available are in particular:

- > Emission Reduction Unit or ERU: emissions saved thanks to the implementation of projects which aim to reduce emissions in other countries in which emission restrictions are envisaged (Joint Implementation projects);
- > Certified Emission Reduction or CERs: emissions saved through the implementation of high energy-efficiency industrial projects or projects aimed at using renewable energy in developing countries without restrictions on emission (Clean Development Mechanism projects).

The use of flexible mechanisms in countries where production technologies are obsolete and therefore can be broadly improved, enables very significant reductions in emissions to be made at a cost of reduction lower than the one required in developed countries to achieve the same result. The technological transfer which is a consequence of the development of these projects also represents for the host countries a tangible benefit in terms of economic, technological and social development.

The Enel Group currently boasts a leading position in the global market for flexible mechanisms, with 12% of emissions saved by the Group certified by the United Nations.

In 2011 Enel projects saved emissions for almost 44 million tons of CO₂ equivalent, of which:

- > 33.6 million for projects to reduce emissions from industrial gases;
- > 6.9 million through development of renewable energy (hydroelectric and wind);
- > 3.1 million tons thanks to other technologies.

There are 114 projects in the portfolio which are already registered or which are being validated in China, India, Africa and Latin America, all realized by direct participation and using a wide range of technologies: renewable (hydroelectric, wind and geothermal), industrial gases, biomass, methane destruction, energy efficiency, water and waste treatment. Most of the initiatives have been developed bilaterally between Enel and the host country⁽²⁾. In order to diversify the risks in terms of the realization and performance of the individual projects, the Group has also invested in some funds, the forecast contribution from which over the 2008-2020 period, in terms of credits, amounts to around 14% of the total portfolio.

Enel is also acting in the field of emissions reduction in areas where there are no reduction obligations, but which are interesting sectors for those subjects (companies, institutions, end users, etc.) which intend to act virtuously to mitigate greenhouse-gas emissions. This type of activity goes under the name "voluntary emissions market", to distinguish it from the market which, on the other hand, originates from legal obligations relating to emission trading schemes. It takes the form of various services which enable, among other things, the neutralization of the carbon footprint of a vast range of activities (corporate events, energy campaigns, publications, products and services).

CO₂ emission quotas allocated and verified at Enel plants

	UM	CO ₂ equivalent quotas assigned (2011)	CO ₂ equivalent emissions verified (2011)
Italy	(m. t)	31.9	36.8
Spain	(m. t)	24.4	34.5
Portugal	(m. t)	2.7	1.1
Ireland	(m. t)	1.4	0.1
Slovakia	(m. t)	5.4	3.0
Total	(m. t)	68.5	75.5

(2) Details relating to all the projects in which Enel and Endesa appear as Project Participants can be found on the UNFCCC website at <http://cdm.unfccc.int/Projects/index.html>.

Direct emissions

Most of the direct emissions are caused by CO₂ emissions arising from the use of fossil fuels for electricity production. During 2011 there was a 9.5% increase in net energy production from non-renewable sources and a corresponding decrease in production from renewable sources (-10.3%). The latter was due in particular to a significant reduction in hydroelectric production (-13.1%) owing to the lack of rainfall during 2011, only partially offset by the increase in the production of all other renewable sources in the Group's power generation capacity (wind, photovoltaic, geo-thermoelectric, biomass, etc.).

This phenomenon caused a shift in the fuel mix towards non-renewable energy sources such as coal and natural gas, with a consequent negative impact on direct CO₂ emissions from electricity production, which rose by 6% compared to 2010.

As a result of the greater production from fossil sources, in 2011 the net specific emission of CO₂ referred to total production rose by 5.7%. At the same time, during the year, various policies were implemented to improve the efficiency of plant, which enabled a reduction in the fuel used on a constant energy production basis (the average efficiency of thermoelectric capacity rose by 1% between 2010 and 2011). This significant increase in efficiency produced as a benefit also a lower CO₂ emission per MWh produced by the thermoelectric plant. Compared to thermoelectric production alone, the specific emissions fell by 0.5% for thermoelectric production (electricity only) and by 4.4% for cogeneration.

Direct emissions of greenhouse gases (Scope 1)^(*)

		2011	2010	2009	Difference 2011-2010	% difference 2011-2010
Emissions of CO ₂ from electricity and heat production	(m. t)	123.2	116.2	122.2	7.0	6.0
Direct emissions due to other activities	(m. t eq.)	0.310	0.182	0.177	0.129	71.0
Total direct emissions (Scope 1)	(m. t eq.)	123.5	116.4	122.4	7.1	6.1

(*) Scope 1: direct emissions from sources owned or controlled directly by the Company, for example emissions stemming directly from production (Source: World Business Council for Sustainable Development).

Specific CO₂ emissions

		2011	2010	2009	Difference 2011-2010	% difference 2011-2010
Specific CO ₂ emissions of total net production ^(*)	(kg/MWh)	411	389	413	22	5.7
Specific CO ₂ emissions of net production from fossil fuels ^(**)						
- Specific CO ₂ emissions from thermoelectric power generation (electricity only)	(kg/MWh)	708	711	741	-3	-0.5
- Specific CO ₂ emissions from combined heat and power generation	(kg/MWh)	660	691	691	-31	-4.4

(*) Calculated considering the total emissions from thermoelectric power generation (electricity only), combined with electricity and heat, referred to the total renewable, thermoelectric, and nuclear production of electricity and heat.

(**) Calculated considering the total emissions from thermoelectric power generation (electricity only), combined with electricity and heat, referred to the total thermoelectric production of electricity and heat.

Indirect emissions

The emissions generated by electricity distribution, real estate management, mining and the movement of fuel (Scope 2) rose by 35.4% due to the increase in business volumes. Emissions due to coal-mining and the transport of fuel, raw materials and waste (Scope 3), on the other hand, rose due to the higher thermoelectric production from coal.

In order to expand the boundaries of the indirect emissions monitored by the Group, Enel has joined the Carbon Disclosure Project (CDP) on the assessment of greenhouse gas emissions in the supply chain, a pioneering project involving a limited number of global companies that are leaders across all industrial sectors. The mapping enables the comparison of a company's data with the typical performance for each sector and thus the start of a process to gradually reduce its impact. For a number of years Enel has provided the CDP with data regarding its greenhouse gas emissions by compiling a technical questionnaire and has encouraged its suppliers to take part in the program by completing a dedicated questionnaire. The results are published on the website www.cdproject.net.

Indirect emissions of greenhouse gases (Scope 2)^(*)

		2011	2010	2009	Difference 2011-2010	% difference 2011-2010
Fuel storage and handling	(m. t eq.)	0.003	0.003	0.001	-	-
Electricity distribution	(m. t eq.)	0.238	0.175	0.174	0.063	35.9
Real estate	(m. t eq.)	0.085	0.062	0.063	0.023	37.3
Mining	(m. t eq.)	0.005	0.005	0.001	-	-
Total indirect emissions (Scope 2)	(m. t eq.)	0.332	0.245	0.239	0.087	35.4

^(*) Scope 2: indirect emissions from the generation of electricity purchased and consumed by the company, typically corresponding to the emissions arising from the plant where the electricity is produced (Source: World Business Council for Sustainable Development).

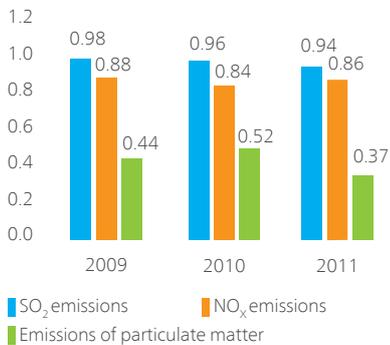
Other indirect emissions of greenhouse gases (Scope 3)^(*)

		2011	2010	2009	Difference 2011-2010	% difference 2011-2010
Coal mining	(m. t eq.)	5.933	4.974	5.151	0.959	19.3
Transport of coal by sea	(m. t eq.)	0.647	0.525	0.544	0.122	23.2
Transport of coal by train	(m. t eq.)	0.580	0.440	0.483	0.140	31.9
Transport of fuels (gas oil, biomass, WDF)	(m. t eq.)	0.0038	0.0042	0.0047	-0.0004	-9.0
Transport of raw materials and waste	(m. t eq.)	0.0231	0.0226	0.0224	0.0004	2.0
Total indirect emissions (Scope 3)	(m. t eq.)	7.187	5.966	6.205	1.221	20.5

^(*) Scope 3: other indirect emissions of greenhouse gases that are the consequence of the company's activities, but stem from sources that are neither owned nor controlled by the company, such as, for example, emissions from the extraction of materials or the transportation of fuels that have been purchased (Source: World Business Council for Sustainable Development).

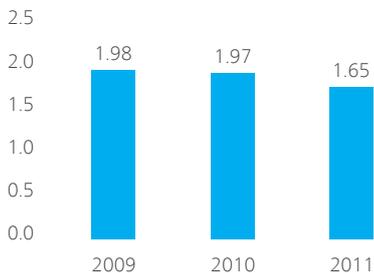
5.2.2 Other emissions

Other specific emissions (g/KWh)^(*)



^(*) Calculated on the basis of total emissions from thermoelectric heat and electricity generation as a percentage of total renewable, thermoelectric and nuclear production of electricity and heat.

Net specific emissions of H₂S (g/KWh)



The significant atmospheric pollutants emitted by Enel's activities, in particular by thermoelectric production, are sulfur oxides (SO₂), nitrogen oxides (NO_x), and particulate matter. These pollutants are measured continuously in most of the larger plants through analyzers installed on stacks and periodically, through analysis and measurement campaigns or by using statistical parameters, in small plants. In 2011 work continued in the thermoelectric power plants to replace burners and to improve control systems of the fuel temperature in order to reduce nitrogen oxides; in the context of treatment systems, desulfurization systems and filters to reduce particulate matter were put into operation.

Enel undertakes periodic campaigns to measure the concentrations of "minor" pollutants (for example metals) in the flue ash produced by thermoelectric plant. The concentrations are always well within the limits established by the laws in force in the various countries in which the Group operates.

At the end of 2010 the installation was completed in geo-thermoelectric plant of systems to reduce hydrogen sulfide (H₂S), the only potentially polluting substance present in significant quantities in geothermal fluid. Thanks to leading-edge technology developed by Enel for abatement systems (AMIS - Mercury and Hydrogen Sulfide Abatement), the emissions of this gas are actually lower than those that occur naturally in the environment.

Finally, Enel currently holds very small quantities of substances in its air-conditioning systems that are harmful to the ozone layer. These gases will be gradually replaced with non-harmful substances.

Investments to reduce pollutants at thermoelectric plants have generated positive results: in 2011 there were significant falls in the specific emissions of SO₂ and particulate matter. This result is largely due to the lower impact of thermoelectric plants in Russia, thanks to the start-up of two 400 MW combined cycle plants and the improvement in the performance of the Reftinskaya plant.

5.3 Energy

5.3.1 Direct consumption

The Enel Group consumes energy to operate its generation plants, through which it produces new energy which is put into the distribution grid. Most of the Group's energy consumption, therefore, derives from the consumption of the fuels for energy generation.

In 2011 there was an increase in fuel energy consumption, from 1,653,890 TJ in 2010 to 1,756,981 TJ in 2011. In particular, there was an increase of around 6.6% in consumption from non-renewable fuel and of around 3% in consumption from renewables, due to the increase in thermoelectric production from coal and natural gas and in geothermic production and production from biomass and waste.

For Enel efficient energy use means, on one hand, maximizing the yield on the generation mix, and, on the other, increasing the efficiency of the distribution grid in order to prevent significant quantities of energy being lost along transmission lines, which then entails having to produce surplus energy compared to the amount needed for end uses.

Enel's strategy of reducing energy consumption, therefore, envisages investments to increase efficiency in all the Group's activities, from production to distribution, and aims also to disseminate greater awareness in the conduct of its employees in order to limit and reduce internal energy consumption.

In the context of **production**, the objective in the medium-long term is to gradually move Enel's power generation capacity towards a mix of sources (thermoelectric, nuclear and renewable) which focuses on increasingly efficient technologies. In addition, in everyday operations constant action is taken on the efficiency of production processes through technical interventions (replacement of machinery and components, introduction of remote systems and remote monitoring, etc.), optimization of maintenance work (identification of the best time for maintenance and revision of machinery, correct maintenance and cleaning of mechanical parts, etc.) and process streamlining (implementation of operational excellence programs, improvement in the distribution of the production load by using the most efficient units, optimization of cooling systems, etc.). In 2011 the effect of the policies to improve plant efficiency enabled a fall in energy consumption for thermoelectric production of 18,732 TJ.

Ongoing work is also undertaken on power **distribution** lines to limit network losses, which involves the modernization of network components and the correct management of structures, which is made easier by advanced monitoring systems and the possibility of remote management of cut-off switches (see page 142 for further details).

Fuel consumption by primary source

		2011	2010	2009	Difference 2011-2010	% difference 2011-2010
From non-renewable sources	(TJ)	1,601,158	1,502,559	1,544,552	98,599	6.6
Coal	(TJ)	777,447	651,215	706,439	126,232	19.4
Lignite	(TJ)	60,960	89,221	84,197	-28,261	-31.7
Oil	(TJ)	96,338	109,820	131,131	-13,481	-12.3
Natural gas	(TJ)	608,928	582,593	539,260	26,335	4.5
Gas oil	(TJ)	57,485	69,668	83,527	-12,184	-17.5
Other (Orimulsion, coke oven gas, coke, etc.)	(TJ)	0	42	0	-42	-100.0
From renewable sources	(TJ)	155,823	151,331	138,680	4,492	3.0
Biomass and waste	(TJ)	9,923	8,918	8,332	1,005	11.3
Biogas	(TJ)	63	62	55	1	1.6
Hydrogen	(TJ)	11	42	0	-31	-73.8
Geothermal fluid	(TJ)	145,826	142,309	130,293	3,517	2.5
Total direct consumption	(TJ)	1,756,981	1,653,890	1,683,232	103,091	6.2

In addition, in order to limit its **internal consumption**, Enel is very focused on disseminating a culture of energy saving among its employees, with training, information-giving and awareness-raising which aim to encourage conduct that pays more attention to everyday actions. In 2011, in Europe and in Latin America, various campaigns were undertaken on the efficient use of energy both in

operations inside the plant and in administrative work. Finally, in order to optimize use of the corporate car fleet, action is being taken both on the conduct of employees, for example through courses to teach safe and environmentally-sustainable driving, and on the means of operating vehicles. In 2011 in Italy the conversion of the car fleet to Euro-5 certified vehicles continued.

5.3.2 Indirect consumption

In order to limit electricity consumption linked to property and services, Enel has adopted Environmental Management Systems in all the Group service companies (in 2011, in particular, certification of the activities undertaken in Romania by Enel Servicii Comune was obtained). This is accompanied by further initiatives aimed at reducing different types of consumption, such as the project to digitalize document flows and the use of certified email, as well as projects to automate archiving services and to reduce energy consumption linked to the use of photocopiers and printers.

Enel also pays particular attention to the issue of mobility and the management of business travel: the choice of locations for training courses, for example, is made by assessing the total movements involved and identifying central locations, while, in order to limit non-essential travel, greater use of audio and video conferencing has been encouraged over the years.

As for employees commuting to work, mobility management policies have been implemented (for further information see page 127). Energy saving from the initiative to promote public transport season tickets, in particular, stood at around 90 TJ (compared to 33.4 TJ in 2010)⁽³⁾.

Finally, as for the indirect impact caused by suppliers and contractors in their use of vehicles, where there are Environmental Management Systems certified under ISO 14001 or which are EMAS registered, Enel's assessment seeks to reward companies which demonstrate higher environmental sustainability (for example, all other conditions being equal, by giving preference to certified companies).

(3) The calculation method is based on the paper "Reducing CO₂ emissions from cars: a study of major car manufacturers" published by Transport & Environment and considers the average consumption of the various transport models multiplied by the number of users, considering the average round trip for the home-work distance and taking into account the standard factors of emission and oxidation of the different fuels.

Electricity consumption by destination

		2011	2010	2009	Difference 2011-2010	% difference 2011-2010
Fuel storage and handling	(TJ)	29	23	5	5	22.2
Electricity distribution	(TJ)	2,161	1,590	1,514	571	35.9
Real estate	(TJ)	768	559	575	209	37.3
Mining	(TJ)	49	49	8	-	-
Total indirect consumption	(TJ)	3,007	2,221	2,102	786	35.4

5.4 Raw materials

5.4.1 Fuel consumption

The main raw materials or other materials for energy production are used in thermoelectric plants, geothermal drilling and nuclear power plants. The fuels are mainly of fossil origin and are used above all as a source of energy for thermoelectric production (fuel oil, coal, lignite and natural gas).

Gas oil, since it is an expensive fuel, is used only in exceptional cases: it is used in power plants with gas turbines which are not connected to the natural gas network, as an emergency fuel in other plants with gas turbines, in power plants with diesel motors (which provide energy to some small islands), in starting up steam thermoelectric plants, in auxiliary boilers and in emergency stand-by generators. Small quantities of gas oil are also used to drive machinery for geothermal drilling and stand-by generators installed in plants.

The contribution from non-fossil fuels, on the other hand, consists of solid biomass, used as the main fuel or in co-combustion with coal, waste derived fuel (WDF) in co-combustion with coal, biodiesel used in some gas turbines located on small islands, biogas used in some small plants with alternative engines located in Spain and hydrogen used in the combined-cycle plant at Fusina in Italy.

Geothermal fluid is the steam extracted from the earth through special wells, which is used for the production of geothermal energy when there is sufficient pressure and temperature. When the thermodynamic characteristics of the fluid extracted are not compatible with geothermal electricity production, it can be used for other purposes, and in particular to supply heat (above all heating greenhouses and remote heating of buildings, but also as process heat in the food industry).

The energy source for nuclear thermoelectric production is enriched natural uranium, which is assembled in rods in so-called nuclear fuel elements. The management of nuclear fuel by a nuclear plant operator includes three stages:

- > procurement of fresh fuel;
- > transportation and storage of the fresh fuel in the plant (dry in the reactor building or in pools), preparation of the reload, reloading, trials during startup, monitoring during operation, unloading from the reactor, and storage in reactor pools before moving to temporary-storage pools. Reloading is necessary when, after several years of use in the reactor, the fuel loses efficiency because of the reduced content of U235 due to fission;
- > establishment of the service to move the spent fuel to temporary-storage pools – which can be either inside or outside the power plant – or to re-

processing. Moving the spent fuel to temporary storage or reprocessing is necessary when the plant has been in operation for a certain number of years in order to avoid saturating the storage capacity of the reactor pools. The increase in production from fossil fuel in 2011 led to an increase in the consumption of gas (+7.8%) and coal (+15.5%), while there were significant falls in the consumption of oil (-10.9%), gas oil (-16.2%) and lignite (-54.8%). From the viewpoint of renewables, in 2011 there was an increase in electricity production from biomass and a fall in production from hydrogen, with corresponding trends in the consumption of these sources.

Fuel consumption for thermoelectric production

		2011	2010	2009	Difference 2011-2010	% difference 2011-2010
From non-renewable sources						
Coal	(,000 t)	36,359	31,468	32,591	4,891	15.5
Lignite	(,000 t)	5,122	11,321	10,223	-6,199	-54.8
Oil	(,000 t)	2,396	2,688	3,193	-292	-10.9
Natural gas	(m. m ³)	17,682	16,405	15,265	1,277	7.8
Gas oil	(,000 t)	1,355	1,617	1,956	-262	-16.2
From renewable sources						
Biomass and waste for thermoelectric production	(,000 t)	790	739	690	51	6.9
Hydrogen	(m. m ³)	1.06	3.54	n.a.	-2.48	-70.1
Biogas	(m. m ³)	38,266	37,442	33,104	824	2.2
Geothermal steam used for electricity production	(,000 t)	87,873	87,968	70,982	-95	-0.1
Uranium	(,000 t)	129	74	116	55	74.8

5.4.2 Consumption of other materials

As well as fuel, various other materials are used in the generation plants: resins, reagents (such as ammonia and lime), additives, anti-scaling compounds, deoxidants, anti-foaming agents, detergents, anti-freeze, etc. Here below are the quantities of the most commonly used materials.

In choosing these consumables and raw materials, Enel is constantly committed to identifying materials with a low environmental impact, for example in terms of containing pollutants and toxic substances or the time they take to decompose in the environment. To this end, there is an increasing use of biodegradable products (in particular oils and soaps).

An increasing amount of material also comes from the recycling of materials previously used in the production process.

Materials

		2011	2010	2009	Difference 2011-2010	% difference 2011-2010
Lime	(,000 t)	1,108.0	1,028.0	1,097.2	80.0	7.8
Ammonia	(,000 t)	18.4	15.7	20.6	2.7	17.2
Caustic soda	(,000 t)	35.6	30.6	32.1	4.9	16.1
Slaked lime	(,000 t)	22.6	25.3	33.4	-2.7	-10.8
Chloride/sulfuric acid	(,000 t)	15.2	13.6	15.1	1.7	12.3
Other	(,000 t)	66.6	63.0	48.4	3.6	5.6
Total	(,000 t)	1,266.3	1,176.2	1,246.8	90.1	7.7

Percentage of the materials used which derives from recycled material^(*)

		2011	2010	2009	Difference 2011-2010	% difference 2011-2010
Lime for smoke desulfurization	(%)	0	1.3	1.1	-1.3	-100.0
Lubricant	(%)	3.5	3.0	1.1	0.5	16.7
Dielectric oil	(%)	20.0	59.0	11.5	-39.0	-66.1
Ferric chloride	(%)	0.7	0.5	0	0.2	40.0
Sulfuric acid	(%)	0	0.7	0	-0.7	-100.0

^(*) Percentages calculated compared to the total consumption of each resource.

5.5 Water

5.5.1 Water consumption

The Enel Group draws off water mainly for industrial purposes, such as cooling, the transport of ash, desulfurization, reducing nitrogen oxides, etc. The production processes which require the largest quantities of water are thermoelectric production and nuclear energy production. In 2011 the overall water requirement was significantly lower than in 2010, thanks to a gradual improvement in efficiency in water use in production processes (in particular in thermoelectric production) and in other industrial

applications. Total water consumption in 2011 was 190.7 million cubic meters, 9.2 million cubic meters less than in 2010.

The impact of Enel's policies was also positive in terms of the specific consumption of water per MWh of energy produced through thermoelectric plant, which fell by 16.4%, more than offsetting the increase in the specific consumption for nuclear energy production.

Volumes of water used per production process

		2011	2010	2009	Difference 2011-2010	% difference 2011-2010
Consumption for thermoelectric production	(m. m ³)	142.9	154.4	171.4	-11.5	-7.4
Consumption for nuclear energy production	(m. m ³)	45.6	42.4	41.9	3.2	7.4
Total consumption for production processes	(m. m³)	188.5	196.8	213.2	-8.3	-4.2
Consumption for other industrial uses	(m. m ³)	2.2	3.0	3.4	-0.8	-27.3
Total water consumption	(m. m³)	190.7	199.8	216.6	-9.2	-4.6

Specific consumption per production process

		2011	2010	2009	Difference 2011-2010	% difference 2011-2010
Specific consumption for thermoelectric production	(l/kWh)	0.80	0.91	0.93	-0.11	-11.8
Specific consumption for nuclear energy production	(l/kWh)	1.14	0.05	0.07	0.13	12.4
Specific total consumption	(l/kWh)	0.63	0.66	0.72	-0.03	-4.5

Volumes of water drawn by source

		2011	2010	2009	Difference 2011-2010	% difference 2011-2010
Consumption from scarce sources	(m. m³)	159.8	158.1	181.7	1.7	1.1
Surface water (wet areas, lakes, rivers)	(m. m ³)	136.5	133.8	156.3	2.7	2.0
Underground water (from wells)	(m. m ³)	14.5	15.3	14.5	-0.9	-5.8
Water from aqueducts	(m. m ³)	8.9	9.0	10.8	-0.1	-0.8
Consumption from non-scarce sources	(m. m³)	30.8	41.7	34.8	-10.9	-26.1
Seawater (used as such and desalinated)	(m. m ³)	18.1	18.0	17.9	0.1	0.3
From effluents (amount used inside plant)	(m. m ³)	12.8	23.7	16.9	-10.9	-46.2
Total	(m. m³)	190.7	199.8	216.6	-9.1	-4.6

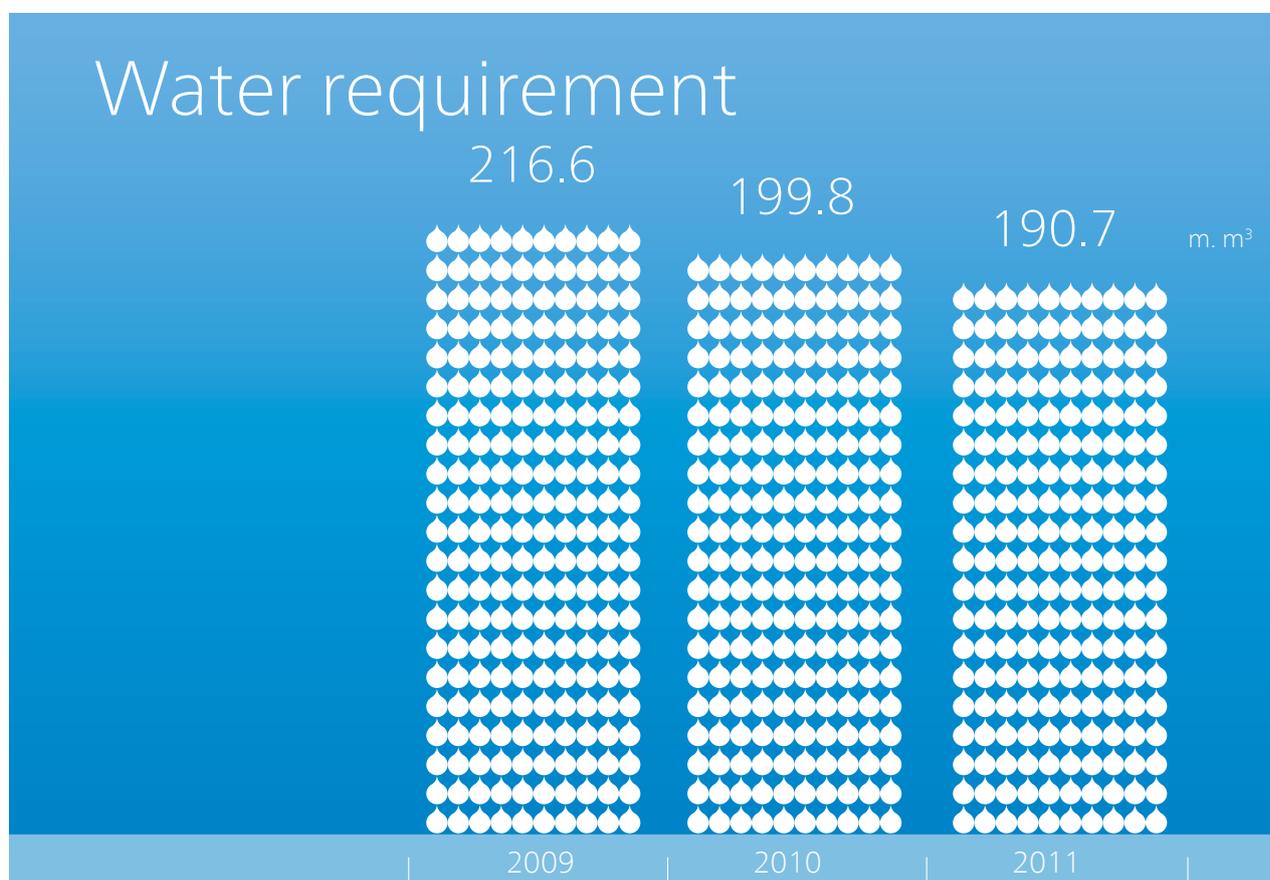
Water used for open-cycle cooling

		2011	2010	2009	Difference 2011-2010	% difference 2011-2010
Cooling water in thermoelectric power plants	(m. m ³)	23,159	23,643	23,210	-485	-2.0
Cooling water in nuclear power plants	(m. m ³)	2,417	2,988	2,435	-571	-19.1

Total requirements are covered through the use of water drawn from so-called “scarce” sources (surface and underground water and from aqueducts) or by using “non-scarce” sources, such as seawater and effluents arising from the Group’s production processes. A particular case is that of the power plant at Fusina, in Italy, where the water used for closed-cycle cooling comes from the urban and industrial water treatment plant of the local public utility company, for a total of around 838,000 cubic meters.

Other needs, such as open-cycle cooling, are, on the other hand, covered without any real consumption by using sea or fresh water which is drawn and then returned to the original body of water in the same quantity, with its chemical properties unchanged and with minimal changes in terms of temperature (always within legal limits).

In 2011 consumption from scarce sources was broadly in line with 2010 (+1.1%), with a slight fall in consumption from wells and aqueducts. The lower total requirement is, on the other hand, reflected in a lower use of effluents arising from production processes, which in 2011 represented 6.8% of total consumption.



The bodies of water affected by the activities of the Enel Group worldwide are recorded in Enel's environmental reporting databank and published on the corporate website. In particular, information is collected on all the bodies affected by hydroelectric operations, regardless of the withdrawals, and on all the bodies affected by thermoelectric and nuclear activities, from which water is drawn for cooling and/or to which water is returned at a level that is more than 5% of the average annual flow and the volume of the reservoir in which the water is collected. For further information see the web page <http://www.enel.com/en-GB/sustainability/environment/biodiversity/>.

Enel is aware that efficient management of water resources is of crucial importance to safeguard biodiversity, as well as for the development and well-being of society. In order to avoid potential water scarcity caused by high consumption compared to the natural flows available locally, Enel has applied a method of water risk analysis in order to check, for every site, whether the activities undertaken limit the availability of water.

The methodology (developed by the World Business Council for Sustainable Development) helps identify the areas of potential water scarcity where Enel's production sites are located and, among these, those in which the plant is fed by soft water, which are considered "critical". In these cases more efficient water management systems are adopted through changes in the plant or process in order to maximize supplies from effluents and seawater. It emerged from this exercise that only the steam and combined-cycle power plants of Costanera in Argentina, the Foix plant in Spain and the power plant of Malacas in Peru use freshwater resources in areas at risk of drought. However, even in these cases, the real risks of reducing freshwater reserves to a critical level are negligible: the power plants of Costanera draw water from Rio de la Plata, a river with a high flow rate throughout the year, and have very limited consumption; the Foix plant, which draws on five freshwater reservoirs, is rarely used and only to cover peaks in demand (in 2011, for example, the plant was inactive); the power plant of Malacas, which draws from an aqueduct, has very limited consumption.

Although, therefore, there are currently no risks of significantly limiting the availability of water for the communities affected, in many hydroelectric activities the use of water is managed with attention to the various local uses and specific needs of the local area (agriculture, civilian uses, fishing, and leisure activities).

Enel is also investing to reduce water consumption in production processes, in particular by favoring multiple use systems for water as far as possible. For example, in coal-powered plants, the drainage water of closed-circuit cooling towers is reused in desulfurization systems, while the installation of crystallizers downstream from desulfurization systems enables the total recycling of effluents.

5.5.2 Waste water

Waste water includes the residues of water for industrial use and rainwater collected by the internal areas of thermoelectric power plants, and they are potentially polluted by oil. Enel pays close attention to the quality of its discharges into water, and constantly invests, in particular abroad, to improve the features of effluent treatment plants which have lower standards.

In all the Group's sites where polluted water is produced there are specific treatment systems depending on the type of pollution present. In the case of oily pollutants, the treatment systems range from simple trap tanks, which separate floating oil from water, to systems equipped with multiple separation stages in sequence. For water polluted by chemical substances, the solution is generally pools to which reagents are added which transform the pollutants into waste that can be separated from the water. Some thermoelectric power plants, which use large quantities of ammonia to treat flue gas denitrification (deNO_x) systems, can be equipped with specific treatment systems for ammoniacal water.

The waste water thus treated is partly discharged into surface water and partly reused in the plant itself, thus helping to cover total water needs. In 2011 the recycling of waste water after treatment, across the Group, was around 12.8 million cubic meters, which enabled coverage of 6.8% of total needs.

In 2011 there was an increase in the quantities of water discharged, due in particular to extraordinary activities in nuclear power plants partially offset by the significant reduction in discharge from thermoelectric production. Enel constantly monitors the impact caused by waste water in the areas affected by its activities. All the bodies of water affected by its electricity production (thermoelectric, nuclear and hydroelectric) are recorded: detailed information is collected in Enel's environmental reporting data bank and is published on the corporate website in the section dedicated to the environment at <http://www.enel.com/en-GB/sustainability/environment/biodiversity/>.

Waste water (quantity discharged)

		2011	2010	2009	Difference 2011-2010	% difference 2011-2010
Total waste water	(m. m ³)	267.6	246.9	255.4	20.7	8.4
From thermoelectric production	(m. m ³)	67.8	79.5	89.4	-11.7	-14.7
From nuclear production	(m. m ³)	199.8	167.4	165.9	32.4	19.4
For oil deposit and handling	(m. m ³)	0.05	0.03	0.04	0.02	77.8

Recycled and reused water

		2011	2010	2009	Difference 2011-2010	% difference 2011-2010
Percentage of recycled and reused water	(%)	6.8	12.0	7.9	-5.3	-43.8

5.6 Transport and logistics

Transport and logistical activities which can cause significant environmental impacts (energy consumption, emissions, discharges, waste, noise, spills) are mainly the transport of fuel, electricity and gas along distribution networks and staff transport.

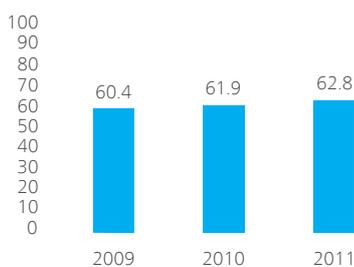
The impacts of fuel handling and transport are linked to the remote possibility that fuel spills occur (in particular oil and coal), the consumption of primary or electric energy and the emissions generation, and these increase with the distance the fuel travels. Therefore, in order to minimize such impacts, the location of power plants is often determined according to the location of mines, to allow transportation of materials on conveyor belts. In the case of oil spills these are handled as envisaged by the corporate procedures in order to minimize the impact (see section 5.8.2), while any loss of coal does not cause damage to ecosystems (including water) since it is completely inert and does not release substances into the environment. Finally, in coal-powered production, dispersion of particulate matter can occur from railroad cars, inside power plants or in loading and unloading ships and barges. These losses are attenuated through a range of solutions depending on the specific cases: humidification, closed coal bunkers, closed ash and gypsum storage, depressurization of sealed conveyor belt transport systems.

The impact generated by methane gas and oil supply pipelines, on the other hand, is connected mainly with ecosystems: during both the construction stage and subsequent maintenance of pipelines there could in fact be direct damage to land and marine flora and fauna due to pipeline laying and other operations undertaken near pipelines. For this reason there are corridors around energy routes to allow maintenance of power lines and gas or oil pipelines, in which the growth of vegetation is controlled. In addition, any inefficiencies in the distribution network can cause leaks and losses: gas losses due to being transported on the gas pipeline network, in particular, are estimated at around 0.65% per year.

Power lines also have a visual impact, which can be mitigated by burying the power lines, and also require clearance work to allow their unobstructed passage overhead. In order to minimize this phenomenon, in the place of bare wires, there is increasing use of a twisted overhead cable (elicord), which, since it is insulated, requires a more limited corridor and also reduces the risks of both electrical discharges due to vegetation hitting the wires and of electrocution of wildlife.

Finally, the impact of staff movements is linked to the use of resources (fuel, oils, miscellaneous materials for the realization and maintenance of vehicles) and to the atmospheric emission of combustion products. More details are reported at pages 171 and 174.

Average cabling ratio of low- and medium-voltage lines (%)^(*)



^(*)The cabling ratio is calculated by dividing the kilometers of cabled power lines (both underground and insulated overhead cables) by the total kilometers of power lines.

5.7 Biodiversity

Protecting biodiversity is a strategic objective of the Group's environmental policy.

Enel believes that any action on ecosystems must start from precise knowledge of the ecological balance in the areas where it operates. For this reason, for every Group site and installation, the proximity of protected areas (local, national or international) is monitored, and the reasons for their protection are highlighted, as well as for valuable ecosystems, biotypes and animal or vegetal species present.

The knowledge of the species present in each area enables identification of those which fall under the "Red List" of the International Union for Conservation of Nature and Natural Resources (IUCN), in order to analyze their related level of risk of extinction and to take the necessary protective measures. Detailed information on the protected areas in which the Group carries out its activities and the species included in the "Red List" can be found at <http://www.enel.com/en-GB/sustainability/environment/biodiversity/>.

The main impacts caused by Enel on biodiversity are linked to the realization of new production plants and the construction and maintenance of oil and gas pipelines and power lines (see also the section "Transport and logistics"). To reduce these impacts numerous actions are undertaken both in terms of prevention and correction. In terms of prevention, before the construction of any new site or the realization of power distribution lines, Enel performs impact studies that include a systematic assessment of the effects on the natural environment and on biodiversity. In these studies consideration is given to safeguarding ecosystems and animal migratory flows and the best solutions are identified in terms of structure, overall dimensions, materials and components so as to minimize the impact; for networks, in particular, consideration is also given to the geometry of the supports and the adoption of solutions with insulated cables. If necessary, solutions are also envisaged to offset the impact or to improve the original environment. In operating plant, specific precautions are adopted, such as reducing water consumption and discharge, being careful not to generate impacts on fish life and to mitigate the noise emitted by equipment. In addition, in many locations independent third parties undertake bio-monitoring of the

land, river and marine systems, with the aim of checking the influence of the activities undertaken on biodiversity and the adequacy of the compensatory or additional measures taken. Subsequently, the Company has implemented an Environmental Management System in accordance with the requirements of UNI EN ISO 14001, under which periodic assessments are made of the impacts and risks and action is taken to raise staff awareness of any impact risk, the actions taken to limit such risk and the Group's commitment in favor of biodiversity.

So far the outcome of all the monitoring campaigns has shown the adequacy of the measures taken to avoid negative effects on atmospheric emissions, heat discharges, noise and maintenance of corridors around power distribution lines. The ecosystems are always excellently preserved and are often actively controlled by Group companies through agreements with territorial bodies and organizations (local, national and international).

In addition to these prevention and protection measures that are continuously implemented, the Group promotes specific projects in Italy and abroad, with the aim of supporting the safeguarding of ecosystems and natural habitats of the various territories in which it is present. These interventions arise mainly from voluntary initiatives or from agreements with local authorities during the authorization procedures for the construction of plant. The choice of species on which to concentrate study and/or protection projects depends on which are at risk in the area in which the Company is operating. Institutional stakeholders of the territory (bodies, associations, foundations, study centers, universities, etc.) are occasionally involved, and the results of the studies and projects to protect biodiversity are made publicly available through the Environmental Report, the website, EMAS environmental declarations, specific *brochures*, etc.

Reference can be made to the website <http://www.enel.com/en-GB/sustainability/environment/biodiversity/> and the Group's Environmental Report for a detailed description of the projects realized to protect biodiversity and which were started or wholly completed in 2011 and those which continued or concluded during the year.

5.8 Waste and spills

5.8.1 Waste

Waste products from the Group's activities are disposed of at the locations that are most suitable depending on the type of material, or, when possible, are recycled. Recovery mainly concerns materials which can be reused (as in the case of gypsum and combustion ash which are used to make building materials), regenerated (such as oils and batteries) or recycled (such as some types of metal, ash and gypsum).

In 2011 the Enel Group produced a total of 11,639,212 tons of waste, slightly up on 2010, of which 99.5% was non-hazardous. The Group's policies aim to continually increase the percentage of hazardous and non-hazardous waste sent to recycling: in total, in 2011, the waste sent to recycling across the Enel Group was 28.4% of all the waste produced. In 2011, in particular, there was a great boost in the recycling of hazardous waste which rose from 37.5% to 63.0%, while for non-hazardous waste the waste sent to recycling rose by 23%. During 2011 Enel continued with its work on a special project started in 2005 to decontaminate and dispose of equipment with oil containing PCB in quantities no lower than 50 ppm. In particular, in 2011 the program continued to replace and dispose of transformers and equipment containing PCB, the oil from which was decontaminated and recycled. The disposal of equipment containing PCB at over 500 ppm (already completed in 2010 for Enel in Europe) was progressed in all the non-European countries where Enel is present, and in particular in Latin America. Currently equipment with PCB between 50 and 500 ppm is being disposed of which has reached the end of its life cycle and equipment with concentrations over 500 ppm.

