Sustainability Report

2007

Enel

Sustainability Report

2007

During the 2007 Sustainability Report's reprinting, Enel applied the GRI-G3 standard
at the highest level and thus obtained the "A+ checked" status by the Global Reporting Initiative.

Enel

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Enel was one of the first companies in the world to adopt the new GRI-G3 sustainability reporting guidelines developed by the Global Reporting Initiative for reporting its sustainability and Corporate Social Responsibility.
The Global Reporting Initiative is a multi-stakeholder network consisting of thousands of experts throughout the world who, by participating in the dedicated work groups and the governing bodies of the initiative, contribute to the establishment and dissemination of the sustainability reporting procedures.
The GRI-G3 guidelines, or framework, provide a detailed overview of sustainability and Corporate Social Responsibility for all the stakeholders of a company and require the latter to comply with higher standards regarding the transparency and completeness of information.
As specified in the aforesaid guidelines, "the GRI Reporting Framework is intended to serve as a generally accepted framework for reporting on an organization's economic, environmental, and social performance. It is designed for use by organizations of any size, sector, or location. It takes into account the practical considerations faced by a diverse range of organizations – from small enterprises to those with extensive and geographically dispersed operations. The GRI Reporting Framework contains general and sector-specific content that has been agreed by a wide range of stakeholders around the world to be generally applicable for reporting an organization's sustainability performance".

From the introduction to the GRI-G3 Guidelines

"The urgency and magnitude of the risks and threats to our collective sustainability, alongside increasing choice and opportunities, will make transparency about economic, environmental, and social impacts a fundamental component in effective stakeholder relations, investment decisions, and other market relations. To support this expectation, and to communicate clearly and openly about sustainability, a globally shared framework of concepts, consistent language, and metrics is required. It is the Global Reporting Initiative's mission to fulfill this need by providing a trusted and credible framework for sustainability reporting that can be used by organizations of any size, sector, or location. Transparency about the sustainability of organizational activities is of interest to a diverse range of stakeholders, including business, labor, nongovernmental organizations, investors, accountancy, and others. This is why GRI has relied on the collaboration of a large network of experts from all of these stakeholder groups in consensus-seeking consultations. These consultations, together with practical experience, have continuously improved the Reporting Framework since GRI's founding in 1997. This multi-stakeholder approach to learning has given the Reporting Framework the widespread credibility it enjoys with a range of stakeholder groups".

Information and further details may be requested from:

Enel SpA
Direzione Relazioni Esterne
CSR e Rapporti con le Associazioni
Viale Regina Margherita, 137
00198 Roma - Italia
Tel. +39 06 8305 5621
e-mail: csr@enel.it
www.enel.it/azienda_en/sostenibilita

USEFUL LINKS

Global Reporting Initiative
www.globalreporting.org

Sustainability Report 2007 and preceding ones
www.enel.it/azienda_en/sostenibilita/sostenibilita_2007

Annual Report 2007 and preceding ones
www.enel.it/azienda/en/investor_relations/bilanci_documenti/2007BILCONS/Annual_Report_ing.pdf

Code of Ethics
www.enel.it/azienda_en/chi_siamo/codice_etico_3

Environment
www.enel.com/en/environment/index.aspx

www.enel.com

With regard to the Endesa Group, which was acquired on October 5, 2007, the data and information that include it in the reporting are specifically annotated on p. 27.

Junction Content Index

This Junction Content Index refers the reader to direct GRI-G3 references.
By "Group" or "Enel" is meant the group of companies controlled by Enel SpA, while "Parent Company" refers to Enel SpA itself, excluding the Endesa Group, which was acquired on October 5, 2007.
All information and data regarding Endesa are collected on p. 27.

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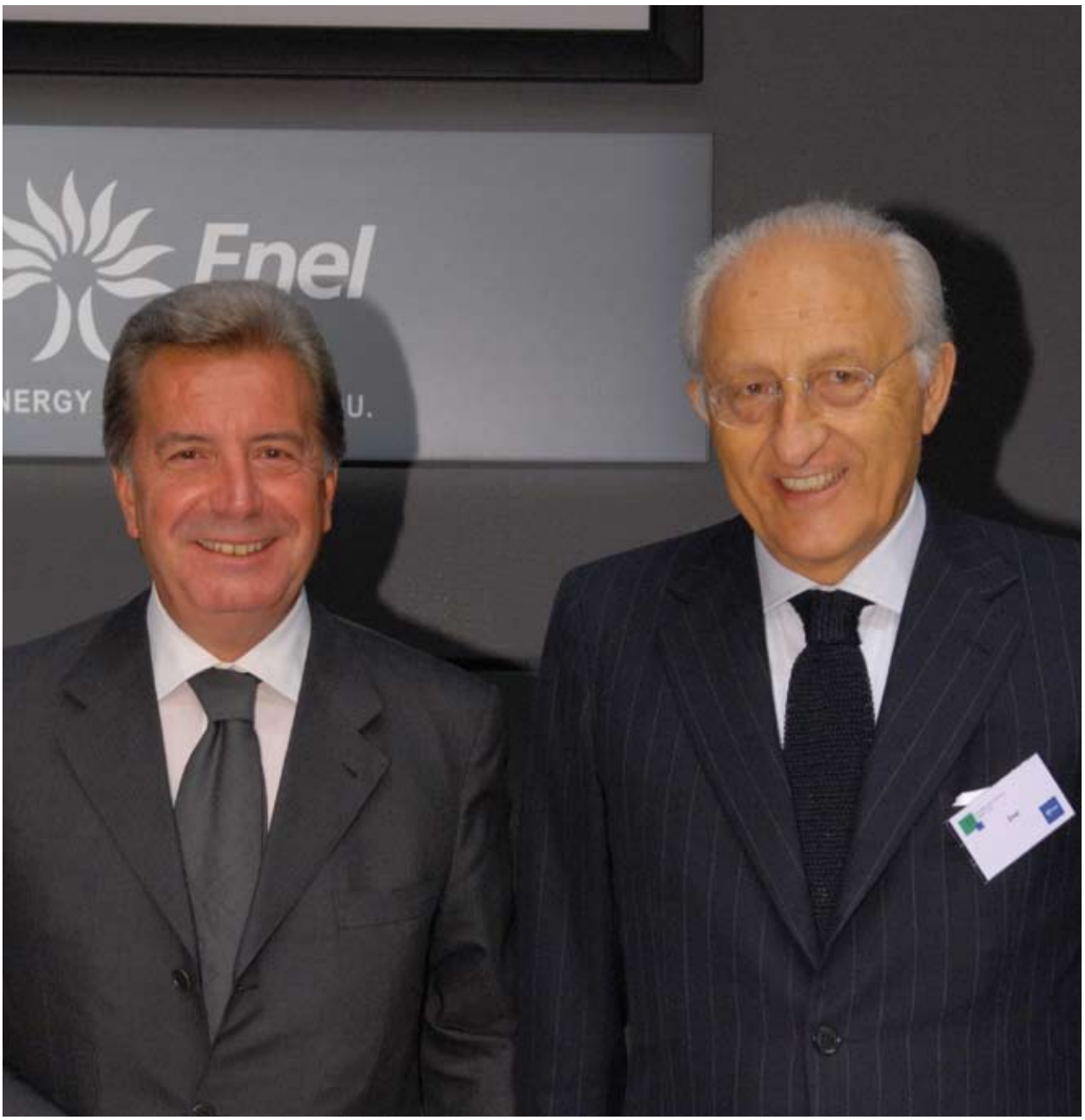
* Of the Annual Report.


Enel

Letter to our stakeholders

This is the sixth year that the Enel Group has published the Sustainability Report, a document that is ever more closely connected and correlated with our Annual Report, just as corporate social responsibility has become an integral part of our corporate strategies and – like growth objectives and investment – is now permanently incorporated in our industrial plans.

During these six years, not only have there been great changes in Enel, but also in the situation in which a large company producing, distributing, and selling energy operates.

The energy question is first on the agenda of governments, international organizations, and institutions carrying out analysis and research. The responsibilities of whoever aspires to act as a protagonist in this industry have increased proportionately and the question of relations with stakeholders has taken on a degree of complexity that was unimaginable only a few years ago.

A sense of responsibility toward the communities in which it has been living and operating for almost half a century is written in Enel's DNA, but the new situation entails a managerial approach to corporate social responsibility (CSR) and we believe that these six years of environmental, social, and economic reporting represent a good photograph of the evolution of our Company toward new and complex scenarios.

In effect, the long-term challenge that Enel faces is to make sufficient energy available at a reasonable cost while respecting the environment. There is no single way to reconcile these apparently incompatible demands and win this challenge, but we have to exploit all the resources and technologies at our disposal.

For this reason, in the next few years Enel will be engaged on all fronts: from the development of renewable energy sources and the adoption of the most advanced technologies for sustainable production from traditional fossil sources to nuclear energy and research and development regarding new technologies for both renewable and traditional sources.

The resources dedicated to the development of renewable sources and in technological innovation confirm Enel's commitment in this field. In effect, the investment provided for by the Environment and Innovation Project will increase from 4.1 billion euros as of 2011 to 6.8 billion euros as of 2012. Of these funds, more than 600 million euros will be earmarked for research on new technologies, especially in the field of renewable energy. Use of the most advanced technologies currently available and the development on an industrial scale of new ones – such as, for example, thermodynamic solar, hydrogen, CO_2 capture and storage – will contribute significantly to the efforts to combat climate change, among other things through the export of the technologies to less developed countries (LDCs). In this way, such countries will have at their

disposal effective instruments for reducing the environmental impact of their economic growth, achieving levels of efficiency and sustainability comparable to those of the most advanced countries.
Now a large multinational corporation, present in 21 countries on 4 continents, Enel is in an ideal position to stimulate this process and thus make a further contribution to the global effort for sustainability.
Its international growth has enabled Enel to start producing nuclear energy again, a precious resource which allows energy to be produced at a low cost and with zero emissions. We are thus once again developing our patrimony of nuclear expertise and we manage our plants in accordance with the most severe international standards of safety, which constitutes an absolute and unavoidable priority for us.
We are committed to rapidly improving our operating excellence, which is not limited to the environmental sphere, and the creation of value for all our shareholders.
Among the other objectives we have set for ourselves, we would like to highlight respect for the individual and his or her integrity, with particular emphasis on the issue of on-the-job safety. In order to govern this complex matter, a few essential general principles are necessary. They provide the foundations of our Code of Ethics and Zero Tolerance of Corruption Plan, which not only regulate the conduct of every Enel employee, but also make the Group's duties with regard to all our stakeholders public and clear.
In effect, our Company has fiduciary duties with respect to everyone who has significant interests at stake in our business, in terms of both financial investment and the effects that our operations have on the economy, the environment, and society.
To ensure such commitment, every year we establish our CSR objectives and priorities in accordance with the Group's strategies and the principles of the U.N.'s Global Compact, integrating them in our industrial plan and subjecting them to planning and auditing on a half-year basis.
Furthermore, since last year the "Sustainability Meter" has been available on our website. This instrument is dedicated to stakeholders who are interested in comparing their positions on several specific economic, environmental, and social issues with those of Enel.
This document tells about the distance covered by tens of thousands of Enel women and men in 2007. It is meant to provide a reading that is clear and as simple as possible of what they have achieved in all our fields of activity, successes and problems, in accordance with the commitments and duties we have with regard to all our stakeholders, and in particular to future generations.

Chairman

Piero Gnudi

Chief Executive Officer
and General Manager

Fulvio Conti


SILP
Enel

Standard disclosures

1. Strategy and Analysis

Excerpt from CEO Fulvio Conti's Open Letter to Enel's Shareholders and Stakeholders, which was published in the 2007 Annual Report

In 2007 Enel experienced a year of extraordinary growth and expansion on the international energy scene. Last year not only did we achieve and exceed all the operational and financial goals we set ourselves, with the acquisition of Endesa and the completion of the public tender offer for OGK-5 in Russia, but Enel also became the second largest electricity group in Europe with installed capacity at the end of 2007 of 75.5 GW and 51.6 million customers in 21 countries on 4 continents.

In an environment of increasing integration of markets, the acquisitions carried out give Enel the size to play a leading role, reduce regulatory and business risk, and expand growth potential and efficiency. The growth abroad and the constant search for excellence and efficiency in all our Divisions made a decisive contribution to improving Group results: in 2007 the gross operating margin rose by 25% compared with the previous year, while Group net income, equal to €3,977 million, rose by 31%. This performance enables us to maintain our dividend policy.

Enel is successfully continuing its drive for efficiency and growth, further strengthening its role as a leading integrated operator in the European electricity and gas market.

Our Company has the human, technical and financial resources it needs to achieve the excellence and leadership goals we have set ourselves.

From an organizational point of view, the three domestic Divisions and the International Division have been joined, as from December, by the "Iberia and Latin America Division" and the "Engineering and Innovation Division".

This new organization will make it possible – by directing the specific skills in our various business areas – to focus on the integration and organic growth of the newly acquired companies and to make available to the entire Group, in Italy and abroad, our technical expertise in engineering, research and innovation.

The consolidation and integration of Enel's international acquisitions, the improvement in the generation mix in Italy, the integration in the upstream gas sector, and the development of new technologies and nuclear power abroad are the strategic priorities of the Group for the coming years. In parallel, we will pursue initiatives to optimize our portfolio in order to strengthen the Group's financial position, which in the last year has been affected by our international expansion and the development of operations.

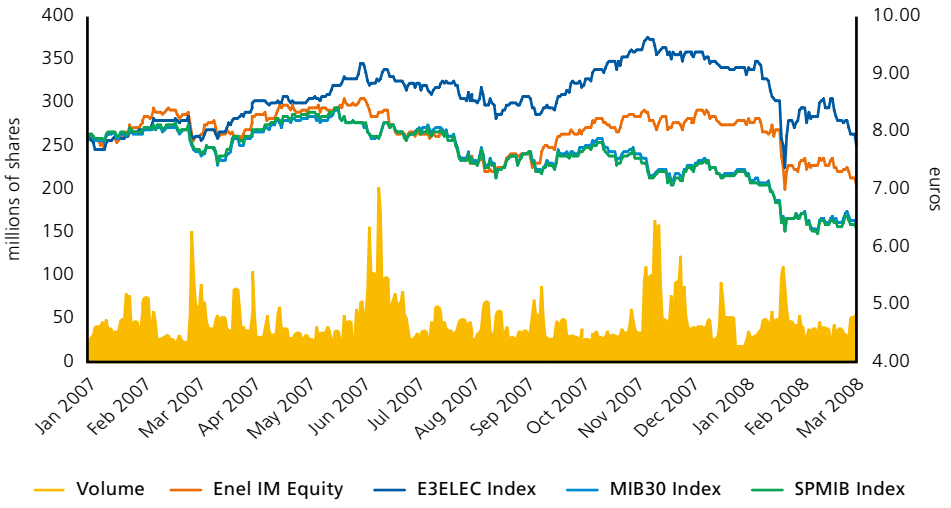
(…) With the acquisition of Endesa and the entry into the Russian market, Enel has completed this phase of growth through major acquisitions. The size we have achieved represents a launch platform for developing strategic continuity for the Group. Accordingly, we will focus primarily on creating value in the companies we have acquired while continuing to seek out targeted growth opportunities in the areas and businesses in which we already operate.

We will also continue to invest in research and development and in renewables, as well as to pursue technological excellence and address environmental issues.

The consolidation of our international activities and the development and efficiency initiatives planned for the operating Divisions will also have a positive impact in 2008, improving Group results even further.

Detailed information regarding governance (ownership structure, independent and non-executive directors, and the composition, role, and duties of committees) is contained in the 2007 Annual Report (www.enel.it/azienda/en/investor_relations).

