



SUSTAINABILITY  
2023 **YEAR IN REVIEW**

NORTH AMERICA

# Welcome from our CEO

I'm delighted to share our 2023 Sustainability Year in Review with you, and to reflect on my time to date as CEO of Enel North America.



**Paolo Romanacci**  
Head of USA and Canada

In December 2023, I was appointed as CEO of Enel North America during a period of tremendous growth. In March 2024, we announced that we had surpassed 10 gigawatts (GW) of installed wind and solar capacity across the U.S. and Canada. In addition, we also emerged as a leader in deploying 1.3 GW of large-scale battery energy storage systems (BESS) in Texas. Delivering flexible solutions remained a priority for us – we worked across nine independent operators, participated in 79 demand response (DR) programs and managed eight bilateral DR agreements with utilities. These milestones stand as a testament to our team's expertise and commitment to building a zero carbon future.

I'm proud of our continued leadership in our region and of the inspiring journeys we're helping our clients make in pursuit of their sustainability goals. In 2023, we signed five power purchase agreements (PPAs) with leading brands from different industries, including a corporate tax equity partnership, each representing a flexible portfolio of solutions to meet the needs of each customer, leveraging the business demand for clean electricity to accelerate progress toward a

net-zero economy. Our people have continued to demonstrate their talent through this project and others, such as Roseland Solar, the largest solar plant to come online anywhere in the U.S. in 2023 – integrating BESS with renewable power generation.

At the same time, we're making continual improvements across our own operations with a focus on the health and safety of our people and communities, financial and environmental sustainability and zero carbon ambition. And our performance continues to be externally recognized. For example, we once again achieved a 100 score in the 2023 Disability Equality Index and were named on Fast Company's Best Workplaces for Innovators Sustained Excellence List, showcasing our fantastic people and culture.

I invite you to learn more about Enel North America and engage with us.















# Defining double materiality

In 2023, we conducted a double materiality assessment, evaluating both financial and non-financial impacts on our organization and its broader context.

## Our approach to double materiality

The assessment included surveying relevant leaders across the business about sustainability, asking selected stakeholders to complete online self-assessment, conducting focus groups with stakeholders across Enel and hosting interviews with top management and leadership. Research and issues were reviewed in line with Enel North America’s risk management and financial thresholds together with top leadership. The results of our double materiality assessment included the following material issues:

### Material topics

PRODUCTS & SOLUTIONS	<b>CIRCULAR ECONOMY</b>  <ul style="list-style-type: none"> <li>• New life cycles</li> </ul>	<b>RESILIENT GRIDS</b>  <ul style="list-style-type: none"> <li>• Operational management of grids</li> </ul>		
	PEOPLE & COMMUNITIES	<b>CUSTOMER FOCUS</b>  <ul style="list-style-type: none"> <li>• Solutions dedicated to customer needs</li> <li>• Quality of customer relations</li> </ul>	<b>ENGAGING LOCAL &amp; GLOBAL COMMUNITIES</b>  <ul style="list-style-type: none"> <li>• Listening to communities</li> <li>• Supporting the social and economic development of communities</li> </ul>	<b>HEALTH &amp; SAFETY</b>  <ul style="list-style-type: none"> <li>• Worker health</li> <li>• Worker health and safety</li> <li>• Health and safety of workers of contractors operating on Enel sites</li> </ul>
ENVIRONMENTAL SUSTAINABILITY		<b>AIR, WATER &amp; SOIL QUALITY</b>  <ul style="list-style-type: none"> <li>• Pollution reduction</li> </ul>	<b>BIODIVERSITY &amp; ECOSYSTEM PRESERVATION</b>  <ul style="list-style-type: none"> <li>• Protecting biodiversity</li> <li>• Mitigation of impacts on natural heritage</li> <li>• Soil management</li> </ul>	<b>CLIMATE CHANGE</b>  <ul style="list-style-type: none"> <li>• Mitigation: reducing direct GHG emissions (Scope 1)</li> <li>• Reducing GHG emissions of services and products to customers</li> <li>• Adapting to climate change</li> </ul>
	RESPONSIBLE GOVERNANCE	<b>CORPORATE CONDUCT &amp; ETHICS</b>  <ul style="list-style-type: none"> <li>• Anti-corruption, fair competition practices and tax transparency</li> <li>• Upholding integrity through transparent management conduct</li> </ul>	<b>ECONOMIC VALUE CREATION</b>  <ul style="list-style-type: none"> <li>• Capital balance and soundness</li> <li>• Long-term value creation strategy</li> <li>• Long-term value distribution strategy</li> </ul>	<b>SOUND GOVERNANCE</b>  <ul style="list-style-type: none"> <li>• Governance and advocacy for nature</li> <li>• Governance and advocacy for climate</li> </ul>
		<b>DIGITAL TRANSFORMATION</b>  <ul style="list-style-type: none"> <li>• Cyber security</li> </ul>		