Total waste products

		2011	2010	2009	Difference 2011-2010	% difference 2011-2010
Non-hazardous waste	(t)	11,578,474	11,407,546	11,249,733	170,928	1.5
Hazardous waste	(t)	60,738	73,324	71,347	-12,586	-17.2
of which waste containing PCB	(t)	6,267	5,941	5,966	326	5.5
Total waste	(t)	11,639,212	11,480,871	11,321,080	158,341	1.4

Recovered waste

		2011	2010	2009	Difference 2011-2010	% difference 2011-2010
Total waste sent to recycling	(%)	28.4	23.4	24.8	5.0	21.4

Waste from nuclear energy production

Nuclear waste is, generally, classified in three categories according to the time it takes to decay (i.e. the time needed before which the level of radioactivity falls below the level of natural radioactivity) and its level of radioactivity.

The three categories can be defined as follows:

- > **low activity:** half-life in the order of 20-30 years (short-lived). In terms of volume, this waste constitutes about 90% of the total and has a low concentration of radioactivity. It consists of the waste connected with plant operation, mainly paper, rags, work tools, clothes, filters, etc. and can be stored in a surface storage facility;
- > **medium activity:** half-life in the order of hundreds of years (long-lived). It consists of components inside the reactor, pipes, and structural parts of the reactor itself, as well as products produced by the reprocessing of the fuel;
- > **high activity:** half-life in the order of thousands of years. It consists of fission products and minor actinides from reprocessing or unprocessed spent fuel.

According to the category the waste belongs to, different waste management options are to be adopted:

- > low- and medium-radioactivity waste is conditioned, i.e. treated by covering it in cement or other solid materials and placing it in special containers that can keep it intact for a long time. These containers are generally stored in surface facilities located in the power plants or suitable buildings and are usually managed centrally at the national level;
- > once it is spent, high-radioactivity fuel is usually stored in pools located in the power plants for a period of time ranging from 5 to 10 years. After this period the fuel can be sent to reprocessing plants or stored in dry storage facilities or in special pools before it is moved to its final, geological storage facility.

With regard to nuclear energy, Enel is committed to minimizing the production of waste in daily activities, as well as potential future waste produced by decommissioning (on which see the following section). The trend in the quanti-

ties of radioactive waste produced depends on the maintenance work and fuel movement operations, and therefore is subject to remarkable fluctuations over the years.

Decommissioning

In every country in which the Enel Group is active in the nuclear field, by law, decommissioning and waste disposal are the exclusive responsibility of government organizations. According to the parameters established by the relevant national laws in countries where nuclear activities are present, Group companies are financially responsible for the costs of these activities, and in particular must ensure that no liability or cost falls on future generations by paying into special funds dedicated to decommissioning.

Based on international experiences in the United States (e.g., Shippingport), Great Britain (Berkeley), etc., the costs of decommissioning nuclear power plants can be estimated for single plants reasonably accurately. Independent specialists provide cost estimates that are frequently updated so as to inform both the utilities and the fund managers. Decommissioning and the management of the related fund are generally coordinated by bodies supervised by the relevant government agencies. Furthermore, the nuclear companies concerned must maintain detailed dismantling plans, which are updated every five years. These plans take into account improvements achieved in decommissioning practices at the international level, as well as changes that occur in plant structures and national laws.

Enel is therefore fully informed of the volumes, classification, safe management and disposal of the decommissioning waste that it is envisaged will be produced when its plants stop operating.

The table below sets out the total amount of the decommissioning provisions.

Currently the ongoing decommissioning work in the countries in which the Enel Group is active in the nuclear field concerns two plants in Slovakia: A1 and V1, both located at Bohunice, the first which was in opera-

The table below sets out the total amount of the decommissioning Provisions.

		2011	2010	2009	Difference 2011-2010	% difference 2011-2010
Provisions for the decommissioning of nuclear power plants	(m. euro)	2,946	3,020	3,054	-74	-2

tion until the 1970s and the second until 2008. The decommissioning work is undertaken by the company of the Slovakian government, JAVYS. Currently three different alternatives for decommissioning Bohunice V1 are being studied. They will be assessed on the basis of their cost, technical feasibility, the radio-protection and health of workers and the general population, and the protection of the environment.

Here below are the mechanisms which regulate decommissioning in the various countries affected by nuclear activities.

In Italy, all the activities and obligations regarding decommissioning and waste management – including those concerning past Italian nuclear activity – have been the responsibility of Sogin SpA since 2000, the year in which Enel's equity interest in Sogin was entirely assigned to the Ministry of Finance, transforming it into a 100% government-owned company.

In Slovakia the financing of decommissioning is regulated by the national nuclear fund (NJF), an independent legal entity set up by law and administered by the Slovakian Ministry of the Economy and endowed with its own organizational structure. Furthermore, on May 21, 2008 the government approved a strategy on how the decommissioning fund is to be financed for both future costs and the existing shortfall.

Financing the fund is the responsibility of the utilities that manage the nuclear plants, including Slovenské elektrárne. Overall the fund is financed by obligatory contributions from the owners of the nuclear plants, fines imposed by the Slovak Republic's Nuclear Safety Authority under special regulations, interest on deposits held with the nuclear fund and income from financial transactions, subsidies and contributions from the European Union's international fund to support the decommissioning of Bohunice (BIDFS). Decommissioning is managed by JAVYS, a 100% government-owned company.

In Spain the regulatory authority is the *Consejo de Seguridad Nuclear* and it establishes the laws to apply and the Ministry of Industry, Tourism, and Commerce expresses a binding opinion.

The company to which ownership of the site is transferred temporarily and which will directly manage decommissioning is the government company ENRESA (Empresa Nacional de Residuos Radiactivos, SA).

Every four years ENRESA prepares and sends to the Ministry of Industry, Tourism, and Commerce a proposal for

a General Plan for Radioactive Waste (PGRR), which is then issued by the same Ministry. The PGRR establishes strategies and actions for the management of radioactive waste, as well as for decommissioning and its related activities, including financial estimates. ENRESA also administers the decommissioning fund, under the supervision of the competent government bodies.

This fund is financed in various ways: a supplement on the electricity tariff, a supplement on the cost of generation, billing other nuclear installations that will have to be decommissioned at the end of their life and debiting companies that produce radioactive waste for other purposes, for example in the fields of medicine and industry.

Finally, with regard to its equity interest in Flamanville 3 in France, Enel's contribution to the decommissioning fund is established by the agreements signed with EDF and is proportional to Enel's stake in the project for the development of the EPR in Normandy (12.5%). This will be a single payment made when the nuclear operation of the plant, scheduled for 2016, begins.



5.8.2 Spills

During operations spills of mineral or dielectric oil and fuel oil may occur, which spread into the surrounding environment. Generally, these incidents occur at plants or in distribution areas where there are frequent thefts of equipment (in order to steal valuable materials such as copper). When a spill occurs, all the actions to make the areas safe and restore them are implemented as envisaged by the

corporate procedures. Generally, given the limited quantities involved in the spillage, the restoration of the areas is quickly completed by removing the oil and having any contaminated soil treated.

During 2011 oil spills for a total of around 307.5 cubic meters were registered. Here below is detailed information on the main spills:

Country	Spill	Action taken	Volume
Italy	Contrasto power plant - Adrano (Catania): explosion of a transformer in a high-voltage electric substation.	Immediate intervention and containment of the spill in a marginal and well-defined area of the reservoir of Turrite Cava.	0.02 m ³
	Water uptake systems located at Bracallà - Cesarò (Messina): spill of hydraulic oil following theft.	Activated specialist company for the immediate aspiration of the polluting element.	0.02 m ³
	Portoscuso power plant - Sulcis: spill of dense oil originating from a service tank.	Making safe of the area around the service tank with partial recycling of the uncontaminated dense oil and restoration of the areas affected by the spill.	168 m ³



Dossier - Nuclear power

The Enel Group's Nuclear Policy

Enel's long-term perspective on nuclear energy is clearly expressed in the approval by the Parent Company's Board of Directors of the Group's Nuclear Policy, which was issued in December 2010 and published on the website http://www.enel.com/en-GB/sustainability/our_responsibility/enel_nuclear/group_nuclear_policy/.

The Policy sanctions Enel's commitment to proceed in such a way that all the nuclear investment projects in which the Group participates as either majority or minority shareholder are developed with nuclear safety and the protection of workers, the public, and the environment as the foremost priorities, as well as encouraging excellence in all activities and going beyond mere compliance with the law:

"Through its investments in nuclear technologies, Enel publicly commits itself as shareholder to ensure that its nuclear facilities adopt a clear nuclear safety policy and are operated with overriding priority to nuclear safety, the protection of nuclear workers, the general public and the environment from risk of harm.

The policy in respect of nuclear safety is to encourage excellence in all plant activities and to go beyond compliance with applicable laws and regulations and to adopt management approaches embodying the principles of Continuous Improvement and Risk Management .

Enel will ensure to the full extent of its powers as a shareholder that even the relevant nuclear organizations where Enel has a minority participation have adopted and published suitable policies for nuclear and environmental safety, radioactive waste management and the physical security of nuclear assets. Enel commits to provide sufficient resources to implement the safety policy. Enel also commits to a cooperation policy on safety in the nuclear industry worldwide."

Enel performs this governance activity in its role as a shareholder of the different companies and monitors it through its Nuclear Safety Oversight Unit. In particular, the monitoring of environmental performance and the radio-protection of workers is carried out by the Radio-protection Environment and Authorizations Unit through the Radio-protection Survey Network.

As for the contract with EDF regarding participation in the Flamanville

3 project, where Enel is not a shareholder but an industrial partner, the agreements provide for Enel's access to EDF's know-how in the project. This ensures sufficient transparency to enable Enel to check the consistency of EDF's policies and procedures with the Group's Nuclear Policy.

Stress tests on Enel's nuclear power plants

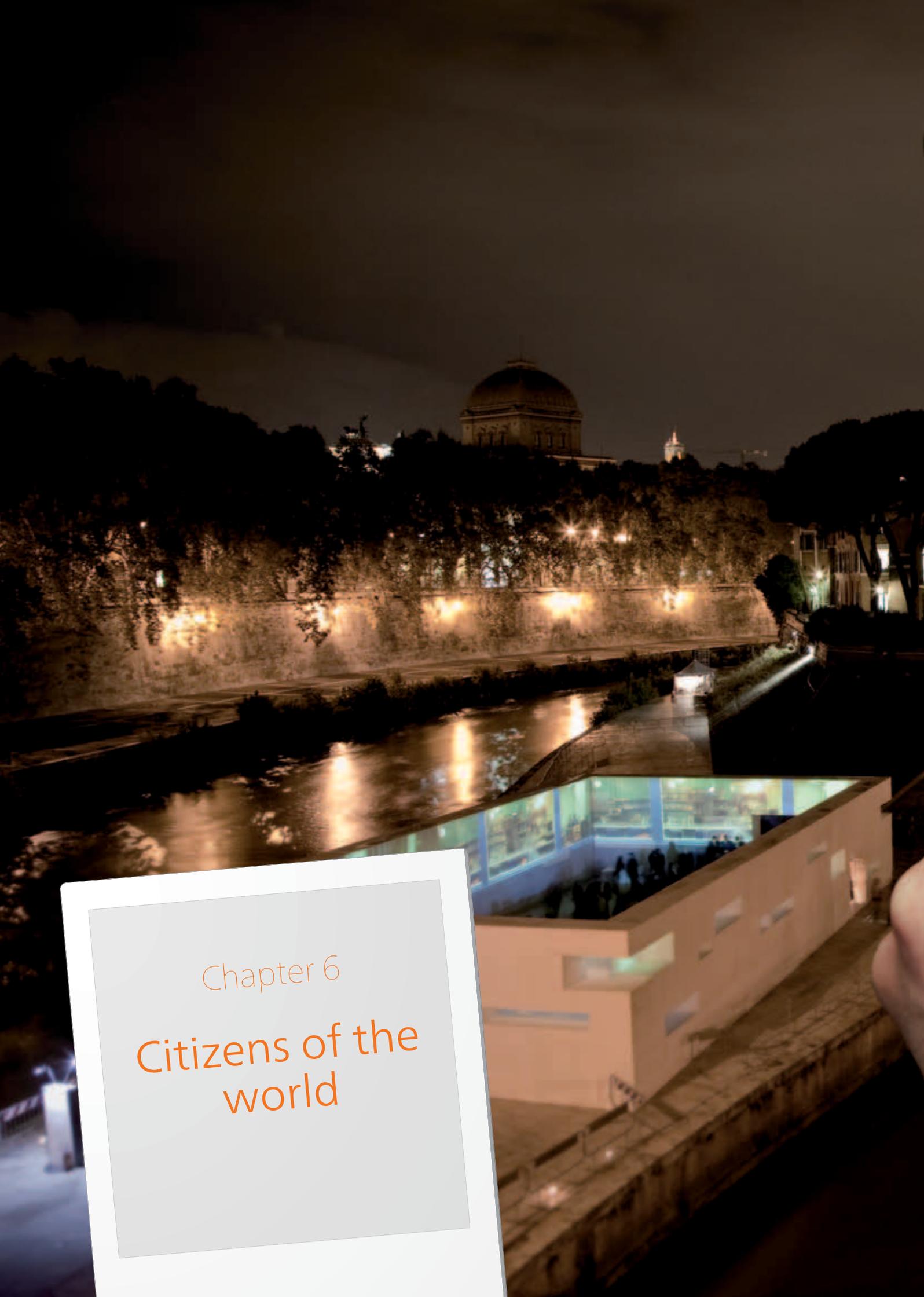
According to the European Commission, stress tests on the safety of nuclear power plants seek to measure the safety margins at plants in operation in regard to external and very serious scenarios which may be concurrent (such as earthquakes and flooding) or incidental (lack of electricity, lack of a water source needed for cooling), although they are considered highly unlikely to occur.

Through new provisions and better coordination, the member States will be able to better define the common criteria for planning and operating nuclear power plants. The objective is to standardize the prevention and mitigation measures proposed to increase the level of safety of European nuclear power plants. These measures include, for example, the installation of new safety systems, the availability of mobile equipment powered by diesel generators that can be easily connected to the plant, technologies to guarantee the continuity and availability of electric power in the case of a total black-out.

In December 2011, the final report of the Safety Authorities of the member States was published and was structured around common criteria and included details on all the plants analyzed. In order to give a final assessment on the ongoing process, the European executive will await the end of the work, which is planned for June 2012, and the subsequent overlapping checks of the national Safety Authorities.

For the Enel Group, the main sections involved are the Site and Plant Safety Analysis Unit and the Nuclear Engineering Unit of the Nuclear Technical Area. A very precise analysis has been completed of what happened at Fukushima, by studying the various stages of the earthquake and the subsequent *tsunami* as well as the failings at the regulatory, planning, operative and managerial level of the emergency, in order to draw out the lessons learned for the realization of stress tests on the Group's nuclear power plants. The two Units have, therefore, supported Group companies in preparing reports, in international coordination and in standardizing the proposed mitigation measures, and will assist them in implementing any adjustment measures that are established.

For further information on the undertaking of the stress tests refer to the document "Enel Nuclear Management System" which is available at the website http://www.enel.com/en-GB/sustainability/our_responsibility/enel_nuclear/nuclear_management_systems/.



Chapter 6

Citizens of the world



6.1 Create shared value



Enel's constantly growing international dimension provides a privileged viewpoint of the new challenges which globalization imposes on companies: for the first time in history responsibility has fallen on the private sector to create value to be shared with the communities in which it operates.

The extent of the changes which humanity must face has never been so global, exceeds the capacity of individual governments and institutions to act, and involves citizens and local areas. In this scenario major companies such as Enel are no longer merely protagonists of economic growth and competitiveness, but genuine interlocutors in the dialogue with the communities and

key *stakeholders*, with responsibility for finding shared solutions to the planet's problems.

This is without doubt a challenge which the Enel Group intends to accept, above all in a period of crisis, by relying on the ability to focus on the people at the heart of its business and by fully integrating the ethical and economic dimensions through its focus on stakeholders. It is only when the focus on stakeholders is central that

However, the capacity to accept responsibility for the development of the communities in which the Company operates does not end here, and informs all relations with the markets, for one essential reason: in a society in which the needs of citizens, the environment and the community are given adequate consideration, the benefits of this stakeholder process can also be enjoyed by business.

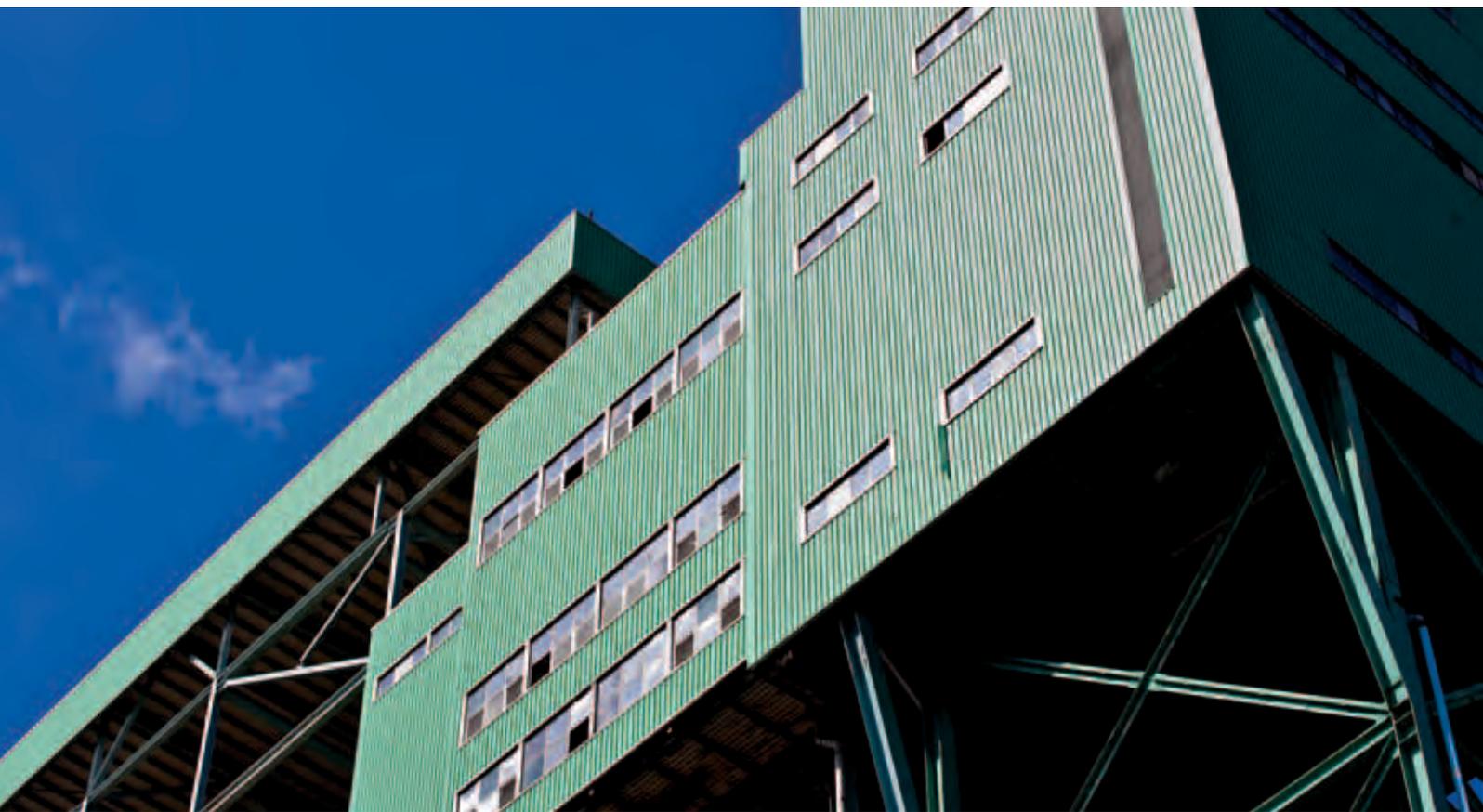


companies' responsibility to communities goes beyond mere statements of principle to take the concrete form of values, practices, policies and methodologies that permeate the whole corporate organization. This is why Enel strives not only to declare its focus on sustainability, but also to monitor and measure it, using it as a parameter to assess employees and corporate performance. The first essential step is that of accountability, in other words the ability to keep all the stakeholders informed and with complete transparency, by accounting for all the strategic decisions. Reporting instruments are essential to this end as shown by the quality of Enel's Sustainability Report which represents an example of international excellence.

Furthermore, a company which manages to create value from and address these needs will be able to offer better performance than its competitors. This happens because, in the medium term, responsible companies are more capable of attracting qualified staff, creating reliable and high-quality supply chains, avoiding or limiting conflicts and disputes with stakeholders, and creating a more positive corporate climate.

This is the proof that in growth strategies it is impossible to disconnect business success from success in the community, and that it is possible to simultaneously pursue profits for shareholders and growth for stakeholders – and so “to do well by doing good”.

6.2 Sharing objectives and impact assessment



Infrastructure development, which regards the construction and expansion of new plant or the extension of distribution networks, requires the achievement of a difficult balance between the growth and development opportunities which the new works bring, and which are reflected in most cases in a positive social and economic impact on local areas, and a possible negative impact on the surrounding environment, public health or on the equilibrium of the local economic system.

For Enel, therefore, it is a duty and a commitment to analyze all the possible impacts of investment decisions and identify proactive and transparent forms of dialogue and consultation, in order to ensure that growth is shared with the communities involved and that any negative impacts are addressed and minimized.

From the viewpoint of compatibility with the natural environment, the authorization process for the construction and renovation of plant and infrastructure envisages the realization of environmental impact analyses and studies for the issue of the Integrated Environmental Authorization, in accordance with the legal requirements and provisions of the various countries. Enel makes these assessments systematically and, in order to prevent, monitor and mitigate impacts, puts in place precise procedures and processes which are ISO 14001 certified.

In addition, in some countries Enel undertakes additional studies that are not required by the law, in order to complete the assessments in relation to all the possible significant impacts. In the environmental impact analyses the possible alternati-

ves are always compared and all the technical solutions are identified in order to reduce the foreseeable impacts. The results of the assessments can be freely consulted by all the stakeholders concerned: Enel publishes in local and national newspapers where and when the impact assessments can be consulted and subsequently the public can ask the Company for them directly.

On conclusion of the authorization procedure for the works, compensatory measures are negotiated with local authorities and communities with the aim of generating environmental benefits equivalent to the impacts caused. The compensation can involve the realization of environmental projects relating to the plant (dismantling of existing structures, reclamation of sites, environmental restoration, etc.) or the recycling and recovery of natural elements (planting of trees, restoration of the ecosystem in degraded areas, investments in green areas, etc.). The measures identified vary depending on the activity (thermoelectric production, hydroelectric, geothermal, wind, electricity distribution, gas distribution, etc.) and the countries under consideration.

As for the possible impacts on the social and economic equilibrium of the community, every infrastructure project starts from a strategic assessment in which institutions, companies, associations and communities are involved right from the early stages of the project, in order to achieve a joint benefit in terms of development and wellbeing.

This assessment involves a detailed study of the local area and its inhabitants, so as to provide the best possible response to any needs and critical issues that appear in terms of protecting the environment and health, social and economic development and maintaining the balance between the various production activities, in complete respect of the innate character of the local area.

From the start of the authorization process, Enel identifies all the stakeholders in the project through precise mapping that is developed and monitored also via media and Internet analysis. Dialogue targeted at individual stakeholders (institutions, citizens, businesses, associations, committees) is conducted in order to provide a transparent and rigorous explanation of the project, the needs, the costs, the benefits and the possible impacts on the local area, and to take on board the positions, doubts, and needs of the various sectors of the community.

The means and forms of dialogue that are chosen vary greatly and are dictated by the particular context: from joint working groups to public meetings in which to furnish information and provide answers to doubts and questions, from focus groups with citizens to meetings with representatives of the commu-

nity, as well as interacting on social media (Facebook, Twitter). The impact assessments and the consultation processes with stakeholders help establish the mitigation measures needed to guarantee the overall sustainability of the works. Examples of such measures are the signing of protocols with local administrations in order to support particular sectors on which the plant has a particularly marked impact, or the establishment of forms of protection for local business, work groups and dialogue with at-risk sectors, etc.

In the plant construction and operation stages Enel continues to maintain close relations with local communities. Regular dialogue with local institutions and people is an integral part of managing the project, and occurs with forms and instruments that vary from case to case. In Slovakia, for example, in the regions affected by the nuclear power plants there is a Civic Information Committee consisting of mayors and other representatives of the community, which the Company meets regularly to discuss any doubt or worry expressed by the population either on the operation of the existing plant or on the plans to develop units 3 and 4 of the power plant at Mochovce. In addition, there are periodic publications, information centers open to visitors and meetings with the press.

Throughout the life of the plant the key environmental impact data is constantly monitored, through systems to monitor emissions and networks to monitor air quality, using the data collection methods agreed with local authorities. The monitoring networks are often managed directly by responsible control bodies, bio-monitoring campaigns are undertaken with the participation of the local authorities, and all the data is always made available or transmitted to the local control authorities: the latter constantly oversee the potential impact sources during operation of the plant, with particular reference to discharges, emissions and waste. The interests of communities are always protected through this direct control and through the representative action of public administrations, local committees and environmental associations.

Finally, also in the final stage or disposal of its infrastructure, Enel maintains constant proactive dialogue with the local area. The work to dismantle or reuse sites entails changes in social and economic terms which are always discussed and analyzed with the parties involved, so as to minimize the negative effects. Thanks to Enel's strong commitment to correct and transparent management of authorization processes and the subsequent management and monitoring stages, relations with local communities are mostly positive; for this reason, Enel is often encouraged by the community itself to invest in the sites housing its activities and which are about to be closed down, rather than abandoning them.



Social Impact Assessment in CDM projects

CDM (Clean Development Mechanism) projects, which form part of the work of the Carbon Strategy Department, have been conceived to cut the costs of reducing greenhouse-gas emissions in industrialized countries and to facilitate the transfer of clean technologies and sustainable development to developing countries...

... (see also page 168). The Social Impact Assessment of CDM projects, which is obligatory for the purposes of their certification, is carried out on the basis of national criteria drawn up by each host country. Generally the analysis is undertaken by filling in a matrix of indicators divided into three macro-areas: social, environmental and economic impacts (for example employment, improvement in hygienic conditions, training of qualified local staff). The completed matrix, together with the document describing the project, is put to the attention of the designated CDM national authority, which must assess its suitability in order for approval to be issued by the host country (in its turn needed for final approval by the United Nations Framework Convention on Climate Change, UNFCCC).

In addition, CDM projects include an obligation to consult the stakeholders of the local area (inhabitants, NGOs, local administrations) on the impacts which the project might have in the area in which it will be developed. Consultation with the local communities is vital to guarantee the transparency of the process. During this direct involvement local stakeholders are given the chance to express their views, doubts, etc. on the project. The

observations received and the evidence of how any concerns have been addressed in the planning stage must be attached to documentation to be presented.

As for the work to reduce greenhouse-gas emissions, there are so-called voluntary standards (since they operate outside the national and international laws in force) which focus particular attention on the social impacts linked to the realization of projects and for which *ad hoc* assessment protocols have been developed. In addition to assessment in the planning stage, also of the CDM, the protocols envisage both monitoring the sustainability benefits and involving local communities over the lifetime of the project. The adequacy of this analysis is assessed by the body which guarantees standards and is an essential condition both in the registration stage and for verifying the reduction in emissions.

Enel is increasingly focusing on these issues and, in particular, priority is being given to some social aspects associated with the projects and the voluntary standards, among which, for example, is the Gold Standard, the guidelines of which are a benchmark for the assessment of future projects.

6.2.1 Managing relocation

In some cases the construction of new plant may entail the relocation of part of the resident population to nearby areas. This has consequences on the lives of the people concerned, because it means changes in terms of

elements is the analysis of the daily life of the communities who live in the area affected, the distribution of the population, the forms of organization, and the levels of employment and pay.

The approach to the choice of potential sites is that of minimizing, as far as possible, the need to relocate the population. In the cases in which relocation is inevitable, compliance with national and any local legislation is in



employment and stability of family and social relations. Managing relocation, therefore, inevitably involves the populations or individuals affected and a careful assessment of the psychological and social problems that can be expected at both individual and group level.

When establishing the potential sites for the development of energy projects, studies are conducted which include economic, political, cultural and social and demographic aspects, in order to analyze and understand the typical elements of the community. These assessments are in addition to the environmental impact studies and are an integral part of defining the mitigation measures linked to the realization of the project. Among the key

any case guaranteed for the conditions under which the relocation will take place and the means for calculating the related compensation.

In 2011 the only project which required the relocation of residents was the construction of the thermoelectric plant at Bocamina II in Chile, for which as from 2008 a plan has been in place involving 390 families in total. Through consultation involving joint working groups of the Company and the community, it was agreed to go ahead with the relocation in two stages. Since the start of the process in November 2011, 322 families have already been relocated, of which 102 in 2011 (i.e. 357 people).

6.2.2 Projects in progress

Some development projects which are currently at the planning or construction stage do not have the full acceptance of the communities concerned; in other cases, despite the agreement of the communities and local institutions, there is strong opposition from some protest groups and/or environmental associations. Below is a description of the most important ongoing projects, the impacts (effective or “feared”) on the local area and the way in which the Group companies concerned are promoting proactive dialogue to reach solutions that are shared as far as possible.

Porto Tolle (Italy)

The project to reconvert the **thermoelectric plant at Porto Tolle** (Rovigo) involves the conversion of 4 oil-fired units, for total power of 2,640 MW, into 3 high-efficiency coal-fired units, for a total of 1,980 MW. The plant envisages the use of the best techniques available to reduce emissions into the environment. It will also be equipped with a demonstration plant for the capture and storage of CO₂.

The plant could potentially interfere with the fishing sector. In fact discharge into the sea from a thermoelectric power plant, without mitigating measures, can cause temperature increases with possible impacts on the farming of mussels.

In response to these concerns, Enel has set up a specific discussion group with the fishing sector and started a widespread information campaign with the local population. A Memorandum of Understanding has also been signed with the Institute of Architecture of Venice, Confcooperative Rovigo and Federcoopescas to undertake a scientific study to identify definitive or mitigating initiatives for this problem.

Among the mitigating initiatives are the development of Oasi di Albanella and the revitalization of the Sacca del Canarin area, and the secondary heat produced by the power plant is used for floriculture and fish farming. Enel has also promoted, as a preventative measure, the creation of an independent environmental observatory which constantly monitors the influence of emissions on the local area.

Despite the lengthening of the authorization process following the sentence of the *Consiglio di Stato* and the consequent postponement of the site works, the project continues to have the backing of the local community. The results of the proactive dialogue are seen, among

other things, in the joint commitment to change the legislative framework on the part of the main stakeholders such as the Veneto Region, the local authorities, Unindustria, the unions, and local committees. Such a change is needed to progress the authorization process.

Palo Viejo (Guatemala)

Palo Viejo is the fifth hydroelectric project by Enel Green Power in Guatemala (in the municipality of San Juan Cotzal, Department of El Quiché), with a capacity of 85 MW and an investment of around 185 million euro. The project has received the necessary authorizations from all the (national and local) authorities concerned. Since it is a “run of the river” plant it has a minimal impact on the local area and since there is no flooding it has not caused either expropriations or movement of the local population.

In 2008 Enel Green Power agreed and signed a long-term cooperation agreement with the Municipality of San Juan Cotzal, under which it agrees to undertake socially useful projects for 20 years. So far 24 projects have been completed or are underway. The total investment in the social cooperation programs and infrastructure improvements needed for the project (for example on the road system) in the region is already over 4.5 million euro. The project has also brought employment to the region: the work to construct the power plant alone provides employment to 950 Guatemalans, 300 of whom come from nearby Mayan Ixil communities.

At the start of 2011 the San Felipe Chenlà community (led by some NGOs) created a road block to protest delays in the supply of funds for construction of a school in its community. The requests made are solely economic: the protestors are asking for around 400 thousand euro per year and the equivalent of 20% of the energy produced by the power plant. During the protest Enel Green Power continued its dialogue and took part in numerous public meetings with the community and its leaders, promoting two attempts at reconciliation, starting wide-ranging discussions with all the organizations involved in whatever way, including the Catholic Church, the Evangelical Church, NGOs and diplomatic representations of the various countries. The road block was removed after around three months, thanks to an agreement to further dialogue between the community of San Felipe Chenlà and Enel Green Power.

On the basis of a study of local needs conducted through collaboration with an NGO, Enel Green Power has proposed to turn the original cooperation plan with the com-



munity into a program which focuses on the professional training of young people and adults, environmental education, opportunities to manage water and forestry resources and support for local business. The development of the plan should be entrusted to an NGO and followed by a management committee consisting of all the parts involved: the municipality, the community, the key representatives of the parties, and the Company. The plan is available at http://www.enelgreenpower.com/en-GB/ela/power_plants/ongoing/palo_viejo/.

The power plant came into operation on March 15, 2012, and when fully operational will be able to produce 370 million kWh per year, thus saving the emission into the atmosphere of over 280 thousand tons of CO₂.

El Quimbo (Colombia)

El Quimbo is the new 400 MW hydroelectric power plant located in the region of Huila, planned by the Colombian company Emgesa and which will collect the waters of the Magdalena and Suaza rivers. The project was authorized in 2008 by the Ministry of Mines and Energy and during 2011 received its environmental license from the Ministry of the Environment.

The project will require the relocation of part of the local

population. A protest movement, driven also by the announced relocation plans for inhabitants in the area, in December 2011 was responsible for the announcement of a regional strike by the Asoquimbo association.

In order to guarantee the minimization of the project's impact on the population, Emgesa has planned a series of actions aimed at creating economic and employment growth in the area and at supporting the people whom it is planned to relocate, with the aim of guaranteeing as a minimum the same quality of life. In addition, a specific environmental investment plan was drawn up which envisages the allocation of 1% of the value of the project in environmental and biodiversity protection initiatives, through the recovery of 11,080 hectares of dry and tropical woodland.

Hidroaysén (Chile)

Endesa Chile, together with the Chilean company Colbún, is participating in the project to build the Hidroaysén hydroelectric plant, consisting of five power generation units (2,750 MW) located between the Pascua and Baker rivers in Chilean Patagonia. In May 2011 the environmental impact study was approved.

The project, with its enormous hydroelectric potential, will be part of the solution to the increase in energy de-



mand forecast in the country, since it will supply a significant quantity of clean, safe, renewable and efficient energy, as well as contributing to the economic and employment development of the region of Aysén. However, a campaign ("*Patagonia sin represas*") is underway promoted by some local associations which question the benefits of the project for Chile and for the region of Aysén. Pending the start of the construction works, a policy has been established aimed at minimizing the project's environmental impact, in particular in relation to the route for the power line which is one of the issues that the local populations feel most strongly about. The 1,912 km high-voltage route has been designed so as to avoid passing through national parks and protected areas, with a significant section of underwater cabling.

Since the start of the project a proactive process of sharing information with and listening to local communities has been adopted, in order to receive requests and concerns: various communication tools have been used, such as dedicated webpages and information campaigns in the local area, and the "*Casas abiertas permanentes*" (permanent open houses) project has been developed in both Coihaique and Cochrane in the Aysén region.

Bocamina II (Chile)

Bocamina II is the project to expand the Bocamina thermoelectric power plant, which was built in 1970 in the area of Coronel. At the time of the initial project the local communities complained about the power plant's proximity to homes and the emissions of particulate matter generated by the plant's production process. In order to identify the best solutions to these issues, and to build a positive relation with the community, Endesa Chile created a working group consisting of the company, the municipality of Coronel and local associations. This led to agreements resulting in the definition of a Social and Urban Plan for Bocamina, with the aim of improving the quality of life of inhabitants of the area and establishing cooperative relations with the community.

In the project to expand Bocamina II, which entails the relocation of more than 300 families, the same collaborative approach has been maintained: a working group has been set up, consisting of professionals with a range of experience and specializations, with the aim of addressing together all the aspects needed to ensure that people who are relocated have a similar or better standard of life compared to what they had previously.

6.3 The safety of communities



Enel is deeply committed to protecting the health and safety not only of its own workers and those of its contractors, but also of the people who live side by side with the Group's operations. In fact, being a sustainable company means ensuring the safety of the communities that live or work on a daily basis in the vicinity of corporate infrastructure.

In 2011 there were 125 recorded accidents involving third parties, of which 51 were serious and 74 fatal. There was, therefore, a fall of around 10% compared to 2010 in the total number of serious and fatal events involving third parties. Most of the accidents that occurred in the year involved electricity (88%), i.e. were linked to attempts at theft or activities undertaken near power lines such as electric works, agriculture, plant-cutting; in addition, accidents were recorded during the undertaking of construction work and fishing.

The pending and/or concluded cases in 2011 for damage to third parties mainly related to problems linked to electric power lines.

In order to reduce this type of accident, in Italy in 2011 campaigns were launched covering electrical risk with the aim of raising the awareness of third parties who may accidentally come into contact with electric power lines. In particular, informative *brochures* were produced for fishermen and for construction companies which use cement mixers. These *brochures* will be distributed du-



ring 2012 at meetings with sector associations. Every year International Safety Week (page 115) represents an important opportunity to raise the awareness of third parties on health and safety issues, since during the week there are various initiatives which see the direct involvement of sector associations and of communities which live near Enel plant and infrastructure. Another issue to which Enel pays particular attention, also in light of the widespread sensitivity of the communities which live near power lines, is that of exposure to magnetic fields. In Italy Enel Distribuzione has created guidelines to calculate the "safe distance" that must exist between power lines and substations and any other type of settlement ("Guidelines on calculating the first approximation

distance"), in order to simplify and harmonize the approach to such calculation in all projects. These guidelines, besides being applied by Enel, can be consulted by private individuals when undertaking new construction work and by supervisory bodies during the checks they carry out. In addition, Enel periodically undertakes campaigns to monitor electromagnetic emissions from power lines and carries out simulations to forecast the magnetic field using specific calculation software, both during the authorization of new lines and substations and at the request of private individuals and public administrations. In the other countries where Enel operates as a distributor, the Company complies with applicable laws on minimum distances and carries out study projects, analyses and periodic

measurements to check that there are no risks linked to exposure to magnetic fields, noise or vibrations.

In order to guarantee the safety of communities also when there are emergencies or unforeseeable accidents, the Group has drawn up specific plans that aim to address the emergency immediately when it occurs, in order to limit its effects and to quickly bring the situation back to operating normality. In this way it is possible to rapidly activate the actions needed to protect all the people involved (Enel staff, staff at contracting companies and, more generally, the community) and to provide the best possible protection to assets and structures.

With the aim of standardizing the process for identifying, assessing and managing emergencies at Group level, in 2011 a "Procedure on the Management of Emergencies" was established which defines, on the basis of the possible scenarios, the organization to be put into the field and the procedures to be followed, specifying also the information flows and the communication channels to be activated. During the year a survey was conducted to check the correct implementation of the policy in all the areas of the Group.

In Italy, in order to limit the external impact of emergency situations such as fires and explosions, specific Emergency Plans have been defined for each plant or workplace which enable at-risk situations to be controlled and the workplace to be evacuated safely. Every Emergency Plan includes a classification of the probable causes of events, the rules of conduct to be observed, the names and roles of the emergency team members, useful phone numbers, etc. In all workplaces floor plans are located in easily visible points and show the shortest routes to reach safe areas and other useful information. In addition, periodic drills are held to test the emergency systems and the adequacy of the organization put into the field and to train staff on the correct procedures to be followed.