Performance of Enel share price and the MIB 30, S&P MIB and FTSE Electricity E300 indices (daily trading volume/listed price) – January 2007 to March 3, 2008



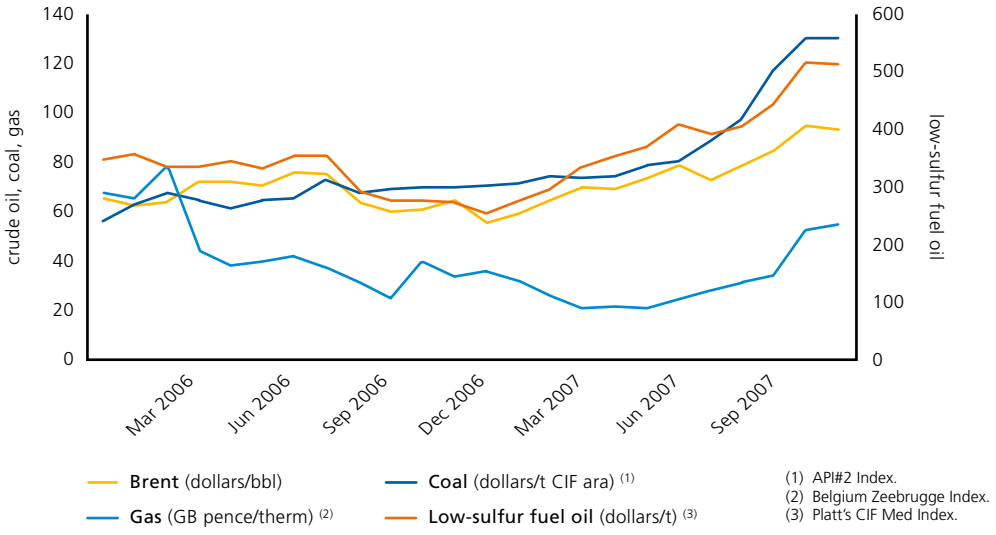
Risks and opportunities

Enel stock closed 2007 at €8.135, up 3.5% from the start of the year, for a total annual yield of about 10%.

The world's major stock markets ended the year with gains, although their performance was characterized by high volatility and affected by a gradually deteriorating macroeconomic environment in the 2nd half of the year.

In 2007 the main electricity markets were characterized by a general rise in prices that essentially reflected the increase in generation costs caused by higher fuel prices.

Fuel prices



Sustainability plan

The guidelines for corporate social responsibility contained in the Development Plan for 2008-2012 are summarized below. The Divisions of Enel SpA set their objectives and specify their areas of general action individually.
Likewise, the common assumptions regarding "Corporate Atmosphere", "The Individual", and the subject of "Health and Safety" are indicated.
The last column refers to the comments on the GRI indicators contained in this report (see Junction Content Index on p. 5), which show the actions and the results obtained for each area of action during 2007.

COMMON GUIDELINES	OBJECTIVES	ACTION AREAS	GRI INDICATORS CONCERNED
Corporate Atmosphere	> Motivation and welfare	> Create a corporate atmosphere based on shared values	
	> Attraction and retention of the most talented human resources	> Implement a policy on human rights	
	> Equal opportunity	> Plan internal communication on the Company's values and objectives aimed at the entire Group	LA DMA; LA12; LA13; LA14; HR DMA; HR4
		> Continually promote a policy of equal opportunity	
		> Develop systems for assessing the corporate atmosphere	
The Individual	> Make the most of individual capabilities	> Improve and intensify training	
	> Perception of Enel as the ideal place to work	> Disseminate systems of knowledge management	
		> Extend evaluation processes	LA DMA; LA10; LA11; LA12; HR3; SO2; SO3
		> Personalized professional development paths	
		> Instill the culture of sustainability	
Health and Safety	> Maintain high standards of on-the-job health and safety	> Expand measures for the prevention of and protection from risk	
	> Continue promoting safety for contracting companies and third parties	> Focus on training activities	
		> Certification	LA6; LA7; LA8; LA9
		> Bring offices and industrial installations up to standard	
		> Intensify inspections	
		> Actions aimed at the protection of contracting firms and third parties	

GUIDELINES BY DIVISION	OBJECTIVES	ACTION AREAS	GRI INDICATORS CONCERNED
Sales	> Strengthen customer trust and loyalty > Continue the promotion of informed consumption > Personalization of service and direct communication with customers > Complete and accurate information > Further improvement of service standards and their assessment > Become a European reference model > Development of socially responsible products	> Expand call center activity to assist linguistic minorities in Italy > Dissemination of high-efficiency products for civil and industrial use > Promotion of differentiated rates and related savings	PR DMA; PR5; PR6
Generation and Energy Management	> Attain positions of international leadership in energy efficiency > Optimize thermal power plants > Leadership in renewable energy > Minimize environmental and litigation risks	> Optimization of technology and fuel mix > Continual research and development for adoption of clean technologies (clean coal and hydrogen) > Development of renewable energy > Environmental certification > Protection of tangible and intangible corporate assets > Further reduction of emissions	EN DMA; EN5; EN6; EN7; EN26; EN16; EN17; EN18; EN19; EN20
Infrastructure and Networks	> Ensure satisfaction of the demand for electricity > Minimize network leakage > Further reduction of supply interruptions > Rationalize network, including in cooperation with local governments > Continue adapting plants to preserve/enhance the environment and landscape	> Improve level of service quality > Promote energy efficiency in final uses > Extend to the gas network the certification systems that already exist for the electricity network	PR DMA; PR1; PR3
International*	> Search for new opportunities for growth in renewable energy > Bring the performance of the foreign subsidiaries up to the general Group standards > Develop the environmental management system and complete the process of environmental certification of plants > Bring the standards of environmental safety up to the general Group level	> Promote the dissemination of the Code of Ethics and the culture of sustainability > Develop training plans and disseminate the instruments of knowledge management > Ensure the safeguard of the rights of all employees > Make the improvement of environmental safety and health standards a priority > Implement measures of risk prevention through a system of inspections at contracting companies	LA DMA.; Introduction LA4; Introduction LA6; LA7; LA9; LA10; LA11; Introduction LA13 HR DMA; HR9; SO3

* The Sustainability Plan refers to the corporate structure before the reorganization of December 2007 (see p. 21).

Summary of the criticism regarding Enel SpA noted by the mass media in 2007

National television channels

> the increase in the price of electricity and the Authority's report;
> questions regarding the legal proceedings against the managers of the Porto Tolle (Rovigo province) power plant;
> questions regarding the conversion of the Torrevaldaliga Nord (Rome province) power plant to coal;
> power-line failures.

National or local newspapers

> questions regarding the Porto Tolle (Rovigo province) power station: legal proceedings for pollution; controversies of local authorities, environmentalists, and citizens regarding health dangers; Greenpeace demonstrations;
> questions regarding the Torrevaldaliga Nord (Rome province) power plant: protests by local authorities and citizens' committees; demonstrations of the no-coke movements; petition to the Regional Administrative Court (TAR); Greenpeace demonstrations;
> criticism by citizens and local authorities for power-line failures and the malfunctioning of customer service;
> protests by consumers because of poor service and the excessive cost of electricity (bill adjustments).

Radio

> criticism regarding the conversion of Enel power plants to coal;
> controversies regarding the increase in the price of electricity and gas.

Local television channels

> the increase in the price of electricity and the Authority's report;
> questions regarding Enel power plants (legal proceedings against the managers of the Porto Tolle power plant, in Rovigo province; conversion of the Torrevaldaliga Nord power plant, in Rome province, to coal);
> power-line failures;
> the excessive cost of electricity.

Satellite television channels

> criticism regarding the conversion of Enel power plants to coal;
> the high cost of electricity and bill increases;
> questions regarding the Porto Tolle (Rovigo province) and Torrevaldaliga Nord (Rome province) power plants;
> the annual report of the Antitrust Authority and the accusation that Enel has an excessively dominant market position.

Litigation

The significant events that concerned the Group during 2007 are contained in the Annual Report, which is available on the institutional website (www.enel.it) in the Investor Relations section (http://www.enel.it/azienda/en/investor_relations).

Environmental litigation

Litigation regarding environmental issues primarily concerns the installation and operation of power lines and equipment of Enel Distribuzione, which succeeded Enel SpA in the related relationships.

Enel Distribuzione has been involved in a number of civil and administrative suits relating to requests, often using urgent procedures, for the precautionary transfer or modification of operations on power lines by persons living near them on the basis of their alleged potential to cause harm, despite the fact that they have been installed in compliance with current regulations. In a number of proceedings claims for damages for harm caused by electromagnetic fields have been lodged.

The outcome of litigation on these issues is normally favorable to the company. In this regard, in a decision in February 2008, the court ruled that compliance with the statutory limits on exposure to electrical and magnetic fields ensure, as supported by the most authoritative studies in the field and evidence arising at the European level, that health will not be jeopardized. There have been sporadic adverse precautionary rulings, which have all been appealed. At present there are no final adverse rulings, and no damages for physical harm have ever been granted, although a recent ruling (February 2008) found that harm had been caused by the "stress" associated with living near power lines and the fear of possible health problems.

There have also been a number of proceedings concerning electromagnetic fields generated by medium- and low-voltage transformer substations within buildings, in which the equipment, according to the company's technical staff, has always been in compliance with induction limits set by current regulations. Two recent rulings confirmed that compliance with the applicable regulations is sufficient guarantee of protection from harm.

A number of urban planning and environmental disputes regarding the construction and operation of certain power plants and transmission and distribution lines are pending. Based on an analysis of individual cases, Enel believes the possibility of adverse rulings is remote. For a limited number of cases, an unfavorable outcome cannot be ruled out completely, however. The consequences of unfavorable judgments could, in addition to the possible payment of damages, also include the costs related to work required to modify electrical equipment and the temporary unavailability of the plant. At present such charges cannot be reliably quantified and are therefore not included in the "Provision for litigation, risks and other charges".

Porto Tolle thermal plant

The Court of Adria, in a ruling issued March 31, 2006 concluding criminal proceedings begun in 2005, convicted former directors and employees of Enel for a number of incidents of air pollution caused by emissions from the Porto Tolle thermoelectric plant. The decision, provisionally enforceable, held the defendants and Enel (as a civilly liable party) jointly liable for the payment of damages for harm to multiple parties, both natural persons and local authorities. Damages for a number of mainly private parties were set at the amount of €367,000. The calculation of the amount of damages owed to certain public entities (the Regions of Veneto and Emilia Romagna, the Province of Rovigo and various municipalities)

has been postponed to a later civil trial, although a "provisional award" of about €2.5 million was immediately due. An appeal has been lodged against the ruling of the Court of Adria by both the Company and its employees and former directors. If the ruling in the criminal case is affirmed, any civil lawsuits brought by interested parties seeking total compensation for losses suffered could expose the Company to the risk of further expenditures that cannot currently be quantified. If the appeal is upheld, the Company would be able to recover all or part of the amounts already paid.

Litigation connected with the blackout of September 28, 2003

With regard to the blackout that occurred on September 28, 2003, Enel Distribuzione received numerous letters (most drafted on the basis of standardized forms prepared by consumer associations) containing requests for automatic/lump-sum indemnities under the Electricity Service Charter and resolutions of the Electricity and Gas Authority (€25.82 each), in addition to further damages to be quantified by customers with a view to possible legal action.
With regard to litigation, at the end of 2007 about 110,000 proceedings were pending against Enel Distribuzione, individually for small amounts (mainly in the Regions of Calabria, Campania and Basilicata). All involved requests for the automatic/lump-sum indemnities. Enel Distribuzione has challenged these requests with the following arguments. First, neither the Authority resolutions nor the Electricity Service Charter (whose reference legislation has been repealed) provide for automatic/lump-sum indemnities in the case of an interruption of supply, as specified by the Authority in a press release. Second, in relation to both the manner and extent of the blackout, the electricity supply interruption of September 28, 2003 was an unexpected and unforeseeable event and, as such, is ascribable to exceptional events beyond the control of the Group companies, for which they cannot therefore be held liable in any way. At the end of November 2007 more than 50,000 rulings had been issued by justices of the peace, with a majority finding in favor of the plaintiffs. Charges in respect of such indemnities could be recovered in part under existing insurance policies. The appellate courts have nearly all found in favor of Enel Distribuzione, based upon both the lack of proof of the loss claimed and the recognition that the company was not involved in causing the event. The few adverse rulings against Enel Distribuzione have been appealed to the Court of Cassation (the supreme court of appeal). At the same time, action has been taken to obtain reimbursement from insurance companies for the amounts paid as a result of adverse judgments.

Litigation regarding rates

Enel is a party in a series of proceedings initiated by several firms that consume very large amounts of electricity and challenging, entirely or partly, the legality of the orders with which first the Interministerial Committee on Prices (CIP) and then the Electricity and Gas Authority determined changes in the components of the electricity rates.
Court decisions so far have tended to reject these claims. Therefore, in the light of such decisions, it seems reasonable to assume that the possibility of liabilities is remote.

All the litigation concerning Enel is available in the Annual Report beginning on p. 228.

2. Profile of the organization

Enel SpA

Viale Regina Margherita, 137

Rome - Italy

Sales

Enel Servizio Elettrico
Enel Energia
Enel.si
Vallenergie

Generation and Energy Management

Enel Produzione
Enel Trade
Enel Trade Hungary
Enel Trade Romania
Nuove Energie

Infrastructure and Networks

Enel Distribuzione
Enel Rete Gas
Enel Sole
Deval

Engineering and Innovation

Enel Produzione

International

Slovenské elektrárne
Enel Maritza East 3
Enel Operations Bulgaria
Enel North America
Enel Distributie Banat
(formerly Enel Electrica Banat)
Enel Distributie Dobrogea
(formerly Enel Electrica Dobrogea)
Enel Energie
Blue Line
Enel Romania (formerly Enel Servicii)
Enel Servicii Comune
RusEnergoSbyt
SeverEnergia (formerly Enineftegaz)
Enel France
Enel Erelis
Enelco
International Windpower
Wind Parks of Thrace
International Wind Parks of Thrace

Iberia and Latin America

Endesa (1)
Enel Latin America
Enel Panama
Enel Fortuna
Inelec
Enel Viesgo Generación
Enel Viesgo Energía
Enel Unión Fenosa Renovables
Electra de Viesgo Distribución
Enel Viesgo Servicios

(1) Enel acquired the Endesa Group on October 5, 2007.

Services and Other Activities

Enel Servizi (2)
Sfera
Enelpower
Enel.NewHydro
Enel.Factor
Enel.Re

(2) As from January 1, 2007 Dalmazia Trieste and Cise were merged into Enel Servizi.

A list of the companies controlled by and affiliated with Enel SpA, as well as the other significant equity interests of the Group as of December 31, 2007, is contained in the Annual Report from p. 279 to p. 310 (www.enel.it/azienda/en/investor_relations).

At December 31, 2007 Enel Group employees totaled 73,500, an increase of 14,952 attributable to the change in the scope of consolidation due to acquisitions abroad (up 18,971 employees), which more than offset the net decrease of 4,019 resulting from hirings and terminations.

In December 2007 the Enel Group launched its new organizational structure, with the creation of the new "Iberia and Latin America" and "Engineering and Innovation" Divisions alongside the "Sales", "Generation and Energy Management", "Infrastructure and Networks" and "International" Divisions and the "Parent Company" and "Services and Other Activities" areas. The Sales Division operates in the end-user market for electrical power and gas, developing an integrated package of products and services for the various customer segments and ensuring that commercial services meet quality standards. The Generation and Energy Management Division is responsible for generating power at competitive costs while safeguarding the environment. The mission of the Infrastructure and Networks Division is to distribute electricity and gas in Italy, optimizing the management of Enel's networks and ensuring the efficient operation of metering systems and compliance with technical service quality standards. The Engineering and Innovation Division is charged with managing the engineering processes associated with the development and construction of generation facilities on behalf of the Group, ensuring achievement of the quality, temporal and financial objectives set for it. In addition, it is responsible for coordinating and supplementing Group research activities, ensuring the scouting, development and leveraging of innovation opportunities in all Group business areas, with a special focus on the development of major environmental initiatives. The International Division's mission is to support Enel's international growth strategy, consolidate the management and integration of foreign operations (with the exception of the Spanish, Portuguese and Latin American markets), seeking out opportunities for acquisitions in the electricity and gas markets. The Iberia and Latin America Division focuses on developing Enel's presence and coordinating its operations in the electricity and gas markets of Spain, Portugal and Latin America, formulating growth strategies in the related regional markets. The activities of the operational Divisions are supported by the "Parent Company" and "Services and Other Activities" areas, which aim to leverage Group synergy and optimize the management of services supporting Enel's core business.

At December 31, 2007, the Ministry of the Economy and Finance held 21.1% of Enel, while Cassa Depositi e Prestiti held 10.1%, institutional investors 34.3% and private investors the remaining 34.5%. The Company is therefore subject to the de facto control of the Ministry of the Economy and Finance, which has sufficient votes to exercise a dominant influence at Ordinary Shareholders' Meetings. However, the aforesaid Ministry has declared that it is not in any way involved in managing and coordinating the Company.