## Stakeholder involvement

As part of our double materiality assessment, we identified several key stakeholder groups to engage. Through a series of interviews, assessments and focus groups, we learned that our employees care most about being safe at work, decarbonization and expansion of renewables, their professional development and security, and working for a responsible company that is committed to a zero carbon future and respects the rights of all people.

For our business partners, key issues include long-term value creation, responsible procurement, safety and just working conditions for our employees and contractors, and our compliance and energy reliability and resiliency in the years ahead.

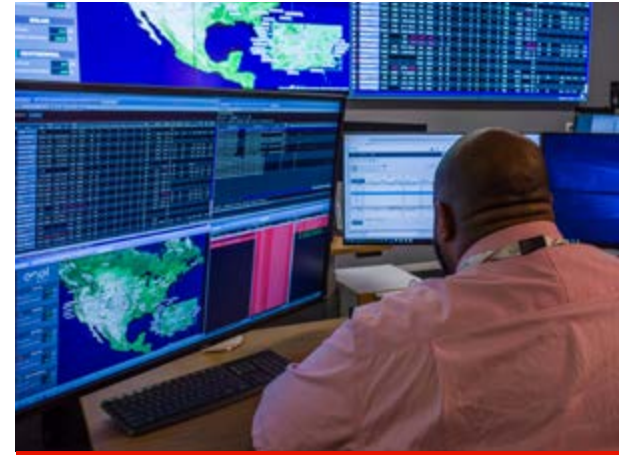
Our sustainability partners also care most about energy reliability and resiliency as well as respect for Indigenous communities, the safety of our employees and contractors, community consultation and engagement, and our community philanthropy.

We look forward to deeply engaging with stakeholder groups on these issues.

For data linked to GRI and SASB indicators, see [Reporting and Resources](#).

# Products and solutions

We design, develop and manage clean energy solutions that North America depends on – promoting sustainability, reliability and safety.



Our suite of products and solutions is designed to meet the evolving needs of today's energy landscape, focusing on:

- Utility-scale renewables and storage
- Demand response
- Advisory services
- Onsite solar and storage\*

## Utility-scale renewables and storage

As one of the world's largest renewables players, customers and grids count on our 10 GW of clean power and 1 GW of utility-scale storage to meet their 100% renewable targets and keep the lights on. We installed over 1 GW of utility-scale battery storage to provide grid services and support overall grid reliability. We executed 131 PPAs with 76 unique customers while integrating industry-leading sustainability best practices across our value chain.

## Demand response

The most straightforward solution for addressing peak demand is reducing it. Grid operators are increasingly turning from fossil-fuel powered peaker plants to more cost-effective and less fuel-intensive solutions, like demand response. As part of Enel, the global leader in demand response, Enel North America offers deep market expertise, customized energy reduction plans and continual optimization to help organizations drive the most value from their demand response participation.

### 2023 highlights

**4.7 GW**

demand response capacity contributed to a cleaner, more reliable grid



**2,422 MW**

new renewable capacity



**894**

dispatches from demand response helped grid balance supply and demand



**27,334,000 MWh**

the equivalent of powering 2,532,996 homes annually\*\*



\* 100% interest divested October 7, 2024

\*\* U.S. Energy Information Administration (EIA) 2023: [How much electricity does an American home use?](#)

# People and communities

Enel's people are central to everything we do. From employees to local leaders, we want to support our stakeholders and build an energized future.