In the other countries too the Group adopts specific guidelines to comply with the standards and law in force. In Slovakia, in particular, at the nuclear power plants of Bohunice and Mochovcce there are special plans to manage possible emergencies at the nuclear sites, such as the emission of radiation or the pollution of water by chemical and biological agents following natural disasters or terrorist attack. Drills are undertaken each month and involve all the employees and contractors that operate at the plant.

In 2011, in addition, measures were adopted that were needed to guarantee the conformity of 20 thermoelectric plant to the Seveso Directive (Directive 96/82/EC), the Eu-

ropean law that aims to prevent and control the risk of significant accidents involving substances that are classified as dangerous. Following the coming into force of EC Regulation 1272/2008 relating to the classification, labeling and packaging of substances and mixes, some substances normally present at Enel sites (such as oil) have been classified as dangerous for the environment and, therefore, fall within the scope of application of the Directive, which means that there are 20 sites to which the Seveso Directive applies. The activities undertaken concerned, in particular, the preparation of Safety Reports⁽¹⁾ and the start of the process of implementing Safety Management Systems for the Prevention of Significant Accidents, which are specific for each plant and which have joined the existing Safety Management Systems for workers (SGS OHSAS 18001).

As well as emergency management systems, Enel has put in place a Crisis Management system, i.e. a collection of procedures, infrastructure and people aimed at preventing a critical event or, should such an event happen, at managing its impact. "Critical events" are accidental, natural or intentional events, whether real or potential, that can provoke impacts in terms of corporate operational continuity, internal or external damage and/or repercussions on the Company's reputation. Enel has developed a unified model of Crisis Management, which it has disseminated on a global scale, in order to improve the ability to react to critical events. This model enables the application in all parts of Enel of the same basic principles, supplemented locally on the basis of the specific laws of the countries. In addition, through the Crisis Management Unit, Enel takes part in Italy in the Operative Committee of the Civil Protection as an operator of essential services for the national interest.

In addition, the current size of the Group means that often many employees have to go to locations where safety conditions can become critical. Therefore, a Memorandum of Understanding has been defined with the Italian Ministry of Foreign Affairs, which envisages a constant exchange of information aimed at increasing the safety measures by employees should emergency situations occur, such as political crises, acts of terrorism, natural disasters, and health emergencies.

6.4 Value for countries and local communities

The **LBG (London Benchmarking Group) method**, devised by a work group in which more than 100 international companies participate, is a measurement model that enables a company's contributions to the social development of the communities in which it is present to be clearly determined and classified.

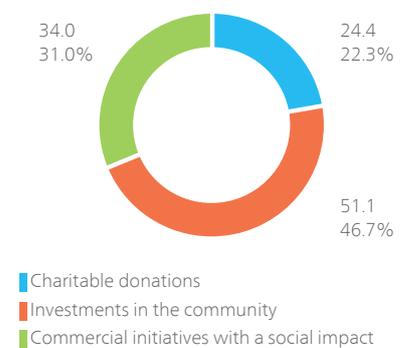
In particular, under the LBG standard, expenditure on contributions to communities can be classified in:

- 1. Charitable donations:** these are *pro bono* contributions that create no obligations for the recipients except to use the donation for beneficial ends and for non-profit associations. For Enel this item includes all cash and in-kind donations, including philanthropic and charitable activities through Enel Cuore Onlus and Endesa's Foundations.
- 2. Investments in the community:** medium to long term involvement in projects to support communities, also in partnership with local organizations, aimed at addressing significant issues both for the local area and for the Company. This category includes, for example, projects that are closely linked to the core business such as Enabling Electricity which benefit the community or specific initiatives dedicated to communities close to power plants.
- 3. Commercial initiatives with a social impact:** contributions to initiatives undertaken in local areas, also in collaboration with charitable institutes or local organizations, in which the Company promotes its own brand and corporate identity. Examples of these initiatives are cultural and sports events financed with visibility for the Enel brand, or projects linked closely to business which benefit low-income customers.

In 2011 Enel's total contribution to the communities where it operates stood at 109.5 million euro.

Enel's contribution to the communities in which it operates, the expenditure for which in 2011 totaled 109.5 million euro, is summarized in the diagram below:

Initiatives in favor of communities by type (millions of euro) - 2011



6.4.1 Promoting social development

The companies in the Enel Group worldwide play an important role as drivers of growth and social and economic development in the countries and local communities in which they operate.

One of the aspects on which Enel has the possibility of making a substantial contribution is in reducing the energy divide of the communities that live in isolated regions or with a low level of development and which may not have access to energy due to the lack of production or distribution infrastructure. Through **rural electrification** programs the Group can allow these populations to access electricity, thus providing an important boost to the social and economic growth opportunities of the areas concerned. In the areas covered by the Group's activities, the phenomena of lack of access to energy can be found in the countries of Latin America, where the percentage of the total population not served by the distribution network is 1.6%, while in Italy and in all the European countries in which Enel operates as a distributor this percentage is zero.

In light of the essential importance that this issue has for companies in the energy sector, and the Group's significant presence in countries in which the lack of access to energy is a significant phenomenon, Enel has launched Enabling Electricity, a medium to long term program aimed at combating the energy divide in the countries where it is present (page 218).

In addition, rural electrification projects include not only programs to extend the electric infrastructure, but also interventions to combat problems in conduct (such as the theft of electricity or non-payment of bills), especially in urban areas with a high level of social marginalization. This stimulates a social and cultural change which promotes the legitimate inclusion of new users in the electricity grid.

Enel can contribute to the quality of life and to the growth of the communities where it operates also through **interventions for education and social inclusion**.

In order to combat social exclusion in Spain, for example, Endesa has signed with the Adecco foundation a work training plan for young people with limited economic resources, which offers the participants the chance to receive help in looking for work, together with cross-cutting initiatives to develop the integration of young people in companies (coaching, corporate voluntary work). This project will be introduced in all the countries in which Endesa operates.

The objective of Enel Green Power in Latin America is to create the conditions for basic education and the instruments for economic self-sustainability also in the most remote geographic areas. The means range from structural works (construction of school buildings, restructuring or fitting out of IT laboratories) and action to support young and adult students, such as the provision to children of a backpack containing everything they need for school, or the financing of study grants in collaboration with public institutions or interventions to support rural recycling and the optimal use of



natural resources.

In Slovakia almost 70 projects have been started focused mainly on helping the homeless and on the social inclusion of marginalized groups. The main objective is to systematically contribute over the long term to returning these people to a normal life. To this end, a partnership has been entered into with the non-profit organization "Homeless Theatre", a theatrical club which opens its doors also to people on the margins of society and which uses the theatre to address various social issues, with the aim of combating the most common stereotypes or prejudices.

Another instrument which makes a decisive contribution to the development of communities and is important, in terms of their experience, also for the people who take an active part in it is **corporate voluntary work**.

Enel Romania, in collaboration with the local authorities, has developed a volunteer program by employees in social or environmental activities which will be progressed in 2012. The launch of the program is envisaged for World Environment Day in June, in which employees who wish to be involved can take part in activities to clean parks, plant trees and seeds, etc.

In France Enel has started a partnership with "Alter'ac-tion", a humanitarian, non-governmental organization, which gives employees the possibility of dedicating

part of their work hours to supporting the activities of the organization, and so making available their specific skills (legal, financial, technical, etc.).

Finally, in Panama in 2011 Enel Green Power employees dedicated almost 1,000 man-days to volunteering, linked in particular to initiatives in the field of health, infrastructure for the community and agriculture.

6.4.2 Disseminating an energy culture

In 2011 Enel undertook numerous initiatives in the areas and countries where it is present to bring people closer to the world of the energy.

The promotion of dialogue and scientific discussion continues to be at the heart of the activities supported by the Company with "Orienta", a series of meetings aimed at promoting a culture of leadership with periodic updates on international scenarios, and with "Oxygen", Enel's scientific magazine on the issues of the environment, energy and innovation.

2011 also saw the third edition of "Incredible Enel", a travelling exhibition dedicated to energy, which after two ye-

ars and 16 cities ended its tour of Italy to move on to Spain with two stops in Girona and Barcelona. In these cities too energy has been explained in a novel way, through interactive exhibits, games, laboratories, scientific experiments, events, conferences, debates and even a musical on energy. In Romania in 2011 Enel promoted "The City of Energy", an initiative for the inhabitants of Bucharest which featured young artists from all over the country as they "revisited" transmission substations by spraying graffiti on them. Enel intends to promote the culture of energy also in the context of its retail contact points with customers. In particular, the flagship store in Milan in Italy is a showroom of over 700 square meters designed to explain the world of energy, its sources and technologies, thus renewing and deepening the relationship with customers also through the use of cutting-edge interactive technologies.

As far as training is concerned, cooperation with the *Osservatorio Permanente Giovani Editori* (Permanent Observatory on Youth and Publishers) and the IULM, Tor Vergata, and LUISS Universities continued in the organization of master's courses, classes, *ad hoc* research programs, and recruitment initiatives. In Russia and Slovakia cooperation continued with universities and technical schools in order to valorize and support studies and research in the field of energy.

With the objective of familiarizing people not only with the culture of energy, but also power plants and energy infrastructure as physical entities, in 2011 Enel repeated the Open Plants project – which began in Italy and now takes place in many countries – thanks to which production plants open their doors to the public and organize a large number of cultural, musical, and sports events. In 2011 around 100 power plants hosted entertainment and educational initiatives for local communities, in Italy, Slovakia and Russia, attracting around 120,000 people.

In addition, Enel's power plants worldwide are always open for visits by schools, with the aim of explaining how they work to children, as well as for scientific and academic visits. During 2011, for example, Enel Green Power hosted numerous visits by schools to wind farms and hydroelectric power plants in Europe, Latin America and the United States; the students thus had the chance to discover how the plant operates and to discover the world of renewable energy.

In its Russian power plants Enel provides local communities with veritable "museums" of the history of electricity which relate the development of the sector in the country and the history of the construction and development of the power plants.

In Slovakia, at the Bohunice and Mochovce nuclear power

plants two information centers are open at which visitors can learn about (or learn more about) nuclear technologies and the functioning of the power plants. At the Mochovce power plant a new information and education center is being built.

In Romania an initiative has been launched to increase the community's sensitivity towards rational energy consumption. In the context of this program, Enel Romania has replaced all incandescent lamps in the local authority of Izvoarele with energy-saving light bulbs. This initiative, which will produce a marked saving in household energy bills, will be repeated in other locations so as to involve other communities.

Concern for the local area is the central theme of "Nature and Territory", the program created to develop projects for the protection and creation of value from the environment, in particular in the areas around Enel's power plants worldwide, by promoting sports and leisure activities (often organized directly inside the plants), cultural itineraries and nature paths. In 2011 in Italy, France, Greece and the United States over 50,000 people took part in the various initiatives organized under this project.

Finally, in Latin America there is a serious commitment to promoting rational and safe energy use. In Brazil, the "*Consciência Ampla Eficiente*" project aims to disseminate practical ideas on the rational consumption of energy and other natural resources by connecting the environmental benefits to the savings that can be obtained in household budgets through training for teachers, readings and workshops for children, young people and adults. The "*Consciência Ampla sobre Rodas*" program, on the other hand, brings mobile displays into cities where visitors can learn about the process of hydroelectric generation and energy transmission through models and reconstructions, taking part in games, shows and leisure activities, and attending "lectures" on the environment and safety.



Enel's Historical Archives

Enel's wealth of documents relating to the history of the Italian electricity industry and to Enel's activity as a public and private body, has been declared of "significant historical interest" by the Ministry of Culture and represents a cultural endowment to be protected, valorized, augmented and disseminated.

Through the establishment of a single site for the Historical Archives, the intention is to give voice to the wealth of knowledge, professional know-how, innovation, and capacity for continual transformation, in order to reaffirm the Company's constant and daily challenge, capable as it is of managing the present and reflecting on its future development starting from its own historical roots and considering them as a competitive advantage.

The main aim of the Historical Archives is to use the documents, in order to explain the economic, industrial and social development of the country through a "history of energy", thus entrusting to future generations the memory and cultural base from which to draw ideas and stimuli for a continuous process of improvement.

And the history of Enel is, above all, the history of its managers, technicians and workers who have contributed to the process of unifying the country and to the promotion of shared values. In this sense in 2011 the Historical Archives were fully involved

in the celebrations for the 150th Anniversary of the Unity of Italy, with the selection of historical materials to realize a series of institutional and corporate initiatives which highlighted that Enel has always contributed to the balanced economic growth of Italy.

In addition, during the year the following were organized: extraordinary openings and guided tours of exhibitions, nine PlayEnergy workshops on energy efficiency and rational energy use, visits by school groups for 250 children from primary and secondary schools, the opening of a reading room for 48 users, the undertaking of 80 research studies for historical and operational purposes, and the publication of volumes in the series "The age of energy".

There was also the continued receipt of documentation of historical interest through private donations and the collection of testimony and documents, in particular with the contribution of the "seniors" of the Italian National Association of former employees.

The 150 years since the unification of Italy were also a fundamental step in the acquisition, rediscovery and consultation of Enel's historic memory in view of the key event for the Company, the fiftieth anniversary of the creation of Enel, which falls in December 2012.

Educating the new generations about energy

Again in 2011 Enel continued its commitment to the new generations and the educational sector with "PlayEnergy", the education-through-play project which aims to disseminate an "energetically responsible" culture among young people.

The initiative, in its eighth edition in 2011, consolidated its international aspect by its presence in 10 of the countries in which the Company operates: Italy, Slovakia, Romania, Russia, Guatemala, Chile, Costa Rica, Panama, Brazil and the United States. During the year more than 7,500 schools were involved and 415,000 students, while 65,000 young people registered on the website and over 31,000 visited Enel plants in Italy. Confirming its tradition of success, over 126,500 students took part in the final stage of the competition and in their projects presented numerous original ideas on the issue of a more beneficial energy mix for mankind and for the environment.

Again in the context of the projects dedicated to the new generations, the "We Are Energy" program continued which involves the children of Enel employees. The seventh

edition, which was called "Look at the future", involved around 3,700 youngsters aged 7 to 18 from 21 countries on the issue of the future and technological innovation, highlighting, on the one hand, the trend in the development of Enel research, which is increasingly oriented to the objective of environmental sustainability and, on the other, the change which new technologies are making in our everyday lives. The objective was that of providing young people with an overview of the technologies which already exist and on the future prospects linked to energy and other sectors.

Endesa too cooperates intensively with the educational sector with programs aimed at all age ranges. In Spain, "Endesa Educa" raises students' awareness of greater efficiency and rationalization in energy use, by developing educational projects linked to energy resources;

in 2011 the program involved 19,494 children and young people in over 715 activities. In Argentina, for the sixth year running, Edesur developed the "El viaje de la Energía" educational program on the dissemination of basic knowledge about electricity, on how electricity works and on the distribution routes for energy up to people's homes, also with a view to promoting its safe and efficient use. 805 private and public schools took part with 2,461 teachers signing up to participate. In Colombia, Codensa realized "Diversity - El Mundo de la Energía", a play, leisure and educational area for children aged 5 to 13, in which it is possible to have fun in learning about, and experimenting with, the processes of generating, transmitting, distributing and selling energy. Over the two years of the project, the area has been visited by over 100,000 children.



6.4.3 Support for local initiatives

Enel sponsors numerous initiatives for the promotion of culture, art, music and sport, which are realized at national, regional, or local level in all the countries in which the Group operates.

Art

In 2011 “Enel Contemporanea” was held again. This public art project, now in its fifth edition, selected a winning project from those proposed by numerous international artists. In addition, Enel supported the exhibition “*I Borghese e l’Antico*”, at the *Galleria Borghese* in Rome, and various exhibitions in collaboration with the *Vittoriano Museum Complex* and with the *Associazione Civita*. In Slovakia, Romania, France and the USA and in the countries of Latin America, Enel contributed to initiatives to celebrate the 150th anniversary of Italy by promoting music, cinema, art, photography and literature. In Russia, during the “Year of Italian Culture and Language”, the display of works by Italian artists, classical music concerts and other initiatives were organized.

In order to valorize the tradition and cultural heritage of Slovakia, in 2011 Enel supported various art exhibitions, especially the “*Nové Slovensko*” exhibition at the National Gallery, with a section dedicated to the history of the electrification of the country as told through painting, photographs and historical documents. In addition, also in 2011, the sponsorship continued of the folklore festival “*Východná*”, the International Festival of Satire, and other initiatives to support theater and the national culture.

Endesa, in Brazil, supported the International Theater Festival in Angra dos Reis, one of the most important cultural events in the country, and continued with various initiatives that are part of “*Consciência Ampla*”, the program launched in 2009 which supplements all the social projects of the distribution company Ampla. In particular, with “*Consciência Ampla Cultural*” a free festival of education and culture was organized, characterized by workshops, literary meetings and discussions with artists. “*Consciência Ampla na Tela*”, on the other hand, promoted Brazilian culture with exhibitions, itinerant workshops and films.

Music

Again in 2011 collaborative projects were developed with some historic Italian music institutions, such as the *Accademia Nazionale di Santa Cecilia* and the *Teatro alla Scala* of Milan, and with two important music centers in Rome: the *Auditorium Parco della Musica* and *Palalottomatica*. In collaboration with some Italian Embassies abroad, in 2011 Enel organized concerts of the *Accademia di Santa Cecilia* in Russia, France, Belgium and Romania. Internationally significant events were also supported, such as the “MITO” Festival in Milan, the concert by Maestro Barenboim with the West-Eastern Divan Orchestra, the Bologna Festival, and the Italian tour by Jovanotti, ORA



2011, which was CO₂ neutral thanks to the planting of 12,000 trees in Cameroon to neutralize the emissions produced by the concerts.

In Europe and in some countries of Latin America Enel supported various initiatives to promote classical and modern music, such as the concert by Venetian soloists in Paris and by Cecilia Bartoli in Bratislava, the dance festival in Greece and many others. In Romania, in particular, two very important events were held: the twentieth edition of the International Festival of George Enescu, which brought together over 70,000 spectators and artists from all around the globe, and the concert by Shakira that was followed live by thousands of people from Europe. In Russia the Company continued to sponsor the 235th opera season of one of the most famous theaters in the world, the Bolshoi theater in Moscow.

Among its various initiatives, Endesa promoted the tour by the *Orquestra Sinfônica Jovem de Goiás* (OSJG) to five Spanish cities and the State of Rio de Janeiro in Brazil, the revenues from which were donated to charity.

Sport

In 2011 the partnership for the MotoGP World Championship continued with Ducati Corse, one of the symbols of Italian technological excellence worldwide.

In Slovakia Enel sponsors the national volleyball team and the cycling tour. In 2011 the first and last legs of the tour were held near the Enel plants at Nováky and Gabčíkovo. In France, Enel is the official sponsor of the Flamanville rugby team.

In addition, Enel supported 5 tournaments on the ATP tennis tour, in some of the countries in which the Company is present: Spain, Chile, Romania, United Kingdom, and Italy, while Enel Green Power Costa Rica sponsored the interregional youth tennis tournament, the 48th edition of "*Copa Café*".

In 2011 Chilectra, the Chilean distribution company, together with UNICEF, Conace and the Fundación Iván Zamorano realized the tenth edition of the "*Copa Chilectra*", a football tournament for boys and girls which saw the participation of over 60 thousand children aged under 14. The initiative, which also involves employees, aims to encourage playing sport to combat a sedentary lifestyle and drug and alcohol addiction among young people.

6.5 The heart of solidarity



6.5.1 Enel Cuore

Enel Cuore Onlus was created in 2003, together with the Corporate Social Responsibility Unit, reflecting Enel's wish to transparently express its commitment to social solidarity.

During 2011 Enel Cuore Onlus supported a total of 60 social solidarity projects in Italy and abroad, in particular in the countries of East Europe and Latin America, in favor of children, the sick, the elderly and the disabled. The total financial commitment of the Enel Group to support Enel Cuore Onlus in 2011 was 6,280,000 euro, of which 280,000 euro was for subscription fees and 6 million for extraordinary contributions.

In Latin America most of the funds were used for: the construction of the first 250 houses between Mexico and Guatemala in association with the transcontinental non-profit organization *"Un Techo Para mi País"*; to support the Guatemalan project *"System de Orquestas Juvenil de Guatemala"*, which involved 50 youth orchestras and



2,500 students and the construction of schools in towns where there is an extreme structural deficit for education. In the context of social assistance, particular attention is paid to the phenomenon of marginalization, favoring the development of structures to take in and take responsibility for the most marginalized people in society with a view to reintegrating them. In Italy Enel Cuore, therefore, confirmed its commitment to the long-term project "A Heart in the Station", in partnership with the Italian National Railways Group, through the opening of the new welcome center at Milan station. In addition, Enel Cuore and *Fondazione con il Sud* continued their collaboration by promoting the public project "Women, Integration and the Periphery 2011", with the aim of promoting and

valorizing the role of non-profit organizations with a significant number of young women in urban areas with problems of marginalization, deviancy and social distress. The treatment and care of sick people, in particular the youngest, are among Enel Cuore's main objectives, especially in countries where the healthcare system is precarious and medical instruments are obsolete and inadequate for people's needs. In 2011 Enel Cuore approved the project to support the non-profit organization *Associazione Ambulatorio della Carità* in the enlargement of a structure dedicated to the poor and the marginalized who cannot access the normal services of the national health service. In addition, Enel Cuore and Save the Children promoted a project in Rome, Naples and Turin to combat the factors which cause children in Italy to have poor diets.

In the field of education the commitment continues in favor of the construction of structures and training centers to facilitate the education of children and young people. In Guatemala, Peru, Chile, Russia and Italy the non-profit organization destined funds to support associations which promote social inclusion for children through music. In Romania the restructuring of some premises for the education of children affected by Down's syndrome was financed. In Italy, Enel Cuore supported the non-profit organization *Associazione Pio Monte della Misericordia* in the restructuring of property to be used as a workshop and which is open to young people from the poorer boroughs of Naples.

Finally, Enel Cuore supports initiatives linked to sport and games as a lever for the integration and social involvement of the disabled and the marginalized. For six years, together with the Italian Paralympic Committee, it has supported the organization of the "National Day of Paralympics Sport", a national project which works with the educational sector to promote the widest possible dissemination of sport for the disabled in the main Italian cities.



6.5.2 The Endesa foundations

Fundación Endesa

The Foundation, established in 1998, is dedicated to educational and cultural programs focused on young people and projects for the artistic illumination and conservation of historically and artistically important buildings. In 2011 over 50% of the investments of the Foundation went to cultural and artistic projects in Spain, Chile and Colombia, 30% went to educational initiatives in Spain, Brazil, Colombia and Peru, and the remaining 20% to programs for economic development, environmental protection and humanitarian aid. The total contribution of the Foundation during the year was over 3,207,000 euro.

Fundación Sevillana Endesa

The "*Fundación Sevillana de Electricidad*" or "*Fundación Sevillana Endesa*" dedicates a significant share of its resources to lighting monuments of artistic value in Spain,



mainly in the regions of Andalusia and Extremadura. In 2011 the Foundation illuminated 13 religious and civic monuments and contributed to social assistance and economic development projects with an investment of 787,000 euro.

Fundación Pehuén

The programs of the Foundation aim to improve the quality of life of six Pehuenche communities in Chile, and to promote the culture of these indigenous peoples. Its mission is to contribute to the social and economic development of these communities through programs linked to the development of infrastructure, the launch of agricultural activities, education and training and the social inclusion of less well-off families. In 2011 the Foundation invested over 420,000 euro.

Fundación Endesa Colombia

The Foundation handles the dealings of Emgesa and Coodensa with local governments, representatives of local communities and peoples in areas affected by corporate activities. The Foundation's activity in social deve-

lopment aims to offer local people feasible solutions to improve the quality of their life, by progressing projects which generate resources also in the medium term. In 2011 the Foundation invested 590,000 euro in the development of "self-sustainable production projects" in the field of agriculture for low-income families, in projects to support communities, in the lighting of religious buildings and in training programs to build up skills in the energy field.

Fundación San Ignacio de Huinay

The Foundation came into being with the aim of supporting the work of the "Fundación Huinay", a private non-profit institution which aims to defend and conserve the bio-geographical wealth of the area of Huinay and of the Chilean fjord region. The Foundation, in addition, supports projects for development and social assistance for the community. In 2011 the total investment was 847,000 euro, destined in particular to projects and workshops on the environment and biodiversity and to financing scientific expeditions.

Dossier – Enabling electricity

Electricity is an extraordinary driver for growth and prosperity: energy can increase industrial and agricultural production, create employment, improve education and healthcare and open up new development opportunities. And yet, as shown by the IEA (International Energy Agency), in 2011 1.3 billion people worldwide did not have access to electricity⁽¹⁾. This represents one of the biggest hurdles to reducing poverty and achieving the United Nations' Millennium Goals.

In order to face this challenge the Secretary-General of the United Nations, Ban Ki-moon, has dedicated 2012 to combating energy poverty and declared it "International Year of Sustainable Energy for All", and set precise objectives for coming years with the aim of reducing the energy divide. In this light, providing electricity means something more than a mere service: it can create the bases for the very development of people and communities. Enel wants

to make its own contribution by guaranteeing access to energy where it is still not available through the "Enabling Electricity" program. This focuses on two targets: people who live in isolated areas and disadvantaged communities in peripheral, rural and suburban areas.

The program aims to act in three directions:

- > projects which guarantee access to technology and infrastructure;
- > projects which remove economic obstacles in low-income areas;
- > projects for the development and sharing of professional know-how and skills in the energy sector ("capacity building").

Here below are some of the projects which Enel is developing in these three areas. The objective is to gradually enlarge the scope of intervention of "Enabling Electricity" with new projects in the various countries where the Group is present.

(1) Source: "Energy for all: Financing access for the poor. Special early excerpt of the World Energy Outlook 2011", OECD/IEA, October 2011.

"Intelligent" accessibility

The IEA stresses that the current trends in the use and supply of energy are increasingly unsustainable, in economic, environmental and social terms. The dissemination of smart grids, besides responding effectively to the increase in peak demand and to the ageing of infrastructure, has proven an essential factor in the dissemination of technologies with a limited environmental impact.

New energy infrastructure will be fundamental also for emerging and developing countries, where smart grids can play a key role. Reaching these populations with traditional electricity distribution networks, above all in rural and isolated areas, is very costly and often difficult. A more appropriate solution for these situations are small smart grids, which can provide electricity to local users cheaply, reliably and sustainably, in particular by integrating renewable sources into the conventional electricity generation system and by managing bidirectional energy flows with the latest grid technologies.

For this reason, for over ten years Enel has been investing in technology, innovation and research on smart grids and has been actively operating with numerous projects worldwide, in the interest of all the key players involved, energy producers and consumers. Further information is in the Innovation Dossier on page 68.

Access to technology and infrastructure

TOB (Triangle-based Omni-purpose Building)

The TOB (Triangle-based Omni-purpose Building) project aims to develop a system that can provide energy and essential services in isolated areas where these are still not available, and increase awareness of the efficient use of resources. The TOB System is an independent habitable structure which is easily assembled and completely flexible, since it is made with modular components and this enables it to be assembled in various forms depending on need. The structure, which was devised by the Research Unit of Enel Ingegneria e Innovazione and the design for which is an Enel international patent, integrates photovoltaic modules and accumulation systems, but has been designed to be able to house various technologies to exploit renewable sources on the basis of the specific resources of the various sites. Through exploitation of the available renewable resources, the system produces electricity and accumulates it to make it available when necessary. The system is flexible also in terms of the users it can satisfy: on the basis of the specific needs of the populations that use the system, it is in fact possible to build in all the equipment to supply the necessary services. The process of optimizing and identifying the best technical solutions to be adopted, in terms of generation systems and the range of possible users, has been implemented through a prototype-laboratory of the TOB system, which was installed in Pisa in February 2012, where it will be possible to describe and assess the reliability and useful life of all the components which must be installed at the various sites.

Partnership with the World Food Program

In June 2011 Enel and the United Nations' World Food Program (WFP) signed a cooperation agreement to combat global hunger and climate change. The agreement envisages three action areas: the development of a global business model that can generate credits for the reduction of CO₂ emissions through the distribution of high-efficiency kitchens in less developed countries; the realization of photovoltaic plant on the rooftops of WFP's logistical facilities; and investments in the Program's humanitarian projects. The three initiatives are currently at the feasibility analysis stage.

Haiti - "Efficient Cook Stoves Program"

In May 2011 Enel Trade signed an agreement with D&E Green Enterprises for the realization of an initiative aimed at the production and distribution of high-efficiency kitchens in Haiti. In addition to the real and measurable reduction in greenhouse gas emissions, the project will also produce economic and social benefits for local communities, since it will contribute to mitigating the high rate of unemployment, chronic deforestation of the country and health problems arising from the use of coal as a primary fuel source for cooking.

Peru, Junín - "Efficient Cook Stoves"

Social action and economic development, in particular for low-income families, are the watchwords of Endesa's "Efficient Cook Stoves" project in Junín, in Peru, which has led to the installation of 130 new high-efficiency kitchens by Edegel in collaboration with GTZ (a German company for international technical development). The project has so far received a total contribution of 4,340 euro, with the involvement of 4 employees who have dedicated 225 work hours. The new kitchens allow a significant fuel saving and eliminate the phenomenon of smoke inside homes, thus improving the diet and health of communities.

Congo - "Pointe Noire"

As part of the project to enhance the medium-voltage distribution network in the city of Pointe Noire in Congo, in order to increase the availability of electricity in the city, Enel Distribuzione has given its support to EniCongo SA for work relating to engineering, material procurement, project coordination, and the supervision of the work undertaken. The presence *in situ* of Enel staff since the start of the works at the end of 2011 has totaled around 70 man-months.

Chile, Atacama desert - "Ollagüe Project"

North Chile, and in particular the Atacama desert, is one of the areas with the highest levels of solar radiation on the planet, which is a great advantage for the production of solar energy. The Atacama desert is also an area where several small communities live often unconnected to the electricity grid due to their geographic isolation. One of these, in particular, is the village of Ollagüe, which is in the high plains of the Atacama desert on the border with Bolivia, and is home to around 250 people. The town and the surrounding area are historic settlements of the Quechua indigenous community. The main activity of the village has always been the extraction of sulfur and the trade associated with that, but with the gradual ending of sulfur mining the town has seen its population fall.

During 2011, Enel Green Power undertook a feasibility study for the installation of a hybrid renewable plant (photovoltaic/wind) in order to provide clean electricity at prices the inhabitants could afford. The plant should meet the whole energy requirement of the village, which is currently covered (during some hours each day) only by diesel generators.

The project is promoted by Enel Green Power and supported also by government institutions, regional universities and local mining companies.

Peru - "Hydroelectric plant of Huallín"

The voluntary association "Operazione Mato Grosso" (OMG) was created around forty years ago by a Salesian missionary, Father Ugo of Censi, to help the neediest in the poorest areas of South America. Thanks to the work of volunteers, over the years the association has built hospitals, schools, orphanages, homes for the disabled and terminally ill in the rural areas of Brazil, Bolivia, Ecuador, and Peru. Among the various initiatives, the *Parroquia de Chacas* and OMG have started work on building a 3 MW hydroelectric power plant in the province of Asunción, in Huallín in Peru. Enel Cuore is involved in the project by meeting the costs for the purchase of

some equipment needed to bring the new plant into operation. The objective of the project is to guarantee for Andes valleys involved, which are still not covered by the national electricity grid, the availability of essential electricity for all activities, from the transformation of agricultural produce and livestock farming, to the functioning of the hospital, artisan activities and training.

Brazil - *"Luz para todos"*

One of the most important projects for rural electrification is *"Luz para todos"* (Light for all) in Brazil, a national program for rural electrification aimed at populations which have no connection to the grid. The program, which is realized by the State in collaboration with the Group's distribution companies, is aimed at guaranteeing universal access to electricity in unconnected areas by means of the free connection of customers to the electricity grid. In 2011 Coelce, the Endesa Brasil distribution company, thanks to federal subsidies, connected over 15,300 homes in the State of Ceará, while Ampla, another Group company, connected over 1,100 homes in Rio de Janeiro.

Peru - *"Electrificación asentamientos humanos de desplazados"*

In Peru the implementation continued of the "mass" electrification program *"Electrificación asentamientos humanos de desplazados"*. During 2011 269 new areas and villages were electrified covering 28,049 families: this result is the highest in the history of Edelnor, the Group company, and represents an increase of over 50% compared to 2010.

Overcoming economic obstacles

Brazil - *"Ecoelce", "Ecoampla" and Chile - "Ecochilectra"*

Social action, investments in the poorest areas of the large urban centers of South America and business: Ecoelce, Ecoampla (in Brazil) and Ecochilectra (in Chile) represent a concrete example of integration between doing business and at the same time contributing to the development of society. These programs aim to stimulate, through economic incentives, the collection and recycling of waste, thus bringing together the three areas of sustainability: social, economic and environmental.

In fact Endesa offers discounts on electricity bills to customers in the distribution areas who bring their waste to specific collection points. The waste recovered from customers is deposited at collection points in easily accessible locations. All the waste is weighed and valued at market prices. The value is immediately recorded on the customer's electronic card and the reductions are transmitted to Endesa's billing system. Thus a threefold benefit is obtained: environmental (lower consumption of raw materials, lower visual and environmental impact of waste); social (access to a basic good thanks to the credit-billing, lower rate of illnesses as a result of poor waste management; development of the recycling industry with the creation of over 50 direct and over 200 indirect jobs, lower rate of thefts); economic (less unpaid accounts and improvement in reputation) with a simple and scalable program.

The innovative project is also in line with the Company's commercial activity since,

besides the social and environmental improvements, it aims to make customers more loyal in regard to the main business activity: the selling of electricity, which creates value both for the Company and for the so-called “base of the pyramid”, i.e. the demographic segment consisting of over four billion people, on a global scale, whose income is under 8 dollars a day.

So far 400,000 people in Brazil and Chile have benefitted from these projects.

Capacity building

Partnership with Barefoot College

Enel Green Power has signed an agreement for the realization of a rural electrification project in Latin America with Barefoot College, a non-governmental Indian association which since 1972 has been striving to make the most disadvantaged rural communities self-sufficient in an economically sustainable way.

The model devised by Barefoot College, which has already been successfully introduced in many countries in Asia and Africa, involves indentifying young, illiterate grandmothers (aged 35 to 50), to be put on a special training program to transform them into Barefoot Solar Engineers.

Once they have been chosen, the women spend six months at Barefoot College in India (Tilonia, Rajasthan) where they learn to install and maintain small photovoltaic systems. The training is done through gestures, sounds and colors, so as to be able to communicate effectively even without having a common language. At the end of the training, the women return to their home villages where they run the business and train other women and export the model to neighboring villages. The model favors grandmothers since they can guarantee solid roots in the local area and have less onerous family responsibilities compared to young mothers.

In addition, the communities which take part in the project agree to make available a communal area to set up a laboratory/workshop for the women. The individual heads of household must pay a share for the service provided by the women in installing, maintaining and repairing the domestic photovoltaic plant. The amount to pay is very low and, in any case, less than the families would pay to procure lighting systems (candles, kerosene, oil, etc.), but guarantees the sustainability of the service over time and at the same time income for the women.

The model has today been brought to Latin America for the first time thanks to Enel Green Power: the countries identified are Guatemala, Chile, Peru, Brazil and Colombia. The objective is to train in total around 20 women between 2012 and 2013 and to provide photovoltaic plant in total to 1,000 homes over the duration of the project.

Barefoot College and its founder, Mr Bunker Roy, have an excellent international reputation and are regular interlocutors and consultants with the executive of the United Nations, both for issues of access to electricity and for the valorization of the role of women in traditional societies.

Peru - "Instituto Superior Tecnológico Nuevo Pachacútec"

In the province of Nuevo Pachacútec, in Peru, the level of schooling is very low, with a very significant percentage of children at high risk of social exclusion. In April 2006 a strategic alliance between Edelnor, an Endesa Group company, and the "Desarrollo Integral de Nuevo Pachacútec" Foundation enabled the creation of the *Instituto Superior Tecnológico Nuevo Pachacútec*. The objective of the institute is to give access to education and facilitate the employment of young people with limited economic resources, by offering them the opportunity to obtain a school certificate as specialist technicians in the electricity sector. 100% of the students who have finished school have found work at Endesa suppliers.

Congo - "Pointe Noire"

The Pointe Noire project (see above), which was developed in close collaboration with the technicians of the Congolese Electricity Board (SNE), has allowed the transfer to the technicians of a considerable amount of know-how on essential aspects for the development of an electricity grid. In particular as regards the means of operating and maintaining plant, specific training courses have been held with classroom-based sessions and practical exercises in the field, which will enable the technicians and operators of SNE to correctly manage the new equipment with the benefit of a better electrical service for citizens and companies in Pointe Noire.

It has also been proposed to supply a remote monitoring system for the same medium-voltage grid. This represents the introduction of intelligent and advanced systems for grid management and also envisages intensive training of SNE staff so as to guarantee a further improvement in the management of the city's electricity grid.

Chapter 7

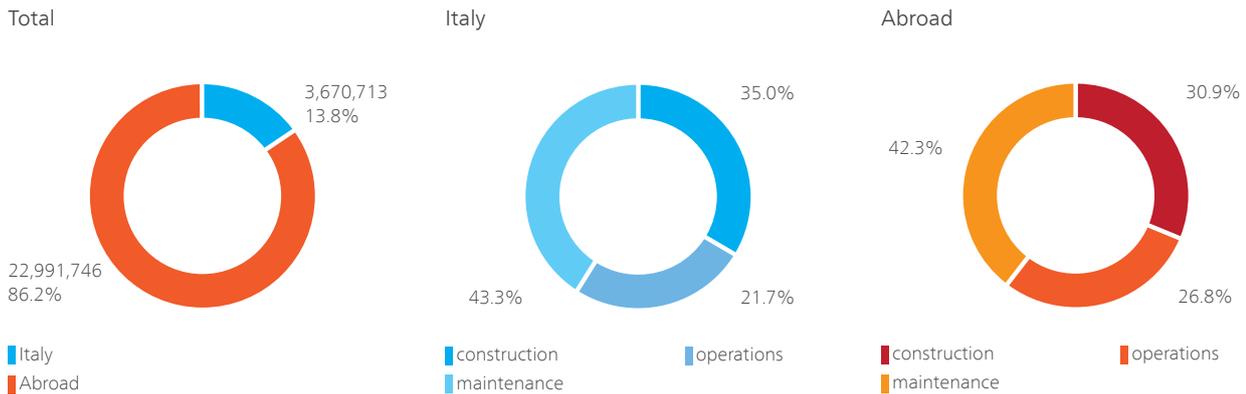
Sustainability
in the supply
chain



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7.1 The numbers

Days worked in 2011 by employees of contractors and subcontractors



The Enel Group avails itself of the work of external companies (suppliers and contractors or subcontractors) for various construction, operation, and maintenance activities involving plant and networks, and which engage numerous categories of workers: engineers, technicians, machine operators, welders, power-plant mechanics, substation operators, maintenance operators, electricians, drivers, smiths, etc. In 2011, 109,708 people were in the workforce used by the Group's contractors, calculated in terms of FTE (Full Time Equivalent).

In order to properly monitor the size of this dense collaborative network, a process for reporting and monitoring data regarding the work performed for Enel by contractors was implemented and has been gradually extended to the entire Group.

The estimate of the days of work – measured in FTE (Full Time Equivalent) days – performed by contractor workers on behalf of the Enel Group in 2011 amounts to 26,662,459 FTE days. This figure is in line with the value for 2010 (-2%) and reveals that the volume of work done by contracting companies is practically unchanged over the last two years.

7.2 Qualification and selection

The procurement and tendering of works, services and supplies are carried out by Enel in full compliance with the legislation in force and, therefore, as a rule, with the principles of cost-effectiveness, correctness, equality of treatment, competition, transparency and advertising.

All the companies which have the general and special requirements envisaged by the law and by the regulations, procedures and corporate policies – as specified in the individual calls for tenders – can take part in tenders; the award goes to the bidder who has made the best offer (in accordance with the criteria of the lowest price or the most economically advantageous offer).