SHAREHOLDERS

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Composition shareholder base							
Investors							
Ministry of the Economy	(%)	21.1	21.2	21.4	-0.1	-0.4	Enel SpA
Cassa Depositi e Prestiti	(%)	10.1	10.2	10.2	-0.1	-0.5	Enel SpA
Institutional investors	(%)	34.3	32.9	29.5	1.4	4.2	Enel SpA
Retail investors	(%)	34.4	35.7	38.9	-1.3	-3.5	Enel SpA
Geographical breakdown of institutional investors							
Italy	(%)	19.9	22.5	22.8	-2.6	-11.7	Enel SpA
UK	(%)	21.3	25.6	24.7	-4.3	-16.8	Enel SpA
Rest of Europe	(%)	29.8	27.8	26.6	2.0	7.3	Enel SpA
North America	(%)	27.0	22.6	24.4	4.4	19.5	Enel SpA
Rest of the world	(%)	2.0	1.5	1.6	0.5	32.7	Enel SpA
Investment style of institutional investors							
GARP	(%)	23.1	25.6	21.7	-2.5	-9.9	Enel SpA
Growth	(%)	33.4	32.3	33.0	1.1	3.5	Enel SpA
Index	(%)	19.7	20.3	16.4	-0.6	-2.8	Enel SpA
Value	(%)	15.2	11.4	15.9	3.8	33.7	Enel SpA
Hedge	(%)	5.8	5.9	4.0	-0.1	-2.3	Enel SpA
Other	(%)	2.8	4.5	9.0	-1.7	-38.2	Enel SpA
Socially responsible investors							
SRI funds	(no.)	45.0	47.0	45.0	-2.0	-4.3	Enel SpA
Enel shares held by SRI funds	(mil.)	388.1	342.3	409.4	45.7	13.4	Enel SpA
Weight of SRI in institutional funds	(%)	18.3	16.9	22.5	1.4	8.5	Enel SpA
Geographical distribution of shareholders							
Italy	(%)	9.3	12.7	18.9	-3.4	-27.1	Enel SpA
UK	(%)	36.0	43.9	43.5	-7.9	-18.0	Enel SpA
Rest of Europe	(%)	34.0	24.4	27.9	9.6	39.4	Enel SpA
North America	(%)	20.7	19.0	9.7	1.7	9.2	Enel SpA
SRI presence in top 10	(no.)	2	1	2	1	100.0	Enel SpA

INCOME DATA

Millions of euros

	2007	2006
Revenues	43,673	38,513
Gross operating margin	10,023	8,019
Operating income	6,990	5,819
Net income before minority interests	4,213	3,101
Group net income	3,977	3,036
Group net income per share in circulation at year-end (euros)	0.64	0.49

Revenues in 2007 amounted to 43,673 million of euros, up 5,160 million of euros or 13.4% on 2006. The rise is essentially attributable to increased revenues from abroad, both through new acquisitions during the year and the generation and distribution activities of the foreign subsidiaries. The gross operating margin came to 10,023 million of euros, an increase of 2,004 million of euros or 25.0%, largely due to improved performance in all operational Divisions, partly offset by a decrease in the areas supporting the core business. Operating income totaled 6,990 million of euros, a rise of 20.1% on the 5,819 million of euros in 2006, which included 263 million of euros in income from the exchange of 30.97% of Wind for 20.9% of Weather. Group net income amounted to 3,977 million of euros in 2007, compared with 3,036 million of euros the previous year, an increase of 31.0%.

OPERATING DATA

	Italy	Abroad*	Total	Italy	Abroad	Total
		2007			2006	
Net electricity generated by Enel (TWh)	94.2	59.3	**153.5**	103.9	27.5	**131.4**
Net efficient capacity (GW)	40.4	35.1	**75.5**	40.5	10.3	**50.8**
Electricity transported on the Enel distribution network (TWh) (1)	255.8	43.3	**299.1**	255.0	12.6	**267.6**
Electricity sold by Enel (TWh) (2)	142.4	53.9	**196.3**	142.7	17.2	**159.9**
No. of end-user electricity customers (millions)	30.7	17.9	**48.6**	30.3	2.2	**32.5**
Gas sold to end users (bil. of m^3)	4.9	0.6	**5.5**	4.5	-	**4.5**
Gas transported (bil. of m^3)	3.5	0.6	**4.1**	3.7	-	**3.7**
Employees at year-end (no.) (3)	41,746	31,754	**73,500**	44,687	13,861	**58,548**

* Includes Endesa.
(1) Excluding the electricity transported in the preceding period, but comercially considered in the two periods concerned, amounting to 1.3 TWh and 0.6 TWh respectively in 2007 and 2006.
(2) Excluding sales to dealers.
(3) Includes 2,614 employees regarding activities classified as "sales-related".

Net electricity generated by Enel in 2007 increased by 22.1 TWh (up 16.8%) as a result of greater output abroad (up 31.8 TWh, including 24.4 TWh from the consolidation of Endesa), which more than offset the decrease in generation in Italy (down 9.7 TWh). Electricity transported on the Enel distribution network came to 299.1 TWh, an increase of 31.5 TWh (up 11.8%), mainly due to an increase in power transported abroad (up 30.7 TWh, including 30.6 TWh attributable to the consolidation of Endesa). Electricity sold by Enel rose by 36.4 TWh (up 22.8%), with total sales of 196.3 TWh to 48.6 million customers. The increase is largely attributable to increased sales abroad (up 36.7 TWh, including 26.3 TWh from the consolidation of Endesa with 15.7 million customers). Sales of gas to end users

amounted to 5.5 billion m^3 in 2007, with volumes increasing both in Italy (up 8.9%) and abroad thanks to the consolidation of Endesa.

Detailed information on the Group's financial position and cash flows, the main changes in the consolidation area, and significant events of 2007 is contained on pp. 82-87, 75-76, and 23-35 of the Annual Report, which can be consulted in the investor relations section of Enel's website (www.enel.it/azienda/en/investor_relations).

Among the awards and recognition received in 2007, Enel obtained 184 million euros from the Electricity and Gas Authority as a reward for improvements in the continuity of its service recorded during the year.
Enel participated as a sponsor in the Desire-Net international distance-learning project promoted by Unesco and carried out by Enea, with online lessons by hydro, geo, and wind experts. The project received three awards for the Cooperation Programs category. They were presented in Brussels during the European Union's Sustainable Energy Week 2008, which saw the distribution of the Sustainable Energy Europe 2008 Awards, prizes that the European Commission gave for the second year in a row to the best partnerships presented as part of the program for the development of sustainable energy in Europe.
Enel was the only Italian company awarded the Ruban d'Honneur for the 2008 edition of the European Business Awards – in the Corporate Sustainability category – thanks, among other things, to the instrument for dialogue with its stakeholders most recently introduced by the Company, which, because of its recent acquisitions abroad, is increasingly looking like an electricity and gas multinational.
The European Business Awards are considered a showcase for the successes of the European economy. These prestigious awards are promoted by organizations such as CMS, AXA, Grey EMEA, Siemens, Société Générale, and The Wall Street Journal Europe. They were instituted in 2006 to reward the excellence and innovation of the companies of the 27 countries of the European Union that are deeply engaged in the promotion of corporate objectives, at all levels, for economic, industrial, and environmental development.
Among the initiatives undertaken by Enel as part of corporate social responsibility, the sustainability meter was decisive for the achievement of this important success. The 10 winners out of 600 candidates in the 6 categories – including Enel and its partner, Acciona – presented their results to a group of judges, which included senior executives, members of the Strategic Advisory Panel, scholars, financial analysts, and journalists during the ceremony held in Paris in March 2008.

Focus On
Endesa

Endesa in the Enel Group

On October 5, 2007, following completion of the takeover, Enel acquired 42.08% of the share capital of Endesa. Endesa operates primarily in the generation, distribution and sale of electricity and gas, as well as other activities related to its core business. Endesa's operations are concentrated in Spain, Portugal and Latin America (in particular, Chile, Argentina, Colombia, Peru and, to a lesser extent, Brazil).
Revenues for Endesa for the first period of consolidation amounted to 3,447 millions of euros, 2,030 million of which came from the Iberian peninsula and 1,320 million from Latin America. More specifically, the revenues for the Iberian peninsula were related primarily to electricity generation activities in the amount of 1,140 millions of euros and to electricity distribution and sales in the amount of 412 millions of euros. Revenues in Latin America included 788 millions of euros for electricity distribution and sales and 506 millions of euros for generation.

The gross operating margin amounted to 1,229 millions of euros, 691 million of which came from the Iberian peninsula and 531 million from Latin America. More specifically, the gross operating margin for the Iberian peninsula was related primarily to electricity generation activities in the amount of 403 millions of euros and to electricity distribution and sales in the amount of 207 millions of euros. The gross operating margin in Latin America included 294 millions of euros for electricity generation and 233 millions of euros for electricity distribution and sales.

Operating income amounted to 892 millions of euros, 522 million of which came from the Iberian peninsula and 364 million from Latin America. More specifically, operating income for the Iberian peninsula was related primarily to electricity generation activities in the amount of 312 millions of euros and to electricity distribution and sales in the amount of 140 millions of euros. Operating income in Latin America included 196 millions of euros for electricity generation and 168 millions of euros for electricity distribution and sales.

In order to reflect the terms of the contracts signed by Enel, Acciona and E.On concerning the transfer of certain assets held by Enel and Endesa the following are to be sold: the assets and liabilities held directly or indirectly by Endesa in Italy, France, Poland, and Turkey, as well as a number of other assets in Spain

included in the disposals agreed with E.On (hereinafter "Endesa Europe"); the assets and liabilities in respect
of renewable energy operations held by Endesa, which will be transferred to Acciona Energia, in which Endesa will hold a 49% stake following the transfer; the assets and liabilities in respect of Enel's equity investments in Enel Viesgo Generación, Enel Viesgo Servicios and Electra de Viesgo Distribución and the equity investments held by them that are included in the disposal agreed with E.On.

Endesa's vision toward sustainability

Endesa expresses its commitment toward Sustainable Development in its corporate vision, mission and values. Sustainable development is an integral part
of the Company's strategy, policies and operations. This principle takes shape in the seven commitments to sustainable development undertaken as a sustainability policy, which have been promoted among its different companies, employees, and suppliers. The strategy is captured in the five-year Sustainability Strategic Plan, a set of strategic objectives, working programs, indicators, and concrete objectives aimed at achieving the goals set in each commitment and in the new challenges indentified for each period. To assure the integration of the sustainability strategy in its business management, Endesa not only has an Environment and Sustainable Development Comittee, composed of members of the Executive Management Committee and chaired by the CEO, but has also set up a coordination structure Sustainability Group to pursue its strategic sustainability objectives and assure the execution of the plans, and programme, with representatives of 12 Company divisions, which provides a global, diversified vision of the actions to be developed. Every year, the Sustainability Group, at both the Parent Company level and for the business activities in Spain and Portugal, proposes an Annual Sustainability Action Plan (PADS) to the Environment and Sustainable Development Committee. This plan eventually leasds to the assignment of individual performance targets, which are taken into account for salary calculation.

THESE ARE ENDESA'S NUMBERS (1/4)

GRI		UM	Total	Spain and Portugal	Latin America	Europe
EC1	**Economic value generated directly (Revenue)**	(mil. euros)	18,428			
EC1	**Economic value distributed:**	(mil. euros)	15,518			
EC1	Operating costs	(mil. euros)	9,997			
EC1	Cost of personnel and benefits	(mil. euros)	1,481			
EC1	Payments to providers of capital	(mil. euros)	2,918			
EC1	Payments to governments	(mil. euros)	1,086			
EC1	Social	(mil. euros)	36			
EC1	**Economic value of revenue**	(mil. euros)	2,910			
EC1-EC8	**Largesse**	(,000 euros)	62			
EC3	**Employees covered by pension plan (benefit plan obligations)**	(no.)	29,477			
EC8	**Donations for social projects**					
EC8	Cooperation and devlopment actions	(mil. euros)	19,000			
EC8	Educational actions	(mil. euros)	3,000			
EC8	Cultural actions	(mil. euros)	12,000			
EC8	Social and environmental actions	(mil. euros)	2,000			
EN1	**Resources used in production**					
EN1	Ammonia	(t)	0.017			
EN1	Spent lime	(t)	0.201			
EN1	Sulfuric/hydrochloric acid	(t)	86.65			
EN1	Caustic soda	(t)	32.698			
EN3	**Direct consumption of energy broken down by primary source**					
EN1-EN3	Fuel oil	(%)	10.776			
EN1-EN3	Diesel	(%)	13.078			
EN1-EN3	Natural gas	(%)	23.378			
EN1-EN3	Coal	(%)	50.006			
EN1-EN3	Lignite	(%)	2.762			
EN8	Total withdrawal of water by source					
EN8	from rivers	% of requirements	98.291			
EN8	from wells	% of requirements	0.456			
EN8	from aqueducts	% of requirements	0.754			
EN8	from the sea (percentage used as it is)	% of requirements	0.318			
EN8	from the sea (percentage desalinated)	% of requirements	0.182			
EN8	from waste water (percentage used internally)	% of requirements	0			
EN11	**Location and size of land**		n.a.			
EN16	**Total direct and indirect emissions of greenhouse gases by weight**					
EN16	CO_2 (thermal production)	g/kWh	803.631			
EN20	**NO, SO, and other significant atmospheric emissions by type and weight**					
EN20	SO_2 (thermal production)	g/kWh	6.547			
EN20	NO_X (thermal production)	g/kWh	2.518			
EN20	Particulate (thermal production)	g/kWh	0.193			
EN20	SF_6 (electricity production)	g/kWh	0.557			

THESE ARE ENDESA'S NUMBERS (2/4)

GRI		UM	Total	Spain and Portugal	Latin America	Europe
EN22	**Specific production of waste**					
EN22	Coal and lignite ash	g/kWh	79.11			
EN22	**Recycled waste**					
EN22	Coal and lignite ash	% of quantity produced	84.676			
EN22	heavy	% of quantity produced	39.416			
EN22	light	% of quantity produced	91.971			
EN22	Sludge from desulfurization	% of quantity produced	0.134			
EN22	Special waste	% of quantity produced	66.964			
EN22	Special non-hazardous waste	% of quantity produced	67.034			
EN22	Other special non-hazardous waste (including oil and orimulsion ash)	% of quantity produced	5.375			
EN22	Special hazardous waste	% of quantity produced	31.753			
EN22	Other special hazardous waste (including oil and orimulsion ash)	% of quantity produced	34.194			
LA1	**Breakdown by geographical area**					
LA1	Spain-Portugal	(no.)	12,703			
LA1	Endesa Internacional (EISA)	(no.)	49			
LA1	Chile	(no.)	2,865			
LA1	Brazil	(no.)	3,261			
LA1	Argentina	(no.)	3,172			
LA1	Colombia	(no.)	1,657			
LA1	Peru	(no.)	1,165			
LA1	Rest of Europe (Italy, Greece, France)	(no.)	2,147			
LA1	Total no. employees	(no.)	27,019	12,703	12,169	2,147
LA1	**Type of contract**					
LA1	Permanent contract	(no.)	12,703	12,703	n.a.	n.a.
LA1	Fixed-term contract	(no.)	0	0	0	0
LA1-LA13	**Index of professional category**					
LA1-LA13	Executives	(no.)	410	402	6	2
LA1-LA13	Middle managers	(no.)	2,924	2,658	253	13
LA1-LA13	White-collar (Salaried)	(no.)	20,916	6,874	11,910	2,132
LA1-LA13	Blue-collar (Hourly + Temporary)	(no.)	2,769	2,769	0	0
LA1-LA13	Total	(no.)	27,019	12,703	12,169	2,147
LA2	**Termination**					
LA2	Women	(%)		3.20%	n.a.	n.a.
LA2	Men	(%)		0.38%	n.a.	n.a.
LA2	< 30 years	(%)		0.09%	n.a.	n.a.
LA2	30-49 years	(%)		2.13%	n.a.	n.a.
LA2	>= 50 years	(%)		1.36%	n.a.	n.a.
LA3	**Benefits**	(mil. euros)		42,300	n.a.	n.a.