Our approach is designed to serve the needs of our employees and the places where we operate by focusing on:

Our people

Our communities

Health and safety

## People management

We take an employee-centric approach to our people. Supporting them is how we empower them – and we endeavor to do that through internal progression opportunities, championing diversity, competitive benefits and investment into their mental health and well-being.

## Engaging local communities

By working with the communities that surround our projects, we believe can make everyone stronger. We create shared value with our neighbors, making targeted investments in local programs that support the long-term sustainability of rural communities.

## Health and safety

Our number one priority is the health and safety of our people. As part of a broader commitment to respecting human rights, we are committed to maintaining a robust safety culture in order to guarantee a healthy and hazard-free environment for everyone who works for and with us, as well as for the communities around us.

### 2023 highlights

10,721

community beneficiaries



1,775

total employees



88

sustainability projects supporting community-based organizations



29%

female employees



# Environmental sustainability

We've adopted a business model focused on sustainability. We integrate sustainability and a model of shared value creation across the entire value chain, from early stage development to circularity solutions and maintaining a balanced ecosystem.



We are committed to the protection of biodiversity and natural capital, through setting specific targets for reducing impacts, restoring habitats and sharing the opportunities and benefits associated with ecosystem services with the communities where we operate.

Decarbonization and circularity

Biodiversity and ecosystem protection

## Decarbonization and circularity

Our commitment to driving the energy transition, decarbonization and adopting circular business practices is confirmed in our 2024-2026 Strategic Plan. We uphold a global commitment to complete the decarbonization process of our company's entire value chain by 2040, in line with the goals of the Paris Agreement to limit the average global temperature increase to a 1.5°C pathway.

We are also embedding circularity more deeply into our strategy, as a key enabler of decarbonization. From repurposing wind farm materials to changing the way we design our products and services for cities, we see the circular economy model as a way to accelerate environmental sustainability.

## Biodiversity and ecosystem protection

Protecting the flora and fauna surrounding our projects is one way we work to have a positive impact on our planet. From bats, butterflies and birds to the plants living under our solar panels, it is our mission to keep our ecosystems safe.

### 2023 highlights

**10.3 GW**

zero carbon generation capacity



**3,836**

acres of dual-use solar



**10,260,107**

metric tons of CO<sub>2</sub> equivalent avoided



**100%**

of sites adopted sustainable operating models and practices



# Responsible governance

Enel's system of corporate governance provides a foundational framework for efficient, responsible and scalable management. It also serves as a reliable control tool for our activities, as well as those of our suppliers, aiming at the creation of value for all stakeholders.



We aim to create long-term value for our stakeholders, considering the environmental and social impacts of our activities and assuring accountability in partnership with our stakeholders across the following topics:

Sustainable supply chain

Sound governance

Corporate conduct and ethics

Digital transformation

Economic value creation

## 2023 highlights

91%

anti-bribery employee training



87%

unconscious bias employee training



100%

of suppliers assessed for social, environmental, health, safety and human rights



## Sustainable supply chain

We aim to manage our supply chain sustainability by responsibly procuring goods, services and work, and integrating environmental, safety and sustainability criteria. This includes rigorous qualification of suppliers and contractors, across technical, economic/financial, environmental, safety, human rights, legal, ethical and reputational requirements.

## Sound governance

Enel's corporate governance rules constitute a fundamental framework to ensure efficient and successful management. They also serve as a reliable control tool for our activities, helping to create value for all stakeholders.