There are no internal policies in the Group to favor the selection of “local” suppliers in regard to the various countries where the individual companies operate: the identification of the suppliers is based on criteria set by the law and/or by the aforementioned corporate documents which regard, among other things, also quality, safety and optimization of costs. In any case, the concentration of expenditure on local suppliers is very significant: in 2011 the Enel Group contracted local suppliers (resident in an individual country of the Group)⁽¹⁾, for around 93% of expenditure on the most important supplies (in other words for which the contractual amount is over 1,000,000 euro), a 24% increase on 2010.

Enel has instituted a supplier qualification system that ensures a careful assessment of the companies that intend to participate in Enel’s procurement procedures. The qualification procedure requires, also in compliance with the relevant law in force, the presentation of a series of documents (self-certifications regarding the possession of the general requirements, financial statements, certifications, etc.) and, among other things, the adherence to the principles expressed in the Code of Ethics, the Zero Tolerance of Corruption Plan and the 231 Compliance Program with specific reference to the absence of any conflict (including potential conflict) of interests.

(1) By “local” is meant suppliers from the country in which Enel operates. The percentage calculation considers as sums contracted by “local” suppliers the amounts of the contracts entered into with companies having a registered office or branch in the countries of the Group’s foreign companies, even if they belong to multinational groups and/or with related production activities performed abroad.

The qualification system represents:

- > a guarantee for Enel, since it represents an updated list of companies with confirmed reliability (legal, economic-financial, technical-organizational, ethical and in terms of safety) from which to draw;
- > the possibility, in compliance with the relevant laws in force, for suppliers to be approached in the procurement tenders called by Group companies.

In order to bring the qualification system increasingly into line with the Group’s sustainability policies, for some time one of the assessment elements has been respect of the environment. In particular, for product sectors with an environmental impact, among the requirements for qualification is the implementation of an environmental management system that conforms to ISO 14000. This requirement will be gradually extended to all the important sectors. For all the product sectors of works that are to be tendered, in addition, suppliers are assessed in relation to the Safety Index, which considers in particular the organizational structure of the supplier for respect of the related laws and for supervision. For some product sectors in the Sales Division a further assessment criterion was introduced, defined as the “Sustainability Parameter”, which consists of indicators linked to staff turnover and training. A study is currently being made of the introduction of indicators that take into consideration the services which the supplier makes available to its own employees (regarding, for example, support for household budgeting and people care). In 2011 the coverage of the qualified sectors compared to the total work contracted in Italy was 70%.

The qualification procedure is complemented by the vendor rating system which monitors contractors and suppliers with regard to both their conduct during the procurement process and the safety, quality, punctuality, and correctness of their performance during the execution phase.

Currently in Italy 294 product sectors are subject to vendor rating, for a total of 1,257 suppliers. The process of implementing qualification and vendor rating systems continued also outside the Company, in order to guarantee the application of the same means of assessment to all the suppliers of the Enel Group.

7.3 Protecting human rights along the supply chain



The defense of human rights is one of the principles on which Enel's actions are based and is promoted in all the countries in which the Group operates and in every new company that becomes part of the Group. To ensure that the protection of human rights is guaranteed also by the Group's Italian and foreign suppliers, Enel informs its suppliers that in carrying out its business dealings and in the management of relationships it refers to the principles contained in the Code of Ethics, in the Zero Tolerance of Corruption Plan and in the 231 Compliance Program, and envisages that also its suppliers follow the same values in carrying out their business and dealings with their own interlocutors.

Enel has prepared some specific contractual clauses regarding the respect of human rights to be included in all supply, tender and service contracts. These clauses envisage a ban on using child and enforced labor, freedom to join a union and of association, a ban on discrimination and respect of safety and environmental protection obligations.

In addition, in tender contracts signed in Italy, on signing the contract the contractor agrees to make use of regularly employed staff, pay their employees all the due amounts relating to pay, tax, insurance, pensions and healthcare, as envisaged by the laws and by the applicable collective labor contracts. In addition, Enel includes in all tender contracts a clause which envisages the obligation – on pain of nullifying the contract – of the traceability of the financial flows between contractors, subcontractors and indirect subcontractors in the chain of companies which are involved in various ways in the tender.

In order to check compliance by suppliers/contractors with the specific ethical and social obligations, Enel reserves the right to carry out checks at their production units and operating facilities.

In 2011 no legal action was taken and no disputes occurred in relation to violation of these rights by suppliers or contractors.

During 2011, together with the main European utility companies, Enel established a new global initiative with the aim of promoting the continuous improvement of corporate responsibility in the international coal supply chain.

The aim of Bettercoal is to encourage and support mining companies and operators to adopt and improve good practices relating to human rights and labor, business ethics, the environment and the impact on local communities of the coal sector, through an agreed set of shared standards and engagement with stakeholders, in order to have real impact on the ground.

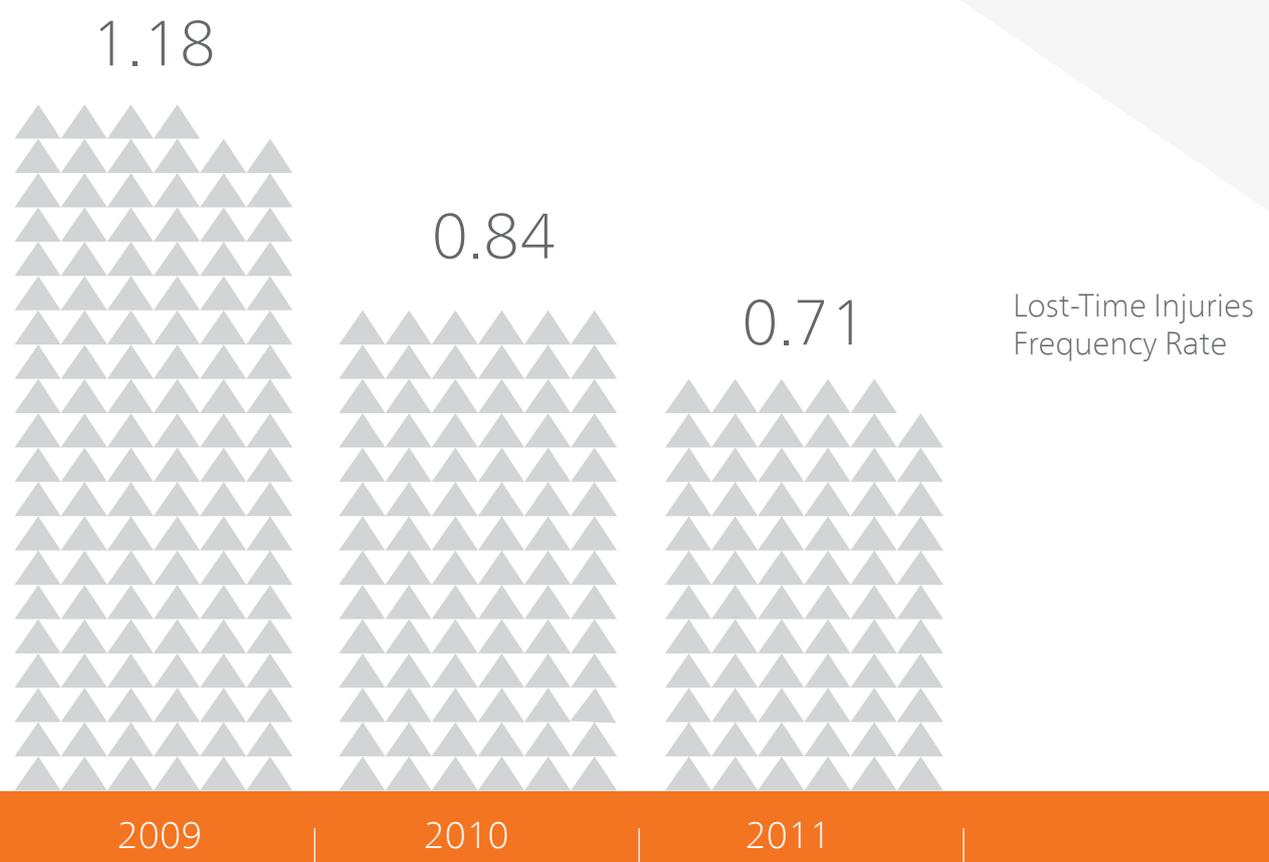
Bettercoal is a non-profit organization registered as a Private Company Limited by Guarantee under the UK Companies Act 2006, in March 2012. The basis for the initiative will be a code of practice – based on existing social responsibility standards for the mining sector – which will set out the social, environmental and ethical principles that coal mining companies will be encouraged to implement. The Bettercoal Code is currently being developed in consultation with key global stakeholders, including trade unions, NGOs and coal suppliers. On the basis of this Code, Bettercoal and its

members will ask coal suppliers to undertake a self-assessment and to agree to possible independent assessments. The results of these assessments, as well as any subsequent corrective actions, will be included in a database which will be available for consultation by Bettercoal members, in compliance with antitrust laws and regulations.

Bettercoal's initial focus will be on coal mines that supply the international markets. However, the Code, the information on the initiative's operational tools and the experiences which emerge will be made open source for the benefit of all stakeholders across the world.

The initiative will be open for participation to new members who are major consumers of coal, including energy utilities and industrial users such as cement manufacturers and steel makers. Bettercoal is governed by a Board of Directors and an Executive Director, supported by stakeholder panels with a consultative role.

Injury rate suppliers



7.4 Safety in contract work



Attention for contractors has always been a priority for Enel which is deeply committed to protecting the safety of workers, without distinguishing between its own staff and those of contracting companies which carry out work for the Group.

Enel aims to play a leading role in regard to the companies with which it collaborates, in particular small- and medium-size enterprises, by “supporting them” in the process of developing a solid safety culture. Enhancing the weighting of safety in tender processes was one of the actions undertaken in the Nine Points program in 2011.

With a view to disseminating responsible safety practi-

ces along the whole supply chain, Enel has continued to implement the qualification and selection model for suppliers, also in compliance with the law in force on safety. In addition, the Company promoted greater involvement of people who work in safety in the qualification and selection processes, through the preparation of documents which establish the means to assess safety aspects and the role of Safety Units in the process. For selection, in particular, guidelines have been established which envisage the use, where possible, of qualified firms, the definition of rotation criteria based on safety indicators, the assessment of safety parameters connected to the specific tender and the use of safety

parameters needed to participate in open tender procedures through publication of a tender competition in the Official Journal of the European Union.

In 2011 the system of contractual fines was also reviewed for cases of serious safety violations, with the definition of sanctions that are proportional to the seriousness of the violations committed, including those for injuries to staff of the contracting company, the responsibility for which falls to the latter. The guidelines also establish the actions to be taken should companies obtain insufficient points for the safety parameter envisaged in the vendor rating or equivalent systems. The result of the assessment carried out is shared with the companies which, if there are weaknesses, must put in place immediate corrective actions, on the pain of exclusion from the register of Enel suppliers.

In order to extend the protection of workers' safety also along the subcontracting chain, in 2011 a policy was put in place on subcontracts which defines the minimum safety requirements for subcontractors used in the execution of tender contracts with Enel Group companies. In addition, this policy specifies the workplace safety obligations which both the contractor and subcontractor are required to respect.

As well as defining the prevention mechanisms, it has been necessary to define instruments to guarantee maintenance of the safety requirements throughout the supply relationship. To this end, safety checks have been enhanced throughout the Group during execution of works with the provision of specific plans in all the Group Divisions.

As from 2012 all the companies which work for Enel will receive the "Health and Safety Policy", a document which summarizes the key points of the Group's health and safety policy. The document, which is available on the purchasing portal, aims to raise contractors' awareness on the adoption of the health and safety principles which Enel applies in the undertaking of all internal and external activities, in order to share with companies the same "language" used by Enel.

7.4.1 Information and training on safety

The dissemination of a safety culture to all workers is indispensable for ensuring the observance of safety rules and procedures. For this reason much importance is also attributed to information and training on safety, including for the Enel Group's contractors and suppliers. In this light, also in 2011 the whole workforce used by the Enel Group's contracting companies received information/training on safety.

Enel requires all contractor employees who work in plants and areas owned by the Group to be adequately trained by their employer and checks that such training has been provided both in the contractor qualification stage and before the work begins.

For example, for contractors involved in the construction and maintenance of its distribution network, Enel has established a specific qualification section. In order to qualify, suppliers are required to provide their technical personnel with training courses differentiated according to the kind of activity, with specific sessions on the implementation of the safety regulations applied to Enel activities. The courses are supplied by training schools that are accredited by the Italian certification institute Accredia, which ensures they are correctly provided. All the workers involved in the various activities entrusted by Enel must hold the related training certificate. A refresher course is also envisaged for all qualified staff and contains a specific safety module.

During 2011 all the staff of contracting companies who work for Enel received training on safety from their employer.

In addition to requiring its suppliers and contractors to provide training, every Division of the Enel Group directly develops information, awareness, and training initiatives for contractor employees, which are differentiated according to the kind of work performed. In 2011 this activity was also very intensive: throughout the Group around 624,000 hours of information/training for contractors were provided.

In Italy, in the Infrastructure and Networks Division, for example, workshops were organized with technical staff of companies in the context of the "Work in safety" project. In addition, a long-term program of training meetings is being organized with team leaders and managers of the companies, in collaboration with UNAE (the National Insti-

tute for the Qualification of Plant Installation Companies), which will involve in total around 5,000 technical staff. A new project called "Safety Coaching" was also successfully put on trial – aimed at raising the awareness of staff at companies by sharing experiences and best practice on safety at work. The project, by experimenting with coaching, aims to make the interactions between Enel and companies more effective, to improve the safety performance of contractors, by increasing the awareness of the importance of prevention on the part of businesspeople and giving them the tools to improve. This activity, which saw the involvement of around 320 technical staff and blue-collar workers from various companies, also includes a period of drills and training in the field at the Training Centre at the Enel facilities in L'Aquila.

With the aim of raising the awareness of all workers about the need to always act safely, the implementation was completed in the Generation and Energy Management Division of the "Maggior Supporto" project, which envisages, during planned maintenance of plant, the establishment of a support group consisting of technical experts who monitor the conduct of contracting companies/sub-contractors. Extraordinary maintenance is considered as a particularly critical time, both due to the increase in the number of staff and companies involved and due to the complexity of the activities undertaken and the interactions among the various subjects. The project received a special mention in the "European Good Practices Awards" project, which was launched by the European Agency for Safety and Health at Work (EU-OSHA).

In 2011 some projects and instruments for awareness-raising that were already common among Enel workers were extended to contracting companies, such as the Safety 24/7 project, through the realization of multilingual pocket books, and the series "Working methods" which

illustrates some ways of working that are frequently used in Enel.

7.4.2 Results

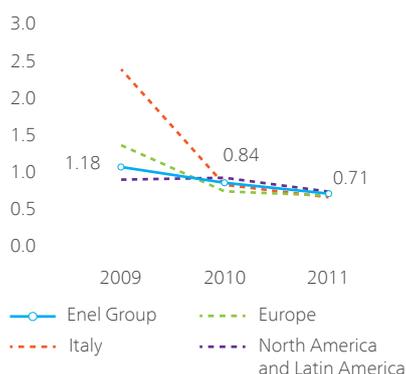
The commitment made to improve occupational health and safety conditions, also in the context of contracting companies, is reflected in a constantly falling trend in the number of workplace injuries.

In 2011, there was a significant fall in serious and fatal injuries suffered by workers of contracting companies during the execution of works for Enel, which fell from 61 in 2010 (of which 19 were fatal) to 46 in 2011, of which 7 were fatal and 39 serious. These injuries were due in just under 50% of cases to falling from height. The Lost-Time Injuries Frequency Rate (LTIFR) of contracting companies thus fell by 15.7% compared to 2010, with particular reference to Italy (-23.3%) and North and South America (-22.6%). The figure for 2011, in addition, represents a reduction of 57% compared to 2007, in which year there were 108 accidents, of which 10 were fatal and 98 serious⁽²⁾.

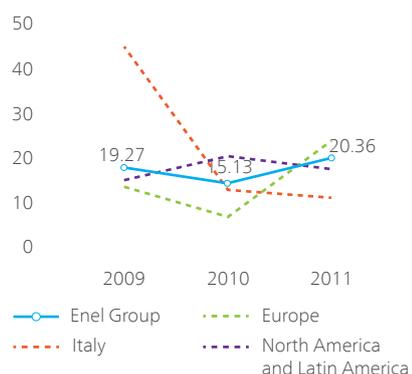
The Lost Day Rate (LDR), which measures the seriousness of the injuries that have occurred, on the other hand, rose compared to 2010, since, despite the reduction in the total number of injuries, those in 2011 were in part more serious. The absenteeism rate due to work-related illnesses (Occupational Disease Rate - ODR) is not easy to establish. In 2011 the planning of a process to record the data at Group level was started both for staff employees and for staff of contracting companies.

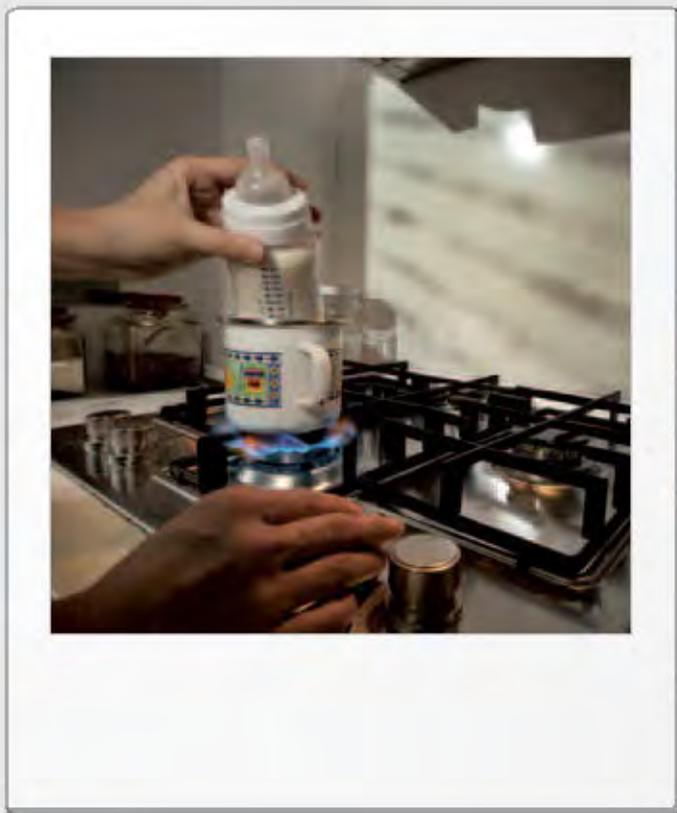
(2) In order to standardize the scope of the Enel Group, as from 2007 Endesa has been considered 100% consolidated. On the basis of these considerations the number of serious and fatal injuries which in 2007 concerned the staff of contracting companies operating for the Enel Group was 108..

Injury rate - LTIFR (i)

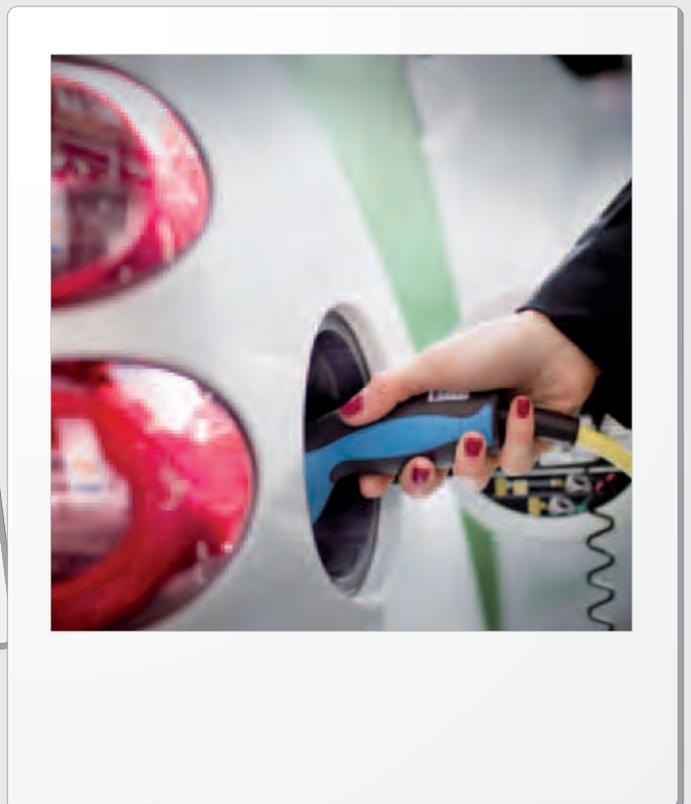
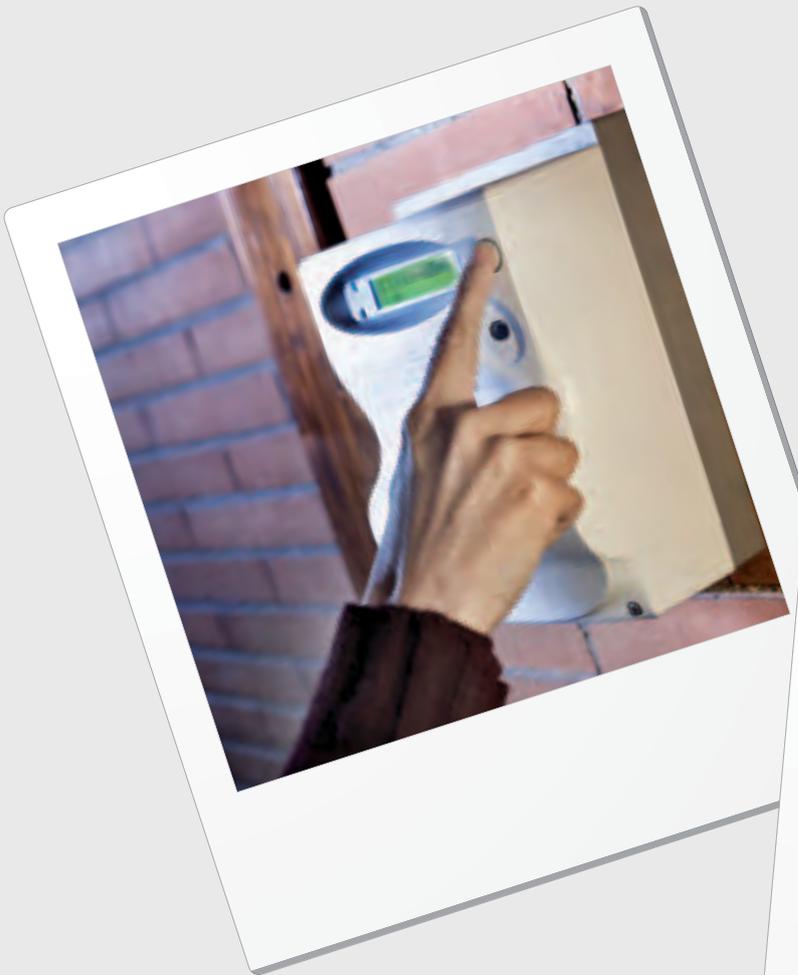


Lost Day Rate - LDR (i)





Appendix



Performance indicators

In order to facilitate the cross-reading of the qualitative information and the quantitative data which, taken together, reflect the sustainability performance of the Enel Group, the quantitative performance indicators are recorded in a separate document (see the "Appendix to the Sustainability Report 2011" on pages 238 to 285).

This Appendix and the information it contains are an integral part of this Sustainability Report.

Units of measure

,000	thousands
no.	number
%	percentage
,000 h	thousands of hours
,000 t	thousands of tons
c €/kWh	centesimi di euro per chilowattora
€	euro
euro cent	euro cents
g/kWh	grams per kilowatt-hour
d	days
GBq per unit	gigabecquerel per unit
GWh	gigawatt-hour
h	hours
h/per-cap	hours <i>per capita</i>
i	index
kcal/kWh	kilocalories per kilowatt-hour
kg CFC-11 eq	kilograms of CFC-11 equivalent
km	kilometers
kW	kilowatt
kWh	kilowatt-hour
kWp	peak kilowatt
kWh/t	kilowatt-hours per ton
l/kWh	liters per kilowatt-hour
m. A4 eq	million of A4 equivalent pages
m. euro	millions of euro
m. h	millions of hours
m. m ³	millions of cubic meters
m. t	millions of tons
m. t eq	millions of tons equivalent
min	minutes
Mtep	millions of tons equivalent
MW	megawatt
MWh	megawatt-hour
sec	seconds
t	tons
TBq per Unit	terabecquerel per unit
tep	tons of oil equivalent
TWh	terawatt-hour

Acronyms

EIB	European Investment Bank
CCGT	Combined Cycle Gas Turbine
CSR	Corporate Social Responsibility
EBIT	Earnings Before Interest and Tax
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
EUFER	Enel Unión Fenosa Renovables
LBG	London Benchmarking Group
PCB	Polychlorinated biphenyls
SRI	Socially Responsible Investor
TSR	Total Shareholder Return

Appendix

Performance indicators

GRI Content Index

Reconciliation with the

10 Global Compact principles

Performance indicators

The following tables report the indicators Enel considers to be fundamental to control and measure its sustainability.

The tables contain:

- > the GRI indicator to which the information refers (GRI column);
- > a description of the measure recorded (KPI column);
- > the unit of measure in which it is expressed (UM column);
- > the figure for 2011 (2011 column);
- > the figure for 2010 (2010 column);
- > the figure for 2009 (2009 column);
- > the change in the absolute value between figures for 2011 and 2010 (2011-2010 column);
- > the percentage change between the figure for 2011 and 2010 (% column);
- > the scope to which the figure is associated (Scope column).

For comparison of figures across different periods, it is necessary to take into consideration the significant changes in scope that have already been described in the section "Parameters of the Report" on page 32 and any specific information given in the notes to the indicators.

Criteria for drawing up the Key Performance Indicators (KPI):

- > for the calculation methodologies of KPIs, refer to the Methodological note in the 2011 Sustainability Report;
- > in relation to the scope, "Enel" means the whole Group, while "Abroad" means the whole Group excluding Italy;
- > the economic data for 2011, 2010 and 2009 conform to those in the Annual Report;
- > the totals of the columns and the differences between 2011 and 2010, both in absolute and percentage terms, are calculated considering decimal places that are not visible in the printed figures.

Our ID

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
EU1	GENERATION							
	Installed capacity							
	Net efficient capacity by primary energy source							
	Net efficient thermoelectric power	(MW)	57,059	57,222	55,826	-163	-0.3	Enel
	Coal	(MW)	17,215	18,122	17,400	-907	-5.0	Enel
	CCGT	(MW)	15,390	13,248	11,977	2,142	16.2	Enel
	Oil/gas	(MW)	24,454	25,852	26,449	-1,398	-5.4	Enel
	Net efficient nuclear power	(MW)	5,344	5,332	5,284	12	0.2	Enel
	Net efficient renewable power	(MW)	34,933	34,727	34,216	206	0.6	Enel
	Hydroelectric ⁽¹⁾	(MW)	30,265	31,033	31,018	-768	-2.5	Enel
	Wind	(MW)	3,619	2,731	2,321	888	32.5	Enel
	Geothermal	(MW)	769	775	742	-6	-0.8	Enel
	Biomass and cogeneration	(MW)	172	154	101	18	11.7	Enel
	Other	(MW)	108	34	35	74	217.6	Enel
	Total net efficient power	(MW)	97,336	97,281	95,326	55	0.1	Enel
	Net efficient power by geographic area							
	Italy	(MW)	39,882	40,522	40,420	-640	-1.6	Italy
	Iberian Peninsula	(MW)	23,971	23,810	22,120	161	0.7	Iberian Peninsula
	Morocco	(MW)	123	123	123	-	-	Morocco
	Ireland	(MW)	1,013	1,013	1,068	-	-	Ireland
	France	(MW)	166	102	68	64	62.7	France
	Greece	(MW)	191	143	152	48	33.6	Greece
	Slovakia ⁽¹⁾	(MW)	5,401	5,401	5,345	-	-	Slovakia
	Russia	(MW)	9,027	8,198	8,198	829	10.1	Russia
	Romania	(MW)	269	64	-	205	320.3	Romania
	Bulgaria	(MW)	42	850	796	-808	-95.1	Bulgaria
	North America	(MW)	1,010	788	788	222	28.2	North America
	Latin America	(MW)	16,241	16,267	16,248	-26	-0.2	Latin America
	Total net efficient power	(MW)	97,336	97,281	95,326	55	0.1	Enel
	Power generation capacity							
	Total thermoelectric units	(no.)	484	501	504	-17	-3.4	Enel
	Steam units (condensation and back pressure)	(no.)	166	169	177	-3	-1.8	Enel
	CCGT units ⁽²⁾	(no.)	68	60	52	8	13.3	Enel
	GT units	(no.)	89	83	82	6	7.2	Enel
	Units with alternative engines	(no.)	161	189	193	-28	-14.8	Enel
	No. of renewable-energy plants	(no.)	980	1,013	1,063	-33	-3.3	Enel
	Hydroelectric plants	(no.)	789	811	845	-22	-2.7	Enel
	- of which mini-hydro plants (<10 MW)	(no.)	430	404	352	26	6.4	Enel

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
	Wind plants	(no.)	129	151	155	-22	-14.6	Enel
	Photovoltaic plants	(no.)	18	7	6	11	157.1	Enel
	Geothermal plants	(no.)	35	35	34	0	0.0	Enel
	Biomass plants	(no.)	9	9	23	0	0.0	Enel
EU4	DISTRIBUTION							
	Total length of power distribution lines	(km)	1,826,800	1,810,951	1,781,921	15,849	0.9	Enel
	Total low-voltage lines	(km)	1,138,599	1,128,591	1,108,021	10,008	0.9	Enel
	Total medium-voltage lines	(km)	651,084	645,479	635,123	5,606	0.9	Enel
	Total high-voltage lines	(km)	37,117	36,882	38,778	236	0.6	Enel
	Length of power distribution lines by geographic area							
	Total power distribution lines Italy	(km)	1,112,927	1,109,110	1,099,683	3,817	0.3	Italy
	High-voltage lines	(km)	0	57	57	-57	-100.0	Italy
	- of which underground cable	(km)	0	0	0	0	-100.0	Italy
	Medium-voltage lines	(km)	345,586	344,029	342,289	1,557	0.5	Italy
	- of which underground cable	(km)	139,483	135,911	133,860	3,573	2.6	Italy
	Low-voltage lines	(km)	767,341	765,024	757,337	2,317	0.3	Italy
	- of which underground cable	(km)	252,218	247,577	246,788	4,641	1.9	Italy
	Total power distribution lines Romania	(km)	89,944	89,240	87,966	704	0.8	Romania
	High-voltage lines	(km)	6,584	6,583	6,023	1	0.02	Romania
	- of which underground cable	(km)	252	247	223	5	1.8	Romania
	Medium-voltage lines	(km)	34,665	34,439	34,042	226	0.7	Romania
	- of which underground cable	(km)	12,021	11,766	13,941	255	2.2	Romania
	Low-voltage lines	(km)	48,695	48,218	47,901	477	1.0	Romania
	- of which underground cable	(km)	20,106	19,931	19,931	175	0.9	Romania
	Total power distribution lines Iberian Peninsula	(km)	321,462	317,275	313,392	4,187	1.3	Iberian Peninsula
	High-voltage lines	(km)	19,021	18,880	21,423	141	0.7	Iberian Peninsula
	- of which underground cable	(km)	712	680	1,076	32	4.6	Iberian Peninsula
	Medium-voltage lines	(km)	118,800	118,668	117,381	132	0.1	Iberian Peninsula
	- of which underground cable	(km)	39,260	38,225	37,000	1,035	2.7	Iberian Peninsula
	Low-voltage lines	(km)	183,641	179,727	174,588	3,914	2.2	Iberian Peninsula
	- of which underground cable	(km)	87,720	84,974	80,650	2,746	3.2	Iberian Peninsula
	Total power distribution lines Latin America	(km)	302,467	295,326	280,881	7,141	2.4	Latin America
	High-voltage lines	(km)	11,512	11,362	11,275	151	1.3	Latin America
	- of which underground cable	(km)	643	663	711	-19	-2.9	Latin America
	Medium-voltage lines	(km)	152,033	148,342	141,411	3,691	2.5	Latin America

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
	- of which underground cable	(km)	10,302	9,626	9,470	676	7.0	Latin America
	Low-voltage lines	(km)	138,922	135,622	128,195	3,299	2.4	Latin America
	- of which underground cable	(km)	20,161	19,529	19,250	632	3.2	Latin America
EU3	SALES							
	Electricity market end users							
	Italy	(no.)	28,871,639	29,362,479	29,723,135	-490,840	-1.7	Italy
	Iberian Peninsula	(no.)	11,536,589	11,729,319	11,699,674	-192,730	-1.6	Iberian Peninsula
	Latin America	(no.)	13,655,379	13,271,599	12,906,412	383,780	2.9	Latin America
	Romania	(no.)	2,634,601	2,605,345	2,564,717	29,256	1.1	Romania
	France	(no.)	632	77	26	555	720.8	France
	Slovakia	(no.)	3,183	136	0	3,047	2,240.4	Slovakia
	Russia	(no.)	92,748	99,784	105,002	-7,036	-7.1	Russia
	Total electricity market end users	(no.)	56,794,771	57,068,739	56,998,966	-273,968	-0.5	Enel
	Gas market end users							
	Italy	(no.)	3,150,968	2,902,739	2,773,370	248,229	8.6	Italy
	Iberian Peninsula	(no.)	1,007,093	1,083,801	1,169,855	-76,708	-7.1	Iberian Peninsula
	Total gas market end users	(no.)	4,158,061	3,986,540	3,943,225	171,521	4.3	Enel

(1) The values include the Gabčíkovo hydroelectric plant in Slovakia (net capacity 739 MW) in carve-out (managed, but not owned, by Enel).

(2) The 2010 value was reclassified because the CCGT unit of the plant at Nevinnomysskaya in Russia was not included in the calculation.

1. The Enel Group: identity, values, results

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
EU2	OPERATING RESULTS							
	PRODUCTION							
	Net production by primary energy source							
	Net thermoelectric production	(TWh)	171.6	156.7	149.3	14.9	9.5	Enel
	Coal	(TWh)	86.1	73.1	73.9	13.0	17.8	Enel
	CCGT	(TWh)	47.4	38.2	34.5	9.2	24.1	Enel
	Oil/natural gas	(TWh)	38.1	45.4	40.9	-7.3	-16.1	Enel
	Net nuclear production	(TWh)	39.5	41.2	31.9	-1.7	-4.0	Enel
	Net renewable production	(TWh)	82.8	92.3	86.6	-9.5	-10.3	Enel
	Hydroelectric ⁽¹⁾	(TWh)	70.2	80.8	76.1	-10.6	-13.1	Enel
	Wind	(TWh)	6.3	5.6	4.8	0.7	12.5	Enel
	Geothermal	(TWh)	5.6	5.3	5.2	0.3	5.7	Enel
	Biomass and cogeneration	(TWh)	0.6	0.6	0.5	-	-	Enel
	Other	(TWh)	0.06	0.03	0.06	0.03	100.0	Enel
	Total net production	(TWh)	293.9	290.2	267.8	3.7	1.3	Enel
	Net production by geographic area							
	Italy	(TWh)	79.0	81.6	84.0	-2.6	-3.2	Italy
	Iberian Peninsula	(TWh)	78.9	69.9	61.3	9.0	12.9	Iberian Peninsula
	Morocco	(TWh)	0.8	0.7	0.8	0.1	14.3	Morocco
	Ireland	(TWh)	0.1	0.3	0.5	-0.2	-66.7	Ireland
	France	(TWh)	0.2	0.1	0.1	0.1	100.0	France
	Greece	(TWh)	0.4	0.3	0.3	0.1	33.3	Greece
	Slovakia ⁽¹⁾	(TWh)	20.4	21.0	19.9	-0.6	-2.9	Slovakia
	Russia	(TWh)	42.4	42.8	39.1	-0.4	-0.9	Russia
	Romania	(TWh)	0.1	0.004	-	-0.096	2,400.0	Romania
	Bulgaria	(TWh)	2.7	4.7	3.7	-2.0	-42.6	Bulgaria
	North America	(TWh)	2.9	2.6	2.4	0.3	11.5	North America
	Latin America	(TWh)	66.0	66.0	55.7	-	-	Latin America
	Total net production	(TWh)	293.9	290.2	267.8	3.7	1.3	Enel
	Development of renewables							
	New renewable power ⁽²⁾	(MW)	525.3	403.0	1,634.4	122.2	30.3	Enel
	Hydroelectric	(MW)	2.5	6.8	1,335.7	-4.3	-62.9	Enel
	Wind	(MW)	481.5	347.4	221.8	134.1	38.6	Enel
	Geothermal	(MW)	0.0	33.0	70.9	-33.0	-100.0	Enel
	Photovoltaic	(MW)	41.2	15.8	6.0	25.4	160.4	Enel
	DISTRIBUTION							

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
	Energy transmitted ⁽³⁾	(TWh)	435.0	431.6	393.7	3.4	0.8	Enel
	Municipalities served by electricity grid	(no.)	13,193	13,366	13,054	-173	-1.3	Enel
	SALES							
	Electricity volumes sold by market							
	Volumes sold free market	(GWh)	191,417	183,133	143,775	8,284	4.5	Enel
	Italy ⁽⁴⁾	(GWh)	40,611	45,678	56,066	-5,067	-11.1	Italy ⁽⁴⁾
	Iberian Peninsula	(GWh)	104,935	106,894	72,137	-1,959	-1.8	Iberian Peninsula
	Romania	(GWh)	1,086	923	1,022	163	17.6	Romania
	France	(GWh)	11,398	5,578	3,276	5,820	104.3	France
	Russia	(GWh)	22,374	14,737	5,243	7,637	51.8	Russia
	Slovakia	(GWh)	3,615	2,216	293	1,399	63.1	Slovakia
	Latin America	(GWh)	7,398	7,107	5,738	291	4.1	Latin America
	Volumes sold regulated market	(GWh)	120,370	125,879	144,175	-5,509	-4.4	Enel
	Italy	(GWh)	63,565	67,763	71,273	-4,198	-6.2	Italy
	Iberian Peninsula	(GWh)	0	0	15,371	-	-	Iberian Peninsula
	Romania	(GWh)	7,699	8,103	8,576	-404	-5.0	Romania
	Russia	(GWh)	268	6,316	14,433	-6,048	-95.8	Russia
	Latin America	(GWh)	48,838	43,697	34,522	5,141	11.8	Latin America
	Total volumes sold	(GWh)	311,787	309,012	287,950	2,775	0.9	Enel
	Electricity volumes sold by geographic area							
	Italy	(GWh)	104,176	113,441	127,339	-9,265	-8.2	Italy
	Iberian Peninsula	(GWh)	104,935	106,894	87,508	-1,959	-1.8	Iberian Peninsula
	Romania	(GWh)	8,785	9,026	9,598	-241	-2.7	Romania
	France	(GWh)	11,398	5,578	3,276	5,820	104.3	France
	Russia	(GWh)	22,642	21,053	19,676	1,589	7.5	Russia
	Slovakia	(GWh)	3,615	2,216	293	1,399	63.1	Slovakia
	Latin America	(GWh)	56,237	50,804	40,260	5,433	10.7	Latin America
	Gas volumes sold	(m. m ³)	8.5	8.9	8.6	-0.4	-4.5	Enel
	Italy	(m. m ³)	4.6	5.5	5.2	-0.9	-16.4	Italy
	Iberian Peninsula	(m. m ³)	3.9	3.4	3.4	0.5	14.7	Iberian Peninsula
EC1	ECONOMIC RESULTS							
	Revenues	(m. euro)	79,514	73,377	64,362	6,137	8.4	Enel
	Sales	(m. euro)	17,731	18,697	20,330	-966	-5.2	Enel
	Generation and Energy Management	(m. euro)	23,146	17,540	18,377	5,606	32.0	Enel
	Engineering and Innovation	(m. euro)	397	608	903	-211	-34.7	Enel
	Infrastructure and Networks	(m. euro)	7,460	7,427	7,273	33	0.4	Enel
	Iberia and Latin America	(m. euro)	32,647	31,263	21,800	1,384	4.4	Enel
	International	(m. euro)	7,715	6,360	5,568	1,355	21.3	Enel