THESE ARE ENDESA'S NUMBERS (3/4)

GRI		UM	Total	Spain and Portugal	Latin America	Europe
LA4	**Employees covered by collective-bargaining agreements**	(%)	80			
LA4	Number of employees covered by collective-bargaining agreements	(no.)	21,616	n.a.	n.a.	n.a.
LA7	Total hours of absence	(d)	203,062			
LA7	**Absentee rate**	(ind)	2.9	3.2	1.9	3.5
LA7	**Employee on-the-job accidents**	(no.)	0	0	0	0
LA7	Fatal accidents	(no.)	249	157	72	20
LA7	Total no. accidents	(no.)	5.05	7.59	2.71	8.04
LA7	**Frequency Index**					
LA7	**Accident seriousness index**	(d)	206.60	406.1	45.3	245.1
LA7	Absences because of accidents	(no.)	201,320	112,526	78,027	10,767
LA7	**Lost day rate**		206.60	406.1	45.3	245.1
LA7	**Contractor on-the-job accidents**	(no.)				
LA7	Fatal accidents		9	2	7	0
LA10	**Hours of training per employee**	(,000 h)				
LA10	Distance learning for managers	(,000 h)		71	445	n.a.
LA10	Distance learning for special training	(,000 h)		424	760	n.a.
LA10	Classroom learning for managerial and special training	(%)		495	1,205	n.a.
LA12	**Employees evaluated**	(%)		22.54%	8.16%	n.a.
LA12	Employees evaluated	(no.)		2,863	993	n.a.
LA13	**Independent directors on the Board of Directors**	(no.)	2			
LA13	**Directors designated by minority shareholders**	(no.)	0			
LA13	**Women on the Board of Directors**		1			
LA13	**Age seniority**	(years)				
LA13	Average	(no.)	43	45	41	n.a.
LA13	Under 35	(no.)	6,249	1,837	3,965	447
LA13	From 35 to 44	(no.)	8,201	3,550	3,913	738
LA13	From 45 to 54	(no.)	10,014	6,125	2,966	923
LA13	From 55 to 59	(no.)	2,022	1,117	845	60
LA13	Over 60	(no.)	495	69	422	4
LA13	**Female employees**	(no.)		2,205	n.a.	n.a.
LA13	Executives	(no.)		43	n.a.	n.a.
LA13	Middle managers	(no.)		605	n.a.	n.a.
LA13	White-collar (Salaried)	(no.)		988	n.a.	n.a.
LA13	Blue-collar (Hourly + Temporary)	(no.)		569	n.a.	n.a.
LA13	**Disabled employees / protected categories**	(no.)	n.a.			

THESE ARE ENDESA'S NUMBERS (4/4)

GRI		UM	Total	Spain and Portugal	Latin America	Europe
LA14	**AGP ratio women/men (average)**					
LA14	Executives	(%)		1/1		
LA14	Middle managers	(%)		1/1		
LA14	White-collar (Salaried)	(%)		1/1		
LA14	Blue-collar (Hourly + Temporary)	(%)		1/1		
LA14	Average	(%)		1/1		
SO4	**Actions undertaken following violations of the Code of Ethics**	(no.)	14	3	10	1
PR5	**Customer satisfaction index regulated market**	(ind)		7.55	n.a.	n.a.
PR5	**Customer satisfaction index free market**	(ind)		7.91	n.a.	n.a.
PR5	**Customer satisfaction index gas**	(ind)		8.63	n.a.	n.a.

EN17 Indirect GHG emissions, such as those caused by vehicles.

EN28 There are no outstanding claims, actions, judgments or lawsuits against Endesa regarding environmental issues providing for monetary sanctions that could significantly affect the net worth or solvency of the Company or of the Group.

HR4 In 2007, no instance of discrimination was reported.

HR5 No activities in which freedom of association and collective bargaining may be at significant risk were discovered.

HR6 No activities presenting a high risk of child labor being used were discovered.

HR7 No activities with a high of risk of forced or compulsory labor being used were discovered.

3. Report Parameters

The data and information contained in the 2007 Sustainability Report regard Enel SpA and the companies consolidated for the year ended December 31, 2007 (for a list of the companies, see the 2007 Annual Report from p. 279 to p. 310).
The reasons for any limitations regarding the companies included and information limitation stem either from the scant significance of the phenomenon or the fact that it was impossible to collect data with qualitatively satisfactory standards or in an efficient manner. Enel intends to gradually overcome such limitations in keeping with the Sustainability Plan (see pp. 15-16). In 2007,
Enel includes more companies than in 2006, as reported in the 2007 Annual Report on pp. 75-76.
By "Group" or "Enel" is meant the group of companies controlled by Enel SpA, while "Parent Company" refers to Enel SpA itself.
With regard to the Endesa Group, which was acquired on October 5, 2007, the data and information that include it in the reporting are specifically annotated.
On p. 27 of this Report specific information is provided on Endesa's commitment to sustainability.
Since 2003, Enel has published the Sustainability Report every year in conjunction with the Company's Annual General Meeting. The Report is submitted to the Internal Control Committee and the Board of Directors for their approval.
The document is also reviewed by the Auditing Department and externally reviewed by KPMG, on p. 209.
Like the 2006 Sustainability Report – which was published on the occcasion of the Shareholders' Meeting on May 25, 2007 – this year's Sustainability Report was prepared according to the AccountAbility 1000 (AA 1000) standards, a model issued by Account-Ability – Institute of Social and Ethical Accountability.
Specifically, the Report was prepared in compliance with the principles of relevance (inclusion of information of interest to stakeholders), response (highlighting how Enel intends to satisfy the legitimate requests of its stakeholders), and completeness (publication of the information regarding all the Company's significant activities and performances).
This commitment is embodied in dialogue – described in chapter "4. Governance, commitments, stakeholder engagement" – through the constant attention to their expectations and requests achieved during 2007 thanks to the Sustainability Meter, which measured their degree of agreement (see p. 45).
Finally, as far as completeness is concerned, as stated in chapter "5. Management approach and performance indicators", the Group manages a consolidated system of sustainability performance indicators. Enel intends to progressively extend this system to its companies abroad.
With regard to the establishment of its content, this year the Sustainability Report was prepared for the first time according to the Sustainability Reporting Guidelines drawn up in 2006 by the Global Reporting Initiative (GRI). Where applicable, it also follows the GRI Boundary Protocol and the Indicator Protocols. Enel believes that it has achieved an A+ application level.
The data were precisely calculated on the basis of the entries in Enel's general accounting system and other information systems. In 2006, there were no significant events regarding subsidiaries or other entities that significantly influenced the comparability of the data. Any changes in the comparative data with respect to those published in the 2006 Sustainability Report are pointed out and explained in the comments on the indicators.

Information and further details may be requested from:

Enel SpA
External Relations
CSR and Relations with Associations
Viale Regina Margherita, 137
00198 Rome - Italy
e-mail: csr@enel.it
www.enel.it/azienda/en/sostenibilita/

4. Governance, Commitments, and Engagement

Our Mission

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.

Awareness of the social and environmental effects that accompany the activities carried out by the Group, as well as consideration of the importance of both a cooperative approach with stakeholders and the good reputation of the Group (in both internal and external relations), inspired the drawing up of the Enel Group's Code of Ethics, which was approved by the Company's Board of Directors in March 2002 and updated in March 2004.

CORPORATE GOVERNANCE

KPI	UM					%	Companies concerned
		2007	2006	2005	2007-2006	2007-2006	
Board of Directors							
Total Board members	(no.)	9	9	9	-	-	Enel SpA
Independent directors	(no.)	7	7	8	-	-	Enel SpA
Directors designated by minority shareholders	(no.)	3	3	3	-	-	Enel SpA
Women on the Board	(no.)	-	-	-	-	-	Enel SpA
Board meetings	(no.)	21	16	21	5	31.3	Enel SpA
Internal dealing							
Shares owned by Board members and important persons	(,000)	622.5	303.0	330.8	319.5	105.4	Enel SpA

Code of Ethics

The Code expresses the commitments and ethical responsibilities involved in the conduct of business, regulating and harmonizing corporate behavior in accordance with standards requiring maximum transparency and fairness with respect to all stakeholders. Specifically, the Code of Ethics consists of:

> general principles regarding relations with stakeholders, which define the reference values guiding the Group in the carrying out of its activities. Among the aforesaid principles, specific mention should be made of the following: honesty, impartiality, confidentiality, the creation of value for shareholders, the value of human resources, the transparency and completeness of information, service quality, and the protection of the environment;

> criteria of behavior towards each class of stakeholders, which specify the guidelines and rules that Enel's officers and employees must follow in order to ensure observance of the general principles and prevent the risk of unethical actions;

> implementation mechanisms, which describe the control system devised to ensure observance of the Code of Ethics and its continual improvement.

Detailed information regarding governance (ownership structure, independent and non-executive directors, and the composition, role, and duties of committees) is contained in the 2007 Annual Report (www.enel.it/azienda/investor_relations).

Compliance program pursuant to legislative decree no. 231 of June 8, 2001

In July 2002, the Board of Directors approved a compliance program in accordance with the requirements of legislative decree no. 231 of June 8, 2001, which introduced into the Italian legal system a regime of administrative (but in fact criminal) liability with respect to companies for several kinds of crimes committed by their directors, executives, or employees in the interest of or to the benefit of the companies themselves.

The content of the aforesaid program is consistent with the guidelines on the subject established by industry associations and with the best practice of the United States and represents another step towards strictness, transparency, and a sense of responsibility in both internal relations and those with the external world. At the same time, it offers shareholders adequate assurance of efficient and fair management.

The program in question consists of a "general part" (in which are described, among other things, the content of legislative decree no. 231/2001, the objectives of the program and how it works, the duties of the internal control body responsible for supervising the functioning of and compliance with the program and seeing to its updating, and the penalty regime) and separate "special parts" concerning the different kinds of crimes provided for by legislative decree no. 231/2001, which the aforesaid program aims to prevent.

During 2006, the compliance program was completely revised. As proposed by the Internal Control Committee, the Board of Directors (i) updated both the "general part" and the "special parts" regarding corporate crimes and crimes against the civil service, in order to take into account court rulings and the applicative experience acquired during the first years of implementation of the program, and (ii) approved new "special parts" concerning crimes of terrorism and subversion of the democratic order, crimes against the person, and crimes and administrative wrongdoing involving market abuse.

In February 2008, the Board of Directors approved an additional "special part" of the program in question concerning the crimes of manslaughter and accidental injury committed in violation of the regulations for the prevention of industrial accidents and the protection of workplace hygiene and on-the-job health, which the most recent legislation includes among the crimes constituting a condition of the liability regulated by legislative decree no. 231/2001.

Sarbanes-Oxley Act

Taking into account the obligations under the Sarbanes-Oxley Act of companies with shares listed in the United States of America, in June 2004 the Board of Directors also approved an additional code of ethical principles regarding financial matters, which applies specifically to the Company's Chief Executive Officer and to the heads of the Finance Department and the Accounting, Planning, and Control Department.

In accordance with the requirements of U.S. law, the code concerned consists of a series of rules aimed at reasonably preventing illegal behavior, as well as promoting:

- honest and transparent financial management, which gives due consideration to any conflicts of interest that may exist;
- fair, comprehensible, complete, exact, and prompt information in the documents sent to the authorities supervising financial markets and in all other public notices;
- compliance with government rules and regulations;
- the establishment of internal procedures aimed at ensuring that any violations

of the provisions of the code are promptly communicated to the persons designated therein;
> adequate public transparency regarding the observance of the provisions of the code.

Even though on March 19, 2008 the procedure for delisting from the New York Stock Exchange begun on December 20, 2007 was completed successfully, thus putting an end to the necessity of a series of internal measures and procedures established in compliance with regulations regarding companies listed in the United States, Enel will continue to implement the procedures adopted pursuant to Section 404 of the Sarbanes-Oxley Act, albeit for other reasons.

"Zero Tolerance of Corruption" plan

In June 2006, the Board of Directors approved the adoption of the "Zero Tolerance of Corruption – ZTC" plan in order to give substance to Enel's adherence to the Global Compact (an action program sponsored by the U.N. in 2000) and the PACI – Partnership Against Corruption Initiative (sponsored by the Davos World Economic Forum in 2005).
The ZTC plan neither replaces nor overlaps with the Code of Ethics and the compliance program adopted pursuant to legislative decree no. 231/2001, but represents a more radical step regarding the subject of corruption and adopts a series of recommendations for implementing the principles formulated on the subject by Transparency International.
Information about the instruments at the disposal of Enel's personnel can be found on p. 10 of the Zero Tolerance of Corruption Plan, available at www.enel.it/azienda/chi_siamo/tzc/.
Entrusted with monitoring the checks performed by the different operating units responsible for implementing corporate procedures such as the Code of Ethics, the ZTC Plan, and the Legislative Decree 231/2001 Compliance Program, Enel SpA's Auditing Department periodically assesses the main risks for the Group, specifying the criteria for measuring, managing, and monitoring them. This activity is carried out in compliance with the Self-regulation Code promoted by Borsa Italiana SpA and the requirements of the Sarbanes-Oxley Act (SOA).
Risk assessment enables the Company to identify and evaluate the risks that can prejudice the achievement of corporate objectives, pinpoint the way to manage the risks, evaluate the control system in place, identify actions for mitigating potential risks, and identify the remaining risks and ascertain whether or not they are compatible with the sound and proper management of the Company.

Engagement in external initiatives

Global Compact

Since 2004, Enel has belonged to and supported the Global Compact, an action program promoted by the United Nations for the purpose of involving the business world in a new form of cooperation by subscribing to ten universal principles regarding human rights, the safeguard of labor, and the protection of the environment.
The program is supported by the companies that most distinguish themselves by their sense of social responsibility and aspire to global growth that takes into account the interests and concerns of their stakeholders.
Through its Sustainability Report, Enel provides an account of how it carries out

its business activities and the results obtained concerning the economic, environmental, and social responsibilities it assumes with regard to its different stakeholders.
The signatories of the Global Compact are required to send the relevant office an annual report regarding the concrete results of the commitment made when they signed the agreement.
The Communication on Progress concerning the activities carried out and the results obtained by Enel with regard to the ten principles is available in the related section of the www.unglobalcompact.org/ website.

e8

Sharing the technical expertise and the successful experiences of the electricity industry in different countries are the way the e8 intends to contribute to sustainable development and work to ensure the safety and continuity of the electricity supply together with respect for the environment. During 2007, the activity of the e8 focused on the questions of energy efficiency and the sustainable use of resources, in accordance with the proceedings that took place within the G8 and the efforts agreed on for the fight against climate change.
Each member of the association, including Enel, thus considers the environmental question a priority of its activity. To this end, the e8 is a meeting point for sharing knowledge, experiences, and good practices in the field of technological innovation applied to the electricity industry.

3C – Combat Climate Change

Enel was one of the first companies to adhere to the 3C – Combat Climate Change initiative.
The 3C initiative aims to establish an international opinion group consisting of leading companies which will be able to show how the issues connected with climate change can be integrated with the market and international trade and to provide precise operating details by 2013.
All the member companies expressly declare that they agree on several priorities, including: creating an economy with low emissions, identifying common, global objectives on limiting climate change, finding global solutions, creating a global market for emissions, establishing a global price for greenhouse-gas emissions, finding a balance between immediate and long-term actions, reaching a fair and sustainable agreement on the global distribution of emissions, and showing less developed countries the "sustainable" way.

All of Enel's environmental policy observes both the letter and the spirit of article 15 of the Rio Principles. The Company's industrial and commercial strategy, in terms of both planning and implementation, aims to ensure that its decisions, investments, and products are environment-friendly, in order to protect and restore the environment and thus the quality of life of the communities in the vicinity of its production plants and society in general.
Enel actively participates in establishing standards and guidelines regarding quality through its:

> presence in Italian (UNI and CEI) and international (ISO, CENELEC and IEC) organizations;
> participation, as a promoter, in SINCERT (an organization that accredits certification bodies), with a representative on the Board of Governors and on the Policy and Control Committee;

> being a founder of the certification accreditation organization Ente Unico di Accreditamento degli Organismi di Certificazione (SIAC);
> presence on the governing boards and certification committees of leading Italian certification institutes (IMQ, ICIC, ICIM, ICMQ).

The proper and complete implementation of a quality system in keeping with the UNI EN ISO 9000 standard is one of the essential requisites that Enel requires of companies for the latter to qualify as suppliers.
For Enel, the objective of certification is to replace the direct investigation of its suppliers.