## Corporate conduct and ethics

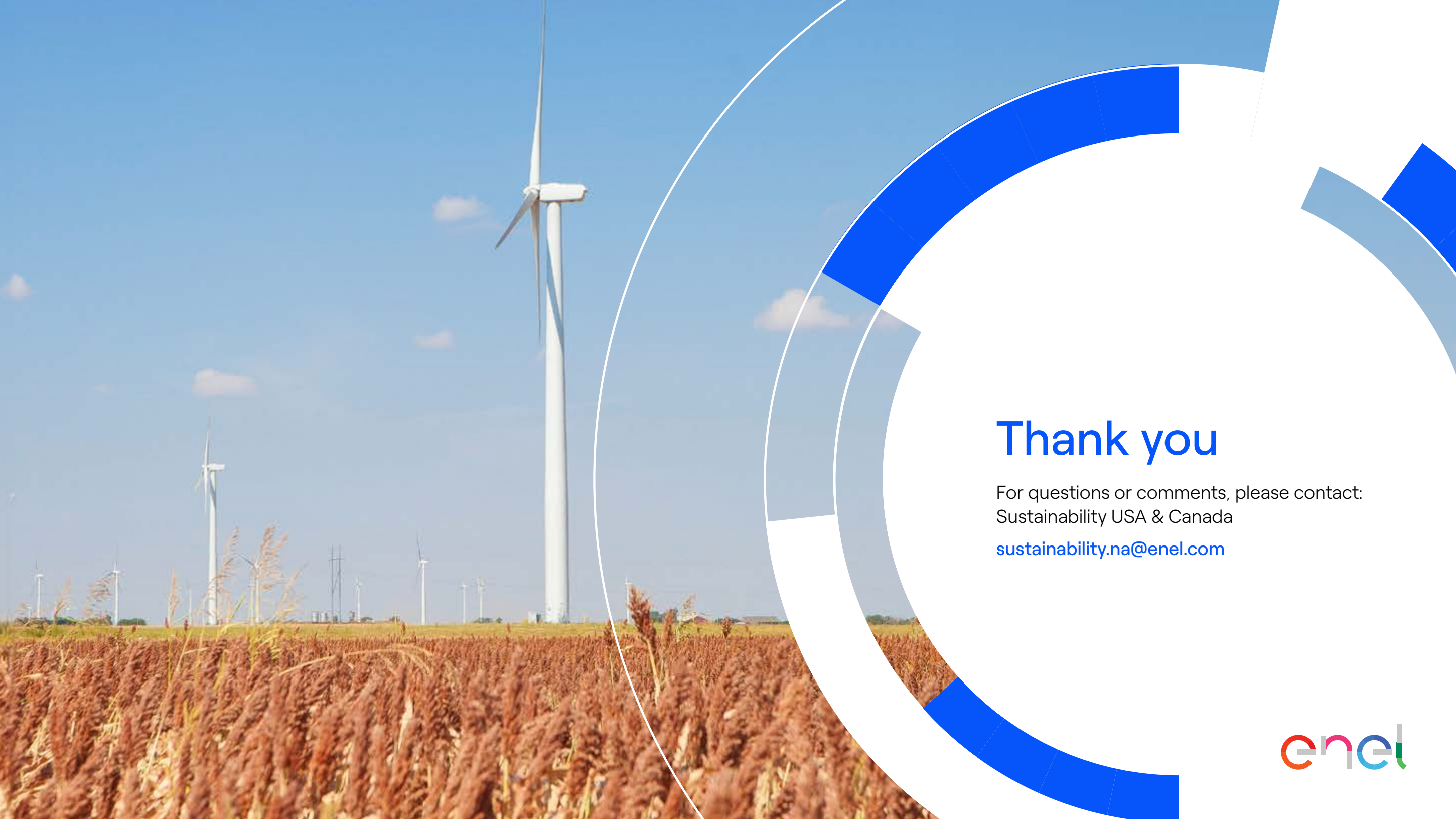
Our Code of Ethics expresses our commitments and ethical responsibilities in conducting business by regulating and harmonizing corporate conduct according to standards of transparency and integrity toward all stakeholders. We are fully committed to preventing bribery and to conducting business ethically, including upholding standards related to human rights.

## Digital transformation

Capturing the power of digital technology is how we continue to operate safely and reliably, and provide innovation solutions to our customers.

## Economic value creation

Our investments unlock economic, environmental and social benefits for businesses and individuals across the value chain. By integrating health, safety and sustainability into everything we do, we maximize long-term value creation for all stakeholders.



# Thank you

For questions or comments, please contact:  
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