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
	Renewable Energy	(m. euro)	2,539	2,179	1,751	360	16.5	Enel
	Parent Company	(m. euro)	762	679	637	83	12.2	Enel
	Services and Other Activities	(m. euro)	1,356	1,133	1,092	223	19.7	Enel
	Eliminations and adjustments	(m. euro)	-14,239	-12,509	-13,369	-1,730	13.8	Enel
	EBITDA	(m. euro)	17,717	17,480	16,371	237	1.4	Enel
	Sales	(m. euro)	561	483	393	78	16.1	Enel
	Generation and Energy Management	(m. euro)	2,182	2,392	3,024	-210	-8.8	Enel
	Engineering and Innovation	(m. euro)	12	14	17	-2	-14.3	Enel
	Infrastructure and Networks	(m. euro)	4,285	3,813	4,017	472	12.4	Enel
	Iberia and Latin America	(m. euro)	7,251	7,896	6,196	-645	-8.2	Enel
	International	(m. euro)	1,642	1,520	1,452	122	8.0	Enel
	Renewable Energy	(m. euro)	1,585	1,310	1,178	275	21.0	Enel
	Other (Parent Company, Services and Other Activities, eliminations and adjustments)	(m. euro)	199	52	94	147	282.7	Enel
	Sales	(%)	3.2	2.8	2.4	0.4	14.6	Enel
	Generation and Energy Management	(%)	12.3	13.7	18.5	-1.4	-10.0	Enel
	Engineering and Innovation	(%)	0.1	0.1	0.1	-	-	Enel
	Infrastructure and Networks	(%)	24.2	21.8	24.5	2.4	10.9	Enel
	Iberia and Latin America	(%)	40.9	45.2	37.8	-4.2	-9.4	Enel
	International	(%)	9.3	8.7	8.9	0.6	6.6	Enel
	Renewable Energy	(%)	8.9	7.5	7.2	1.5	19.4	Enel
	Other (Parent Company, Services and Other Activities, eliminations and adjustments)	(%)	1.1	0.3	0.6	0.8	277.6	Enel
	EBIT	(m. euro)	11,366	11,258	11,032	108.0	1.0	Enel
	EBT	(m. euro)	8,438	8,074	9,345	364.0	4.5	Enel
	Group net income	(m. euro)	4,148	4,390	5,586	-242.0	-5.5	Enel
	Added value for stakeholders							
	Revenues	(m. euro)	79,514	73,377	64,362	6,137	8.4	Enel
	External costs	(m. euro)	56,308	49,567	42,214	6,741	13.6	Enel
	Net income/(expenses) from commodity risk	(m. euro)	272	280	264	-8	-2.9	Enel
	Gross global added value continuing operations	(m. euro)	23,478	24,090	22,412	-612	-2.5	Enel
	Gross added value discontinued operations	(m. euro)	-	-	-158	-	-	Enel
	Gross global added value	(m. euro)	23,478	24,090	22,254	-612	-2.5	Enel
	Shareholders	(m. euro)	2,635	2,350	2,734	285	12.1	Enel
	Lenders	(m. euro)	2,774	2,682	2,418	92	3.4	Enel
	Employees	(m. euro)	4,296	4,907	4,908	-611	-12.5	Enel
	State	(m. euro)	4,475	3,711	3,462	764	20.6	Enel
	Business system	(m. euro)	9,298	10,440	8,732	-1,142	-10.9	Enel
	Economic value obtained							
	Economic value generated directly							
	Revenues	(m. euro)	79,514	73,377	64,362	6,137	8.4	Enel
	Economic value distributed	(m. euro)	70,216	62,937	55,630	7,279	11.6	Enel
	Operating costs	(m. euro)	56,036	49,287	41,950	6,749	13.7	Enel
	Personnel and benefit cost	(m. euro)	4,296	4,907	4,908	-611	-12.5	Enel
	Payment to lenders of capital	(m. euro)	5,409	5,032	5,152	377	7.5	Enel

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
	Payments to governments	(m. euro)	4,475	3,711	3,462	764	20.6	Enel
	Gross added value discontinued operations	(m. euro)	-	-	-158	-	-	Enel
	Economic value obtained	(m. euro)	9,298	10,440	8,732	-1,142	-10.9	Enel
	Investments							
	Investments	(m. euro)	7,484.1	7,090.0	6,824.8	394.1	5.6	Enel
	Valle d'Aosta	(m. euro)	8.8	9.5	11.3	-0.7	-7.1	Enel
	Piedmont	(m. euro)	166.7	132.5	123.7	34.2	25.8	Enel
	Lombardy	(m. euro)	194.5	202.9	207.2	-8.5	-4.2	Enel
	Trentino Alto Adige	(m. euro)	17.2	14.4	12.3	2.8	19.1	Enel
	Veneto	(m. euro)	184.6	171.9	163.5	12.7	7.4	Enel
	Friuli Venezia Giulia	(m. euro)	20.0	15.8	15.7	4.2	26.8	Enel
	Liguria	(m. euro)	51.9	52.2	58.2	-0.3	-0.6	Enel
	Emilia Romagna	(m. euro)	111.0	81.6	102.9	29.4	36.0	Enel
	Tuscany	(m. euro)	197.4	242.3	251.0	-45.0	-18.6	Enel
	Marche	(m. euro)	43.7	27.3	26.2	16.4	60.2	Enel
	Umbria	(m. euro)	25.9	29.3	20.5	-3.4	-11.7	Enel
	Lazio	(m. euro)	434.1	505.4	736.3	-71.3	-14.1	Enel
	Abruzzo	(m. euro)	51.6	35.6	39.1	16.0	44.9	Enel
	Molise	(m. euro)	13.5	13.1	17.3	0.4	3.3	Enel
	Campania	(m. euro)	158.0	190.6	108.0	-32.6	-17.1	Enel
	Puglia	(m. euro)	245.3	198.4	178.2	46.9	23.7	Enel
	Basilicata	(m. euro)	16.2	15.3	23.6	0.9	5.8	Enel
	Calabria	(m. euro)	77.7	209.9	53.1	-132.2	-63.0	Enel
	Sicily	(m. euro)	362.3	233.2	158.2	129.2	55.4	Enel
	Sardinia	(m. euro)	102.2	82.4	95.6	19.8	24.0	Enel
	Total Italy	(m. euro)	2,482.4	2,463.6	2,401.9	18.8	0.8	Enel
	Spain	(m. euro)	206.1	137.0	146.0	69.1	50.4	Enel
	Slovakia	(m. euro)	769.4	500.3	331.0	269.2	53.8	Enel
	Eastern Europe + France + Greece	(m. euro)	795.2	505.6	494.6	289.7	57.3	Enel
	Russia	(m. euro)	358.7	323.6	373.6	35.1	10.8	Enel
	North America	(m. euro)	306.9	172.8	-7.6	134.1	77.6	Enel
	South America	(m. euro)	89.6	121.2	107.8	-31.6	-26.0	Enel
	Endesa	(m. euro)	2,491.2	2,866.0	2,962.2	-374.8	-13.1	Enel
	Total abroad	(m. euro)	5,017.2	4,626.4	4,407.6	390.7	8.4	Enel
	Adjustments	(m. euro)	-15.5	-	15.3	-15.5	-	Enel
	Weight of foreign investments	(%)	67.0	65.3	64.6	1.8	2.7	Enel
2.6	SHAREHOLDERS							
	Composition of shareholder base							
	Investors							
	Ministry of the Economy ⁽⁵⁾	(%)	31.2	31.2	13.9	-	-	Enel SpA
	Cassa Depositi e Prestiti	(%)	-	-	17.4	-	-	Enel SpA
	Institutional investors	(%)	40.3	37.0	37.3	3.3	8.9	Enel SpA
	Retail shareholders	(%)	28.5	31.8	31.4	-3.3	-10.4	Enel SpA
	Location of institutional investors							
	Italy	(%)	14.6	15.4	12.3	-0.8	-5.2	Enel SpA
	UK	(%)	14.9	15.9	19.2	-1.0	-6.3	Enel SpA
	Rest of Europe	(%)	44.8	42.7	39.9	2.1	4.9	Enel SpA

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
	North America	(%)	18.9	21.3	23.4	-2.4	-11.3	Enel SpA
	Rest of World	(%)	6.8	4.7	5.2	2.1	44.7	Enel SpA
	Concentration index (Top 50)	(%)	22.9	19.2	20.1	3.7	19.3	Enel SpA
	Institutional investors' investment style							
	Long Only	(%)	76.5	74.4	67.9	2.1	2.8	Enel SpA
	Index	(%)	9.1	9.5	5.0	-0.4	-4.2	Enel SpA
	Hedge	(%)	1.8	0.7	1.6	1.1	157.1	Enel SpA
	Other	(%)	12.6	15.4	25.5	-2.8	-18.2	Enel SpA
	Socially Responsible Investors (6)							
	Presence of SRI funds	(no.)	81	61	67	20	32.8	Enel SpA
	Enel shares held by SRI funds	(m.)	438.3	457.1	513.7	-18.8	-4.1	Enel SpA
	Weight of SRI funds in institutional funds (7)	(%)	13.9	16.9	18.6	-3.0	-17.8	Enel SpA
	Location of SRIs							
	Italy	(%)	9.4	2.2	2.7	7.2	327.3	Enel SpA
	UK	(%)	14.5	13.7	5.8	0.8	5.8	Enel SpA
	Rest of Europe	(%)	31.6	66.7	71.9	-35.1	-52.6	Enel SpA
	North America	(%)	43.6	15.8	13.8	27.8	175.9	Enel SpA
	Rest of World	(%)	0.9	1.6	5.8	-0.7	-43.8	Enel SpA
	Presence of SRIs in top 10	(no.)	1	2	1	-1	-50.0	Enel SpA
	Share performance							
	Financial performance of shares							
	Enel	(%)	-15.9	-6.4	1.5	-9.6	150.5	Enel SpA
	FTSEMib (MIB30 in 2008)	(%)	-25.2	-12.0	19.5	-13.2	109.2	Enel SpA
	FTSEElec	(%)	-16.4	-6.7	5.8	-9.7	144.3	Enel SpA
	Acea	(%)	-43.2	16.9	-18.5	-60.1	-355.2	Enel SpA
	A2A	(%)	-29.4	-28.8	4.8	-0.6	2.1	Enel SpA
	Centrica	(%)	-13.5	17.6	7.5	-31.1	-176.4	Enel SpA
	Endesa	(%)	-17.9	-19.1	-16.3	1.3	-6.6	Enel SpA
	Iberdrola	(%)	-16.1	-12.9	2.0	-3.2	24.6	Enel SpA
	RWE	(%)	-45.4	-26.3	6.7	-19.1	72.5	Enel SpA
	E.ON	(%)	-27.3	-21.6	2.8	-5.7	26.2	Enel SpA
	Cez	(%)	0.4	-9.7	10.1	10.1	-103.9	Enel SpA
	GDF-Suez	(%)	-22.5	-8.0	-11.7	-14.4	179.5	Enel SpA
	EDF	(%)	-39.4	-24.5	1.4	-14.9	60.5	Enel SpA
	EdP	(%)	-4.4	-19.5	15.1	15.1	-77.6	Enel SpA
	Dividend Yield							
	Enel	(%)	8.3	7.5	6.2	0.8	10.5	Enel SpA
	A2A	(%)	n.a.	5.8	4.8	-	-	Enel SpA
	Centrica	(%)	5.3	4.3	4.6	1.0	23.4	Enel SpA
	Iberdrola	(%)	5.3	0.5	7.0	4.8	-	Enel SpA
	RWE	(%)	7.4	7.0	5.2	0.4	5.0	Enel SpA
	E.ON	(%)	6.0	6.5	5.1	-0.5	-8.3	Enel SpA
	GDF-Suez	(%)	7.1	5.6	4.9	1.5	27.1	Enel SpA
	EDF	(%)	3.0	3.7	1.3	-0.7	-19.1	Enel SpA
	EdP	(%)	7.1	5.3	5.0	1.8	33.2	Enel SpA

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
	Enel on the main world stock indexes							
	E100	(%)	0.5	0.8	0.8	-0.2	-29.9	Enel SpA
	FTSE Italia All Share (MIBTEL in 2008)	(%)	n.a.	9.3	9.3	-	-	Enel SpA
	FTSE Italia All Share Utilities (MIBPUBLH in 2008)	(%)	n.a.	59.7	64.2	-	-	Enel SpA
	BE500	(%)	0.4	0.5	0.6	-0.1	-18.9	Enel SpA
	BEELECT	(%)	8.1	9.7	9.3	-1.6	-16.8	Enel SpA
	Enel in the FTSE4Good sustainability index	(i)	Yes	No	No	-	-	Enel SpA
	Enel presence on the DJSI	(i)	Yes	Yes	Yes	-	-	Enel SpA
	Shareholder return							
	EPS	(euro cents)	44	47	59	-3	-6.4	Enel SpA
	TSR since IPO	(%)	-6.50	-5.6	-5.4	-0.9	15.9	Enel SpA
	TSR last 2 years	(%)	-4.19	5.4	-17.4	-9.6	-178.0	Enel SpA
	Communication with shareholders							
	Meetings with investors ⁽⁸⁾	(no.)	395	550	360	-155	-28.2	Enel SpA
	Information on CSR ⁽⁸⁾	(no.)	58	50	31	8	16.0	Enel SpA
	Information requests from retail shareholders ⁽⁹⁾	(no.)	428	467	820	-39	-8.4	Enel SpA
	LENDERS							
	Debt							
	Total debt	(m. euro)	44,630	44,924	50,870	-294	-0.7	Enel
	Debt to Equity	(i)	0.8	0.8	1.1	-	-	Enel
	Rating							
	S&P	(rating)	A-	A-	A-	-	-	Enel
	Outlook	(rating)	Negative Credit Watch	Stable	Stable	-	-	Enel
	Moody's	(rating)	A3	A2	A2	-	-	Enel
	Outlook	(rating)	Negative Outlook	Negative	Negative	-	-	Enel
	Fitch	(rating)	A-	A-	A-	-	-	Enel
	Outlook	(rating)	Negative Outlook	Stable	Stable	-	-	Enel
LA13, 4.3	CORPORATE GOVERNANCE							
	Board of Directors							
	Members of BoD by type	(no.)	9	9	9	-	-	Enel SpA
	Executive directors	(no.)	2	2	2	-	-	Enel SpA
	Non-executive directors	(no.)	7	7	7	-	-	Enel SpA
	- of whom independent	(no.)	5	5	5	-	-	Enel SpA
	Directors nominated by minority shareholders	(no.)	3	3	3	0	0	Enel SpA
	Women on BoD of the Group							
	Women on BoD of Enel SpA	(no.)	-	-	-	-	-	Enel SpA
	Women on the BoDs of Group companies	(no.)	106	n.a.	n.a.	-	-	Enel SpA
	Members of BoD by age range:							
	Under 35	(%)	0	0	n.a.	-	-	Enel SpA
	35 to 44	(%)	0	0	n.a.	-	-	Enel SpA
	45 to 54	(%)	33.3	11.0	n.a.	22.3	202.7	Enel SpA

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
	55 to 59	(%)	22.2	22.0	n.a.	0.2	0.9	Enel SpA
	Over 60	(%)	44.5	67.0	n.a.	-22.5	-33.6	Enel SpA
	BoD meetings	(no.)	16	15	20	1	6.7	Enel SpA
	Internal dealing							
	Shares held by "important persons" (10)	(,000)	3,079	2,857	2,258	222	7.8	Enel SpA

- (1) The values include the hydroelectric plant at Gabčíkovo in Slovakia (net capacity 739 MW) in carve-out (managed, but not owned, by Enel).
- (2) New renewable power, excluding the changes in scope and disposals; until the 2010 Sustainability Report the published data included the changes of scope and disposals.
- (3) The 2010 figure was modified to take account of a more accurate determination of the quantities transported and includes the distribution network of Deval.
- (4) The values include the sales of Enel Energia (Sales Division) and Enel Trade (Generation & Energy Management Division).
- (5) Since December 16, 2010 the Ministry of the Economy and Finance directly owns 31.2% of Enel SpA's share capital as a result of the trading of equity interests provided for by the decree of the Minister of the Economy and Finance of November 30, 2010.
- (6) Following the change in the methodology to identify SRIs which was made during 2011, the data at the end of 2011 are not comparable with the historic values which cannot be restated with the new criterion.
- (7) Calculated as the ratio between the number of shares held by identified SRIs and the number of shares held by identified institutional investors.
- (8) Values based on the sum of meetings held during the various roadshows and an estimate of the meetings held at Enel with institutional investors.
- (9) Of which 166 written requests and 262 phone calls. The total written requests at December 31, 2011 broke down as follows: a) performance of Enel shares: 2; b) requests for accounting documents: 84; c) information on share dividends and bonds: 62; d) information on the Enel Group's activities: 6; e) information on shareholders' meetings: 3; f) other: 9.
- (10) The number given in this field refers to investments in the shares of Enel SpA, Endesa SA and Enel Green Power SpA made by the directors and statutory auditors of Enel SpA, the directors of Endesa SA, and of a further 28 executive positions at Enel SpA and Endesa SA with regular access to confidential information and authorization to take executive decisions that may impact on the development and future prospects of the Enel Group.

2. Responsibility, transparency, ethics

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
DMA HR	ETHICAL AUDITING							
	Implementation of the Code of Ethics							
	Notifications received by type of stakeholder	(no.)	242	225	243	17	7.6	Enel
	Internal stakeholders	(no.)	52	na	na	-	-	Enel
	External stakeholders	(no.)	58	na	na	-	-	Enel
	Anonymous	(no.)	132	na	na	-	-	Enel
	Notifications received by stakeholder harmed or potentially harmed ⁽¹⁾	(no.)	242	225	243	17	7.6	Enel
	Shareholder	(no.)	104	93	61	11	11.8	Enel
	Customer	(no.)	38	42	46	-4	-9.5	Enel
	Employee	(no.)	51	43	76	8	18.6	Enel
	General public	(no.)	21	17	14	4	23.5	Enel
	Suppliers	(no.)	28	30	46	-2	-6.7	Enel
	Notifications received by status	(no.)	242	225	243	17	7.6	Enel
	Notifications being assessed	(no.)	27	2	0	25	1,250.0	Enel
	Notifications for which a violation has not been confirmed	(no.)	182	182	198	0	0.0	Enel
	Notifications for which a violation has been confirmed ⁽¹⁾	(no.)	33	41	45	-8	-19.5	Enel
HR4 HR11	Violations confirmed by type of episode ⁽¹⁾	(no.)	33	41	45	-8	-19.5	Enel
	Corruption ⁽²⁾	(no.)	20	19	14	1	5.3	Enel
	Mobbing	(no.)	0	0	1	0	0	Enel
	- in relation to gender	(no.)	0	0	0	0	0	Enel
	- in relation to disability	(no.)	0	0	0	0	0	Enel
	Improper use of company resources/ instruments	(no.)	3	8	10	-5	-62.5	Enel
	Human rights	(no.)	0	0	0	0	0	Enel
	Other reasons	(no.)	10	14	20	-4	-28.6	Enel
	Confirmed violations for corruption, by country	(no.)	20	19	14	1	5.3	Enel
	Italy	(no.)	3	n.a.	n.a.	-	-	Enel
	Spain	(no.)	5	n.a.	n.a.	-	-	Enel
	Argentina	(no.)	4	n.a.	n.a.	-	-	Enel
	Brazil	(no.)	5	n.a.	n.a.	-	-	Enel
	Colombia	(no.)	0	n.a.	n.a.	-	-	Enel
	Peru	(no.)	1	n.a.	n.a.	-	-	Enel
	Slovakia	(no.)	1	n.a.	n.a.	-	-	Enel
	Russia	(no.)	1	n.a.	n.a.	-	-	Enel

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
HR1	Significant investment agreements that include clauses on human rights ⁽³⁾	(no.)	2	3	7	-1	-33.3	Enel
	Percentage of significant investment agreements that include clauses on human rights	(%)	100	100	100	0	0	Enel
INSTITUTIONAL RELATIONS								
EC4	Grants							
	Grants received in the year	(m. euro)	111.3	113.5	24.2	-2.1	-1.9	Enel
	Energy networks	(%)	65.7	27.3	41.6	38.4	140.5	Enel
	R&D	(%)	33.2	69.1	14.2	-35.8	-51.9	Enel
	Renewable energy	(%)	1.1	3.6	44.0	-2.6	-70.7	Enel
	Other	(%)	0.0	0.0	0.2	0.0	0.0	Enel
	Number of projects that received disbursements	(no.)	50	60	113	-10	-16.7	Enel
Loans granted by the EIB and others								
	Remaining debt on loans from EIB and others	(m. euro)	4,876.4	5,001.5	4,865.2	-125.1	-2.5	Enel
	- Italy	(m. euro)	3,721.9	3,381.2	3,293.1	340.7	10.1	Enel
	- Abroad (Endesa, Slovakia, Russia)	(m. euro)	1,154.5	1,620.3	1,572.1	-465.8	-28.7	Enel
	Energy networks	(%)	68.9	72.3	80.4	-3.4	-4.7	Enel
	R&D	(%)	0.1	0.1	0.1	0.0	-5.3	Enel
	Renewable energy	(%)	20.0	18.3	12.3	1.8	9.7	Enel
	Other	(%)	11.0	9.4	7.2	1.6	17.1	Enel
	Number of projects in progress approved with loans from EIB and others	(no.)	66	65	60	1	1.5	Enel
Tax revenue								
	IRES, IRAP and other taxes	(m. euro)	2,299	1,569	1,701	730	46.5	Enel
	Taxes abroad	(m. euro)	781	832	897	-51	-6.2	Enel
	Other taxes and duties	(m. euro)	1,162	1,072	671	90	8.4	Enel
	Fees net of contributions received	(m. euro)	233	238	193	-5	-2.1	Enel
CORPORATE IMAGE								
	Presence index	(no.)	2,748	2,470	3,258	278	11.3	Enel
	Global visibility index	(,000)	711	616	1,120	95	15.4	Enel
	Qualitative visibility index (from -1 to +1)	(i)	0.74	0.73	0.89	0.01	1.4	Enel

- (1) During 2011 some of the notifications received in 2010 were completed, for this reason the number of violations relating to 2010 was modified (from 39 to 41).
- (2) Corruption consists of the abuse of power conferred with the goal of private gain and can be instigated by individuals in the public or private sector. It is interpreted here as including corrupt practices such as bribes, fraud, extortion, collusion, conflict of interest and money-laundering.
- (3) The total number given corresponding to this item also takes account, for 2010 and 2009, of initiatives aimed at the acquisition of shares of rights in exploration licenses. Therefore, the percentage which describes the important investment agreements approved by the BoD refers to only the formalized agreements.

3. The energy of our people

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
LA1	SIZE AND COMPOSITION OF WORKFORCE (*)							
	Size of workforce							
	Total workforce	(no.)	75,360	78,313	81,208	-2,953	-3.8	Enel
	Hours worked	(m. h)	133.4	143.0	147.3	-9.6	-6.7	Enel
LA2_{COMM}	Changes to size of workforce							
	New recruits	(no.)	4,230	3,761	4,644	469	12.5	Enel
	Changes in scope	(no.)	-2,462	-335	7,618	-2,127	635.3	Enel
	Terminations	(no.)	4,721	6,321	7,035	-1,600	-25.3	Enel
	Balance	(no.)	-2,953	-2,895	5,227	-58	2.0	Enel
LA1_{COMM}	Workforce by geographic area and gender							
	Italy	(no.)	36,842	37,383	38,121	-541	-1.4	Italy
	- of whom men	(no.)	30,505	31,102	31,828	-597	-1.9	Italy
	- of whom women	(no.)	6,338	6,281	6,293	56	0.9	Italy
	Abroad	(no.)	38,518	40,930	43,087	-2,412	-5.9	Abroad
	- of whom men	(no.)	29,923	32,335	33,802	-2,411	-7.5	Abroad
	- of whom women	(no.)	8,594	8,595	9,286	-1	0.0	Abroad
	Iberian Peninsula	(no.)	12,325	12,393	13,498	-69	-0.6	Iberian Peninsula
	- of whom men	(no.)	9,731	9,940	10,961	-210	-2.1	Iberian Peninsula
	- of whom women	(no.)	2,594	2,453	2,537	141	5.8	Iberian Peninsula
	France	(no.)	97	83	69	14	16.9	France
	- of whom men	(no.)	57	50	44	7	14.0	France
	- of whom women	(no.)	40	33	25	7	21.2	France
	Greece	(no.)	67	56	89	11	19.6	Greece
	- of whom men	(no.)	48	38	52	10	26.3	Greece
	- of whom women	(no.)	19	18	37	1	5.6	Greece
	Romania	(no.)	4,533	4,706	4,878	-173	-3.7	Romania
	- of whom men	(no.)	3,370	3,482	3,614	-112	-3.2	Romania
	- of whom women	(no.)	1,163	1,224	1,264	-61	-5.0	Romania
	Bulgaria	(no.)	8	511	629	-503	-98.4	Bulgaria
	- of whom men	(no.)	3	427	517	-424	-99.3	Bulgaria
	- of whom women	(no.)	5	84	112	-79	-94.0	Bulgaria
	Slovakia	(no.)	5,322	5,374	5,831	-52	-1.0	Slovakia
	- of whom men	(no.)	4,521	4,666	4,936	-145	-3.1	Slovakia
	- of whom women	(no.)	801	708	895	93	13.1	Slovakia
	Belgium	(no.)	37	36	3	1	2.8	Belgium
	- of whom men	(no.)	34	36	3	-2	-5.6	Belgium
	- of whom women	(no.)	3	0	0	3	-	Belgium

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
	Ireland	(no.)	113	109	164	4	3.7	Ireland
	- of whom men	(no.)	99	96	148	3	3.1	Ireland
	- of whom women	(no.)	14	13	16	1	7.7	Ireland
	Russia	(no.)	3,870	4,233	4,390	-363	-8.6	Russia
	- of whom men	(no.)	2,508	2,972	2,795	-463	-15.6	Russia
	- of whom women	(no.)	1,362	1,261	1,596	101	8.0	Russia
	North America	(no.)	320	319	280	1	0.3	North America
	- of whom men	(no.)	255	260	236	-5	-1.9	North America
	- of whom women	(no.)	65	59	44	6	10.2	North America
	America Latina	(no.)	11,649	12,940	13,142	-1,291	-10.0	Latin America
	- of whom men	(no.)	9,197	10,198	10,385	-1,002	-9.8	Latin America
	- of whom women	(no.)	2,453	2,742	2,757	-290	-10.6	Latin America
	Other (including branches abroad)	(no.)	177	170	114	7	4.1	Rest of World
	- of whom men	(no.)	101	170	111	-69	-40.6	Rest of World
	- of whom women	(no.)	76	0	3	76	-	Rest of World
	Total workforce	(no.)	75,360	78,313	81,208	-2,953	-3.8	Enel
	- of whom men	(no.)	60,428	63,437	65,629	-3,009	-4.7	Enel
	- of whom women	(no.)	14,932	14,876	15,579	56	0.4	Enel
	Workforce by level and gender							
	Executives	(no.)	1,190	1,256	1,351	-66	-5.2	Enel
	- of whom men	(no.)	1,037	1,115	1,193	-78	-7.0	Enel
	- of whom women	(no.)	153	141	158	12	8.5	Enel
	Supervisors (*)	(no.)	14,098	14,255	8,817	-157	-1.1	Enel
	- of whom men	(no.)	10,507	10,735	5,365	-228	-2.1	Enel
	- of whom women	(no.)	3,591	3,520	3,452	71	2.0	Enel
	White-collar employees (*)	(no.)	41,085	42,166	48,928	-1,081	-2.6	Enel
	- of whom men	(no.)	31,330	32,402	38,826	-1,071	-3.3	Enel
	- of whom women	(no.)	9,755	9,764	10,102	-9	-0.1	Enel
	Blue-collar workers	(no.)	18,987	20,636	22,112	-1,649	-8.0	Enel
	- of whom men	(no.)	17,554	19,185	20,245	-1,631	-8.5	Enel
	- of whom women	(no.)	1,433	1,451	1,867	-18	-1.2	Enel
	Index of professional qualification							
	Executives	(%)	1.6	1.6	1.7	0	-1.5	Enel
	Supervisors	(%)	18.7	18.2	10.9	0.5	2.8	Enel
	White-collar employees	(%)	54.5	53.8	60.2	0.7	1.3	Enel
	Blue-collar workers	(%)	25.2	26.4	27.2	-1.2	-4.4	Enel
	Workforce by level of education (*)							
	Graduates	(%)	27.6	26.3	24.8	1.3	4.9	Enel
	High-school leavers	(%)	45.1	45.2	44.2	-0.1	-0.3	Enel

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
	Other	(%)	27.3	28.5	31.0	-1.2	-4.1	Enel
	Workforce by age range and level							
	Below 35	(%)	19.3	19.9	19.7	-0.6	-3.0	Enel
	- of whom executives	(%)	0	-	-	-	-	Enel
	- of whom supervisors	(%)	3.5	-	-	-	-	Enel
	- of whom white-collar employees	(%)	9.5	-	-	-	-	Enel
	- of whom blue-collar workers	(%)	6.3	-	-	-	-	Enel
	35 to 44	(%)	25.0	26.4	26.8	-1.4	-5.3	Enel
	- of whom executives	(%)	0.4	-	-	-	-	Enel
	- of whom supervisors	(%)	7.0	-	-	-	-	Enel
	- of whom white-collar employees	(%)	12.6	-	-	-	-	Enel
	- of whom blue-collar workers	(%)	5.1	-	-	-	-	Enel
	45 to 54	(%)	37.4	37.1	38.2	0.3	0.7	Enel
	- of whom executives	(%)	0.8	-	-	-	-	Enel
	- of whom supervisors	(%)	5.6	-	-	-	-	Enel
	- of whom white-collar employees	(%)	22.0	-	-	-	-	Enel
	- of whom blue-collar workers	(%)	9.0	-	-	-	-	Enel
	55 to 59	(%)	16.0	14.4	13.6	1.6	11.4	Enel
	- of whom executives	(%)	0.3	-	-	-	-	Enel
	- of whom supervisors	(%)	2.1	-	-	-	-	Enel
	- of whom white-collar employees	(%)	9.3	-	-	-	-	Enel
	- of whom blue-collar workers	(%)	4.4	-	-	-	-	Enel
	Over 60	(%)	2.3	2.2	1.7	0.1	4.6	Enel
	- of whom executives	(%)	0.1	-	-	-	-	Enel
	- of whom supervisors	(%)	0.6	-	-	-	-	Enel
	- of whom white-collar employees	(%)	1.2	-	-	-	-	Enel
	- of whom blue-collar workers	(%)	0.4	-	-	-	-	Enel
	Average age	(years)	44.7	44.9	43.2	-0.2	-0.4	Enel
	Workforce by age range and gender							
	Below 35	(%)	19.3	19.9	19.7	-0.6	-3.1	Enel
	- of whom men	(%)	15.1	-	-	-	-	Enel
	- of whom women	(%)	4.2	-	-	-	-	Enel
	35 to 44	(%)	25.0	26.4	26.8	-1.4	-5.4	Enel
	- of whom men	(%)	18.5	-	-	-	-	Enel
	- of whom women	(%)	6.5	-	-	-	-	Enel
	45 to 54	(%)	37.4	37.1	38.2	0.3	0.7	Enel
	- of whom men	(%)	30.4	-	-	-	-	Enel
	- of whom women	(%)	7.0	-	-	-	-	Enel
	55 to 59	(%)	16.0	14.4	13.6	1.6	11.3	Enel
	- of whom men	(%)	14.1	-	-	-	-	Enel
	- of whom women	(%)	1.9	-	-	-	-	Enel

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
	Over 60	(%)	2.3	2.2	1.7	0.1	4.7	Enel
	- of whom men	(%)	2.1	-	-	-	-	Enel
	- of whom women	(%)	0.2	-	-	-	-	Enel
	Workforce by years of service ⁽¹⁾							
	Under 10	(no.)	21,921	22,893	23,285	-972.1	-4.2	Enel
	10 to 19	(no.)	14,769	16,153	17,310	-1,384.5	-8.6	Enel
	20 to 29	(no.)	22,756	23,675	25,395	-919.0	-3.9	Enel
	30 to 34	(no.)	9,887	9,587	10,349	300.6	3.1	Enel
	Over 35	(no.)	6,028	5,838	4,760	190.0	3.3	Enel
	Average length of service	(years)	18.7	18.5	17.0	0.2	0.9	Enel
	Workforce by type of contract and gender ⁽¹⁾							
	Permanent contracts	(no.)	73,298	75,915	78,317	-2,617	-3.4	Enel
	- of whom men	(no.)	59,007	-	-	-	-	Enel
	- of whom women	(no.)	14,292	-	-	-	-	Enel
	Fixed-term contracts	(no.)	1,507	1,545	2,180	-38	-2.4	Enel
	- of whom men	(no.)	1,048	-	-	-	-	Enel
	- of whom women	(no.)	459	-	-	-	-	Enel
	Insertion/work experience contracts	(no.)	555	685	602	-130	-19.0	Enel
	- of whom men	(no.)	382	-	-	-	-	Enel
	- of whom women	(no.)	173	-	-	-	-	Enel
	Fixed-term and insertion/work experience contracts as percentage of total	(%)	2.7	2.9	3.4	-0.1	-4.1	Enel
	Internships and traineeships	(no.)	1,853	1,797	1,370	56	3.1	Enel
	Workforce by work hours and gender ⁽¹⁾							
	Full-time contracts	(no.)	74,217	76,931	79,811	-2,714	-3.5	Enel
	- of whom men	(no.)	60,289	-	-	-	-	Enel
	- of whom women	(no.)	13,928	-	-	-	-	Enel
	Part-time contracts	(no.)	1,144	1,214	1,288	-71	-5.8	Enel
	- of whom men	(no.)	173	-	-	-	-	Enel
	- of whom women	(no.)	971	-	-	-	-	Enel
LA2_COMM	CHANGES TO SIZE OF WORKFORCE							
	New recruits ⁽²⁾							
	New recruits by gender	(no.)	4,150	3,761	4,644	389	10.3	Enel
	- of whom men	(no.)	2,808	-	-	-	-	Enel
		(%)	68	-	-	-	-	Enel
	- of whom women	(no.)	1,342	-	-	-	-	Enel
		(%)	32	-	-	-	-	Enel
	New recruits by age range	(no.)	4,150	3,761	4,644	389	10.3	Enel
	up to 30	(no.)	1,956	-	-	-	-	Enel
		(%)	47	-	-	-	-	Enel
	30 to 50	(no.)	1,942	-	-	-	-	Enel

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
		(%)	47	-	-	-	-	Enel
	over 50	(no.)	252	-	-	-	-	Enel
		(%)	6	-	-	-	-	Enel
	New recruits by nationality	(no.)	4,150	3,761	4,644	389	10.3	Enel
	Italy	(no.)	1,052	1,084	979	-32	-3.0	Italy
		(%)	25.4	29.7	23.3	-4.3	-14.6	Italy
	Iberian Peninsula	(no.)	1,115	517	587	598	115.7	Iberian Peninsula
		(%)	26.9	14.2	14.0	12.7	89.8	Iberian Peninsula
	Slovakia	(no.)	245	216	401	29	13.4	Slovakia
		(%)	5.9	5.9	9.6	0	-0.2	Slovakia
	Romania	(no.)	79	68	90	11	16.2	Romania
		(%)	1.9	1.9	2.1	0	2.2	Romania
	Russia	(no.)	233	221	338	12	5.4	Russia
		(%)	5.6	6.0	8.0	-0.4	-7.3	Russia
	France	(no.)	22	32	20	-10	-31.3	France
		(%)	0.5	0.9	0.5	-0.3	-39.5	France
	Greece	(no.)	11	32	12	-21	-65.6	Greece
		(%)	0.3	0.9	0.3	-0.6	-69.7	Greece
	North America	(no.)	60	85	44	-25	-29.4	North America
		(%)	1.4	2.3	1.0	-0.9	-37.9	North America
	Latin America	(no.)	1,318	1,343	1,691	-25	-1.9	Latin America
		(%)	31.8	36.8	40.3	-5.0	-13.6	Latin America
	Other	(no.)	15	54	37	-39	-72.2	Other
		(%)	0.4	1.5	0.9	-1.1	-75.6	Other
	Effect of changes in boundary	(no.)	-2,462	-335	7,618	-2,127	635.3	Enel
	Terminations (2)							
	Terminations by gender	(no.)	4,662	6,222	3,914	-1,560	-25.1	Enel (3)
	- of whom men	(no.)	3,632	5,107	2,920	-1,475	-28.9	Enel (3)
		(%)	78	82	75	-4	-5.1	Enel (3)
	- of whom women	(no.)	1,029	1,115	994	-85	-7.7	Enel (3)
		(%)	22	18	25	4	23.2	Enel (3)
	Terminations by age range	(no.)	4,662	6,222	3,914	-1,560	-25.1	Enel (3)
	up to 30	(no.)	458	838	251	-381	-45.4	Enel (3)
		(%)	10	13	6	-4	-27.2	Enel (3)
	30 to 50	(no.)	1,341	1,523	686	-181	-11.9	Enel (3)
		(%)	29	24	18	4	17.6	Enel (3)
	over 50	(no.)	2,863	3,860	2,977	-997	-25.8	Enel (3)
		(%)	61	62	76	-1	-1.0	Enel (3)

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
	Terminations by nationality	(no.)	4,662	6,222	3,914	-1,560	-25.1	Enel ⁽³⁾
	Italy	(no.)	1,345	1,747	1,942	-402	-23.0	Italy
		(%)	28.9	27.6	27.6	1.2	4.4	Italy
	Iberian Peninsula	(no.)	1,222	1,436	775	-214	-14.9	Iberian Peninsula
		(%)	26.2	22.7	11.0	3.5	15.4	Iberian Peninsula
	Slovakia	(no.)	297	622	532	-325	-52.3	Slovakia
		(%)	6.4	9.8	7.6	-3.5	-35.2	Slovakia
	Romania	(no.)	252	240	416	12	5.0	Romania
		(%)	5.4	3.8	5.9	1.6	42.4	Romania
	Russia	(no.)	591	376	718	216	57.4	Russia
		(%)	12.7	5.9	10.2	6.7	113.5	Russia
	France	(no.)	8	11	8	-3	-27.3	France
		(%)	0.2	0.2	0.1	0	-1.4	France
	Greece	(no.)	0	2	8	-2	-100.0	Greece
		(%)	0	0	0.1	0	-100.0	Greece
	North America	(no.)	59	48	30	11	22.9	North America
		(%)	1.3	0.8	0.4	0.5	66.7	North America
	Latin America	(no.)	880	1,548	2,472	-668	-43.2	Latin America
		(%)	18.9	24.5	35.1	-5.6	-22.9	Latin America
	Other	(no.)	7	291	134	-284	-97.6	Other
		(%)	0.2	4.6	1.9	-4.5	-96.7	Other
	Turnover rate	(%)	6.2	8.1	8.7	-1.9	-23.4	Enel
	Average number of years of service of employees whose employment terminated in the year	(length of service)	23	22	24	1	4.4	Enel ⁽⁴⁾
	by gender:							
	- men	(length of service)	25	23	26	2	7.4	Enel ⁽⁴⁾
	- women	(length of service)	17	18	18	-1	-4.6	Enel ⁽⁴⁾
	by age:							
	- under 30	(length of service)	3	2	2	1	34.4	Enel ⁽⁴⁾
	- 30-50	(length of service)	12	9	10	2	25.8	Enel ⁽⁴⁾
	- over 50	(length of service)	31	31	29	0	1.5	Enel ⁽⁴⁾
LA12	VALORIZATION							
	Assessment							
	Dissemination of assessments	(%)	61.7	60.0	18.4	2	2.8	Enel ⁽⁵⁾
	People assessed by level	(no.)	46,474	46,886	14,951	-412	-0.9	Enel ⁽⁵⁾