In addition, Enel is present in the leading industry associations.

> Aspen Institute Italia. A private, independent, non-partisan, and non-profit international organization dedicated to the discussion, investigation, and exchange of knowledge, information, and values. The purpose of the association is to make Italy's entrepreneurial, political, and cultural leaders more cosmopolitan and promote free discussion among different cultures.
> CEPS (The Centre for European Policy Studies). The most important study center dedicated to E.U. policies in every industry. Enel participates as a member and occasionally sponsors studies or meetings regarding issues of the electricity industry, innovation, and climate change.
> EEF (European Energy Forum). An association promoting discussion between the European Parliament and the energy industry. Enel participates in the association's activities, which are addressed to the members of the Parliament during the plenary sessions of the latter. Enel pays annual dues and occasionally sponsors dinners with the presentation of studies or research carried out by the Company.
> EFET (European Federation of Energy Traders). An organization of more than 80 companies, in 18 European countries, that trade energy. Its objective is to improve the conditions of energy trading and to promote the development of the European wholesale market, from the point of view of sustainability and liquidity.
> E.U. CORPORATE LEADERS GROUP ON CLIMATE CHANGE. An association of European companies whose purpose is to fight climate change. Enel has been a member since 2007. The association promotes common commitments regarding climate change through the presence of the companies' top management. This participation is strategic, because of the level of coordination that it provides and the influence of the Presidency of the group, entrusted to His Royal Highness the Prince of Wales, exercises on the decisions of the E.U. The study and working material collectively produced under the auspices of the University of Cambridge Program for Industry ensures that Enel is continually kept abreast of the most advanced conceptions and techniques of sustainability. Enel's participation is thus strategic. The Company pays annual dues and takes part actively in the proceedings.
> EURELECTRIC (Union of the Electricity Industry). An association of electricity companies. Enel is present in 57 of the organization's activities, including committees, work groups, and task forces. The Company chairs one committee and two work groups and participates widely in the associations' projects and initiatives. Apart from the annual dues, the Company does not contribute financially to the organization and considers that its participation has great strategic value.
> FORATOM (European Atomic Forum). An association of the European nuclear

industry. Through its subsidiary Slovenské elektrárne, Enel participates in the proceedings of the Forum, which, together with the European Commission, is the promoter of the European Nuclear Forum in Bratislava and Prague for broader discussion between the nuclear industry and its stakeholders. Enel takes part in three of the association's work groups, regarding the transparency of communication, the risks of the nuclear industry, and the management of nuclear waste. In this role, it participates in the association's activities. Enel sponsored the opening meeting of the group of new members of the European Union that produce nuclear energy. Given its re-entry into the nuclear production of electricity, Enel considers this participation strategic.

> GIIGNL (Groupe International des Importateurs de GNL). A non-profit organization of 56 large importers of LNG in 18 countries in Europe, the Americas, and Asia. The main objective is to promote the development of activities connected with LNG: purchase, importation, transportation, and re-gasification. To this end, the group aims to provide an overall view of the technology used by the LNG industry, as well as of the economic situation. Thus, the group's activities are aimed at facilitating transactions, diversifying contractual techniques, and developing positions to present to international agencies.
> IAPB (The International Association of Business and Parliament). An association bringing together in a transparent and ethical way the European Parliament members and the corporate world. The association manages the European Business and Parliament Scheme (EBPS), which develops educational programs for the 1,732 European Parliament members and officials. A member since 2007, in 2008 Enel will sponsor educational initiatives dedicated to keeping this particular public abreast of issues regarding renewable energy (in particular, geothermal, hydrogen, and photovoltaic) by organizing ad hoc sessions. This participation is considered strategic for increasing awareness in E.U. policy makers of Enel's commitment to technologies with a low CO_2 impact.
> ICC ITALIA (Comitato Nazionale italiano della Camera di Commercio Internazionale). This is one of the five national committees that in 1919 founded the International Chamber of Commerce (ICC), a private organization, with its headquarters in Paris, representing all fields of business at the global level. Through the activity of about fifteen technical committees and numerous other work groups, the ICC provides opinions and suggestions regarding the main issues of interest to firms in the field of foreign investment and industrial policies. The activity of the ICC in Italy takes place essentially through committees and work groups, which are in contact with the ones working in Paris, where the Italian representatives support the positions of Italian firms with regard to the different issues.
> THE KANGAROO GROUP. An informal forum for discussion among European Parliament members and partners and stakeholders in society at large. The purpose is to increase reciprocal understanding of issues – not exclusively technical or industrial – regarding ideas for future initiatives of the European Union. Enel participates through the payment of annual dues.
> MEDELEC (Comité de Liason Méditérranéen des Associations d'Entreprises d'Electricité). Created in 1992, this is a committee that includes all the associations of electricity producers in the Mediterranean area. It provides a place for discussion, reflection, and coordination among the countries involved.
> OCIMF (Oil Companies International Marine Forum). A voluntary association that brings together the leading companies in the oil business, both national and international, with the objective of promoting safety and avoiding the pollution caused by the transportation of oil by sea.

- OME (Observatoire Méditérranéen de l'Énergie). A non-profit organization, of which Enel has held the presidency since 2006 and will continue to do so until 2008. The OME became an independent association in 1991 at the request of numerous energy companies in the Mediterranean area.
- RECS (Renewable Energy Certificate System). A European non-profit organization created with the objective of fostering the international development of renewable energy and creating a pan-European electricity market in such field through a commonly accepted and harmonized European information system. The members are firms operating in the field of renewable energy in Europe, South Africa, the United States, and Canada. The RECS represents companies to national and E.U. government authorities, facilitating all kinds of activities aimed at attaining its objectives.
- SEAP (Society of European Affairs Professional). This association includes the representatives of large European companies to the institutions of the E.U., the European Commission and Parliament. The purpose of the organization is to pursue ethical and moral principles in providing information for institutional publics. Enel pays annual dues and participates on the committee for dialogue with the European Commission that follows the drafting of the directive on transparency in the work of corporate representatives and interest groups.
- WEC Italia (World Energy Council). A non-profit non-governmental organization, which is accredited at the U.N. The WEC's mission is to promote the peaceful and sustainable use of energy resources in favor of the populations of the nations in the world, fostering research and the exchange of knowledge about resources, technology, styles of consumption, and environmental aspects of the production and use of energy sources. It carries out its mission through the publication of studies and reports, the institution of work groups, the organization of conferences, and the exchange of experiences and information among the various national committees. The member countries are organized in regional groups: Africa, North America, Latin America and the Caribbean, Asia and the Pacific, Central Asia, and Europe.
- WORLD ECONOMIC FORUM. An international foundation that brings together the leading one thousand economic, institutional, and academic organizations in the world. Enel is a member of the WEF and is part of the Energy Summit and the Energy Boardroom, which, among the meetings organized by the Forum, specifically regard the problems of the electricity industry and serve as a meeting place for the most important international decision makers for the industry.

With regard to the associations and networks most closely enagegd in promoting corporate social responsibility, Enel is a member of CSR Europe and in Italy of Sodalitas, the CSR Manager Network Italia, and ANIMA.

Stakeholder Engagement

Enel considers its stakeholders to be the individuals, groups, and institutions whose contribution is required for the Company to carry out its mission or, in any case, have an interest at stake in its pursuit; in particular, those who make investments connected with Enel's business, first of all the Company's shareholders and then its employees, customers, suppliers and business partners. In a broader sense, stakeholders are all the individuals and groups, as well as the organizations and institutions that represent them, whose interests are influenced by the effects, direct or indirect, of Enel's actions. These people include the local and national

communities in which Enel operates, environmental associations, future generations, etc.

Enel's core business determines the identification of its stakeholders and their interests, while the kind of initiatives promoted with regard to them is the result of proactive listening to their requests during the assiduous occasions for discussion arranged within the Company by the units in charge of relations with specific stakeholders in order to overcome prejudices and the misalignment of information in a perspective of stakeholder engagement.

In general, shareholders, financial institutions, providers of funds, bondholders, and retail investors have instruments through which they can talk directly with the Company: dedicated units, confidential channels, telephone numbers, and e-mail.

In addition to their union representatives, who maintain regular relations with the Industrial Relations unit, employees have a direct relationship with the personnel offices and, to report violations of the Code of Ethics and the ZTC (Zero Tolerance of Corruption) Plan, a specially provided e-mail address in the Auditing Department. With its extension to all the companies of the Group, early in 2007 Enel completed the corporate atmosphere survey, which enabled it to prioritize initiatives regarding conduct, values, and instruments for managing people. More detailed information on the activities that involve Enel's personnel is provided on pp. 119-135.

Customer satisfaction is measured by the traditional instruments, through specific market surveys by product, service, and sales channel used, as well as through the annual brand equity survey, which ascertains the perceived value of the "Enel" brand by the public at large (see pp. 166-167 of this Report).

Suppliers have a direct relationship with the dedicated organizational units and are subjected to periodical qualitative investigations. During 2007, Enel started up the "Green Procurement" project to implement "green" purchasing policies in supply, work, and service contracts (see pp. 68 and 139).

Dialogue with Authorities, institutions, and associations representing interest groups – local, national, at the E.U. level, and beyond – is entrusted to specific units that maintain relations based on two-way information in order to construct lasting and quality relationships. Further details are available on pp. 39-43.

In 2007, the activities and responsibilities connected with sustainability were brought together in the unit that handles relations with associations in Enel's External Relations Department.

Stakeholder Interests: the Sustainability Meter

In 2007, Enel also introduced a new instrument for measuring the degree of agreement or disagreement expressed by stakeholders with regard to the Company's strategies.

The Sustainability Meter enables you to see how far your own idea of sustainability is from the Company's. It is a section of the Enel website, where anyone who is interested can compare the respective positions (Stakeholders – Enel) in order to bring them closer together.

The Sustainability Meter works in two phases. The first step is dedicated to learning about stakeholders' positions through a set of 24 questions regarding three areas – social, environmental, and economic – where sustainability becomes a concrete reality. In expressing their degree of agreement on the issues proposed, stakeholders are positioned on a diagram representing the three areas and compare their positions (which may be prevalently social, environmental, economic, or even "sustainable", and thus be in the middle by balancing the interests) with those of Enel.

In the second phase, at the end of the evaluation, Enel also asks what actions it could carry out to close any gaps that might exist. In this way, stakeholders get involved and thus become protagonists in our decision-making processes. Corporate strategies, development pathways, and stakeholder expectations can thus converge and close the gap that is usually created between companies and their stakeholders and is so difficult to close. By involving the public at large in a permanent dialogue, this new instrument interprets Enel's innovative approach to corporate social responsibility.

To use the Sustainability Meter, go to www.enel.it/azienda_en/sostenibilita and click on the related section. The results of the first few months of the Sustainability Meter's life are available in this report on the following pages.

sustainabilitymeter beta

STAKEHOLDER PROFILE

sustainabilitymeter beta

The following data make it possible to establish the profile of the sample of stakeholders who responded to the Sustainability Meter. Such data are not obligatory for participation, but are requested at the end of the survey in order to understand the preferences of the single interest groups or simply the interests of individual stakeholders and their expectations with regard to Enel.

GENDER

Male	49%
Female	15%
No response	36%

OCCUPATION

Employee	35%
Self-employed	11%
Homemaker	1%
Student	10%
Not employed	2%
Other	5%
No response	36%

LOCATION

Northern Italy	31%
Central Italy	19%
Southern Italy	7%
European Union	4%
Rest of the world	2%
No response	37%

AGE BRACKET

14 - 19	1%
20 - 25	11%
26 - 30	11%
31 - 40	19%
40 - 55	16%
Over 55	6%
No response	36%

FAMILY

Single	10%
2 people	13%
3 people	15%
4 - 5 people	22%
Over 5 people	2%
No response	38%

STAKEHOLDER

Shareholder	11%
Human resource	6%
Customer	26%
Supplier	1%
Institution	1%
Future generation	4%
Community	5%
No response	46%

SUSTAINABILITY ACCORDING TO OUR STAKEHOLDERS

sustainabilitymeter beta

The results of the first year of life of the Sustainability Meter on our website are available below. They constitute a field survey that allows us to map the prevalent interests of all our stakeholders. As they are displayed in the online survey, for each question there is the corresponding level of agreement or disagreement expressed by our stakeholders on a scale that goes from "not at all" to "extremely".
For every statement, the prevalent value is highlighted. In accordance with CSR theory, the statements are classified as economic, environmental, or social.

Economic Dimension

Environmental Dimension

Social Dimension

Question	Not at all	Not very much	Fairly	Very	Extremely
How important do you think it is for Enel's strategy to emphasize an increase in dividends for its shareholders?	12.58%	20.11%	**30.27%**	25.29%	11.75%
How important is it for Enel to apply effective rules for its corporate governance and to actually observe a Code of Ethics?	2.70%	3.04%	12.09%	37.11%	**45.06%**
In your opinion, how important is it for Enel to keep the volume, use, and quality of its debt (that is, the money that firms borrow from banks for their operation) under control?	3.25%	5.25%	23.70%	**43.95%**	23.84%
In your view, how important is investment for the quality of the electricity and gas distribution service?	2.76%	2.56%	16.52%	**42.71%**	35.45%
How reasonable do you consider Enel's bills with respect to the service provided?	8.91%	27.78%	**46.99%**	11.68%	4.63%
In your opinion, how useful is it for Enel to propose new services for the benefit of its customers?	5.32%	12.23%	28.27%	**36.70%**	17.48%
Do you consider it comforting and/or reassuring that a substantial number of Enel's shareholders are Socially Responsible Investors?	5.94%	8.29%	25.36%	**39.94%**	20.46%
How satisfactorily do you think Enel communicates with its "small" (retail) shareholders?	10.30%	30.06%	**39.05%**	14.37%	6.22%
Average on total answers	**6.47%**	**13.67%**	**27.78%**	**31.47%**	**20.61%**

Question	Not at all	Not very much	Fairly	Very	Extremely
In your opinion, how important is it for social and environmental issues to be an integral part of Enel's growth strategies?	2.35%	3.52%	10.09%	30.27%	**53.77%**
In your opinion, how important is it for Enel to contribute and use the best techniques for reducing its emissions of fumes, particulates, and carbon dioxide?	2.76%	2.28%	6.63%	19.28%	**69.04%**
In your opinion, how important is it for Enel to increase its commitment to waste recovery?	4.01%	3.59%	9.40%	27.02%	**55.98%**
In your opinion, how important is it for Enel to increase its commitment to reducing its use of raw materials like fuel oil, natural gas, and coal?	3.25%	4.35%	9.26%	25.22%	**57.91%**
In your opinion, how important is it for Enel to invest in research?	2.42%	2.28%	8.36%	27.71%	**59.23%**
In your opinion, how important is it for Enel to increase its production of electricity from renewable energy sources such as water, steam, sunlight, and wind?	2.76%	3.39%	8.09%	18.31%	**67.45%**
Do you consider it advisable for Enel to increase its production of electricity from nuclear energy?	**29.65%**	13.20%	17.83%	19.56%	19.77%
Do you consider it important for Enel to promote the "intelligent consumption" of electricity?	3.11%	3.80%	11.82%	30.82%	**50.45%**
Average on total answers	**6.29%**	**4.55%**	**10.19%**	**24.77%**	**54.20%**

Question	Not at all	Not very much	Fairly	Very	Extremely
In your opinion, how important is it for Enel to practice and promote equal professional opportunity among its employees?	4.08%	4.91%	16.86%	35.25%	**38.91%**
In your opinion, how important is it for Enel to invest time and money in the training and professional development of its employees?	2.90%	2.28%	14.58%	39.74%	**40.50%**
In your opinion, how important is it for Enel to pay particular attention to the health and safety of its employees and those of the suppliers that work for it?	2.35%	3.25%	9.19%	29.23%	**55.98%**
In your opinion, how important is it for Enel to be quick, clear, and transparent in its procurement and tender procedures?	2.83%	5.39%	15.76%	**42.29%**	33.72%
In your opinion, how important is it for Enel to have appropriate channels for communicating directly with its customers and the public (toll-free telephone numbers, dedicated e-mail addresses, dedicated offices)?	3.18%	5.11%	21.42%	**40.01%**	30.27%
In your opinion, how important is it for Enel to develop relations with associations representing interest groups and with local, national, and international institutions?	4.91%	7.19%	27.99%	**40.29%**	19.63%
Do you consider it important and advisable for Enel to give money to charity and support initiatives of social solidarity?	12.37%	17.28%	**30.96%**	25.78%	13.61%
In your opinion, how important is it for Enel to plan and fund social, cultural, and sports projects in the countries and places where it does business?	12.23%	15.96%	**32.48%**	26.19%	13.13%
Average on total answers	**5.61%**	**7.67%**	**21.16%**	**34.85%**	**30.72%**

ENEL'S PROJECTS THROUGH THE EYES OF ITS STAKEHOLDERS

sustainabilitymeter beta

At the end of the evaluation with the Sustainability Meter, stakeholders are requested to express their opinion on eight projects already started up by Enel. This is perhaps the most "revolutionary" part of this new instrument, because it allows stakeholders to evaluate the merit, and more specifically the management, of the Company. In effect, stakeholders can request that one of these eight projects be accelerated. Entering the decision-making process of a company has never been so simple, and neither has making one's own voice heard or emphasizing one's own priorities. Below, in an ideal table of the interests of our stakeholders, we show the responses of all those who filled out the Sustainability Meter.

ON THE WAY TO ZERO EMISSIONS

18%
Stakeholders' preferences

Enel is engaged in a wide-ranging plan of research applied to the most advanced technologies: the maximum possible abatement of particulate and other noxious substances, the improvement of all combustion processes in order to reduce CO_2 emissions, new ways of capturing carbon dioxide and storing it permanently to prevent it from dispersing in the atmosphere. There is agricultural biomass to accompany the combustion of coal and abate total emissions, as well as the production of bio-diesel to fuel cycles of electricity generation. Then there is hydrogen – produced in plants adjacent to our thermal power plants in order to exploit their heat – which is used to fuel vehicles in the cleanest way possible. Technological difficulties won't stop us. On the contrary, we are going to produce new knowledge and new solutions, and we'll make room for the most brilliant and innovative ideas if they can help us achieve our objectives.

PRODUCING MORE ELECTRICITY FROM RENEWABLE SOURCES

22%
Stakeholders' preferences

Water, sun, wind, and heat from the earth. Today, almost a third of the electricity produced by Enel already comes from renewable sources. But our commitment goes beyond this. We want this percentage to remain constant even as our capacity for producing electricity increases. New wind farms in places where wind can be exploited without damaging the landscape; capturing wind in the open sea with wind plants far from the coast. Solar energy that directly feeds into the power network or supplements production in traditional power stations. Even more advanced use of the steam that comes from the earth in order to transform it into electricity in Italy and Latin America. The best means in order to use in the most rational way the water of the basins that feed hydro power plants, without waste and constantly recycling it. A series of actions and a research plan that provides for 4 billion euros of investment in the next few years.

AN ETHICAL AND WELL GOVERNED COMPANY

14%
Stakeholders' preferences

Enel is considered one of the companies worldwide that is most attentive to corporate ethics and the fairness and severity of its internal governance. We apply the most stringent international accounting and stock-market regulations, and the procedures for both the internal and external certification of our accounts are among the strictest. The security of the Company and its employees is our priority. The management of our financial resources does not allow the use of instruments that could endanger the Company's assets or economic solidity, while in our daily business we work to reduce to a minimum the risks connected with our industrial and commercial activities and procurement of the raw materials, such as fuels, that are essential for our production. We are extremely attentive to corporate ethics and we want to make everyone who works with and around us even more aware of its principles.

HELPING THOSE LESS FORTUNATE

6%
Stakeholders' preferences

Enel founded a non-profit organization of social utility (Enel Cuore Onlus) in order to participate in a structured way and with maximum efficiency in the world of social solidarity in favor of childhood, the elderly, and the deprived. We have built schools in Latin America and will build them in Africa. We have created residences to host the families of children who have to have surgery. We have built hospital pavilions dedicated to children and the disabled. We support sports dedicated to the latter and assist elderly people who are alone in nine cities in Italy. We renovate orphanages in Romania and help to open family-houses in Italy. And we are thinking of actively helping Enel employees who wish to dedicate their time, intelligence, and muscles to volunteer social work.

A SAFE HAVEN FOR SHAREHOLDERS

5%
Stakeholders' preferences

Two and a half million small private shareholders, in addition to several hundred thousand bondholders. These numbers involve about half of all the Italian families that have decided to invest in stocks and bonds. This means that Enel has a great responsibility. Ever since we were listed on the stock exchange, we have distributed increasing dividends, which make the return on our shares higher than that of Italian government bonds. Debt that is under control, an efficient management of cash flow, and a rigorous control of corporate risks make Enel a calm haven for financial investors. We want to further enhance our channels for communicating with private investors and we are developing a series of initiatives dedicated to the people whom we consider to be essential to the solidity of the economy in Italy and abroad.

CONCERN FOR THE WORLDS OF EDUCATION, CULTURE, AND SCIENCE

9%
Stakeholders' preferences

A series of initiatives that go by the name of "Energia per..." (Energy for...) is also dedicated to supporting the fine arts, music, culture in general, education, and the sciences. In the towns where we are present, we sponsor initiatives addressed to secondary-school students as part of the Energia in gioco project, which for three years has involved almost 400,000 students a year. We support initiatives where science, technology, and research are discussed and the results of the most advanced research is shown and the most innovative theories are explained, and not only in the fields that directly concern us. Every year, we help tens of students who, even at the Ph.D. level, turn to us with questions regarding technologies, approaches, and research for their theses. We have started to cooperate systematically with technical institutes and universities.

A COMPANY WHERE EVERYONE HAS EQUAL OPPORTUNITIES

6%
Stakeholders' preferences

Respect for gender differences, but no impediment or discrimination because of race, nationality, or religious belief and strict respect for human rights in every country where we do business have always characterized Enel's policies towards its employees. Our development and training programs are inspired by the general objectives of ensuring that they excel in their expertise and have a fair chance for internal promotion. We have gradually extended evaluations to our companies abroad and carried out the internal succession plan for the most important positions. For the first time, we conducted a survey on the corporate atmosphere that was addressed to the entire personnel. Furthermore, we have an equal-representation Equal Opportunity Committee and have started a procedure for balancing time at work and private time. There is also a people-care program, which facilitates even the private life of our employees, providing services that help solve small personal problems.

FOR THE INTELLIGENT CONSUMPTION OF ENERGY AND A SAVING FOR OUR CUSTOMERS

18%
Stakeholders' preferences

In 2006, we distributed free-of-charge 7 million high-efficiency fluorescent light bulbs (which last 8 times longer and consume 80% less), with a saving of about 490,000,000 kWh (kilowatt-hours). We sold 53,000class-A electrical appliances through the Enel Club, with a saving of about 4,200,000 kWh. We distributed free-of-charge a million economizers for faucets that allowed a saving of up to 60% of hot water and therefore of about 48,000,000 kWh. We made public lighting more efficient in many cities through Enel Sole, with a saving of about 19,000,000 kWh. The energy conserved by improving the efficiency of its end uses thus amounts to about 561,200,000 kWh. And our commitment continues.

5. Management Approach and Performance Indicators

The CSR and Relations with Associations unit within the External Relations Department and the Business Analysis and Risk Control unit of the Accounting, Planning and Control Department function cooperate in helping the Company's top management establish the priorities and objectives of sustainability, indicating the guidelines that the Parent Company's departments and the Divisions and companies of the Enel Group should pursue by drawing up specific short- and medium-term action plans.

The process of checking Enel's performance with respect to its objectives takes place through the collection and processing of key performance indicators (KPIs) of sustainability, which are published in the appendix of this Report.

The sustainability KPIs require the involvement of both the Parent Company (on cross-company issues) and the Divisions and companies (on the issues specifically concerning their fields).

Specifically, within the different structures and professional families there are persons responsible for collecting, checking, and processing the KPIs concerned.

The consolidation of the data takes place under the responsibility of the Business Analysis and Risk Control unit, which is entrusted with coordinating the entire collection process and shares the qualitative parts and comments accompanying the results with the Corporate Social Responsibility unit.

All the activities of the Corporate Social Responsibility unit and the Business Analysis and Risk Control unit are subjected to the evaluation, control, and approval of the Internal Control Committee, which was instituted by the Board of Directors and is constituted by the Chairman of Enel SpA, the two Directors designated by the minority shareholders, and the head of the Auditing Department.

The Sustainability Report is approved by the Internal Control Committee and the Board of Directors.

Performance indicators

- Investment amounting to

4,929

million euros

- Revenues amounting to

43,673

million euros

- 85% of total value of contracts from local suppliers
- 7.3 million euros of largesse

EC - Economic Performance Indicators

GRI-G3: Disclosure on Management Approach

Enel always plans and manages its economic performance to conserve and increase the value of the Company, for both its shareholders and its stakeholders in general. To this end, we use all the procedures necessary to carefully control operating and financial risks and carry out all the actions that enable us to maintain the Company's international rating at the highest level.

Enel intends to maintain a position of leadership in the free electricity market in Italy, while at the same time developing as much as possible its presence in the foreign markets in which it is active. As far as the domestic gas market is concerned, its policy is to aim for a steady and incisive growth by constantly acquiring new customers.

As of December 31, 2007, investment amounted to 4,929 million euros, an increase of 1,966 million euros with respect to 2006. This increase regards essentially the investing activity of the International Division (amounting to1,516 million euros, of which 886 million euros derives from the consolidation of Endesa).
The impacts on employment and the value generated for society as a whole are valued in indirect terms, especially considering a product that is the result of a reliable process and corresponds to the highest qualitative standards of the industry.

Furthermore, the Company is engaged in the fight against climate change, as demonstrated by the fact that for over ten years it has had a specific environmental policy, in consideration of the financial implications for the organization deriving from such change.
The development of new technologies, investment in renewable energy sources, and the improvement of its environmental performance enable the Company to make the best use of resources, to benefit from incentive mechanisms, and to anticipate the demands of the market and its stakeholders.

ECONOMIC PERFORMANCE

EC1

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.

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Value added (broken down by stakeholder)							
Revenues	(mil. euros)	43,673	38,513	33,787	5,160	13.4	Enel*
External costs	(mil. euros)	29,640	26,206	23,034	3,434	13.1	Enel*
Proceeds/(Expense) from commodity risk	(mil. euros)	-36	-614	272	578	-94.1	Enel*
Gross value added continuing operations	(mil. euros)	13,997	11,693	11,025	2,304	19.7	Enel*
Proceeds from share trading/Gross value added discontinued operations	(mil. euros)	127	263	2,952	-136	-51.7	Enel*
Total gross value added	(mil. euros)	14,124	11,956	13,977	2,168	18.1	Enel*
Shareholders	(mil. euros)	3,030	3,958	3,472	-928	-23.4	Enel*
Providers of capital	(mil. euros)	902	651	984	251	38.6	Enel*
Employees	(mil. euros)	3,326	3,210	3,100	116	3.6	Enel*
Government	(mil. euros)	2,384	2,433	2,480	-49	-2.0	Enel*
Enterprise system	(mil. euros)	4,482	1,704	3,941	2,778	163.0	Enel*
Economic value generated							
Economic value generated directly:							
Revenues	(mil. euros)	43,673	38,513	33,787	5,160	13.4	Enel*
Economic value distributed:							
Operating costs	(mil. euros)	29,676	26,820	22,762	2,856	10.6	Enel*
Personnel and benefit cost	(mil. euros)	3,326	3,210	3,100	116	3.6	Enel*
Payments to providers of capital	(mil. euros)	3,932	4,609	4,456	-677	-14.7	Enel*
Payments to governments	(mil. euros)	2,384	2,433	2,480	-49	-2.0	Enel*
Economic value discontinued operations	(mil. euros)	127	-	2,952	127	0.0	Enel*
Economic value generated	**(mil. euros)**	**4,482**	**1,441**	**3,941**	**3,041**	**211.0**	**Enel***

* Including Endesa.

Net income not distributed as dividends as of December 31, 2007 amounted to 5,942 million euros (see "Statement of changes in equity" in the 2007 Annual Report on p. 201). As of December 31, 2006 it amounted to 5,934 million.

The donations made to Enel Cuore Onlus, an association founded by Group companies to contribute concretely to social solidarity both in Italy and abroad, amounted in 2007 to 6.53 million euros (6.49 million in 2006, 6.36 million in 2005).

EC2

Financial implications and other risks and opportunities for the activities of the organization due to climate change.

The management has examined the risks connected with climate change through the valuation and internalization in the production process of the costs of CO_2, considering them an integral part of production costs.
The risks caused by climate change that may determine financial implications for the organization are:

> a reduction of rain and snowfall and the consequent decrease in hydroelectric production;
> an increase in the cost of generation because of the need to improve the general environmental performance, increase the energy efficiency of the plants, and produce with a mix of sources that includes more renewable energy and with less specific emission of CO_2;
> regulatory risks connected with the European system of emission permit trading (quantity of the gratuitous quotas assigned and flexibility of the search for CO_2 credits);
> regulatory risks deriving from the necessity to acquire Green Certificates through production from renewable sources or acquisition in the market as part of the obligatory system for producers and importers of energy from non-renewable sources;
> regulatory risks deriving from the necessity of acquiring energy efficiency certificates through initiatives regarding increased efficiency in end uses or through acquisition in the organized market, as part of the obligatory system for distributors of electricity and gas.

For Enel, engagement in the fight against climate change is also and above all an important opportunity for competitive growth. The development of new technologies, investment in renewable sources, and the improvement of its environmental performance enable the Company to optimize its use of resources, to benefit from incentive mechanisms, and to anticipate the demands of the market and its stakeholders in general. For Enel's commitment to the fight against climate change, see the "Focus on Climate Strategy" on p.73 and the EN30 indicator on p.115 of this Report.
Our commitment is demonstrated by the fact that for more than ten years the Company has had a specific environmental policy, whose objectives are reviewed every year as part of the process that leads to the publication of the Group's Environmental Report.
As far as greenhouse gas emissions are concerned, Enel is implementing a complex investment plan in the field of generation that, in Italy, has already enabled to it exceed the goals of the voluntary agreement signed in 2000 with the Ministries of the Environment and Industry. Thanks to a considerable commitment of resources, we have reduced the specific emissions of our thermal generators from 618 grams of CO_2 per kWh of net total production in 1990 to 496 grams in 2007.

EC3

Coverage of the organization's defined benefit plan obligations.

In the current phase of adjusting the social benefits available to employees, existing local conditions are taken into consideration. A plan for making supplementary pay homogeneous, comparable, or equivalent is under study. Implementation is scheduled to begin at the end of 2008.
In Italy, in addition to the obligatory system provided for by law, Enel offers the following two voluntary supplementary pension funds:

> FOPEN, for non-executive electricity employees (92% participation rate);
> FONDENEL, for executives (100% participation rate).

In addition, Enel provides various individual benefits, such as termination bonuses, additional compensation based on age or entitlement to seniority

pensions, supplementary pensions and health insurance, loyalty bonuses based on years of service, etc.
As of December 2007, the liability recorded in the financial statements regarding the benefits owed when employment terminates and other long-term benefits amounts to 1,655 million euros, while the liability regarding the benefits subsequent to employment for established benefit programs amounts to 1,265 million euros (further details are available in the Annual Report on pp. 211-213).

EC4
Significant financial assistance received from government.

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Grants							
Grants received during the year	**(mil. euros)**	**15.4**	**23.1**	**25.5**	**-7.7**	**-33.2**	**Italy**
Energy networks	(mil. euros)	12.0	17.4	15.3	-5.4	-31.2	Italy
R&D	(mil. euros)	0.8	0.9	1.5	-0.1	-6.8	Italy
Renewable energy	(mil. euros)	1.8	4.6	7.3	-2.8	-60.6	Italy
Other	(mil. euros)	0.8	0.2	1.4	0.6	419.0	Italy

The list of the Shareholders of Enel SpA is shown in the table on p. 23.

MARKET PRESENCE

EC5
Range of ratios of standard entry-level wage compared to local minimum wage in the most significant locations of operation.

In countries where industry national collective bargaining is provided for, the minimum wage is established by category and rank. This minimum usually represents the entry-level wage.
Italy does not have a minimum wage established by law.

EC6

Policy, practices, and proportion of spending on locally-based suppliers in the most significant locations of operation.

Enel carries out its procurement procedures in accordance with the relevant regulations in force, according to which the award and execution of contracts for works, supplies, and services must comply with the well-known principles of publication, non-discrimination, transparency, and cost-effectiveness.