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
	- Executives	(no.)	1,025	1,190.2	869	-165	-13.9	Enel ⁽⁵⁾
	- Supervisors	(no.)	12,766	12,746	7,818	20	0.2	Enel ⁽⁵⁾
	- White-collar employees	(no.)	29,700	29,755	5,284	-55	-0.2	Enel ⁽⁵⁾
	- Blue-collar workers	(no.)	2,983	3,195	982	-212	-6.6	Enel ⁽⁵⁾
	People assessed by gender							
	- men	(%)	77.3	-	-	-	-	Enel ⁽⁵⁾
	- women	(%)	22.7	-	-	-	-	Enel ⁽⁵⁾
	Compensation							
	Dissemination of incentives	(%)	23.2	22.3	22.3	0.9	4.3	Enel
	Incidence of variable compensation	(%)	9.4	8.6	4.9	0.8	9.3	Enel ⁽⁶⁾
	Italy	(%)	8.1	7.7	6.9	0.3	4.3	Italy
	Romania	(%)	5.2	5.3	7.4	-0.2	-2.9	Romania
	Bulgaria	(%)	8.8	8.1	11.5	0.7	8.7	Bulgaria
	Slovakia	(%)	17.2	21.8	20.1	-4.7	-21.3	Slovakia
	Russia	(%)	23.5	20.4	17.6	3.1	15.1	Russia
	France	(%)	16.8	10.4	4.6	6.4	61.2	France
	Greece	(%)	7.2	7.9	-	-0.7	-8.5	Greece
	Endesa Spain	(%)	8.1	7.8	6.0	0.3	4.1	Endesa Spain
	Endesa Peru	(%)	52.5	25.0	43.1	27.5	110.3	Endesa Peru
	Endesa Brazil	(%)	5.9	3.1	9.2	2.8	90.3	Endesa Brazil
	Endesa Chile	(%)	18.1	17.7	20.4	0.3	1.9	Endesa Chile
	Endesa Colombia	(%)	18.6	7.1	10.8	11.5	162.5	Endesa Colombia
	Endesa Argentina	(%)	3.7	5.1	5.9	-1.4	-28.0	Endesa Argentina
	EGP Latin America	(%)	23.1	25.0	27.0	-1.9	-7.8	EGP Latin America
	EGP Iberian Peninsula	(%)	13.5	35.5	18.2	-22.1	-62.1	EGP Iberian Peninsula
LA10	Training							
	Hours of training by employee	(h)	44.7	36.3	38.1	8.4	23.1	Enel ⁽⁷⁾
	by gender:							
	- of whom men	(h)	45.2	-	-	-	-	Enel ⁽⁷⁾
	- of whom women	(h)	42.6	-	-	-	-	Enel ⁽⁷⁾
	by level:							
	- Executives	(h)	49.4	57.4	59.6	-8.0	-13.9	Enel ⁽⁷⁾
	- Supervisors	(h)	61.5	50.2	51.6	11.3	22.6	Enel ⁽⁷⁾
	- White-collar employees	(h)	40.2	32.4	33.1	7.8	24.1	Enel ⁽⁷⁾
	- Blue-collar workers	(h)	42.1	34.8	38.4	7.3	21.0	Enel ⁽⁷⁾
	Total training hours (distance learning + classroom)	(,000 h)	3,389	2,889	3,171	500	17.3	Enel ⁽⁷⁾
	Training hours distance learning	(,000 h)	321	241	253	80	33.3	Enel ⁽⁷⁾
	Training hours in classroom	(,000 h)	3,068	2,648	2,917	420	15.9	Enel ⁽⁷⁾
	- for managerial training	(,000 h)	991	581	738	410	70.7	Enel ⁽⁷⁾

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
	- for specialist training	(,000 h)	2,077	2,068	2,179	10	0.5	Enel ⁽⁷⁾
	Incidence of training distance learning	(%)	9.5	8.3	8.0	1.1	13.6	Enel ⁽⁷⁾
	Total training hours by level							
	- Executives	(,000 h)	59,913	71,782	80,485.4	-11,869	-16.5	Enel ⁽⁷⁾
	- Supervisors	(,000 h)	851,946	716,759	760,546.3	135,187	18.9	Enel ⁽⁷⁾
	- White-collar employees	(,000 h)	1,648,999	1,365,463	1,414,850.8	283,536	20.8	Enel ⁽⁷⁾
	- Blue-collar workers	(,000 h)	828,138	734,594	916,574.8	93,544	12.7	Enel ⁽⁷⁾
	Dissemination of sustainability							
	Training <i>per capita</i> on sustainability	(h)	15.9	13.5	15.7	2.4	18.1	Enel ⁽⁷⁾
	SAFETY⁽⁸⁾							
	Safety expense							
	Safety expense per employee	(€)	2,004	1,559	1,307	445	28.5	Enel
	Total safety expense	(m. euro)	149.1	121.1	105.2	28.0	23.1	Enel
	Training	(m. euro)	37.3	29.7	19.4	7.6	25.6	Enel
	Medical supervision	(m. euro)	7.1	6.3	4.3	0.8	12.7	Enel
	Individual protection devices (IPD)	(m. euro)	16.1	14.2	17.0	1.9	13.3	Enel
	Personnel cost	(m. euro)	61.7	57.3	46.4	4.4	7.7	Enel
	Studies, research, etc.	(m. euro)	27.0	13.7	18.1	13.3	97.1	Enel
	Medical checks ⁽⁹⁾	(no.)	79,685	92,955	78,900	-13,270	-14.3	Enel
LA7_{COMM}	Number and frequency of injuries							
	Occupational injuries to employees	(no.)	12	25	40	-13	-52.0	Enel
	- men	(no.)	12	25	-	-13	-52.0	
	- women	(no.)	0	0	-	-	-	
	of which fatal	(no.)	1	3	3	-2	-66.7	Enel
	- men	(no.)	1	3	3	-2	-66.7	Enel
	- women	(no.)	0	0	0	-	-	Enel
	of which serious ⁽¹⁰⁾	(no.)	11	22	37	-11	-50.0	Enel
	- men	(no.)	11	22	-	-11	-50.0	Enel
	- women	(no.)	0	0	-	-	-	Enel
	Frequency rate	(no.)	2.4	2.8	3.6	-0.4	-14.3	Enel
	Lost-Time Injuries Frequency Rate ⁽¹¹⁾	(i)	0.47	0.55	0.72	-0.08	-14.5	Enel
	- men	(i)	0.54	0.61	0.81	-0.07	-11.5	Enel
	- women	(i)	0.19	0.27	0.29	-0.08	-29.6	Enel
	Italy	(i)	0.68	0.77	1.01	-0.09	-11.7	Italy
	- men	(i)	0.75	0.81	1.12	-0.06	-7.4	Italy
	- women	(i)	0.29	0.53	0.54	-0.24	-45.3	Italy
	Spain	(i)	0.38	0.55	0.87	-0.17	-30.9	Spain
	- men	(i)	0.42	0.61	0.99	-0.19	-31.1	Spain
	- women	(i)	0.16	0.26	0.34	-0.10	-38.5	Spain
	France	(i)	0	0	0	-	-	France
	- men	(i)	0	0	0	-	-	France
	- women	(i)	0	0	0	-	-	France
	Ireland	(i)	1.06	0	0	1.06	-	Ireland

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
	- men	(i)	1.29	0	0	1.29	-	Ireland
	- women	(i)	0	0	0	-	-	Ireland
	Russia	(i)	0.06	0.09	0.03	-0.03	-33.3	Russia
	- men	(i)	0.05	0.13	0.04	-0.08	-61.5	Russia
	- women	(i)	0.08	0	0	0.08	-	Russia
	Slovakia	(i)	0.15	0.14	0.10	0.01	7.1	Slovakia
	- men	(i)	0.18	0.14	0.11	0.04	28.6	Slovakia
	- women	(i)	0	0.15	0	-0.15	-100.0	Slovakia
	Romania	(i)	0.05	0.09	0.07	-0.04	-44.4	Romania
	- men	(i)	0.06	0.12	0.09	-0.06	-50.0	Romania
	- women	(i)	0	0	0	-	-	Romania
	Grecia	(i)	0	0	0	-	-	Greece
	- men	(i)	0	0	0	-	-	Greece
	- women	(i)	0	0	0	-	-	Greece
	North America	(i)	0.32	0	0.76	0.32	-	North America
	- men	(i)	0.40	0	0.89	0.40	-	North America
	- women	(i)	0	0	0	-	-	North America
	EGP Latin America	(i)	0.31	0	0.69	0.31	-	EGP Latin America
	- men	(i)	0.37	0	0.82	0.37	-	EGP Latin America
	- women	(i)	0	0	0	-	-	EGP Latin America
	Peru	(i)	0	0.16	0.31	-0.16	-100.0	Peru
	- men	(i)	0	0.11	0.31	-0.11	-100.0	Peru
	- women	(i)	0	0.35	0.31	-0.35	-100.0	Peru
	Brazil	(i)	0.26	0.28	0.60	-0.02	-6.1	Brazil
	- men	(i)	0.27	0.24	0.75	0.03	12.5	Brazil
	- women	(i)	0.24	0.40	0.13	-0.16	-40.0	Brazil
	Chile	(i)	0.04	0.48	0.47	-0.44	-92.2	Chile
	- men	(i)	0.05	0.50	0.38	-0.45	-90.0	Chile
	- women	(i)	0	0.39	0.88	-0.39	-100.0	Chile
	Argentina	(i)	1.05	0.84	0.71	0.21	25.2	Argentina
	- men	(i)	1.12	0.98	0.82	0.14	14.3	Argentina
	- women	(i)	0.65	0	0	0.65	-	Argentina
	Colombia	(i)	0.25	0.56	0.58	-0.32	-56.2	Colombia
	- men	(i)	0.20	0.77	0.54	-0.57	-74.0	Colombia
	- women	(i)	0.39	0	0.67	0.39	-	Colombia
	Other	(i)	0	0.18	0.45	-0.18	-	Other
	- men	(i)	0	0.21	0.53	-0.21	-	Other
	- women	(i)	0	0	0	-	-	Other
	Seriousness of injuries							
	Lost Day Rate ⁽¹⁰⁾	(i)	22.2	26.6	28.9	-4.4	-16.5	Enel
	- men	(i)	25.4	31.0	33.2	-5.6	-18.1	Enel
	- women	(i)	7.4	6.5	8.9	0.9	13.8	Enel

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
	Italy	(i)	26.8	35.5	40.6	-8.7	-24.5	Italy
	- men	(i)	29.1	39.8	45.5	-10.7	-26.9	Italy
	- women	(i)	13.1	9.9	11.0	3.2	32.3	Italy
	Spain	(i)	25.2	40.3	48.8	-15.1	-37.5	Spain
	- men	(i)	29.0	47.5	55.5	-18.5	-38.9	Spain
	- women	(i)	8.6	7.8	21.3	0.8	10.3	Spain
	France	(i)	0	0	0	-	-	France
	- men	(i)	0	0	0	-	-	France
	- women	(i)	0	0	0	-	-	France
	Ireland	(i)	214.4	0	0	214.4	-	Ireland
	- men	(i)	262.6	0	0	262.6	-	Ireland
	- women	(i)	0	0	0	-	-	Ireland
	Russia	(i)	1.0	9.9	4.5	-8.9	-89.9	Russia
	- men	(i)	0.7	14.3	6.6	-13.6	-95.1	Russia
	- women	(i)	1.5	0	0	1.5	-	Russia
	Slovakia	(i)	11.3	8.5	1.7	2.8	32.9	Slovakia
	- men	(i)	13.2	9.6	2.0	3.5	37.5	Slovakia
	- women	(i)	0.0	1.3	0.0	-1.3	-100.0	Slovakia
	Romania	(i)	3.6	6.3	2.9	-2.7	-42.9	Romania
	- men	(i)	4.8	8.4	3.9	-3.6	-42.9	Romania
	- women	(i)	0	0	0	-	-	Romania
	Greece	(i)	0	0	0	-	-	Greece
	- men	(i)	0	0	0	-	-	Greece
	- women	(i)	0	0	0	-	-	Greece
	North America	(i)	0.3	0	5.7	0.3	-	North America
	- men	(i)	0.4	0	6.7	0.4	-	North America
	- women	(i)	0	0	0	-	-	North America
	EGP Latin America	(i)	2.2	0	13.5	2.2	-	EGP Latin America
	- men	(i)	2.6	0	16.1	2.6	-	EGP Latin America
	- women	(i)	0	0	0	-	-	EGP Latin America
	Peru	(i)	0	0.8	11.7	-0.8	-100.0	Peru
	- men	(i)	0	0.7	14.6	-0.7	-100.0	Peru
	- women	(i)	0	1.0	3.4	-1.0	-100.0	Peru
	Brazil	(i)	34.5	18.5	9.8	16.0	86.5	Brazil
	- men	(i)	45.4	23.4	12.6	22.0	94.0	Brazil
	- women	(i)	0.9	4.0	1.1	-3.1	-77.5	Brazil
	Chile	(i)	0.2	4.4	9.3	-4.2	-95.5	Chile
	- men	(i)	0.3	4.4	6.3	-4.1	-93.2	Chile
	- women	(i)	0	4.5	22.1	-4.5	-100.0	Chile
	Argentina	(i)	43.6	29.1	22.1	14.5	49.8	Argentina
	- men	(i)	47.7	29.1	25.7	18.6	63.9	Argentina
	- women	(i)	18.8	28.7	0.0	-9.9	-34.5	Argentina
	Colombia	(i)	15.0	11.3	6.5	3.7	32.7	Colombia

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
	- men	(i)	18.9	15.4	6.6	3.5	22.7	Colombia
	- women	(i)	2.6	0	6.2	2.6	-	Colombia
	Other	(i)	0	3.6	37.1	-3.6	-100.0	Other
	- men	(i)	0	4.2	43.6	-4.2	-100.0	Other
	- women	(i)	0	0	0	-	-	Other
	Injury seriousness index	(i)	0.11	0.13	0.14	-0.02	-15.4	Enel
	- men	(i)	0.13	0.15	0.17	-0.02	-13.3	Enel
	- women	(i)	0.04	0.03	0.04	0.01	33.3	Enel
	Absences due to injuries	(d)	15,240	19,405	21,128	-4,165	-21.5	Enel
	- men	(d)	14,318	18,559	19,957	-4,241	-22.9	Enel
	- women	(d)	922	846	1,171	0.01	0.001	Enel
	Work-related illnesses							
	Occupational disease rate (ODR)	(i)	0.020	0.024	-	-0.004	-16.7	Enel ⁽¹²⁾
	Absenteeism							
	Absentee Rate⁽¹³⁾	(i)	5,665	5,734	8,818	-69	-1.2	Enel
EC3	CORPORATE WELFARE							
	Employees covered by pension plan (Benefit Plan)	(no.)	56,083	57,473	53,368	-1,390	-2.4	Enel ⁽¹⁴⁾
	Employees covered by pension plan (Benefit Plan)	(%)	74	73	66	1	1.4	Enel ⁽¹⁴⁾
EU15	Employees entitled to retire in next 5 and 10 years by geographic area <i>(the main countries in which Enel operates are listed)</i>							
	Employees with right to retire in next 5 years - Enel Group							
	- Executives	(%)	6	13	8	-7	-52.6	Enel ⁽¹⁵⁾
	- Supervisors	(%)	5	10	8	-5	-49.9	Enel ⁽¹⁵⁾
	- White-collar employees	(%)	5	15	12	-10	-67.1	Enel ⁽¹⁵⁾
	- Blue-collar workers	(%)	7	16	13	-9	-58.0	Enel ⁽¹⁵⁾
	Average	(%)	5	14	11	-9	-63.6	Enel ⁽¹⁵⁾
	Retirement within 10 years - Enel Group							
	- Executives	(%)	19	31	19	-12	-39.3	Enel ⁽¹⁵⁾
	- Supervisors	(%)	13	32	17	-19	-59.8	Enel ⁽¹⁵⁾
	- White-collar employees	(%)	20	35	27	-15	-43.4	Enel ⁽¹⁵⁾
	- Blue-collar workers	(%)	23	33	30	-10	-29.9	Enel ⁽¹⁵⁾
	Average	(%)	19	32	26	-13	-40.3	Enel ⁽¹⁵⁾
	Retirement within 5 years - Italy							
	- Executives	(%)	5	13	11	-8	-60.3	Italy
	- Supervisors	(%)	5	15	15	-10	-65.7	Italy
	- White-collar employees	(%)	6	20	19	-14	-70.3	Italy
	- Blue-collar workers	(%)	7	22	21	-15	-69.0	Italy
	Average	(%)	6	20	19	-14	-70.7	Italy
	Retirement within 10 years - Italy							
	- Executives	(%)	21	24	26	-3	-12.4	Italy
	- Supervisors	(%)	18	32	32	-15	-46.7	Italy
	- White-collar employees	(%)	25	42	41	-17	-40.8	Italy
	- Blue-collar workers	(%)	27	42	44	-15	-35.7	Italy

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
	Average	(%)	25	40	41	-15	-37.1	Italy
	Retirement within 5 years - Slovakia							
	- Executives	(%)	5	12	19	-7	-59.5	Slovakia
	- Supervisors	(%)	12	10	11	2	19.2	Slovakia
	- White-collar employees	(%)	8	7	8	1	14.8	Slovakia
	- Blue-collar workers	(%)	8	6	6	2	32.5	Slovakia
	Average	(%)	8	7	8	1	14.3	Slovakia
	Retirement within 10 years - Slovakia							
	- Executives	(%)	26	35	31	-9	-25.5	Slovakia
	- Supervisors	(%)	34	31	31	3	9.6	Slovakia
	- White-collar employees	(%)	24	22	23	2	9.0	Slovakia
	- Blue-collar workers	(%)	23	20	18	3	14.9	Slovakia
	Average	(%)	25	23	23	2	8.9	Slovakia
	Retirement within 5 years - Russia							
	- Executives	(%)	15	9	6	6	64.4	Russia
	- Supervisors	(%)	16	15	10	1	6.8	Russia
	- White-collar employees	(%)	10	10	7	0	0	Russia
	- Blue-collar workers	(%)	15	13	12	2	15.8	Russia
	Average	(%)	13	12	10	1	8.2	Russia
	Retirement within 10 years - Russia							
	- Executives	(%)	33	19	22	14	75.1	Russia
	- Supervisors	(%)	32	27	25	5	18.5	Russia
	- White-collar employees	(%)	22	21	16	1	4.9	Russia
	- Blue-collar workers	(%)	30	28	27	2	7.1	Russia
	Average	(%)	27	25	23	2	7.8	Russia
	Retirement within 5 years - Romania							
	- Executives	(%)	3	0	2	3	-	Romania
	- Supervisors	(%)	4	4	4	0	0	Romania
	- White-collar employees	(%)	4	4	3	0	0	Romania
	- Blue-collar workers	(%)	3	2	1	1	50.0	Romania
	Average	(%)	3	3	2	0	0	Romania
	Retirement within 10 years - Romania							
	- Executives	(%)	19	10	15	9	87.0	Romania
	- Supervisors	(%)	18	17	17	1	5.7	Romania
	- White-collar employees	(%)	15	14	15	1	7.2	Romania
	- Blue-collar workers	(%)	15	14	13	1	7.3	Romania
	Average	(%)	15	14	14	1	7.1	Romania
	Retirement within 5 years - EGP Latin America							
	- Executives	(%)	13	11	0	2	18.0	EGP Latin America
	- Supervisors	(%)	8	4	0	4	104.0	EGP Latin America
	- White-collar employees	(%)	4	3	1	1	35.0	EGP Latin America

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
	- Blue-collar workers	(%)	9	14	3	-5	-37.0	EGP Latin America
	Average	(%)	6	7	4	-1	-13.5	EGP Latin America
	Retirement within 10 years - EGP Latin America							
	- Executives	(%)	25	44	1	-19	-42.8	EGP Latin America
	- Supervisors	(%)	17	21	1	-4	-18.9	EGP Latin America
	- White-collar employees	(%)	9	16	2	-7	-45.1	EGP Latin America
	- Blue-collar workers	(%)	25	19	6	6	31.1	EGP Latin America
	Average	(%)	16	18	9	-2	-11.0	EGP Latin America
	Retirement within 5 years - Endesa Iberian Peninsula							
	- Executives	(%)	5	5	6	0	0	Endesa Iberian Peninsula
	- Supervisors	(%)	1	1	5	0	0	Endesa Iberian Peninsula
	- White-collar employees	(%)	1	1	1	0	0	Endesa Iberian Peninsula
	- Blue-collar workers	(%)	1	1	2	0	0	Endesa Iberian Peninsula
	Average	(%)	1	1	2	0	0	Endesa Iberian Peninsula
	Retirement within 10 years - Endesa Iberian Peninsula							
	- Executives	(%)	17	15	18	2	13.6	Endesa Iberian Peninsula
	- Supervisors	(%)	7	7	16	0	0	Endesa Iberian Peninsula
	- White-collar employees	(%)	12	12	14	0	0	Endesa Iberian Peninsula
	- Blue-collar workers	(%)	9	7	15	2	28.9	Endesa Iberian Peninsula
	Average	(%)	9	10	15	-1	-10.1	Endesa Iberian Peninsula
	Retirement within 5 years - Endesa Peru							
	- Executives	(%)	0	7	27	-7	-100	Endesa Peru
	- Supervisors	(%)	7	10	9	-3	-29.5	Endesa Peru
	- White-collar employees	(%)	10	4	15	6	136.1	Endesa Peru
	- Blue-collar workers	(%)	0	8	33	-8	-106.2	Endesa Peru
	Average	(%)	8	6	12	2	33.7	Endesa Peru
	Retirement within 10 years - Endesa Peru							
	- Executives	(%)	15	21	27	-6	-28.7	Endesa Peru
	- Supervisors	(%)	6	19	9	-13	-69.7	Endesa Peru
	- White-collar employees	(%)	15	10	15	5	51.7	Endesa Peru
	- Blue-collar workers	(%)	0	19	33	-19	-100	Endesa Peru
	Average	(%)	10	14	12	-4	-29.5	Endesa Peru

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
	Retirement within 5 years - Endesa Brazil							
	- Executives	(%)	3	2	6	1	44.1	Endesa Brazil
	- Supervisors	(%)	1	3	1	-2	-72.5	Endesa Brazil
	- White-collar employees	(%)	0	1	1	-1	-87.7	Endesa Brazil
	- Blue-collar workers	(%)	0	0	0	0	0	Endesa Brazil
	Average	(%)	1	1	1	0	0	Endesa Brazil
	Retirement within 10 years - Endesa Brazil							
	- Executives	(%)	27	27	6	0	0	Endesa Brazil
	- Supervisors	(%)	5	6	1	1	15.5	Endesa Brazil
	- White-collar employees	(%)	5	6	1	-1	-18.0	Endesa Brazil
	- Blue-collar workers	(%)	0	3	0	-3	-104.9	Endesa Brazil
	Average	(%)	5	3	1	2	74.9	Endesa Brazil
	Retirement within 5 years - Endesa Chile							
	- Executives	(%)	12	7	4	5	70.0	Endesa Chile
	- Supervisors	(%)	8	28	7	-20	-71.5	Endesa Chile
	- White-collar employees	(%)	12	9	8	3	35.1	Endesa Chile
	- Blue-collar workers	(%)	0	0	0	0	0	Endesa Chile
	Average	(%)	8	8	7	0	0	Endesa Chile
	Retirement within 10 years - Endesa Chile							
	- Executives	(%)	11	13	4	-2	-15.1	Endesa Chile
	- Supervisors	(%)	6	52	7	-45	-86.4	Endesa Chile
	- White-collar employees	(%)	13	20	8	-7	-35.4	Endesa Chile
	- Blue-collar workers	(%)	0	0	0	0	0	Endesa Chile
	Average	(%)	7	15	7	-8	-52.0	Endesa Chile
	Retirement within 5 years - Endesa Colombia							
	- Executives	(%)	4	24	21	-20	-82.9	Endesa Colombia
	- Supervisors	(%)	2	7	5	-5	-74.0	Endesa Colombia
	- White-collar employees	(%)	1	4	3	-3	-76.9	Endesa Colombia
	- Blue-collar workers	(%)	29	4	13	25	670.2	Endesa Colombia
	Average	(%)	1	4	4	-3	-68.0	Endesa Colombia
	Retirement within 10 years - Endesa Colombia							
	- Executives	(%)	18	17	21	1	5.8	Endesa Colombia

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
	- Supervisors	(%)	4	17	5	-13	-77.0	Endesa Colombia
	- White-collar employees	(%)	6	7	3	-1	-13.6	Endesa Colombia
	- Blue-collar workers	(%)	0	10	13	-10	-102.4	Endesa Colombia
	Average	(%)	5	9	4	-4	-42.3	Endesa Colombia
	Retirement within 5 years - Endesa Argentina							
	- Executives	(%)	13	4	8	9	251.3	Endesa Argentina
	- Supervisors	(%)	11	8	7	3	37.1	Endesa Argentina
	- White-collar employees	(%)	8	9	0	-1	-11.1	Endesa Argentina
	- Blue-collar workers	(%)	60	3	10	57	2,111.1	Endesa Argentina
	Average	(%)	8	9	1	-1	-11.1	Endesa Argentina
	Retirement within 10 years - Endesa Argentina							
	- Executives	(%)	23	15	8	8	53.4	Endesa Argentina
	- Supervisors	(%)	15	18	7	-3	-16.3	Endesa Argentina
	- White-collar employees	(%)	9	14	0	-5	-35.9	Endesa Argentina
	- Blue-collar workers	(%)	20	9	10	11	122.2	Endesa Argentina
	Average	(%)	10	12	1	-2	-16.5	Endesa Argentina
	EQUAL OPPORTUNITIES							
LA13	Gender							
	Workforce by gender and level							
	Women	(no.)	14,932	14,876	15,579	56	0.4	Enel
	- Executives	(no.)	153	141	158	12	8.5	Enel
	- Supervisors	(no.)	3,591	3,520	3,452	71	2.0	Enel
	- White-collar employees	(no.)	9,755	9,764	10,102	-9	-0.1	Enel
	- Blue-collar workers	(no.)	1,433	1,451	1,867	-18	-1.2	Enel
	Men	(no.)	60,428	63,437	65,629	-3,009	-4.7	Enel
	- Executives	(no.)	1,037	1,115	1,193	-78	-7.0	Enel
	- Supervisors (*)	(no.)	10,507	10,735	5,365	-228	-2.1	Enel
	- White-collar employees (*)	(no.)	31,330	32,402	38,826	-1,071	-3.3	Enel
	- Blue-collar workers	(no.)	17,554	19,185	20,245	-1,631	-8.5	Enel
	Staff by gender							
	Women	(%)	19.8	19.0	19.2	0.8	4.3	Enel
	- Executives	(%)	0.20	0.18	0.19	0.02	12.8	Enel
	- Supervisors	(%)	4.8	4.5	4.3	0.3	6.0	Enel
	- White-collar employees	(%)	12.9	12.5	12.4	0.5	3.8	Enel
	- Blue-collar workers	(%)	1.9	1.9	2.3	0	2.6	Enel

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
	Men	(%)	80.2	81.0	80.8	-0.8	-1.0	Enel
	- Executives	(%)	1.38	1.42	1.47	-0.05	-3.3	Enel
	- Supervisors	(%)	13.9	13.7	6.6	0.2	1.7	Enel
	- White-collar employees	(%)	41.6	41.4	47.8	0.2	0.5	Enel
	- Blue-collar workers	(%)	23.3	24.5	24.9	-1.2	-4.9	Enel
	Level of female staff⁽¹⁶⁾	(%)	24.5	23.6	35.5	0.9	3.8	Enel
	Compensation of female staff⁽¹⁷⁾	(%)	85.0	81.0	80.5	4.0	5.0	Enel
LA14	Ratio of gross annual salary women/men⁽¹⁷⁾							
	Executives	(%)	76	75	76	1	1.3	Enel ⁽¹⁴⁾
	Supervisors	(%)	89	90	83	-1	-1.1	Enel ⁽¹⁴⁾
	White-collar employees	(%)	84	84	83	-	-	Enel ⁽¹⁴⁾
	Blue-collar workers	(%)	81	82	66	-1	-1.2	Enel ⁽¹⁴⁾
	Average	(%)	92	92	86	-	-	Enel ⁽¹⁴⁾
LA13	Disability							
	Disabled or belonging to protected categories by gender	(no.)	2,636	2,643	2,477	-7	-0.3	Enel ⁽¹⁴⁾
	- of whom men	(no.)	1,801	-	-	-	-	Enel
	- of whom women	(no.)	835	-	-	-	-	Enel
	Incidence of disabled or belonging to protected categories by gender	(%)	3.5	-	-	-	-	Enel
	- of whom men	(%)	2.4	-	-	-	-	Enel
	- of whom women	(%)	1.1	-	-	-	-	Enel
	Disabled or belonging to protected categories by level	(no.)						
	Executives	(no.)	0	-	-	-	-	Enel
	Supervisors	(no.)	111	-	-	-	-	Enel
	White-collar employees	(no.)	2,278	-	-	-	-	Enel
	Blue-collar workers	(no.)	246	-	-	-	-	Enel
	Incidence of disabled or belonging to protected categories by level	(no.)						
	Executives	(%)	0.0	-	-	-	-	Enel
	Supervisors	(%)	0.1	-	-	-	-	Enel
	White-collar employees	(%)	3.0	-	-	-	-	Enel
	Blue-collar workers	(%)	0	-	-	-	-	Enel
LA4_{COMM}	Relations with unions							
	Union membership rate in electricity sector	(%)	60.6	49.9	62.7	10.7	21.5	Enel
	Employees covered by collective contracts by geographic area							
	Italy	(no.)	36,842	37,364	38,121	-522	-1.4	Italy
		(%)	100	100	100	0	0	Italy
	North America	(no.)	0	21	21	-21	-100	North America
		(%)	0	7	8	-7	-100	North America
	EGP Latin America	(no.)	244	226	229	18	8.0	EGP Latin America
		(%)	41	44	45	-3	-6.0	EGP Latin America

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
	EGP Iberian Peninsula	(no.)	235	180	56	55	30.5	EGP Iberian Peninsula
		(%)	97	90	100	7	7.3	EGP Iberian Peninsula
	EGP Greece	(no.)	67	56	-	11	19.6	EGP Greece
		(%)	100	100	-	0	0	EGP Greece
	France	(no.)	97	83	62	14	16.9	France
		(%)	100	100	100	0	0	France
	Belgium	(no.)	30	30	-	0	0	Belgium
		(%)	81	83	-	-2	-2.7	Belgium
	Romania	(no.)	4,438	4,640	4,832	-202	-4.4	Romania
		(%)	98	99	99	-1	-0.7	Romania
	Bulgaria	(no.)	0	464	573	-464	-100	Bulgaria
		(%)	0	91	91	-91	-100	Bulgaria
	Slovakia	(no.)	4,565	4,814	5,221	-249	-5.2	Slovakia
		(%)	86	90	100	-4	-4.2	Slovakia
	Russia	(no.)	3,323	3,748	3,904	-425	-11.3	Russia
		(%)	86	89	89	-3	-3.0	Russia
	Endesa Iberian Peninsula	(no.)	10,958	11,328	12,310	-370	-3.3	Endesa Iberian Peninsula
		(%)	93	93	92	0	-0.2	Endesa Iberian Peninsula
	Endesa Latin America	(no.)	8,769	9,690	9,075	-921	-9.5	Endesa Latin America
		(%)	79	78	72	1	1.6	Endesa Latin America
	Total Enel	(no.)	69,568	72,644	74,568	-3,076	-4.2	Enel
		(%)	92	93	92	-1	-0.7	Enel
	Disputes involving employees							
	Total proceedings	(no.)	5,943	5,763	2,588	180	3.1	Enel⁽¹⁸⁾
	Incidence of litigation as defendant	(%)	93.8	89.9	60.1	4	4.4	Enel⁽¹⁸⁾

(*) The number of supervisors rose from 8,817 in 2009 to 14,255 in 2010, following a different criterion for accounting for the categories of Endesa, which in 2009 included such people in the category "white-collar employees".

- (1) The data relating to 2010 and 2009 do not include the branches (Italian premises abroad), with 168 people in 2010 and 109 in 2009.
- (2) The sum of the data detailed by gender, age range and nationality does not correspond to the totals given for new recruits and terminations, since the detailed information for 2011, 2010 and 2009 is not available for the branches and the small companies of the international scope in 2011.
- (3) Endesa excluded for 2009.
- (4) Endesa Morocco excluded for 2011.
- (5) The figure for 2010 does not include Endesa Greece, Ireland and Morocco and the figure for 2009 includes only Italy and Endesa Iberian Peninsula.
- (6) The figure for 2010 does not include EGP North America and Endesa Greece, Ireland and Morocco, while 2009 does not include EGP North America and Endesa Morocco.
- (7) The figure for 2010 does not include Endesa Greece, Ireland and Morocco, while the 2009 figure includes only Italy and Endesa Iberian Peninsula.
- (8) The data relating to safety do not include Portugal and companies which are consolidated at less than 50% (excluding Hydro Dolomiti Enel Srl and the branches of Italian companies abroad).
- (9) For Russia, it includes checks relating to the alcohol level carried out daily on a sample of people, as well as medical checks carried out on all the drivers before starting their shift.
- (10) Injuries with first prognosis, given on the first medical certificate issued, over 30 days or with reserved prognosis, until such reservation is removed or an unknown prognosis which, on an initial assessment by the Division/company concerned, is hypothesized as being over 30 days. On the reservation being ended or the prognosis established, injuries will be considered as serious only if the first prognosis is over 30 days. Should the reserve not be removed, or should the prognosis remain unknown 30 days after the event, the accident must be considered as serious.
- (11) The calculation of the indexes by country considers the total number of injuries to men and women in proportion to the total hours worked by men and women; the calculation of the indexes by gender considers the number of injuries in proportion to the hours worked by the gender under consideration (only men or only women).

- (12) Includes in 2011 Italy, Russia, Endesa Iberian Peninsula and Endesa Latin America, while in 2010 it relates only to Italy and Russia.
- (13) Excluding holidays, family reasons, maternity, study leave, leave of absence, strikes, military service, paid leave, etc.
- (14) The figure for 2010 does not include Endesa Greece, Ireland and Morocco, while the figure for 2009 includes only Italy and Endesa Iberian Peninsula.
- (15) The figure for 2010 does not include EGP North America and Endesa Greece, Ireland and Morocco and that for 2009 does not include EGP North America and Endesa Morocco.
- (16) Calculated as the ratio between the number of women executives and supervisors and the total executives and supervisors. This value fell in 2010 following the different criterion for recording supervisors at Endesa, which brought the total number of Enel supervisors from 8,817 in 2009 to 14,255 in 2010.
- (17) Calculated as the ratio between the average salary of women executives and supervisors and the average salary (men and women) of executives and supervisors.
- (18) The figure for 2009 includes only Endesa Iberian Peninsula.