The tenders, therefore, are open to all the competitors that possess the general and special qualifications provided for in the related calls for tenders regardless of their geographical location, while the award will obviously go to the bidder that – according to the provisions of the calls for tenders – makes the best bid.

As far as purchases exceeding 1 million euros are concerned, in 2006 Enel contracted about 85% of the related value with "local" suppliers and the remaining 15% with international suppliers.
The percentages were calculated considering as values contracted by "local" suppliers – where the term "local" refers to the single countries – the amounts of the contracts entered into with companies whose registered office is in Italy, even if they belong to multinational groups and/or have related productive activities carried out abroad.
With regard to foreign operations, the data concerning the value of contracts entered into are significant, because Enel's guidelines provide for the centralization of purchases that can be considered long-term investments (capital expenditure), while local suppliers are used for current-account purchases.

SUPPLIERS

KPI	UM					%	Companies concerned
		2007	2006	2005	2007-2006	2007-2006	
Suppliers							
Number suppliers	(no.)	17,391	18,265	17,707	-874	-4.8	Enel
Supplier concentration (top 15)	(%)	29.2	25.7	22.8	3.6	13.8	Enel
Local suppliers with contracts >1 mil. euros	(no.)	560	494	501	66	13.4	Enel
Foreign suppliers with contracts >1 mil. euros	(no.)	57	54	32	3	5.6	Enel
Expense for local contractors with contracts >1 mil. euros	(mil. euros)	2,373.5	2,368.1	2,168.7	5.4	0.2	Enel
Expense for foreign suppliers with contracts >1 mil. euros	(mil. euros)	434.0	455.0	193.9	-21.1	-4.6	Enel
Concentration expense on local suppliers	(%)	85	84	92	1	1.2	Enel
Concentration expense on foreign suppliers	(%)	15	16	8	-1	-6.3	Enel
Management instruments							
Active qualifications	(no.)	2,406	2,784	2,960	-378	-13.6	Enel
Online tenders	(%)	90	91	92	-1	-1.1	Enel
Online purchases	(%)	88	91	98	-3	-3.3	Enel
Contracts awarded without tender	(%)	37.7	27.5	21.0	10.2	37.1	Enel

EC7

Procedures for hiring people who reside where the activity mainly takes place and percentage of senior managers hired in the local community.

As far as its hiring policy is concerned, Enel does not have an established policy of granting preference to local residents. However, whenever possible, the Company tends to favor residents. This approach is followed for hires at all organizational levels. By "senior management" is meant first- and second-level executives and supervisors who are heads of units. In the Parent Company, first-line managers are defined as those who report to the heads of the operating divisions.
Percentage not available.

INDIRECT ECONOMIC IMPACTS

EC8

Development and impact of investment in infrastructure and services supplied mainly for "public utility", through commercial pledges, donations of products/services, and pro bono activities.

The social projects and initiatives carried out by Enel are classified according to the method of the London Benchmarking Group (LBG). This model ensures continuity and consistency between strategic objectives and social ends by dividing Enel's engagement in communities into four main categories.

KPI	UM	2007 (1)	2006	2005	2007-2006 %	2007-2006 %	Companies concerned
LBG approach							
Donations to social initiatives							
Largesse expenditure	(mil. euros)	7.3	6.8	8.6	0.5	7.1	Italy
Investment in communities	(mil. euros)	18.3	19.5	12.4	-1.2	-6.4	Italy
Business initiatives with social impact	(mil. euros)	7.8	3.1	2.1	4.7	152.9	Italy
Socially sustainable business initiatives	(mil. euros)	0.2	0.2	0.8	0.0	26.1	Italy
Total (largesse + investment)	(mil. euros)	33.6	29.6	23.8	4.0	13.6	Italy

(1) Also includes, for 2007, Slovakia, ELA, and Romania, in the amount of 2.6 million euros.

The philanthropic and charitable activities are carried out almost entirely through Enel Cuore, a non-profit association of Enel Group companies.
Enel does not make donations in kind of electricity or gas, among other reasons in consequence of regulatory restrictions. As an exception, services may be provided pro bono, while a plan to assist Company employees who do voluntary social work is under consideration.
In 2007, 6.5 million euros were donated to Enel Cuore.
See the indicator SO1 on p. 151 and the "Commitment to Enel Cuore" on p. 171.

EC9

Analysis of the main indirect economic impacts, considering the externalities generated.

For the indirect economic impacts, see the paragraph regarding litigation on p. 18 and the summary of problems reported by the media on p. 17 of this Report.

496 g/kWh

Net specific emissions

0.16 TWh

RECS certificates equivalent

- 241 guests at the Enel Fortuna Research Center in Panama
- 68.5% ISO 14001 coverage

EN - Environmental Performance Indicators

GRI-G3: Disclosure on Management Approach

Technological and environmental leadership is one of Enel's strategic objectives. This commitment is nothing new for Enel: suffice it to recall the program for coverting fuel-oil plants to natural-gas combined cycles, a technology in which Enel, with about 6,000 MW, is the Italian leader. Together with investment in renewable energy sources, this program has enabled Enel to reduce its CO_2 emissions, going against the trend with regard to total emissions in Italy.

The Company's commitment continues and will increase in the future, especially in view of its international expansion. The strategy is based on mitigation initiatives consistent with its ability to apply and develop technologies capable of reducing greenhouse-gas emissions. The Company's vision is to be able to generate electricity at a low cost and with zero emissions by 2020. As a leader in the industry, Enel believes that commitment in the fight against climate change is essential not only for the safeguard of the environment, but also, and especially, for competitiveness in the market.

Specifically, with regard to greenhouse-gas emissions, Enel is implementing an investment plan in the field of generation that has already enabled it to exceed the objectives in Italy of its voluntary agreement with the Ministries of the Environment and of Industry in 2000. With this agreement, the Company undertook to achieve an average specific emission of CO_2 equivalent amounting to 510 g/kWh net produced by its plants in Italy in 2006 with respect to an emission in 1990 amounting to 618 g/kWh net produced. Even though the agreement ended successfully in 2006, Enel has continued with its commitment to reduce its specific emissions, with a result in 2007 of 496 g/KWh net produced by its generating plants in Italy.

In December 2006, Enel launched its Environment and Innovation Project, which provides for a total investment of 7.4 billion euros by 2012, with the goal of developing research and innovation in the field of renewable energy sources and the application of advanced technologies: a plan for combating climate change that in terms of its size and quality has few equals in the world. This is accompanied by a constant commitment to the development of new solutions in the field of renewable sources, in the search for innovative techniques for capturing CO_2, and on the hydrogen frontier, but especially with regard to energy conservation.

Biodiversity is the fundamental element for preserving the natural processes of our planet. The incessant loss of species entails the risk of damaging forever what nature offers and is essential for humanity, such as food, pure water, wood and fibers, climate balance, and medicinal plants. In 2007, awareness of all this led Enel and Federparchi, an association that brings together all Italian parks, to develop a project for supporting biodiversity. The initiative was also meant to contribute to the achievement of the objectives of Countdown 2010, whose international program provides for instituting and maintaining effective national and regional systems of protection that, through a global network, are able to satisfy the primary need to reduce the loss of biodiversity by 2010, through programs such as conservation, sustainable use, and the sharing of benefits for the protection of the eco-system.

Further details are available in the 2007 Environmental Report and may be requested from:

Enel SpA
Affari Regolamentari e Corporate Strategy
Politiche Ambientali
Viale Regina Margherita, 137
00198 Rome - Italy

MATERIALS

EN1

Raw materials used, by weight or volume.

A company's ability to reduce its use of raw materials is surely one of the main indicators for evaluating its respect and commitment with regard to the environment. However, it is important to carefully evaluate both the kind of resource and how it is used in order not to come to hasty conclusions.
In many processes regarding the treatment of gaseous or liquid waste, in effect, very large quantities of resources are used, but these uses cannot in any way be considered harmful to the environment. On the contrary, they constitute positive indicators of a company's commitment. For example, limestone is used in the desulfurization of rivers and, therefore, the more of it is used, the more the company employs this treatment. The absence of these materials among those used, on the other hand, must be considered a negative factor.

In Enel's productive processes, expendables are used mainly in its thermal and nuclear plants and in geothermal drilling.
The most important materials and their most common uses are reported below, highlighting the ones whose use reflects greater concern for the environment, because they are part of the treatment process.

> resins: used to produce, through ionic exchange, very pure water for the thermal cycle of steam thermal plants;
> hydrazine, carbohydrazide, and hydrogen peroxide: used in the water and steam circuits of the thermal cycle to deoxygenize and regulate the pH;
> **ammonia**: also used to regulate the pH of the water in the thermal cycle, but mainly as a reagent in the desulfurization of rivers;
> **limestone**: the reagent used in the desulfurization of flue gas;
> magnesium oxide: injected into the flue-gas circuit of thermal plant boilers fired by fuel containing vanadium to avoid the corrosion of the thermal exchange surfaces caused indirectly by the vanadium;
> sodium hypochlorite, chlorine dioxide, ferrous sulphate, and trisodium phosphate: added occasionally to the cooling water of steam thermal plants to avoid deposits and incrustations or to protect the surfaces of the condensation tubes from corrosion;
> **limestone, ferric chloride, and polyelectrolyte**: used mainly in the treatment of waste water for their ability to neutralize and/or flocculate;
> **sulfuric acid, hydrochloric acid, and caustic soda**: most commonly used to regenerate ionic exchange resins and to wash various kinds of equipment, but also to treat waste water; in the geothermal field, among other uses, soda is added to the mud used in drilling wells;
> bentonite: clay that is part of the mud used in the drilling of geothermal wells;
> barite: used in particular cases to increase the weight of bentonite mud and improve its effectiveness in drilling through mechanically unstable rock formations;
> geothermal cement: used for the jointing of the steel walls of new wells and sealing of unused wells;
> the "other" expendables (anti-incrustation, de-incrustation, anti-foaming, and deoxydizing substances, detergents, antifreeze, carbon dioxide and hydrogen in cylinders, etc.) come, as lubrication oil and dielectric oil do, from plants in general.

KPI	UM				%		Companies concerned
		2007	2006	2005	2007-2006	2007-2006	
Resources used in production							
Coal	(%)	45.9	39.7	39.5	6.2	15.6	Italy
Oil	(%)	11.9	21.9	20.4	-10.0	-45.7	Italy
Gas	(%)	41.5	37.7	39.7	3.7	9.9	Italy
Other (diesel, biomass, and waste for thermal production)	(%)	0.7	0.6	0.4	0.1	20.8	Italy
Geothermal fluid (total extracted)	(,000 t)	50,478	49,929	45,804	549	1.1	Italy
Geothermal fluid (net of liquids reinjected)	(,000 t)	30,364	32,985	32,080	-2,621	-7.9	Italy
Geothermal steam used to produce electricity	(,000 t)	44,215	43,937	41,687	278	0.6	Italy
Specific requirements for thermal production	(l/kWh)	0.57	0.54	0.54	0.03	5.6	Italy
Expendables	(,000 t)	251.7	229.0	219.4	22.7	9.9	Italy
Limestone	(,000 t)	192.4	169.6	162.4	22.8	13.4	Italy
Ammonia	(,000 t)	19.8	19.2	19.7	0.6	3.1	Italy
Caustic soda	(,000 t)	15.6	13.5	9.2	2.1	15.6	Italy
Spent lime	(,000 t)	10.1	9.1	8.4	1.0	11.3	Italy
Sulfuric/hydrochloric acid	(,000 t)	4.6	5.0	6.5	-0.4	-8.1	Italy
Other	(,000 t)	9.3	12.7	13.2	-3.4	-26.7	Italy
Coal	(%)	93.6	91.6	83.0	2.0	2.2	Abroad (1)
Oil	(%)	1.9	2.8	8.0	-0.9	-31.0	Abroad (1)
Gas	(%)	1.7	2.9	6.5	-1.2	-41.1	Abroad (1)
Other (diesel, biomass and waste for thermal production)	(%)	2.8	2.7	2.5	0.1	3.6	Abroad (1)
Uranium (2)	(t)	36.6	33.0	-	3.6	10.9	Abroad (1)
Specific requirements for thermal production (3)	(l/kWh)	5.7	4.3	3.1	1.4	31.8	Abroad (1)
Specific requirements for nuclear production	(l/kWh)	3.2	-	-	-	-	Abroad (1)
Expendables (4)	(,000 t)	352.7	173.6	5.6	179.2	103.2	Abroad (1)
Limestone	(,000 t)	321.7	165.3	-	156.4	94.6	Abroad (1)
Ammonia	(,000 t)	2.4	0.0	0.0	2.4	36,289.2	Abroad (1)
Caustic soda	(,000 t)	2.0	1.1	1.1	0.9	76.9	Abroad (1)
Spent lime	(,000 t)	16.2	0.4	0.5	15.9	4,364.2	Abroad (1)
Sulfuric/hydrochloric acid	(,000 t)	3.6	2.2	2.4	1.4	61.0	Abroad (1)
Other	(,000 t)	6.9	4.6	1.5	2.3	49.8	Abroad (1)

(1) Excluding Endesa and Russia.
(2) The figure regards the quantity of uranium dumped from the reactor during the year (refueling).
(3) Includes the consumption for ash transportation.
(4) 2006 does not include the figure regarding Slovenské elektrárne.

EN2

Percentage of materials used made from recycled material.

As part of a project to coordinate its Environmental Management Systems and extend them to the office activities carried out in all Group companies, Enel is introducing "Green Procurement" procedures in order to establish several categories of eco-compatible goods and services (see also the introduction to the HR1 indicator on p. 141).

For some time now, the use of recycled paper has been widespread throughout the Company, with remarkable progress in the last few years: in 2007, there was a more than 25% increase with respect to 2006.

As part of green procurement, several categories of goods and services have been established, for which the following tender specifications regarding recycling have been defined:

> **stationery and printed matter**: use of A4 and A3 paper with a natural surface, at least 75% of which is made with 100%-recycled fibres and use of packing materials that are recyclable or, in any case, are not made of halogenated synthetic materials;
> **porterage**: all the products used in performing the service must be made of materials that are at least 80% recycled/recyclable by weight;
> **ordinary maintenance**: all the materials used in performing the service must be made of materials that are at least 80% recycled/recyclable by weight;
> **furnishings**: the packing materials must be recycled and 100% recyclable, while the wood parts must be FSC or PEFC certified or must be recycled;
> **pc**: 80% of the packing material must be made of recycled materials;
> **paper and envelopes for bills**: the "Europallet" standard – which provides for the reutilization of the pallets through checks of their loading and unloading registers – is required for the pallets used in handling the materials;
> **demolitions of industrial plants**: recycling of the materials demolished and the non-metallic materials is required;
> **demolitions of civil buildings**: recycling of the materials demolished and the non-metallic materials is required.

As far as the specifications for supplier qualification are concerned, the following requirements are in effect:

> **pc - storage devices - unix servers - lan servers**: ensure that the producer of the packing materials belongs to a system for recycling such materials and that the latter are recycled and reutilized by the supplier.

ENERGY

Oil, gas, and coal are not unlimited energy sources and it is everyone's duty to reduce their consumption. Energy conservation and the use of renewable sources have been identified as the best way to hand over a planet that is still healthy and liveable to future generations. Thus the "Sun Days" initiative was conceived to promote the dissemination of a basic culture of the rational use of photovoltaic

and thermal solar energy among individuals, families, and public and private institutions. In 25 towns throughout Italy, Enel distributed biodegradable shopping bags made of corn starch containing: two low-consumption light bulbs, a kit of water economizers, and two guides (one on the intelligent use of energy and the other on photovoltaic and thermal solar energy). From March to September 2007, the Company distributed more than 150,000 low-consumption light bulbs and 50,000 water economizer kits, amounting to a total of 7,700 tons of CO_2 avoided in one year, in addition to 100,000 guides on energy conservation and the use of solar energy. To increase the awareness of people who did not participate in the initiative, a dedicated website was created (www.giornatedelsole.it), which informs visitors of all the local opportunities available for the installation of renewable-energy systems.

EN3

Direct consumption of energy, broken down by primary energy source.

To check the improvement over time of its direct consumption of primary energy by source, Enel uses the specific indicator defined as net specific consumption of thermal production.