4. Enel for customers

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
EU3 2.7	CUSTOMERS							
	Electricity market							
	End users Italy	(no.)	28,871,639	29,362,479	29,723,135	-490,840	-1.7	Italy
	Free market	(no.)	3,872,738	3,191,283	2,536,631	681,455	21.4	Italy
	- mass market customers	(no.)	3,785,461	3,054,793	2,395,647	730,668	23.9	Italy
	- business customers ⁽¹⁾	(no.)	48,894	58,082	48,621	-9,188	-15.8	Italy
	- customers in protected categories	(no.)	38,383	78,408	92,363	-40,025	-51.0	Italy
	Regulated market	(no.)	24,998,901	26,171,196	27,186,504	-1,172,295	-4.5	Italy
	End users Iberian Peninsula	(no.)	11,536,589	11,729,319	11,699,674	-192,730	-1.6	Iberian Peninsula
	Free market	(no.)	11,536,589	11,729,319	11,699,674	-192,730	-1.6	Iberian Peninsula
	Regulated market ⁽²⁾	(no.)	-	-	-	-	-	Iberian Peninsula
	End users Latin America	(no.)	13,655,379	13,271,599	12,906,412	383,780	2.9	Latin America
	Free market	(no.)	311	6,554	6,483	-6,243	-95.3	Latin America
	Regulated market	(no.)	13,655,068	13,265,045	12,899,929	390,023	2.9	Latin America
	End users Romania	(no.)	2,634,601	2,605,345	2,564,717	29,256	1.1	Romania
	Free market	(no.)	10,028	4,199	1,606	5,829	138.8	Romania
	Regulated market	(no.)	2,624,573	2,601,146	2,563,111	23,427	0.9	Romania
	End users France	(no.)	632	77	26	555	720.8	France
	Free market	(no.)	632	77	26	555	720.8	France
	Regulated market	(no.)	-	-	-	-	-	France
	End users Slovakia	(no.)	3,183	136	-	3,047	2,240.4	Slovakia
	Free market	(no.)	3,183	136	-	3,047	2,240.4	Slovakia
	Regulated market	(no.)	-	-	-	-	-	Slovakia
	End users Russia	(no.)	92,748	104,407	105,002	-11,659	-11.17	Russia
	Free market	(no.)	4,582	4,623	4,664	-41	-0.89	Russia
	Regulated market	(no.)	88,166	99,784	100,338	-11,618	-11.64	Russia
	Total end users Enel	(no.)	56,794,771	57,068,738	56,998,966	-273,967	-0.48	Enel
	Total Free market	(no.)	15,428,063	14,931,568	14,249,084	496,495	3.33	Enel
	Total Regulated market	(no.)	41,366,708	42,137,170	42,749,882	-770,462	-1.83	Enel
	Gas							
	End users Italy	(no.)	3,150,968	2,902,739	2,773,370	248,229	8.6	Italy
	End users Endesa Spain	(no.)	1,007,093	1,083,801	1,169,855	-76,708	-7.1	Endesa Spain
	Total customers gas market	(no.)	4,158,061	3,986,540	3,943,225	171,521	4.3	Enel
	PUBLIC LIGHTING							
	Customers public lighting	(no.)	3,869	3,946	3,974	-77	-2.0	Italy
	Light sources public lighting	(,000)	1,920	1,966	1,990	-46	-2.4	Italy
	VOLUMES SOLD							
	Electricity							
	Free market	(GWh)	191,417	183,133	143,775	8,284	4.5	Enel
	Regulated market	(GWh)	120,370	125,879	144,175	-5,509	-4.4	Enel
	Total volumes sold	(GWh)	311,787	309,012	287,950	2,775	0.9	Enel
	Sales of "Green Energy"	(GWh)	10,106	11,285	7,968	-1,179	-10.4	Italy

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
	Gas							
	Italy	(m. m ³)	4.6	5.5	5.2	-0.9	-16.8	Italy
	- mass market customers	(m. m ³)	3.4	3.7	3.3	-0.3	-8.0	Italy
	- business customers ⁽³⁾	(m. m ³)	1.2	1.8	1.9	-0.6	-34.9	Italy
	Endesa Spain	(m. m ³)	3.9	3.4	3.4	0.5	14.7	Endesa Spain
	Total volumes sold Enel	(m. m ³)	8.5	8.9	8.6	-0.4	-4.7	Enel
	ENERGY AVAILABILITY AND RELIABILITY							
EU11	Efficiency of thermoelectric generation							
	Incidence of CCGT generation out of total thermoelectric power	(%)	27.0	23.2	21.5	3.8	16.5	Enel
	Average thermoelectric yield	(%)	39.7	39.3	39.0	0.4	1.0	Enel
	Average yield by source/technology							
	Lignite plant efficiency	(%)	35.8	31.2	32.8	4.6	14.7	Enel
	Coal plant efficiency	(%)	36.0	35.8	35.4	0.2	0.5	Enel
	Oil/gas plant efficiency	(%)	43.5	34.6	33.6	8.9	25.7	Enel
	Natural gas plant efficiency	(%)	46.3	47.3	31.2	-1.0	-2.1	Enel
	CCGT plant efficiency	(%)	46.0	48.4	49.7	-2.3	-4.8	Enel
	Average yield by geographic area							
	Average thermoelectric yield Italy	(%)	39.3	39.0	38.1	0.3	0.7	Italy
	Average thermoelectric yield Slovakia	(%)	27.5	27.4	-	0.1	0.4	Slovakia
	Average thermoelectric yield Russia	(%)	37.2	36.7	36.8	0.5	1.2	Russia
	Average thermoelectric yield Endesa Iberian Peninsula	(%)	39.3	39.7	37.4	-0.4	-1.0	Endesa Iberian Peninsula
	Average thermoelectric yield Endesa Chile	(%)	47.5	48.3	44.5	-0.8	-1.6	Endesa Chile
	Average thermoelectric yield Endesa Argentina	(%)	46.7	47.3	46.6	-0.6	-1.2	Endesa Argentina
	Average thermoelectric yield Endesa Brazil	(%)	43.4	46.7	48.3	-3.4	-7.2	Endesa Brazil
	Average thermoelectric yield Endesa Peru	(%)	45.0	44.2	50.2	0.8	1.7	Endesa Peru
	Average thermoelectric yield Endesa Colombia	(%)	28.1	27.0	24.1	1.1	4.1	Endesa Colombia
EU30	Availability of thermoelectric plants by geographic area							
	Average thermoelectric availability Italy	(%)	82.5	74.7	78.3	7.8	10.4	Italy
	Average thermoelectric availability Slovakia	(%)	94.6	96.6	87.2	-2.0	-2.0	Slovakia
	Average thermoelectric availability Russia	(%)	78.7	82.1	81.5	-3.4	-4.1	Russia
	Average thermoelectric availability Endesa Iberian Peninsula	(%)	92.3	91.9	95.7	0.4	0.4	Endesa Iberian Peninsula ⁽⁴⁾
	Average thermoelectric availability Endesa Chile	(%)	97.5	98.5	98.6	-0.9	-0.9	Endesa Chile
	Average thermoelectric availability Endesa Argentina	(%)	83.6	85.7	92.5	-2.1	-2.5	Endesa Argentina ⁽⁴⁾
	Average thermoelectric availability Endesa Brazil	(%)	92.0	98.9	99.7	-6.9	-7.0	Endesa Brazil
	Average thermoelectric availability Endesa Peru	(%)	95.3	92.0	88.4	3.3	3.6	Endesa Peru ⁽⁴⁾

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
	Average thermoelectric availability Endesa Colombia	(%)	92.8	92.2	92.2	0.6	0.6	Endesa Colombia (4)
EU28	Service interruptions - frequency							
	Frequency of interruptions per customer Italy (excluding external causes)	(no.)	3.7	4.2	4.8	-0.5	-11.9	Italy
	Frequency of interruptions per customer Italy (including external causes)	(no.)	3.8	4.3	4.9	-0.5	-11.6	Italy
	Frequency of interruptions per customer Romania	(no.)	5.9	7.4	6.7	-1.5	-19.9	Romania
	Frequency of interruptions per customer Iberian Peninsula	(no.)	1.4	1.6	1.7	-0.2	-12.5	Iberian Peninsula
EU29	Service interruptions - duration							
	Service continuity index Italy (excluding external causes)	(min)	40	43	45	-3	-6.6	Italy
	Service continuity index Italy (including external causes)	(min)	44	46	48	-2	-4.3	Italy
	Service continuity index Romania	(min)	374	584	557	-210	-36.0	Romania
	Service continuity index Iberian Peninsula	(min)	60	71	70	-11	-15.0	Iberian Peninsula
EU12	Network losses							
	Network losses Italy	(%)	6.0	6.0	6.0	-	-	Italy
	Network losses Romania	(%)	17.0	13.7	17.9	3.3	24.5	Romania
	Network losses Iberian Peninsula	(%)	7.7	7.7	7.5	-	-	Iberian Peninsula
	SERVICE QUALITY							
	ELECTRICITY MARKET ITALY							
	Commercial structure							
	Enel retail outlets (electricity + gas)	(no.)	131	131	131	-	-	Italy
	Qui Enel/Qui Gas	(no.)	1,628	1,840	1,722	-212	-11.5	Italy
	Call Center							
	Regulated market - 800 900 800							
	Call center service level	(%)	97	95	93	2	1.8	Italy
	Average waiting time	(sec)	71	115	152	-44	-38.4	Italy
	Training by call center operator (IN Enel)	(h/per- cap)	11	32	28	-21	-65.6	Italy
	Free market (electricity and gas) - 800 900 860							
	Call center service level	(%)	96	94	94	1	1.5	Italy
	Average waiting time	(sec)	97	118	149	-21	-17.7	Italy
	Training by call center operator (IN Enel)	(h/per- cap)	150	69	55	81	118.0	Italy
	Service speed							
	Execution of simple work	(d)	7.2	7.4	7.2	-0.2	-2.7	Italy
	Supply activation	(d)	0.9	1.0	0.9	-0.1	-10.0	Italy
PR5	Customer Satisfaction							
	Regulated market							
	Customer Satisfaction Index recorded by the AEEG (5)	(i)	90.9	91.3	88.6	-0.4	-0.4	Italy
	Frequency surveys by AEEG	(no.)	2	2	2	-	-	Italy
	Written complaints and information requests	(,000)	117.4	134.7	115.8	-17.3	-12.8	Italy

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
	Response time to written complaints	(d)	31.6	23.6	19.7	8.0	33.9	Italy
	Free market							
	Customer Satisfaction Index recorded by the AEEG ⁽⁵⁾	(i)	87.5	83.3	79.0	4.2	5.0	Italy
	Frequency surveys by AEEG	(no.)	2	2	2	-	-	Italy
	Written complaints and information requests	(,000)	62.8	82.0	95.5	-19.2	-23.4	Italy
	Response time to written complaints	(d)	55.7	47.5	35.0	8.2	17.3	Italy
	ELECTRICITY MARKET ROMANIA							
	Commercial structure							
	Agencies	(no.)	48	76	82	-28	-36.8	Romania
	Indirect channel	(no.)	1	1	17	-	-	Romania
	Call center							
	Call center service level Regulated market	(%)	96	94	83	2	2.0	Romania
PR5	Customer Satisfaction							
	Regulated market							
	Customer Satisfaction Index	(i)	70.4	-	-	-	-	Romania
	Free market							
	Customer Satisfaction Index	(i)	82.9	-	-	-	-	Romania
	Written complaints and information requests commercial area ⁽⁶⁾	(,000)	20.8	12.7	10.4	8.1	64.2	Romania
	Response time to written complaints commercial area ⁽⁷⁾	(d)	26	28	7	-2	-7.1	Romania
	ELECTRICITY MARKET IBERIAN PENINSULA							
	Commercial structure							
	Agencies	(no.)	27	29	40	-2	-6.9	Iberian Peninsula
	Indirect channel	(no.)	398	413	447	-15	-3.6	Iberian Peninsula
	Call center							
	Call center service level	(%)	97	96	82	1	0.8	Iberian Peninsula
	Service speed							
	Supply activation	(d)	2.7	-	-	-	-	Iberian Peninsula
PR5	Customer Satisfaction Regulated market							
	Regulated market							
	Customer Satisfaction Index	(i)	6.4	-	-	-	-	Iberian Peninsula
	Written complaints and information requests	(,000)	33.7	-	-	-	-	Iberian Peninsula
	Response time to written complaints	(d)	21.6	-	-	-	-	Iberian Peninsula
	Free market							
	Customer Satisfaction Index	(i)	6.7	-	-	-	-	Iberian Peninsula
	Written complaints and information requests	(,000)	17.9	-	-	-	-	Iberian Peninsula

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
	Response time to written complaints	(d)	12.4	-	-	-	-	Iberian Peninsula
GAS MARKET								
PR5	Customer satisfaction Gas							
	Written complaints and information requests	(,000)	17.9	-	-	-	-	Iberian Peninsula
	Response time to written complaints	(d)	12.4	-	-	-	-	Iberian Peninsula
ACCESSIBILITY OF ENERGY								
EU27	Customers disconnected for non-payment							
	by time from disconnection to payment - Italy (Enel Servizio Elettrico)	(no.)	680,181	775,242	847,665	-95,061	-12.3	Electricity Italy
	< 48 h	(no.)	354,992	380,344	402,737	-25,352	-6.7	Electricity Italy
	48 h - 1 week	(no.)	235,406	283,023	314,898	-47,617	-16.8	Electricity Italy
	1 week - 1 month	(no.)	89,557	111,424	129,520	-21,867	-19.6	Electricity Italy
	1 month - 1 year	(no.)	226	436	485	-210	-48.2	Electricity Italy
	> 1 year	(no.)	0	15	25	-15	-100	Electricity Italy
	by time from payment to reconnection - Italy (Enel Servizio Elettrico)	(no.)	680,181	775,242	847,665	-95,061	-12.3	Electricity Italy
	< 24 h	(no.)	603,651	648,503	694,600	-44,852	-6.9	Electricity Italy
	24 h - 1 week	(no.)	75,827	125,847	151,946	-50,020	-39.7	Electricity Italy
	> 1 week	(no.)	703	892	1,119	-189	-21.2	Electricity Italy
	by time from disconnection to payment - Italy (Enel Energia) ⁽⁸⁾	(no.)	137,956	65,981	59,596	71,975	109.1	Electricity Italy
	< 48 h	(no.)	50,808	28,191	24,905	22,617	80.2	Electricity Italy
	48 h - 1 week	(no.)	37,321	15,949	11,649	21,372	134.0	Electricity Italy
	1 week - 1 month	(no.)	42,889	14,035	14,791	28,854	205.6	Electricity Italy
	1 month - 1 year	(no.)	6,938	7,806	8,251	-868	-11.1	Electricity Italy
	> 1 year	(no.)	0	0	0	-	-	Electricity Italy
	by time from payment to reconnection - Italy (Enel Energia) ⁽⁸⁾	(no.)	20,069	14,848	-	5,221	35.2	Electricity Italy
	< 24 h	(no.)	16,271	11,102	-	5,169	46.6	Electricity Italy
	24 h - 1 week	(no.)	3,798	3,746	-	52	1.4	Electricity Italy
	> 1 week	(no.)	0	0	-	-	-	Electricity Italy
	by time from disconnection to payment - Italy (Gas market) ⁽⁸⁾	(no.)	20,073	16,222	6,613	3,851.0	23.7	Gas Italy
	< 48 h	(no.)	1,708	3,224	831	-1,516.0	-47.0	Gas Italy
	48 h - 1 week	(no.)	8,167	4,949	2,243	3,218.0	65.0	Gas Italy
	1 week - 1 month	(no.)	7,927	6,035	2,976	1,892.0	31.4	Gas Italy
	1 month - 1 year	(no.)	2,271	2,014	563	257.0	12.8	Gas Italy
	by time from payment to reconnection - Italy (Gas market) ⁽⁸⁾	(no.)	18,538	12,725	-	5,813	45.7	Gas Italy
	< 24 h	(no.)	3,690	1,982	-	1,708	86.2	Gas Italy ⁽⁹⁾
	24 h - 1 week	(no.)	11,102	4,541	-	6,561	144.5	Gas Italy
	> 1 week	(no.)	3,746	6,202	-	-2,456	-39.6	Gas Italy
	by time from disconnection to payment - Romania	(no.)	56,847	-	-	-	-	Romania
	< 48 h	(no.)	6,050	-	-	-	-	Romania
	48 h - 1 week	(no.)	2,165	-	-	-	-	Romania

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
	1 week - 1 month	(no.)	0	-	-	-	-	Romania
	1 month - 1 year	(no.)	48,632	-	-	-	-	Romania
	by time from payment to reconnection - Romania	(no.)	1,392	-	-	-	-	Romania
	< 24 h	(no.)	1,392	-	-	-	-	Romania
	24 h - 1 week	(no.)	0	-	-	-	-	Romania
	> 1 week	(no.)	0	-	-	-	-	Romania
	by time from disconnection to payment - Endesa Iberian Peninsula	(no.)	388,143	514,423	-	-126,280	-24.5	Endesa Iberian Peninsula
	< 48 h	(no.)	225,985	321,146	-	-95,161	-29.6	Endesa Iberian Peninsula
	48 h - 1 week	(no.)	47,922	51,235	-	-3,313	-6.5	Endesa Iberian Peninsula
	1 week - 1 month	(no.)	45,784	60,584	-	-14,800	-24.4	Endesa Iberian Peninsula
	1 month - >1 year	(no.)	68,452	81,458	-	-13,006	-16.0	Endesa Iberian Peninsula
	by time from payment to reconnection - Endesa Iberian Peninsula	(no.)	417,711	622,933	-	-205,222	-32.9	Endesa Iberian Peninsula
	< 24 h	(no.)	260,141	319,700	-	-59,559.0	-18.6	Endesa Iberian Peninsula
	24 h - 1 week	(no.)	157,195	301,755	-	-144,560	-47.9	Endesa Iberian Peninsula
	> 1 week	(no.)	375	1,478	-	-1,103	-74.6	Endesa Iberian Peninsula
	by time from disconnection to payment - Endesa Latin America	(no.)	1,744,976	1,731,348	-	13,628	0.8	Endesa Latin America ⁽¹⁰⁾
	< 48 h	(no.)	1,135,864	1,159,386	-	-23,522	-2.0	Endesa Latin America ⁽¹⁰⁾
	48 h - 1 week	(no.)	246,766	248,555	-	-1,789	-0.7	Endesa Latin America ⁽¹⁰⁾
	1 week - 1 month	(no.)	237,088	252,028	-	-14,940	-5.9	Endesa Latin America ⁽¹⁰⁾
	1 month - >1 year	(no.)	125,258	71,379	-	53,879	75.5	Endesa Latin America ⁽¹⁰⁾
	by time from payment to reconnection - Endesa Latin America	(no.)	2,013,347	1,733,738	-	279,609	16.1	Endesa Latin America ⁽¹⁰⁾
	< 24 h	(no.)	1,979,160	1,658,679	-	320,481	19.3	Endesa Latin America ⁽¹⁰⁾
	24 h - 1 week	(no.)	32,952	30,656	-	2,296	7.5	Endesa Latin America ⁽¹⁰⁾
	> 1 week	(no.)	1,235	44,403	-	-43,168	-97.2	Endesa Latin America ⁽¹⁰⁾
EN6	PROMOTION OF ENERGY EFFICIENCY							
	Energy efficiency certificates	(no.)	1,737,471	1,012,090	788,400	725,381	71.7	Italy
	Photovoltaic installed	(kWp)	350,000	137,300	48,900	212,700	154.9	Italy
	Electronic meters installed	(,000)	33,694	33,177	32,540	517	1.6	Italy
	Dissemination of electronic meters abroad ⁽¹¹⁾	(,000)	1,349	106	14	1,244	1,177.9	Abroad
	Disputes with customers							

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
Electricity market Italy								
	Total proceedings	(no.)	193,706	116,336	139,588	77,370	66.5	Enel ⁽¹²⁾
	Incidence of proceedings as defendant	(%)	77.9	95.0	95.3	-17.1	-18.0	Enel ⁽¹²⁾
Gas market Italy								
	Total proceedings	(no.)	929	808	479	121	15.0	Enel ⁽¹²⁾

- (1) Supplies to major customers and heavy consumers (annual consumption over 1 GWh).
- (2) As from July 1, 2009 the "TUR" (*Tarifa de Ultimo Recurso*) market has been in force, due to which there are no longer regulated customers and they have all moved to the free market.
- (3) Includes residential customers and micro business.
- (4) The values for 2010 and 2009 have been restated, following standardization of the calculation criterion used.
- (5) Data relating to the 1st half of 2011. The 2nd half of 2011 will be communicated by the AEEG in May 2012. This index, relating to the free electricity and gas market recorded by the AEEG, is expressed in euro cents and is made on a reduced sample of around 1,200 customers on a half-year basis. The figure for 2010 has been updated with the latest survey.
- (6) The number of complaints rose markedly compared to 2010 following the launch of the online channel (My ENEL online services) as from September 2010.
- (7) The value for 2010 is higher than that for 2009 because many complaints received last year related to delays in the delivery of bills and these were replied to very quickly with an average time of 2 days; for other complaints the average response time was 17 days.
- (8) 2010 was reclassified since last year the data were only available in aggregate form, in other words considering the number of users from the time of disconnection to reconnection, without the intermediate subdivision of the time from disconnection to payment.
- (9) This figure also includes withdrawals which are not included in the above figure where only completed disconnections are counted.
- (10) The values of 2011 do not include Argentina, while those for 2010 do not include Colombia and Argentina.
- (11) The marked increase in meters abroad is due to the launch of the supply to Endesa and to E.ON Spain.
- (12) The data relating to 2010 and 2009 relate only to the scope in Italy.

5. Environmental challenges

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
ENVIRONMENTAL MANAGEMENT								
EU8	Research and innovation							
	Technological innovation ⁽¹⁾	(m. euro)	97	87	86	10	11.5	Enel ⁽¹⁾
	Research personnel	(no.)	183	184	192	-1	-0.5	Enel ⁽¹⁾
EN30	Environmental expenditures							
	Environmental expenditures - GRI EN30 criterion	(m. euro)	833	786	689	47	5.9	Enel ⁽²⁾
	Current expenditures (costs)	(m. euro)	582	433	495	149	34.4	Enel ⁽²⁾
	- for waste disposal, emission treatment and environmental restoration	(m. euro)	282	193	244	89	45.8	Enel ⁽²⁾
	- for environmental prevention and management	(m. euro)	300	240	251	60	25.2	Enel ⁽²⁾
	Investments:	(m. euro)	251	353	194	-102	-29.0	Enel ⁽²⁾
	- for waste disposal, emission treatment and environmental restoration	(m. euro)	142	254	69	-112	-44.0	Enel ⁽²⁾
	- for environmental prevention and management	(m. euro)	109	99	125	10	10.1	Enel ⁽²⁾
	Environmental expense - EUROSTAT criterion	(m. euro)	739	773	589	-34	-4.4	Enel
	Total current expenditures	(m. euro)	488	420	395	69	16.3	Enel
	Total environmental investments	(m. euro)	251	353	194	-102	-29.0	Enel
	Environmental issues personnel	(no.)	520	550	433	-30	-5.4	Enel
EN28	Environmental disputes							
	Environmental proceedings as defendant	(no.)	608	906	287	-298	-32.9	Enel ⁽³⁾
	Monetary value of environmental fines	(m. euro)	0.257	0.058	0.060	0.199	343.1	Enel
	Environmental certification							
	Extent of EMAS registration coverage	(%)	40.5	38.3	40.3	2.2	5.8	Enel
	Extent of ISO 14001:2004 coverage							
	Net efficient power	(%)	91.2	82.7	81.4	8.5	10.3	Enel
	Km of electricity grid	(%)	93.0	94.0	94.0	-1.0	-1.1	Enel
	Activities undertaken by Enel Servizi Italy	(%)	100	100	100	-	-	Italy
	Activities undertaken by the Sales Division Italy and Romania	(%)	100	100	100	-	-	Italy and Romania
	EMISSIONS							
EN18_{COMM}	Emissions saved ⁽⁴⁾							
		(m. t)	92.8	98.2	98.7	-5.4	-5.5	Enel
EN16_{COMM}	Direct emissions of greenhouse gases (Scope 1)							
	Emissions of CO ₂ from electricity production and heat	(m. t)	123.2	116.2	122.2	7.0	6.0	Enel
	Direct emissions due to other activities	(m. t eq)	0.310	0.182	0.177	0.129	71.0	Enel

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
	Total direct emissions (Scope 1)	(m. t eq)	123.5	116.4	122.4	7.1	6.1	Enel
	Specific emissions of CO₂ from total net production ⁽⁵⁾	(kg/MWh)	411	389	413	22	5.7	Enel
	Specific emissions of CO₂ from net production from fossil fuels ⁽⁶⁾							
	- simple	(kg/MWh)	708	711	741	-3	-0.5	Enel
	- cogeneration	(kg/MWh)	660	691	691	-31	-4.4	Enel
	Indirect emissions of greenhouse gases (Scope 2)							
	Fuel deposit and movement	(m. t eq)	0.003	0.003	0.001	-	-	Enel
	Electricity distribution	(m. t eq)	0.238	0.175	0.174	0.063	35.9	Enel
	Property management	(m. t eq)	0.085	0.062	0.063	0.023	37.3	Enel
	Mining	(m. t eq)	0.005	0.005	0.001	-	-	Enel
	Total indirect emissions (Scope 2)	(m. t eq)	0.332	0.245	0.239	0.087	35.4	Enel
EN17	Other indirect emissions of greenhouse gases (Scope 3)							
	Coal mining	(m. t eq)	5.933	4.974	5.151	0.959	19.3	Enel
	Transport of coal by sea	(m. t eq)	0.647	0.525	0.544	0.122	23.2	Enel
	Transport of coal by train	(m. t eq)	0.580	0.440	0.483	0.140	31.9	Enel
	Transport of fuels (gas oil, biomass, WDF)	(m. t eq)	0.0038	0.0042	0.0047	-0.0004	-9.0	Enel
	Transport of raw materials and waste	(m. t eq)	0.0231	0.0226	0.0224	0.0004	2.0	Enel
	Total indirect emissions (Scope 3)	(m. t eq)	7.187	5.966	6.205	1.221	20.5	Enel
EN20_{COMM}	Other atmospheric emissions							
	Emissions of SO ₂	(t)	281,262	287,400	288,105	-6,138	-2.1	Enel
	Emissions of NO _x	(t)	258,685	251,256	261,348	7,429	3.0	Enel
	Emissions of H ₂ S	(t)	9,174	10,383	10,213	-1,209	-11.6	Enel
	Emissions of particulate matter	(t)	110,039	154,732	128,520	-44,693	-28.9	Enel
	Specific emissions compared to total net production ⁽⁵⁾							
	Emissions of SO ₂	(g/kWh)	0.94	0.96	0.98	-0.03	-2.8	Enel
	Emissions of NO _x	(g/kWh)	0.86	0.84	0.88	0.02	2.3	Enel
	Emissions of particulate matter	(g/kWh)	0.37	0.52	0.44	-0.15	-29.3	Enel
	Specific emissions compared to net thermoelectric production ⁽⁶⁾							
	Emissions of SO ₂	(g/kWh)	1.58	1.74	1.71	-0.16	-9.3	Enel
	Emissions of NO _x	(g/kWh)	1.46	1.52	1.56	-0.07	-4.5	Enel
	Emissions of particulate matter	(g/kWh)	0.62	0.94	0.77	-0.32	-34.1	Enel
	Specific emissions compared to net geothermoelectric production							
	Emissions of H ₂ S	(g/kWh)	1.65	1.97	1.98	-0.32	-16.2	Enel
	Nuclear emissions into atmosphere							
	Noble gases	(GBq per Unit)	51.1	23.7	30.6	27.5	116.0	Enel
	Iodine	(GBq per Unit)	0.03	0.09	0.26	-0.06	-63.8	Enel
	Aerosol	(GBq per Unit)	6.0	6.6	18.4	-0.6	-9.0	Enel
EN19	Emissions of ozone depleting substances							

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
	CFC	(kg CFC-11eq)	149	131	n.a.	18	13.7	Enel
	HCFC	(kg CFC-11eq)	0	0	n.a.	-	-	Enel
	Halon	(kg CFC-11eq)	0	0	n.a.	-	-	Enel
	Methyl bromide	(kg CFC-11eq)	0	0	n.a.	-	-	Enel
	R22	(kg CFC-11eq)	61	22	n.a.	39	178.0	Enel
	Freon 113	(kg CFC-11eq)	1,047	378	n.a.	669	177.0	Enel
	Total	(kg CFC-11eq)	1,257	531	n.a.	726	136.8	Enel
ENERGY CONSUMPTION								
EN3	Fuel consumption by primary source in TJ							
	from non-renewable sources	(TJ)	1,601,158	1,502,559	1,544,552	98,599	6.6	Enel
	Coal	(TJ)	777,447	651,215	706,439	126,232	19.4	Enel
	Lignite	(TJ)	60,960	89,221	84,197	-28,261	-31.7	Enel
	Oil	(TJ)	96,338	109,820	131,131	-13,481	-12.3	Enel
	Natural gas	(TJ)	608,928	582,593	539,260	26,335	4.5	Enel
	Gas oil	(TJ)	57,485	69,668	83,527	-12,184	-17.5	Enel
	Other (Orimulsion, coke oven gas, coke, etc.)	(TJ)	0	42	0	-42	-100.0	Enel
	from renewable sources	(TJ)	155,823	151,331	138,680	4,492	3.0	Enel
	Biomass and waste	(TJ)	9,923	8,918	8,332	1,005	11.3	Enel
	Biogas	(TJ)	63	62	55	1	1.6	Enel
	Hydrogen	(TJ)	11	42	0	-31	-73.8	Enel
	Geothermal fluid	(TJ)	145,826	142,309	130,293	3,517	2.5	Enel
	Total direct consumption	(TJ)	1,756,981	1,653,890	1,683,232	103,091	6.2	Enel
	Fuel consumption by primary source in Mtep							
	from non-renewable sources	(Mtep)	38.2	35.9	36.9	2.4	6.6	Enel
	Coal	(Mtep)	18.6	15.6	16.9	3.0	19.4	Enel
	Lignite	(Mtep)	1.5	2.1	2.0	-0.7	-31.7	Enel
	Oil	(Mtep)	2.3	2.6	3.1	-0.3	-12.5	Enel
	Natural gas	(Mtep)	14.5	13.9	12.9	0.6	4.6	Enel
	Gas oil	(Mtep)	1.4	1.7	2.0	-0.3	-17.5	Enel
	Other (Orimulsion, coke oven gas, coke, oil, etc.)	(Mtep)	0	0.001	0	0	-100.0	Enel
	from renewable sources	(,000 tep)	3,735	3,628	3,324	107	3.0	Enel
	Biomass and waste	(,000 tep)	237	213	199	24	11.0	Enel
	Biogas	(,000 tep)	15.1	14.8	13.2	0.3	2.0	Enel
	Hydrogen	(,000 tep)	0.263	0.881	0	-0.618	-70.1	Enel
	Geothermal fluid	(,000 tep)	3,483	3,399	3,112	84	2.5	Enel
	Total direct consumption	(Mtep)	42.0	39.5	40.2	2.5	6.3	Enel
	Incidence of fuel consumption from non-renewable sources							

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
	Coal	(%)	48.6	43.4	45.7	5.2	12.0	Enel
	Lignite	(%)	3.8	5.9	5.5	-2.1	-35.9	Enel
	Oil	(%)	6.0	7.3	8.5	-1.3	-17.9	Enel
	Natural gas	(%)	38.0	38.8	34.9	3.9	10.1	Enel
	Gas oil	(%)	3.6	4.6	5.4	-1.0	-0.8	Enel
EN4	Electricity consumption by destination							
	Fuel deposit and movement	(TJ)	29	23	5	5	22.2	Enel
	Electricity distribution	(TJ)	2,161	1,590	1,514	571	35.9	Enel
	Property management	(TJ)	768	559	575	209	37.3	Enel
	Mining	(TJ)	49	49	8	-	-	Enel
	Total electricity consumption	(TJ)	3,007	2,221	2,102	786	35.4	Enel
	Internal consumption							
	Electricity consumption for civilian uses	(MWh)	213,258	155,268	159,704	57,990	37.3	Enel
	Fuel consumption	(tep)	31,847	29,745	28,336	2,102	7.1	Enel
	Water requirement for civilian uses	(,000 m ³)	3,600.3	2,677.2	4,641.0	923.0	34.5	Enel
	Paper bought for printers/ photocopiers	(m. A4 eq)	250.6	244.1	257.3	6.6	2.7	Enel
	RAW MATERIALS							
	Resources used in the production process							
EN1_{COMM}	Fuel consumption for thermoelectric production							
	from non-renewable sources							
	Coal	(,000 t)	36,359	31,468	32,591	4,891	15.5	Enel
	Lignite	(,000 t)	5,122	11,321	10,223	-6,199	-54.8	Enel
	Oil	(,000 t)	2,396	2,688	3,193	-292	-10.9	Enel
	Natural gas	(m. m ³)	17,682	16,405	15,265	1,277	7.8	Enel
	Gas oil	(,000 t)	1,355	1,617	1,956	-262	-16.2	Enel
	from renewable sources							
	Biomass and waste for thermoelectric production ⁽⁷⁾	(,000 t)	790	739	690	51	6.9	Enel
	Hydrogen	(m. m ³)	1.060	3.540	n.a.	-2.480	-70.1	Enel
	Biogas	(m. m ³)	38,266	37,442	33,104	824	2.2	Enel
	Geothermal steam used for electricity production	(,000 t)	87,873	87,968	70,982	-95	-0.1	Enel
	Uranium	(,000 t)	129	74	116	55	74.8	Enel
	Consumables	(,000 t)						
	Lime	(,000 t)	1,108.0	1,028.0	1,097.2	80.0	7.8	Enel
	Ammonia	(,000 t)	18.4	15.7	20.6	2.7	17.2	Enel
	Caustic soda	(,000 t)	35.6	30.6	32.1	4.9	16.1	Enel
	Slaked lime	(,000 t)	22.6	25.3	33.4	-2.7	-10.8	Enel
	Chloride/sulfuric acid	(,000 t)	15.2	13.6	15.1	1.7	12.3	Enel
	Other	(,000 t)	66.6	63.0	48.4	3.6	5.6	Enel
	Total	(,000 t)	1,266.3	1,176.2	1,246.8	90.1	7.7	Enel

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
	Percentage of materials used that derive from recycled material compared to total consumption of each resource							
	Lime for smoke desulfurization	(%)	0	1.3	1.1	-1.3	-100	Enel
	Lubricant	(%)	3.5	3.0	1.1	0.5	16.7	Enel
	Dielectric oil	(%)	20.0	59.0	11.5	-39.0	-66.1	Enel
	Ferric chloride	(%)	0.7	0.5	0	0.2	40.0	Enel
	Sulfuric acid	(%)	0	0.7	0	-0.7	-100.0	Enel
EN2	Paper for printing	(%)	54.4	56.0	52.2	-1.6	-2.9	Enel
	Equipment with PCB	(%)	1.3	1.9	3.8	-0.6	-32.8	Enel
	PCB quantity contained in equipment with PCB>500 ppm	(t)	1.1	5.9	34.0	-4.8	-81.7	Enel
	PCB quantity contained in equipment with 50<PCB<500 ppm	(t)	4,590	6,238	4,382	-1,648	-26.4	Enel
	WATER CONSUMPTION							
	Volumes of water drawn by production process⁽⁸⁾							
	Consumption for thermoelectric production	(m. m ³)	142.9	154.4	171.4	-11.5	-7.4	Enel
	Consumption for nuclear energy production ⁽⁹⁾	(m. m ³)	45.6	42.4	41.9	3.2	7.4	Enel
	Total consumption for production processes	(m. m ³)	188.5	196.8	213.2	-8.3	-4.2	Enel
	Consumption for other industrial uses ⁽¹⁰⁾	(m. m ³)	2.2	3.0	3.4	-0.83	-27.3	Enel
	Total water consumption	(m. m ³)	190.7	199.8	216.6	-9.2	-4.6	Enel
	Specific consumption by production process⁽⁸⁾							
	Specific consumption for thermoelectric production	(l/kWh)	0.80	0.91	0.93	-0.11	-11.8	Enel
	Specific consumption for nuclear energy production ⁽⁹⁾	(l/kWh)	1.14	0.05	0.07	0.13	12.4	Enel
	Total specific consumption	(l/kWh)	0.63	0.66	0.72	-0.03	-4.5	Enel
EN8_{COMM}	Volumes of water drawn by source⁽⁸⁾							
	Consumption from scarce sources	(m. m ³)	159.8	158.1	181.7	1.7	1.1	Enel
	Surface water (humid areas, lakes, rivers) ⁽⁹⁾	(m. m ³)	136.5	133.8	156.3	2.7	2.0	Enel
	Underground water (from wells) ⁽¹¹⁾	(m. m ³)	14.5	15.3	14.5	-0.9	-5.8	Enel
	Water from aqueducts	(m. m ³)	8.9	9.0	10.8	-0.1	-0.8	Enel
	Consumption from non-scarce sources	(m. m ³)	30.8	41.7	34.8	-10.9	-26.1	Enel
	Seawater (used as such and desalinated)	(m. m ³)	18.1	18.0	17.9	0.1	0.3	Enel
	from effluents (amount used inside plant)	(m. m ³)	12.8	23.7	16.9	-10.9	-46.2	Enel
	Total	(m. m ³)	190.7	199.8	216.6	-9.1	-4.6	Enel
EN10	Percentage of recycled and reused water⁽⁹⁾	(%)	6.8	12.0	7.9	-5.3	-43.8	Enel
	Water used for open-cycle cooling							
	in thermoelectric power plants	(m. m ³)	23,159	23,643	23,210	-485	-2.0	Enel
	in nuclear power plants	(m. m ³)	2,417	2,988	2,435	-571	-19.1	Enel

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
EN21_{COMM}	WASTE WATER							
	Waste water (quantity discharged)	(m. m ³)	267.6	246.9	255.4	20.7	8.4	Enel
	by thermoelectric production	(m. m ³)	67.8	79.5	89.4	-11.7	-14.7	Enel
	by nuclear energy production	(m. m ³)	199.8	167.4	165.9	32.4	19.4	Enel
	for oil deposit and movement	(m. m ³)	0.05	0.03	0.04	0.02	77.8	Enel
	Quality of discharged water (12)							
	COD (Chemical Oxygen Demand)	(kg)	506,616	592,646	522,726	-86,030	-14.5	Enel
	BOD (Biochemical Oxygen Demand)	(kg)	859,258	155,592	108,787	703,666	452.3	Enel
	Nitrogen	(kg)	111,312	375,188	338,421	-263,876	-70.3	Enel
	Heavy metals	(kg)	56,452	128,750	119,452	-72,298	-56.2	Enel
	Phosphorous	(kg)	16,082	26,900	18,958	-10,818	-40.2	Enel
	Nuclear emissions into water							
	Tritium	(TBq per Unit)	79.0	71.0	57.7	8.0	11.2	Enel
	Fission and corrosion products	(GBq per Unit)	19.0	9.8	21.7	9.2	93.9	Enel
EN22_{COMM}	WASTE							
	Waste products							
	Non-hazardous waste	(t)	11,578,474	11,407,546	11,249,733	170,928	1.5	Enel
	Hazardous waste (13)	(t)	60,738	73,324	71,347	-12,586	-17.2	Enel
	of which waste containing PCB	(t)	6,267	5,941	5,966	326	5.5	Enel
	Total waste products	(t)	11,639,212	11,480,871	11,321,080	158,341	1.4	Enel
	Total waste sent to recycling	(%)	28.4	23.4	24.8	5.0	21.4	Enel
	Hazardous waste by means of disposal							
	Recycling (including recycling of energy)	(t)	38,251	27,478	22,978	10,773	39.2	Enel
	Dumping	(t)	22,487	45,846	48,369	-23,359	-51.0	Enel
	Non-hazardous waste by means of disposal							
	Recycling (including recycling of energy)	(t)	3,270,917	2,659,567	2,830,382	611,350	23.0	Enel
	Dumping	(t)	8,307,557	8,747,979	8,419,351	-440,422	-5.0	Enel
	Waste products in nuclear power plants							
	Liquid radioactive waste at low/medium activity level	(m ³)	56.6	76.2	90.2	-19.7	-25.8	Enel (14)
	Solid radioactive waste at low/medium activity level	(t)	31.0	29.3	31.7	1.7	5.8	Enel (15)
	Solid radioactive waste at low/medium activity level	(m ³)	289.2	238.2	219.5	51.0	21.4	Enel (15)
EU9	Provisions for the decommissioning of nuclear power plants (16)	(m. euro)	2,946	3,020	3,054	-74	-2.5	Enel
EN29	TRANSPORT							
	Mitigation of the impact on the landscape/territory (17)							
	LV/MV Cabling ratio	(%)	62.8	61.9	60.4	0.9	1.5	Enel
	LV Cabling ratio	(%)	79.9	78.7	76.2	1.3	1.6	Enel
	MV Cabling ratio	(%)	32.8	32.5	32.7	0.3	0.8	Enel

(1) It is noted that this amount also includes loans received which in 2011 totaled 29.6 million euro. This amount for operating and investment costs includes both the expenses directly incurred by the research technical area and the expenses incurred by other areas of the

- Group. The data for 2010 and 2009 have been restated, since the previous values did not include the expenses relating to the Technological Innovation Plan. In addition, 2009 does not include Endesa.
- (2) Following a review of the method used to account for the items that make up GRI expense, the values for 2009 and 2010 are different from those published in the 2010 Sustainability Report. It is also specified that the expenses for the three-year period relating to "current expense for waste disposal, emission treatment and environmental restoration" do not include insurance for environmental responsibility or depreciation for investments in environmental protection, since the current accounting system does not permit a reliable allocation of insurance premiums against specific environmental items, and investments are recorded as such since the amount of depreciation has not been definitively codified yet.
 - (3) The figure for 2010 was restated since various judgments in Catalonia had been included which were then revealed to be fire protection administrative proceedings and disputes. The figure for 2009 relates only to the scope of Italy.
 - (4) Calculated by multiplying the electricity production obtained with each renewable or nuclear source by the average CO₂ emission from thermoelectric fossil fuel production at Enel Group plants in the various areas; in the absence of thermoelectric plant belonging to the Group, the average national emission is taken as a benchmark from the Enerdata database (<http://services.enerdata.eu>). The total emissions saved are calculated as the sum of the emissions saved in the various local areas.
 - (5) Specific emissions are calculated considering the total emissions from simple thermoelectric production and the combined production of electricity and heat with respect to total renewable, simple thermal and nuclear production and the combined production of electricity and heat.
 - (6) Specific emissions are calculated considering the total emissions from simple thermoelectric production and the combined production of electricity and heat with respect to total simple thermal and combined production of electricity and heat.
 - (7) The values for 2010 and 2009 have been reclassified by also including consumption from biomass and waste due to combined thermoelectric plant with heat production, which were not included in the figures published previously.
 - (8) In the calculation for absolute consumption and specific consumption of water, the consumption of water for open-cycle cooling is not included and nor is the plant's consumption of renewable sources. The values relating to 2010 and 2009 have been updated, since also the waste water from other activities has been included. This consumption only relates to the water drawn for the closed cycle.
 - (9) The analyses are carried out on different groups of plant from year to year, depending on the specific audit needs, and therefore relate to differing plant power levels. The values for 2010 and 2009 have been restated, since the previous values included the use of water at the Almaraz plant in Spain, which was mistakenly considered as closed cycle when in reality it is open cycle. This entailed also a change in the percentage of recycled and reused water. This figure was higher in 2010, since in that year the Maritza plant (Bulgaria) came into operation with a system of "efficient water management", which did not exist in 2009 (in 2011 Maritza was transferred and so is not in the scope of consolidation).
 - (10) The values for 2010 and 2009 have been restated, since this value also includes the requirement for mining, while previously it referred only to the fuel deposit and movement business.
 - (11) The values for 2010 and 2009 have been restated, since the previous figures did not include 2.7 million m³ in 2010 and 1.7 million m³ in 2009 used at mines in Spain.
 - (12) The analysis is carried out on different groups of plant from year to year, depending on the specific audit needs, and therefore relate to differing plant power levels.
 - (13) The values for 2010 and 2009 have been reclassified since the previous values included incorrect quantities for hazardous waste in Argentina, Brazil and Chile.
 - (14) The values for 2010 and 2009 have been restated, since contaminated oils and solvents, pending declassification, are not classified as radioactive waste in the reports for the year.
 - (15) The values relating to "solid" nuclear waste are recorded in tons in Slovakia and in cubic meters in Spain. Both figures are given since they cannot be summed together.
 - (16) The Provisions for "nuclear decommissioning" refer to:
 - 2,513 million euro (2,618 million euro at December 31, 2010) for plants V1 and V2 at Jasklovske Bohunice and EMO 1 and 2 at Mochovce and includes the provisions for the disposal of nuclear waste for 117 million euro (196 million euro at December 31, 2010), the provisions for the disposal of spent nuclear fuel for 1,578 million euro (1,571 million euro at December 31, 2010), and the provisions for the dismantling of nuclear power plants for 818 million euro (851 million euro at December 31, 2010); the estimated lead-times for the financial disbursement of the costs take account of the current applicable knowledge in terms of environmental regulation, the operating timeframes used to estimate the costs, as well as the problems connected to the very long timeframe over which these costs could occur. The discounting of the costs included in the provisions has been applied using discount rates between 4.15% and 4.55%;
 - 433 million euro (402 million euro at December 31, 2010) for costs which will be incurred on decommissioning of the nuclear power plants by Enresa, a Spanish public company entrusted with this task under Royal Decree no. 1349/03 and Law 24/05. The amount of the costs is based on the standard contract between Enresa and electricity companies, approved by the Ministry of the Economy in September 2001, which regulates the process of dismantling and closing nuclear generation plants. The timeframe covered corresponds to the 3-year period between the cessation of production and the transfer of the management of the plant to ENRESA (post-operational costs).
 - (17) The cabling ratio is calculated by proportioning the km of cabled lines (both underground and airborne insulated cables) to the total km of lines.

6. Citizens of the world

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
	RELATIONS WITH ASSOCIATIONS, INSTITUTIONS AND MEDIA							
	Meetings with associations	(no.)	1,500	1,489	900	11	0.7	Enel (1)
EC8	INITIATIVES IN FAVOR OF THE COMMUNITY							
	Contributions to communities – LBG method (2)							
	Donation expenses (3)	(m. euro)	24.4	27.1	47.0	-2.8	-10.3	Enel (4)
	Investments in communities	(m. euro)	51.1	59.6	51.4	-8.4	-14.1	Enel (4)
	Commercial initiatives with a social impact	(m. euro)	34.0	15.6	11.1	18.4	118.1	Enel (4)
	Total (expense + investments)	(m. euro)	109.5	102.3	109.5	7.2	7.0	Enel (4)
	Enel Cuore Onlus							
	Solidarity projects realized by Enel	(no.)	60	114	n.a.	-54.0	-47.4	Enel
	Sums provided to Enel Cuore Onlus by Enel Group companies	(m. euro)	6.280	6.666	31.412	-0.386	-5.8	Enel
	Subscription fees	(m. euro)	0.280	0.280	0.280	0.000	0.0	Enel
	Extraordinary contribution from associates	(m. euro)	6.000	6.106	6.005	-0.106	-1.7	Enel
	Tied donations	(m. euro)	0.000	0.280	25.127	-0.280	-100.0	Enel (5)
	SAFETY FOR THE COMMUNITY							
EU25	Third-party injuries							
	Serious and fatal injuries to third parties	(no.)	125	139	67	-14	-10.1	Enel (6)
	- fatal	(no.)	74	54	32	20	37.0	Enel (6)
	- serious	(no.)	51	85	35	-34	-40.0	Enel (6)
	Third-party injuries by type							
	Electricity accidents	(%)	88	67	63	21	31.3	Enel (7)
	Road accidents against Group infrastructure	(%)	6	13	36	-7	-53.8	Enel (7)
	Accidents for other reasons	(%)	6	20	1	-14	-70.0	Enel (7)
	Causes of electricity accidents							
	Construction activity near lines	(%)	15	30	33	-15	-50.0	Enel (8)
	Attempts at theft	(%)	37	27	24	10	37.0	Enel (8)
	Other	(%)	48	43	43	5	11.6	Enel (8)

(1) The values for 2009 do not include Endesa.

(2) The categories identified differ from those published in past years following adjustment to the new LBG methodology. In particular the item "Investments in communities" also includes what was classified in previous years as "Initiatives of socially sustainable business". The fall between 2010 and 2011 in the item "Investments in communities" and the simultaneous increase in the item "Commercial initiatives with a social impact" are mostly due to a change in the method of classifying projects in Brazil. In addition, it should be noted that the data presented are the result of an estimate based on internal values, sometimes recorded inconsistently, also in consideration of the different regulations in the countries in which the Group operates. In particular, the values presented include for some countries also donations made through the destination of a share of taxes to non-profit organizations which satisfy particular conditions. In order to improve the quality of the data presented and to make it more coherent with the GRI standard, it is planned to define a standard methodology to collect information for the entire Group.

(3) The item includes the contributions made to Enel Cuore over the years.

(4) In 2009 it includes Italy, Endesa, Slovakia and Bulgaria.

(5) The item refers to tied donations due to a contribution to support the Social Card program (25 million euro in 2008 and 25 million euro in 2009), which ended with the second *tranche* in 2009 and was established under an agreement signed on December 19, 2008, between the Ministry of the Economy and Finance-Department of the Treasury, the Ministry of Labor, Health and Social Policies, Enel SpA and Enel Cuore Onlus.

(6) The figure for 2010 was reclassified; the figure of 41 injuries compared to the previous value of 98 is due to an adjustment in the number of injuries received from Endesa following completion of the Sustainability Report.

(7) The figure for 2009 does not include Endesa.

(8) The data do not include Endesa since this type of accident is not recorded by them.

7. Sustainability in the supply chain

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
	SUPPLIERS							
	Number suppliers	(no.)	41,482	48,530	51,088	-7,048	-14.5	Enel
LA1_{COMM}	Workforce of contracting companies (1)	(no.)	109,708	107,886	85,171	1,822	1.7	Enel (2) (3)
EU17	Days worked by employees of contractors and subcontractors:	(,000 d)	26,662	27,138	21,640	-476	-1.8	Enel (3)
	- construction	(,000 d)	8,383	8,354	2,347	29	0.3	Enel (3)
	- operations	(,000 d)	6,955	9,353	7,042	-2,398	-25.6	Enel (3)
	- maintenance	(,000 d)	11,325	9,432	12,251	1,893	20.1	Enel (3)
	Concentration of suppliers (Top 15)	(%)	41.8	57.7	41.5	-15.9	-27.6	Enel (4)
EC6	Local suppliers							
	Concentration of spending on local suppliers	(%)	93	75	81	18	24.2	Enel (4)
	Concentration of spending on foreign suppliers	(%)	7	25	19	-18	-71.0	Enel (4)
	Local suppliers with contracts >1 m. euro	(no.)	1,152	1,180	1,118	-28	-2.4	Enel (4)
	Foreign suppliers with contracts >1 m. euro	(no.)	110	161	115	-51	-31.7	Enel (4)
	Spending on local suppliers with contracts >1 m. euro	(m. euro)	7,041	9,780	5,880	-2,739	-28.0	Enel (4)
	Spending on foreign suppliers with contracts >1 m. euro	(m. euro)	560	3,330	1,414	-2,770	-83.2	Enel (4)
	Purchases and fuel							
	Purchases of materials and services	(m. euro)	9,243	14,983	8,975	-5,740	-38.3	Enel
	Supplies	(m. euro)	2,363	7,479	1,843	-5,117	-68.4	Enel
	Works	(m. euro)	2,517	3,380	3,138	-863	-25.5	Enel
	Services	(m. euro)	4,363	4,124	3,994	239	5.8	Enel
	Purchase of fuels	(m. euro)	7,226	5,789	5,014	1,438	24.8	Enel (5)
	Gas	(m. euro)	3,024	1,979	1,174	1,045	52.8	Enel (5)
	Oil	(m. euro)	1,901	1,713	1,162	189	11.0	Enel (5)
	Coal	(m. euro)	1,947	1,536	1,908	411	26.7	Enel (5)
	Services	(m. euro)	354	561	770	-207	-36.8	Enel (5)
	Management instruments							
	Active qualified companies	(no.)	4,901	4,094	2,541	807	19.7	Enel (6)
	Online tenders	(%)	35	54	90	-20	-36.0	Enel (6)
	Online purchases	(%)	59	70	92	-11	-15.7	Enel
	Use of prescription	(%)	48	23	43	25	108.6	Enel (7)
	Disputes with suppliers							
	Total proceedings	(no.)	645	1,182	598	-537	-45.4	Enel

GRI	KPI	UM	2011	2010	2009	2011-2010	%	Scope
	Incidence of proceedings as defendant	(%)	72.7	89.1	83.5	-16.4	-18.4	Enel
LA7_{COMM}	Safety							
	Serious and fatal injuries to employees of contracting companies	(no.)	46	61	144	-15	-24.6	Enel ⁽³⁾
	- men	(no.)	46	61	n.a.	-15	-24.6	Enel ⁽³⁾
	- women	(no.)	0	0	n.a.	-	-	Enel ⁽³⁾
	of which fatal	(no.)	7	19	17	-12	-63.2	Enel ⁽³⁾
	- men	(no.)	7	19	17	-12	-63.2	Enel ⁽³⁾
	- women	(no.)	0	0	0	-	-	Enel ⁽³⁾
	of which serious	(no.)	39	42	127	-3	-7.1	Enel ⁽³⁾
	- men	(no.)	39	42	n.a.	-3	-7.1	Enel ⁽³⁾
	- women	(no.)	0	0	n.a.	-	-	Enel ⁽³⁾
	Lost-Time Injuries Frequency Rate (LTIFR) of employees of contracting companies	(i)	0.71	0.84	1.18	-0.13	-15.7	Enel ⁽³⁾
	- Italy	(i)	0.62	0.80	2.43	-0.19	-23.3	Enel ⁽³⁾
	- Europe	(i)	0.70	0.72	1.41	-0.02	-2.1	Enel ⁽³⁾
	- North America and Latin America	(i)	0.74	0.95	0.96	-0.22	-22.6	Enel ⁽³⁾
	Lost Day Rate (LDR) of employees of contracting companies	(i)	20.36	15.13	19.27	5.23	34.6	Enel ⁽³⁾
	- Italy	(i)	16.83	13.53	44.53	3.30	24.4	Enel ⁽³⁾
	- Europe	(i)	26.20	8.44	16.80	17.76	210.4	Enel ⁽³⁾
	- North America and Latin America	(i)	17.61	20.96	18.10	-3.35	-16.0	Enel ⁽³⁾
EU18	Training on health and safety							
	Contractors and subcontractors who have taken health and safety training courses	(%)	100	100	100	-	-	Enel ⁽³⁾

(1) Calculated in FTE (Full Time Equivalents).

(2) The data for 2009 do not include the Infrastructure and Networks Division, Enel Servizi and Slovakia.

(3) The data relating to safety do not include Portugal and the companies which are less than 50% consolidated (except for Hydro Dolomiti Enel Srl and foreign branches of Italian companies).

(4) The data for 2009 do not include Endesa Latin America.

(5) The data for 2011 do not include Peru, Colombia, Portugal and Morocco, while the 2010 and 2009 data do not include Endesa Latin America, Portugal, Morocco and Ireland.

(6) The data for 2009 refer only to the scope of Italy.

(7) The data do not include Endesa, Latin America Renewables, and Romania Renewables.

GRI Content Index

Key

C: Core

A: Additional

● Reported on whole boundary

◐ Partially reported

○ Not reported

GRI-G3.1 and Electric Utilities

Sector Supplement

Indicator	Type	Description	Reporting level	References
1. Strategy and analysis				
1.1	C	Statement from the most senior decision-maker about the relevance of sustainability to the organization and its strategy	●	8
1.2	C	Description of key impacts, risks and opportunities	●	37-39
2. Organizational profile				
2.1	C	Name of the organization	●	31
2.2	C	Primary brands, products, and/or services	●	14-15
2.3	C	Operational structure of the organization, including main Divisions, operating companies, subsidiaries, and joint ventures	●	18
2.4	C	Location of organization's headquarters	●	31
2.5	C	Number of countries where the organization operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report	●	16-17
2.6	C	Nature of ownership and legal form	●	55, 245
2.7	C	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries)	●	141, 269
2.8	C	Scale of the reporting organization	●	48-51
2.9	C	Significant changes during the reporting period regarding size, structure, or ownership	●	33
2.10	C	Awards received in the reporting period	●	99
EU1	C	Installed capacity, broken down by primary energy source and by regulatory regime	●	14, 239
EU2	C	Net energy output, broken down by primary energy source and by regulatory regime	●	48, 242
EU3	C	Number of residential, industrial and commercial customers	●	15, 141, 241, 269

Indicator	Type	Description	Reporting level	References
EU4	C	Length of above and underground transmission and distribution lines by regulatory regime	●	14, 240
EU5	C	Allocation of CO ₂ emissions allowances or equivalent, broken down by carbon trading framework	●	168-169
3. Report parameters				
3.1	C	Reporting period (e.g., fiscal/calendar year) for information provided	●	32
3.2	C	Date of publication of most recent sustainability report	●	31
3.3	C	Reporting cycle (annual, biennial, etc.)	●	31
3.4	C	Contact point for questions regarding the report or its contents	●	31
3.5	C	Process for defining report content	●	31
3.6	C	Boundary of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers)	●	32
3.7	C	State any specific limitations on the scope or boundary of the report	●	33
3.8	C	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organizations	●	33
3.9	C	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the indicators and other information in the report	●	33, 238
3.10	C	Explanation of the effect of any restatements of information provided in earlier reports, and the reasons for such restatement (e.g. mergers/acquisitions, change of base years/periods, nature of business, measurement methods)	●	33
3.11	C	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report	●	31, 33
3.12	C	Table identifying the location of the Standard Disclosures in the report	●	286
3.13	C	Policy and current practice with regard to seeking external assurance for the report	●	32
4. Governance, commitments and engagement of stakeholders				
4.1	C	Governance structure of the organization, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organizational oversight	●	56, 59-61
4.2	C	Indicate whether the Chair of the highest governance body is also an executive officer (if so, indicate their role within the management and the reasons for this structure)	●	57-58
4.3	C	For organizations that have a unitary board structure, state the number and gender of members of the highest governance body that are independent and/or non-executive members	●	58-59
4.4	C	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body	●	65-66
4.5	C	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organization's performance (including social and environmental performance)	●	64
4.6	C	Processes in place for the highest governance body to ensure conflicts of interest are avoided	●	61-63
4.7	C	Process for determining the composition, qualifications and expertise of the members of the highest governance body and its committees, including any considerations on gender and on other diversity indicators	●	56-57

Indicator	Type	Description	Reporting level	References
4.8	C	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation	●	36, 82
4.9	C	Procedures of the highest governance body for overseeing the organization's identification and management of economic, environmental, and social performance, including relevant risks and opportunities, and adherence or compliance with internationally agreed standards, codes of conduct, and principles	●	65
4.10	C	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance	●	64-65
4.11	C	Explanation of whether and how the precautionary approach or principle is addressed by the organization	●	67
4.12	C	Externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization subscribes or endorses	●	82
4.13	C	Memberships in national/international associations in which the organization: <ul style="list-style-type: none"> • has positions in governance bodies; • participates in projects or committees; • provides substantive funding beyond routine membership dues; 	●	94-96
4.14	C	List of stakeholder groups engaged by the organization	●	90-91
4.15	C	Basis for identification and selection of stakeholders with whom to engage	●	89
4.16	C	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	●	89
4.17	C	Key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those concerns, including through its reporting	●	97-98, 122, 143-145, 199-201

5. Management approach and performance indicators

Economic performance indicators

DMA EC			●	20-21, 37-38, 85-88, 188-189
EU6	C	Management approach to ensure short- and long-term electricity availability and reliability	●	142-143
EU7	C	Demand-side management programs including residential, commercial, institutional and industrial programs	●	154-157
EU8	C	Research and development activity and expenditure aimed at providing reliable electricity and promoting sustainable development	●	68, 276
EU9	C	Provisions for decommissioning of nuclear power sites	●	185-186, 281
EC1	C	Direct economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments	●	53, 243
EC2	C	Financial implications and other risks and opportunities for the organization's activities due to climate change	●	38-39
EC3	C	Coverage of the organization's defined benefit plan obligations	●	125, 261
EC4	C	Significant financial assistance received from government	●	88, 250
<p>Limitation: the data regarding the non-European countries are not available in the current recording systems. Enel monitors grants only in Europe. Enel undertakes to report such information in 2014.</p>				
EC5	A	Range of ratios of standard entry-level wage compared to local minimum wage at significant locations of operation	○	-

Indicator	Type	Description	Reporting level	References
		Motivation: not significant. The indicator is not significant with regard to Enel's specific activities.		
EC6	C	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation	●	227, 284
EC7		Procedures for local hiring and proportion of senior management hired from the local community at significant locations of operation	●	107
EC8	C	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or <i>pro bono</i> engagement	●	205-223, 283
EC9	A	Understanding and describing significant indirect economic impacts, including the extent of impacts	○	-
		Motivation: not significant. The indicator is not significant with regard to Enel's specific activities.		
EU10	C	Planned capacity against projected electricity demand over the long term, broken down by energy source and regulatory regime	○	-
		Motivation: proprietary information. The information requested regards Business-Plan data that we do not consider advisable to publish for reasons of strategic expediency. The Enel Group guarantees that it will keep the commitments undertaken with the institutions of the countries in which it operates to ensure a production capacity that can satisfy electricity demand over the long term.		
EU11	C	Average generation efficiency of thermal plants by energy source and regulatory regime	●	270
EU12	C	Transmission and distribution losses as a percentage of total energy	●	271
		Limitation: the data regarding the Latin American countries are not available because of the difficulty in standardizing them. Enel undertakes to report such information in 2014.		
Environmental performance indicators				
DMA EN _{COMM}			●	20-21, 38-39, 162-165, 180, 184
EN1 _{COMM}	C	Materials used by weight or volume	●	175-177, 279
EN2	C	Percentage of materials used that are recycled input materials	●	280
EN3	C	Direct energy consumption by primary energy source	●	173, 278
EN4	C	Indirect energy consumption by primary source	●	174, 279
EN5	A	Energy saved due to conservation and efficiency improvements	●	173
EN6	A	Initiatives to provide energy-efficient or renewable energy-based products and services, and reductions in energy requirements as a result of these initiatives	●	154-159, 274
EN7	A	Initiatives to reduce indirect energy consumption and reductions achieved	●	174
EN8 _{COMM}	C	Total water withdrawal by source	●	178-179, 280
EN9	A	Water sources significantly affected by withdrawal of water	●	180, www.enel.com/en-GB/sustainability/environment/biodiversity
EN10	A	Percentage and total volume of water recycled and reused	●	181, 280
EN11	C	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	●	183, www.enel.com/en-GB/sustainability/environment/biodiversity
EN12 _{COMM}	C	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	●	183

Indicator	Type	Description	Reporting level	References
EU13	C	Biodiversity of habitats compared to the biodiversity of the affected areas	●	183, www.enel.com/it-IT/sustainability/environment/biodiversity
EN13	A	Habitats protected or restored	●	www.enel.com/it-IT/sustainability/environment/biodiversity
EN14 _{COMM}	A	Strategies, current actions, and future plans for managing impacts on biodiversity	●	183
EN15	A	Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	●	www.enel.com/it-IT/sustainability/environment/biodiversity
EN16 _{COMM}	C	Total direct and indirect greenhouse-gas emissions by weight	●	170-171, 276-277
EN17	C	Other relevant indirect greenhouse-gas emissions by weight	●	171, 277
EN18 _{COMM}	C	Initiatives to reduce greenhouse-gas emissions and reductions achieved	●	167-169, 170, 276
EN19	C	Emissions of ozone-depleting substances by weight	●	277-278
EN20 _{COMM}	C	NO _x , SO _x , and other significant air emissions by type and weight	●	172, 277
EN21 _{COMM}	C	Total water discharge by quality and destination	●	181, 280-281
EN22 _{COMM}	C	Total weight of waste by type and disposal method	●	184, 281
EN23	C	Total number and volume of significant spills	●	187
EN24	A	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annexes I, II, III, and VIII, and percentage of such waste transported abroad	○	-
		Motivation: the data are not available in our current recording systems. An estimate would not be reliable.		
EN25	A	Identity, size, protected status, and biodiversity of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff	●	www.enel.com/it-IT/sustainability/environment/biodiversity
EN26	C	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation	●	173, 177, 179-181, 183
EN27	C	Percentage of products sold and their packaging materials that are reclaimed by category	○	-
		Motivation: not significant, because Enel does not produce significant quantities of packageable goods to be sold. Therefore, this indicator is not significant with regard to Enel's specific activities.		
EN28	C	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	ⓘ	276
		Limitation: the figure on non-monetary sanctions is not available for 2011. Enel commits to report this information in the short term.		
EN29	A	Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce	●	182, 277
EN30	A	Total environmental protection expenditures and investments by type	●	165, 276
Social performance indicators: suitable labor practices and working conditions				
DMA LA			●	20-21, 114, 116-117, 231-232
EU14	C	Programs and processes to ensure the availability of a skilled workforce	●	108-110

Indicator	Type	Description	Reporting level	References
EU15	C	Percentage of employees eligible to retire in the next 5 and 10 years broken down by job category and by region	●	261-265
EU16	C	Policies and requirements regarding health and safety of Enel Group employees and employees of contractors and subcontractors	●	112-114, 231-232
LA1 _{COMM}	C	Total workforce by employment type, employment contract, and region, divided by gender	●	104-105, 251-254, 284
LA2 _{COMM}	C	Total number and rate of new recruitment and employee turnover by age group, gender, and region	●	104, 254-256
EU17	C	Days worked by contractor and subcontractor employees involved in construction, operation and maintenance activities	●	226, 284
EU18	C	Percentage of contractor and subcontractor employees that have undergone relevant health and safety training	●	232, 285
LA3	A	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations	●	123
LA15	C	Return to work and retention rates after parental leave, by gender Motivation: the data are not available in our current recording systems. An estimate would not be reliable.	○	-
LA4 _{COMM}	C	Percentage of employees covered by collective bargaining agreements Limitation: The data regarding contractors and subcontractors (EUSS commentary) are not available. Given the fragmentation of such firms, it is difficult to collect such data. An estimate would be neither reliable nor significant. Enel undertakes to report such information in 2014.	◐	131, 266
LA5	C	Minimum notice period(s) regarding significant operational changes, including whether it is specified in collective agreements	●	132
LA6	A	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	●	135
LA7 _{COMM}	C	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region and by gender	●	118, 258-261, 285
LA8	C	Education, training, counseling, prevention, and risk-control programs in place to assist workforce members, their families, or community members regarding serious diseases	●	120-121
LA9	A	Health and safety topics covered in formal agreements with trade unions	●	134-135
LA10	C	Average hours of training per year per employee by gender and by employee category	●	110-111, 257
LA11	A	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	●	125
LA12	A	Percentage of employees receiving regular performance and career development reviews, by gender	●	108, 256
LA13	C	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	●	129-130, 247, 265-266
LA14	C	Ratio of basic salary and remuneration of women to men by employee category and by significant locations of operation	●	266
Social performance indicators: human rights				
DMA HR			●	20-21, 81-82, 228, 249
HR1	C	Percentage and total number of significant investment agreements and contracts that include clauses incorporating human rights concerns, or that have undergone human rights screening	●	85, 249

Indicator	Type	Description	Reporting level	References
HR2	C	Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening, and actions taken	●	228
HR3	C	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	●	83
HR4	C	Total number of incidents of discrimination and corrective actions taken	●	81, 85, 249
HR5 _{COMM}	C	Operations and significant suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and actions taken to support these rights	●	85, 132, 228
HR6	C	Operations and significant suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	●	85, 228
HR7	C	Operations and significant suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor	●	85, 228
HR8	A	Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations Motivation: the data are not available in our current recording systems. An estimate would not be reliable. An internal analysis revealed that the indicator is material in some corporate contexts; Enel, therefore, undertakes to report such information in the medium term.	○	-
HR9	A	Total number of incidents of violations involving rights of indigenous people and actions taken	●	199-201
HR10	C	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments Motivation: the data are not available in our current recording systems. An estimate would not be reliable.	○	-
HR11	C	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms	●	81, 85, 249
Social performance indicators: society				
DMA SO			●	20-21, 81-85, 192-195
EU19	C	Stakeholder participation in the decision-making process related to energy planning and infrastructure development	●	87-88
EU20	C	Approach to managing the impacts of displacement	●	198
EU21	C	Contingency planning measures, disaster/emergency management plans and training programs, and recovery/restoration plans	●	204
SO1 _{COMM} / SO1	C	Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting/Percentage of operations with implemented local community engagement, impact assessments, and development programs	●	194-195, 197
EU22	C	Number of people physically or economically displaced and compensation, broken down by type of project and impact	●	198
SO2	C	Percentage and total number of business units analyzed for risks related to corruption	●	85
SO3	C	Percentage of employees trained in organization's anti-corruption policies and procedures	●	83
SO4	C	Actions taken in response to incidents of corruption	●	85
SO5	C	Public policy positions and participation in public policy development and lobbying	●	87-88

Indicator	Type	Description	Reporting level	References
SO6	A	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country	●	85-86
SO7	A	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	●	88
SO8	C	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	●	Annual Report : 264-272
SO9	C	Operations with significant potential or actual negative impacts on local communities	●	199-201
SO10	C	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities	●	199-201
Social performance indicators: product responsibility				
DMA PR			●	20-21, 138-141, 143-145
EU23	C	Programs, including those in partnership with governments, to improve or maintain access to electricity and support services for customers	●	147-148
EU24	C	Initiatives aimed at breaking down linguistic, cultural, illiteracy and disability barriers to accessing electricity safely and support services for customers	●	152, 159
PR1 _{COMM}	C	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures	●	202, 204
PR2	A	Total number of incidents (by type) of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle	●	143
EU25	C	Number of injuries and fatalities to the public involving company assets, including legal judgments, settlements and pending legal cases of diseases	●	202, 283
PR3	C	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements	●	152-153
PR4	A	Total number of incidents (by type) of non-compliance with regulations and voluntary codes concerning product and service information and labeling	◐	153
Limitation: the data are not available for Endesa. Enel undertakes to report such information in 2014.				
PR5	A	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction	●	143-145, 271-272
PR6	C	Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship	●	152
PR7	A	Total number of incidents (by type) of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship	◐	152
Limitation: the data are not available for Endesa. Enel undertakes to report such information in 2014.				
PR8	A	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	◐	150
Limitation: the data are not available for Endesa. Enel undertakes to report such information in 2014.				
PR9	C	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	●	143
EU26	C	Percentage of population unserved in licensed distribution or service areas	●	206

Indicator	Type	Description	Reporting level	References
EU27	C	Number of residential disconnections for non-payment, broken down by duration of disconnection and by regulatory regime	●	273-274
EU28	C	Power outage frequency Limitation: the data regarding the Latin American countries are unavailable because of the difficulty of standardizing them. Enel undertakes to report such information in 2014.	◐	271
EU29	C	Average power outage duration Limitation: the data regarding the Latin American countries are unavailable because of the difficulty of standardizing them. Enel undertakes to report such information in 2014.	◐	271
EU30	C	Average plant availability factor by energy source and by regulatory regime	●	270

Reconciliation with the 10 Global Compact principles

Companies are required to...

Human rights	<i>In this Report</i>	
Principle I Promote and respect universally recognized human rights in the context of the respective spheres of influence.	Dossier - Enabling Electricity	
	1.2.3	2012-2016 Sustainability Plan
	2.1.1	The three pillars of our corporate ethics
	2.1.3	Our key commitments - Respect of human rights
	3.4.1	Objective: Zero accidents
	3.4.2	Protecting health at Enel
	6.1	Create shared value
	6.2.1	Managing relocation
	6.2.2	Projects in progress
	6.3	The safety of communities
	6.4.1	Promoting social development
	6.5	The heart of solidarity
Principle II Guarantee not to be, even indirectly, accomplice to abuses of human rights.	1.2.3	2012-2016 Sustainability Plan
	2.1.1	The three pillars of our corporate ethics
	2.1.3	Our key commitments - Respect of human rights
	7.3	Protecting human rights along the supply chain
	7.4	Safety in contract work

Labor	<i>In this Report</i>	
Principle III Support freedom of association of workers and recognize the right to collective bargaining.	1.2.3	2012-2016 Sustainability Plan
	2.1.3	Our key commitments - Respect of human rights
	3.6.1	Industrial relations
	7.3	Protecting human rights along the supply chain
Principle IV Support the elimination of all the forms of forced and obligatory labor.	1.2.3	2012-2016 Sustainability Plan
	2.1.3	Our key commitments - Respect of human rights
	7.3	Protecting human rights along the supply chain
Principle V Support the effective elimination of child labor.	1.2.3	2012-2016 Sustainability Plan
	2.1.3	Our key commitments - Respect of human rights
	7.3	Protecting human rights along the supply chain
Principle VI Support the elimination of every form of discrimination in respect of employment and occupation.	1.2.3	2012-2016 Sustainability Plan
	2.1.3	Our key commitments - Respect of human rights
	3.5.3	Equal opportunities
	7.3	Protecting human rights along the supply chain

Environment

In this Report

Principle VII

Support a precautionary approach to environmental challenges.

Dossier - Innovation

- 1.2.1 Strategic priorities
- 1.2.2 Climate Strategy
- 1.2.3 2012-2016 Sustainability Plan
- 5.1.1 Environmental policy
- 5.1.3 Environmental management

Principle VIII

Take initiatives to promote more environmental responsibility.

Dossier - Innovation

- 1.2.1 Strategic priorities
- 1.2.2 Climate Strategy
- 1.2.3 2012-2016 Sustainability Plan
- 4.6 Promoting responsible energy consumption
- 5.1.1 Environmental policy
- 5.1.2 Initiatives in progress
- 5.2.1 Greenhouse gas emissions - development of renewable energy
- 5.2.1 Greenhouse gas emissions - Carbon Strategy
- 5.7 Biodiversity

Principle IX

Encourage the development and dissemination of technologies that respect the environment.

Dossier - Enabling Electricity

Dossier - Innovation

- 1.2.1 Strategic priorities
- 1.2.2 Climate Strategy
- 1.2.3 2012-2016 Sustainability Plan
- 5.1.1 Environmental policy
- 5.1.2 Initiatives in progress
- 5.2.1 Greenhouse gas emissions - Development of renewable energy
- 5.2.1 Greenhouse gas emissions - Carbon Strategy

Anti-corruption

In this Report

Principle X

Make a commitment to combat corruption in all its forms, including extortion and bribes.

- 1.2.2 2012-2016 Sustainability Plan
- 2.1.1.1 The three pillars of our corporate ethics
- 2.1.2 Lessons on ethics
- 2.1.3 Our key commitments - Combating corruption
- 2.1.3 Our key commitments - Transparency in institutional relations
- 7.2 Qualification and selection

**Independent auditors' report on the limited assurance engagement of the sustainability report 2011 of Enel Group as of December 31, 2011
(Translation from the original Italian text)**

To the Board of Directors of
Enel S.p.A.

1. We have carried out the limited assurance engagement of the sustainability report of Enel S.p.A. and its subsidiaries ("Enel Group") as of December 31, 2011. The directors of Enel S.p.A. are responsible for the preparation of the sustainability report in accordance with the "Sustainability Reporting Guidelines", version 3.1, issued in 2011 by Global Reporting Initiative ("G.R.I.") and with the sector supplement "Sustainability Reporting Guidelines & Electric Utilities Sector Supplement" issued in 2009 by G.R.I., as stated in the section "Methodological note", as well as for determining the Group's commitments regarding the sustainability performance and the reporting of results achieved. The directors of Enel S.p.A. are also responsible for the identification of stakeholders and of significant matters to report, as well as implementing and maintaining appropriate processes to manage and control internally data and disclosures indicated in the sustainability report. Our responsibility is to issue this report on the basis of the work performed.
2. Our work has been conducted in accordance with the principles and guidelines established, for a limited assurance engagement, by the "International Standard on Assurance Engagements 3000 - Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 3000"), issued by the International Auditing and Assurance Standards Board. This standard requires the compliance with applicable ethical principles ("Code of Ethics for Professional Accountants" issued by the International Federation of Accountants - I.F.A.C.), including professional independence, as well as planning and executing our work in order to obtain a limited assurance, rather than a reasonable assurance, that the sustainability report is free from material misstatements. A limited assurance engagement of the sustainability report consists in making inquiries, primarily with company's personnel responsible for the preparation of information included in the sustainability report, in the analysis of the sustainability report and in other procedures in order to obtain evidences considered appropriate.

The procedures performed are summarized below:

- a. comparison between the economic and financial data and information disclosed in the sustainability report with data and information included in the Enel Group consolidated financial statements as of December 31, 2011, on which we issued our Audit Report, pursuant to art. 14 and 16 of Legislative Decree dated January 27, 2010, on April 6, 2012;
- b. analysis of the processes that support the generation, recording and management of the quantitative data reported in the sustainability report. In particular, we have carried out the following procedures:
 - interviews and discussions with Enel S.p.A.'s management and personnel from Enel Servizi S.r.l., Enel OGK-5 OJSC, Slovenské Elektrárne AS, Enel Energie SA, Enel Energie Muntenia SA, Endesa SA to obtain an understanding about the information, accounting and reporting system in use for the preparation of the sustainability report as well as the internal control processes and procedures supporting the collection, aggregation, processing and transmission of data and information to the department responsible for the preparation of the sustainability report;

- on-site verifications at Mochovce nuclear plant (Slovakia), Presenzano hydroelectric plant (Italy), Besós combined heat and power gas plant (Spain) and Lleida hydroelectric plant (Spain);
 - analysis, on a sample basis, of the documentation supporting the preparation of the sustainability report in order to confirm the processes in use, their adequacy and the operation of the internal control system for the correct reliability of data and information in relation to the objectives described in the sustainability report;
- c. compliance analysis of qualitative information included in the sustainability report with the guidelines identified in paragraph 1 of the present report and of their internal consistency, with reference to the strategy, the sustainability policies and the identification of the significant matters for stakeholders;
- d. analysis of the stakeholders engagement process, regarding the methods in use and the inclusiveness of stakeholders involved, by reviewing minutes or any other documents related to significant matters arisen from dialogue with stakeholders;
- e. obtaining the representation letter, signed by the legal representative of Enel S.p.A, relating to the compliance of the sustainability report with the guidelines indicated in paragraph 1, as well as to the reliability and completeness of information and data presented in the sustainability report.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement performed in accordance with ISAE 3000 and, as a consequence, we may not have become aware of all the significant events and circumstances which could be identified by performing a reasonable assurance engagement.

The sustainability report presents, for comparative purposes, data related to prior years. Some data have been restated compared to the data previously reported and assured by another independent auditor, whose report was issued on April 20, 2011. The restatement principles of comparative data and the related disclosure have undergone limited assurance procedures for the only purpose of issuing this report.

3. Based on the procedures carried out, nothing has come to our attention that causes us to believe that the sustainability report of the Enel Group as of December 31, 2011 is not in compliance, in all material respects, with the "Sustainability Reporting Guidelines", version 3.1, issued in 2011 by G.R.I, and with the sector supplement "Sustainability Reporting Guidelines & Electric Utilities Sector Supplement" issued in 2009 by G.R.I, as stated in the section "Methodological note".

Rome, April 24, 2012

Reconta Ernst&Young S.p.A

Signed by: Massimo delli Paoli, partner

This report has been translated into the English language solely for the convenience of international readers

Independent auditors' report on the limited assurance engagement of the sustainability report 2011 of Enel Group as of December 31, 2011 prepared in accordance with the AA1000 AccountAbility Principles Standard 2008 (Translation from the original Italian text)

To the Board of Directors of
Enel S.p.A.

1. We have carried out the limited assurance engagement of the sustainability report of Enel S.p.A. and its subsidiaries ("Enel Group") as of December 31, 2011. The directors of Enel S.p.A. are responsible for the preparation of the sustainability report in accordance with the "Inclusivity", "Materiality" and "Responsiveness" principles set out in the "AA1000 AccountAbility Principles Standard 2008" ("AA1000APS - 2008"), issued by AccountAbility (Institute of Social and Ethical Accountability), as stated in the section "Methodological note", and for the reliability of data and information on the sustainability performance disclosed in the sustainability report, as well as for determining the Group's commitments regarding the sustainability performance and the reporting of results achieved. The directors of Enel S.p.A. are also responsible for the identification of stakeholders and of significant matters to report, as well as implementing and maintaining appropriate processes to manage and control internally data and disclosures indicated in the sustainability report. Our responsibility is to issue this report on the basis of the work performed.
2. Our work has been conducted in accordance with the principles and guidelines established, for a limited assurance engagement, by the "International Standard on Assurance Engagements 3000 - Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 3000"), issued by the International Auditing and Assurance Standards Board. This standard requires the compliance with applicable ethical principles ("Code of Ethics for Professional Accountants" issued by the International Federation of Accountants - I.F.A.C.), including professional independence, as well as planning and executing our work in order to obtain a limited assurance, rather than a reasonable assurance, that the sustainability report is free from material misstatements.

We conducted our work also in accordance with the criteria established by the "AA1000 AccountAbility Assurance Standard (2008)" ("AA1000AS - 2008"), "Type 2", concerning not only the nature and extent of the organization's adherence to AA1000APS - 2008 principles, but also the evaluation of the reliability of data and information on sustainability performance, reported by the Group in accordance with the "Sustainability Reporting Guidelines", version 3.1, issued in 2011 by Global Reporting Initiative ("G.R.I.") and with the sector supplement "Sustainability Reporting Guidelines & Electric Utilities Sector Supplement" issued in 2009 by G.R.I.. The guidelines issued by AccountAbility point out that the "moderate level of assurance" used in the AA1000AS - 2008 standard is consistent with the "limited level of assurance" established by ISAE 3000. A limited assurance engagement of the sustainability report consists in making inquiries, primarily with company's personnel responsible for the preparation of information included in the sustainability report, in the analysis of the sustainability report and in other procedures in order to obtain evidences considered appropriate.

The procedures performed are summarized below:

- a. interviews with representatives of the CSR department of Enel S.p.A. and with personnel from other companies of the Enel Group (Enel OGK-5 OJSC, Slovenské Elektrárne AS, Enel Energie SA, Enel Energie Muntenia SA, Endesa SA) in order to understand the processes used to comply with the "Inclusivity", "Materiality" and "Responsiveness" principles, established by the AA1000APS - 2008 standard and the effectiveness of such processes;
- b. analysis and understanding of the stakeholder engagement process, regarding the methods in use and the inclusiveness of stakeholders involved, by reviewing minutes or any other documents related to significant matters arisen from dialogue with stakeholders;
- c. analysis and understanding of processes and instruments used for the identification of significant matters for each stakeholder category;
- d. analysis of the documentation supporting the activity carried out by the CSR department, responsible for the sustainability report preparation, in order to understand how strategies and procedures on significant matters are applied;
- e. analysis, on a sample basis, of the initiatives developed by the Group to comply with stakeholder expectations;
- f. analysis of the processes that support the generation, recording and management of data and information on sustainability performance. In particular, we have carried out the following procedures:
 - interviews with the departments responsible for the topics reported in the sustainability report, in order to obtain an understanding about the information, accounting and reporting system in use for the preparation of sustainability performance information, as well as the internal control processes and procedures supporting the collection, aggregation, processing and transmission of sustainability performance data and information to the department responsible for the preparation of the sustainability report;
 - on-site verification of data and interviews with personnel involved in the data collection and management process at production sites selected during the verification process: Mochovce nuclear plant (Slovakia), Presenzano hydroelectric plant (Italy), Besós combined heat and power gas plant (Spain) and Lleida hydroelectric plant (Spain);
 - analysis, on a sample basis, of the documentation supporting the preparation of data and information on the sustainability performance.
- g. obtaining the representation letter, signed by the legal representative of Enel S.p.A., relating to the compliance of the sustainability report with the guidelines identified in paragraph 1, as well as to the reliability and completeness of information and data presented in the sustainability report.

The assignment has been carried out by a multidisciplinary team of experts on social-environmental responsibility techniques and financial audit.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement performed in accordance with ISAE 3000 and, as a consequence, we may not have become aware of all the significant events and circumstances which could be identified by performing a reasonable assurance engagement.

The sustainability report presents, for comparative purposes, data related to prior years. Some data have been restated compared to the data previously reported and assured by another independent auditor, whose report was issued on April 20, 2011. The restatement principles of

comparative data and the related disclosure have undergone limited assurance procedures for the only purpose of issuing this report.

3. Based on the procedures carried out, nothing has come to our attention that causes us to believe that the sustainability report of Enel Group as of December 31, 2011 is not in compliance, in all material respects, with standard AA1000 APS - 2008 principles, as stated in the section "Methodological note" of the sustainability report and that sustainability data and information are not reliable.

Rome, April 24, 2012

Reconta Ernst & Young S.p.A.

Signed by: Massimo delli Paoli, partner

This report has been translated into the English language solely for the convenience of international readers

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