For detailed information and five-year data on all Enel companies, see the Enel Group's 2007 Environmental Report, which is available at www.enel.it/attivita_en/ambiente/documentienel/rapporti/. In particular, see the chapter "Environmental report: performance indicators" of the "Environmental Results" section. It is also possible to compare the data regarding each country in which Enel is present in the respective sections.

In addition to the data of the following table, which show the absolute consumption of fuel, there are those regarding the consumption of fuel measured in the activities carried out in the offices (for internal services, mainly heating and lunch rooms) and vehicles published in the Environmental Report in the chapter "Governance of the environment – Environmental management systems – Environmental management of the buildings used for offices".

KPI	UM				%		Companies concerned
		2007	2006	2005	2007-2006	2007-2006	
Consumption of fossil fuels							
Coal	(mil. t)	11.4	10.8	11.8	0.6	5.9	Italy
Oil	(mil. t)	1.8	3.6	3.7	-1.9	-51.4	Italy
Gas	(mil. m³)	7.2	7.3	8.5	-0.1	-1.0	Italy
Diesel	(,000 t)	69.9	79.1	63.7	-9.2	-11.7	Italy
Biomass and waste for thermal production	(,000 t)	97.5	32.9	19.1	64.6	196.3	Italy
Total fuel consumption	**(Mtoe)**	**14.8**	**16.4**	**18.0**	**-1.6**	**-9.9**	**Italy**
Consumption of fuels in production (2)							
Coal	(,000 t)	11,835.5	11,679.7	8,966.7	155.8	1.3	Abroad (1)
Oil	(,000 t)	67.7	100.7	230.6	-33.0	-32.8	Abroad (1)
Gas	(mil. m³)	62.6	112.8	190.4	-50.2	-44.5	Abroad (1)
Diesel	(,000 t)	1.6	2.0	1.5	-0.4	-19.8	Abroad (1)
Biomass and waste for thermal production	(,000 t)	400.5	403.9	327.0	-3.4	-0.9	Abroad (1)
Total fuel consumption	**(Mtoe)**	**3.3**	**3.5**	**2.8**	**-0.2**	**-4.4**	**Abroad** (1)

(1) Excluding Endesa and Russia.
(2) As of this year the value also includes the consumption of the other activities regarding thermal production. The previous years have therefore been reclassified.

EN4

Indirect consumption of energy, broken down by primary energy source.

The electricity purchased for offices amounts to 123.704 GWh, which is equal to 28.92 ktoe (1).
The electricity used for the storage and handling of fuel oil and the distribution of gas amounts to 3.3 GWh, which is equal to 772 toe (1).
In 2007, the electricity used for the distribution of electricity amounts to:
> Italy: 364.077 GW;
> Romania: 23.544 GWh;
> Spain (Viesgo Distribución): 7.156 GWh
a total of 394.777 GWh, equal to about 92 ktoe (1).

(1) Considering an average plant yield of 2,200 kcal/kWh and the equivalence 1 toe = 10^7 kcal and network leaks amounting to 5.9% (Italian companies, 2006).

EN5

Energy saved through conservation and efficiency improvements.

Enel obtained considerable results regarding energy conservation, both by increasing the efficiency of its generating plants – transforming 5,000 MW of simple-cycle plants fuelled by oil and gas, with an average yield of 38%, into combined-cycle plants fuelled by gas, with an average yield of 55% – and through actions to increase efficiency in the end uses of energy.
The average net specific consumption by Enel's thermal plants decreased from 2,223 kcal/kWh in 2006 to about 2,193 kcal/kWh in 2007, or by about 30 kcal/kWh. Considering that the total production by the Italian plants in 2007 was 67,375 GWh, the energy saving obtained amounts to about 2,021 Tcal, corresponding to about 8,462 TJ. The performance of this indicator has been affected by the opposing effects of the increased consumption of electricity necessary to run the systems that abate atmospheric emissions and the going into operation of the new high-yield combined-cycle plants. Also present is the negative effect caused by the modulation of the power of many plants, which was accentuated by the startup of the Energy Exchange.
Enel Viesgo Generación is carrying out a complex investment program (including the transformation of the Escatròn and Bahìa de Algecisar thermal power plants into high-yield combined-cycles) to renew its generating plants, complying with the limits imposed by the environmental regulations in effect.
Maritza East 3, in Bulgaria, has also carried out initiatives to improve energy efficiency, achieving a saving expressed in net specific consumption of 213.5 kcal/KWh (3,284.91 kcal/kWh in 2006 and 3,071.41 kcal/kWh in 2007), which is equivalent to 6.5% of primary energy per unit of product. The result achieved is due especially to the going into operation of the new boiler and auxiliary-machinery unit, which replaced a less efficient, more frequently unavailable old-generation one. The introduction of new water-management systems will also ensure a reduction of the number of hours of pumping, with a consequent saving of energy, as well as water.

In evaluating Enel's energy efficiency, it should be kept in mind that:
> we have no co-generating plants (mainly because of infrastructure limitations, i.e., the lack of local networks for the distribution of heat) and therefore Enel's efficiency cannot be directly compared with that of competitors that have co-generating plants;
> the plants for treating pollution reduce the efficiency by several percentage points.

Since January 1, 2005, the regulatory system established by the Ministerial Decrees of July 20, 2004 and December 21, 2007 has been in effect in Italy. It regards the obligations of distributors of electricity and gas to achieve the

objectives of energy efficiency, with reductions of consumption primary energy in end uses. The objective is to obtain a national saving of primary energy totaling 6 million tons of oil equivalent in 2012.
In order to fulfill the 2005 and 2006 specific obligations, Enel Distribuzione and Enel Rete Gas delivered to the Electricity and Gas Authority a total of 96,174 and 186,928 energy efficiency certificates, achieving 100% of the goal assigned.
With regard to Enel's specific obligations for 2007 (384,357 tons of oil equivalent of primary energy) regarding both the electricity and the gas industries, the Company carried out direct initiatives and acquired Energy Efficiency Certificates from other companies on both the bilateral market (through direct negotiation or tender) and the organized market (indirect initiatives).
As part of the program aimed at fulfilling the obligations for 2007, the following direct initiatives were carried out in cooperation with Enel.si and Enel Sole:

> "Consume Intelligently: low consumption, high efficiency", with the distribution of about 17 million compact fluorescent light bulbs (including more than 5 million by Enel Distribuzione and Enel Rete Gas), which last 8 times longer and consume 80% less than traditional incandescent ones, and about 4 million water economizers (including about 1,500,000 by Enel Distribuzione and Enel Rete Gas), which allow up to 60% of hot water to be saved;
> energy-conservation activities regarding public lighting.

EN6

Initiatives for supplying energy-efficient products and services or ones that are based on renewable energy and consequent reductions of energy requirements.

RECS (Renewable Energy Certificate System) certificates prove that the electricity was produced from renewable sources.
A RECS certificate is equivalent to 1 MWh of electricity produced from renewable sources. Sales offers that make use of RECS certificates allow the customer to have a guarantee of origin, thus financing further development of renewable sources at a small additional cost. In 2006, Enel launched its Pure Energy for Business Customers offer, while in 2007 it extended the range with similar offers for household and high-consumption customers: respectively, Pure Energy for the Home and Pure Energy for Large Customers. The offer includes a "Green Package" regarding the cancellation of a quantity of RECS certificates equal to the consumption invoiced, which attests the customer's support of the production of electricity from renewable sources. The business customer who buys Pure Energy can use stickers that make his commitment to environmental sustainability visible, recalling the commercial advertising of the offer. Through his consumption, the purchaser finances the electricity produced from renewable sources, thereby demonstrating his commitment in favor of the environment.
For 2007, RECS certificates equivalent to about 0.16 TWh were sold.
For residential customers, Enel proposes the time-differentiated Pure Energy rate, which provides an incentive to use electrical appliances when demand is lower, thus limiting the use of power plants with higher specific consumption, which are typically used for daily demand peaks.
As a distributor of electricity, Enel pursues the Italian quantitative objectives regarding increased energy efficiency of the end uses of energy, as already described in the comments on the EN5 indicator.
For large customers, Group buildings, and network customers (for example, large hotel and retailer chains), Enel provides an Energy Audit service with the aim of identifying ways to reduce consumption. The objective of energy diagnosis is to understand how energy is used, the causes of waste, and what steps to

suggest to the customer, i.e., an energy plan that examines not only the technical, but also the economic, feasibility of the actions proposed.
For details on the initiatives regarding energy conservation, see the EN5 indicator.
The Company was also engaged in promoting the installation of photovoltaic plants. Following its campaigns, in 2007 17.6 MW were installed, with Enel.si generating about 130,000 TEE. Planned for 2008 is a combined offer of electricity supply and the installation of photovoltaic plants.
In the first half of 2008, in cooperation with a leading multinational, Enel will distribute 2,100,000 compact low-consumption fluorescent light bulbs inserted in the boxes of a famous detergent for washing machines, the use of which will avoid the emission of about 81,000 tons of CO_2 per year.
Together with the light bulbs, a guide to energy conservation will be distributed.
Enel has also undertaken two important initiatives aimed at reducing the use of both paper and the energy necessary for printing, sending, and delivering paper documents:

> in January 2008, the Company changed the periodicity of the bills it sends its 2.5 million gas customers. This changes reduces the number of gas bills issued every years, thus avoiding the emission of more than 320 tons of CO_2 and sparing the lives of over 500 trees, thanks to the saving of paper;
> finally, the Company makes a "WEB Bill" available to its customers, a service that allows them to receive their bills by e-mail.

According to criteria regarding the efficiency of the end uses, Enel has selected products sold on the retail market (systems for the solar production of hot water, class-A and above air conditioners, and condensation boilers) and offers them to the public through its network of affiliates.
The Company has started up information campaigns aimed at promoting these kinds of products. During the second half of 2007, a campaign was started up to promote the adoption of class-A electrical appliances.

Finally, there is Enel Sole, a Group company dedicated to designing, building, and managing public and artistic lighting systems, the ideal starting points for spreading the policy of energy conservation. Enel Sole is a partner of the Civil Service in planning efficient lighting systems capable of combining people's safety needs and the enhancement of the artistic and monumental heritage of cities with the commitments of energy conservation and environmental protection that Italy must fulfill in the coming years. In effect, Enel Sole's approach is based on the rational use of energy, the containment of light and optical pollution, compliance with the Kyoto Protocol, and the use of innovative technologies.

EN7

Initiatives aimed at reducing the consumption of indirect energy and reductions obtained.

In 2007, Enel started a project to extend the ISO 14001 certifiable systems of environmental management to the activities that take place in its offices, which in Italy alone involve about 1,000 buildings and 20,000 people. The management system was applied experimentally to a large building located in Turin on Corso Regina Margherita. Concluded in December 2007, the pilot project demonstrated a significant potential for reducing energy consumption (electricity and fuels for the lunchroom and heating) by between 8% and 10%, which can be partly exploited through Energy Efficiency Certificates.
Enel also began an internal energy audit in order to facilitate achieving maximum energy efficiency. See also the comment on the EN6 indicator.

Focus On Climate Strategy

Climate change and Enel's response

The fight against climate change constitutes a global priority. Europe has decided to fully take up the challenge and exercise leadership. Enel is ready to do its part and is in the forefront at the national, European, and international levels.
The 13th Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC), which took place on Bali in December 2007, obtained an important result in the negotiating process with global participation to develop policies on climate change after the Kyoto Protocol, i.e., after 2012.
In effect, a road map was established, whose essential points are: mitigation of the impacts, adaptation to the inevitable consequences of climate change, technology transfer, and financing actions aimed at reducing emissions of climate-altering gases. Enel participated in the Conference, consolidating its visibility as a highly significant player on many fronts. At a number of side events, Enel presented its view of the long-term policies necessary to combat climate change effectively without penalizing economic growth, the activity carried out as part of the Clean Development Mechanism, the Company's plan for developing renewable energy sources, and its initiatives on the capture and storage of CO_2.
At the E.U. level, on January 23, 2008 the European Commission issued the so-called Green Package, which contains proposals for laws and regulations regarding greenhouse-gas emissions, the development of renewable energy, and the capture and storage of CO_2. With the Green Package, the E.U. intends to adopt a policy on climate change establishing extremely challenging goals: a 20% reduction in greenhouse-gas emissions with respect to 1990 and a contribution of 20% by renewable sources to the coverage of the end consumption of energy. These goals constitute a radical commitment for the entire E.U. They have been further defined for each member state and will be spelled out by industry at the national level.
Enel is ready to participate actively in the achievement of these great objectives with a program of unprecedented size, which mobilizes resources and people at the central level and in all the operating divisions.

Enel's commitment

Our commitment is demonstrated by the fact that for more than ten years the Company has had a specific environmental policy, whose objectives are reviewed every year as part of the process that leads to the publication of the Group's Environmental Report.
Enel recognizes its responsibilities and is constantly engaged in improving its environmental performance, while at the same time paying the utmost attention to the requirements of both energy security and competitiveness.
As far as greenhouse-gas emissions are concerned, Enel is implementing a complex plan for investment in the field of generation, which has already enabled it to exceed the objectives for Italy established by the voluntary agreement it signed in 2000 with the Ministries of Industry and the Environment. Thanks to a considerable commitment of resources, we have achieved a reduction of the CO_2 specific emissions of our thermal plants from 618 g/kWh of net total production in 1990 to 496 g/kWh in 2007.

Our strategy for the future

The Company's commitment continues and will increase in the future, especially in light of its international expansion. Our strategy is based on mitigation initiatives that are consistent with our ability to apply and develop technologies capable of reducing greenhouse-gas emissions. Our objective is to be able to generate low-cost energy with zero emissions by 2020. As a leader in the industry, Enel believes that its commitment to the fight against climate change is essential not only to safeguard the environment, but also and especially for its own competitiveness.

Enel's strategy for combating climate change is based on five essential points:

> investment in the best existing thermal technologies (for example, high-efficiency coal-fired plants with reduced emissions of CO_2, and combined-cycle gas-fired plants);

> development of renewable sources in Italy and abroad (with investment planned for the next five years amounting to more than 6.8 billion euros);

> increased energy efficiency of our generating plants and our networks, as well as in end uses (in this regard, it should be noted that if our thermal production of electricity in Italy in 2007 had been generated with the specific consumption of 1990, the CO_2 emissions would have exceeded the actual figure by more than all of 3 million tons in consequence of the higher fuel consumption, amounting to about one million tons of oil equivalent. Furthermore, our actions to increase energy efficiency in end uses made it possible to save 384,000 tons of oil equivalent of fuel, thus avoiding the emission of 1.2 million tons of CO_2);

> research, development, and demonstration regarding the capture and storage of CO_2 and innovative technologies in the field of renewable energy;

> global commitment to reduce CO_2 emissions through actions to disseminate projects and best practices in the countries of eastern Europe and less developed ones, among other things by exploiting mechanisms like Joint Implementation and the Clean Development Mechanism, which were introduced by the Kyoto Protocol.

The Kyoto Protocol introduced flexible mechanisms that allow the different players (governments and private firms) to achieve the reduction goals assigned them by intervening in less efficient situations, where the cost associated with the achievement of the environmental benefit may be lower.

In particular, carrying out projects for the abatement of greenhouse gases in less developed countries, which do not have any reduction goals in the period 2008-2012, allows additional reductions to be obtained with respect to those to which the industrialized countries (Annex I countries) that have ratified the Kyoto Protocol have committed themselves. These projects are called Clean Development Mechanism (CDM) Projects and generate Certified Emission Reductions (CERs).

If they are carried out in Annex I countries – mainly the so-called transitional economies – the aforesaid projects are called Joint Implementation (JI) Projects and generate Emission Reduction Units (ERUs).
The data on the expected reduction of emissions – at the global level, a billion tons of CO_2 equivalent – show the effectiveness of a market approach, thanks to which it is possible to promote the dissemination of the most efficient existing technologies and research to develop new technologies capable of minimizing the environmental impacts associated with the main industrial activities. As early as 2004, Enel took initiatives at the international level to establish projects for abating greenhouse gases that would enable the Group to meet the emission-reduction targets imposed by the Emissions Trading Directive (Directive 2003/87/EC), while at the same time allowing the Company to minimize the economic impact associated with the achievement of the objectives.

The Clean Development Mechanism and Joint Implementation

The activities carried out directly by Enel in the construction and management of its project portfolio range from scouting for opportunities for projects, negotiating the related acquisition contracts, and supervising the entire approval cycle to supervising the stages of project implementation, checking the emissions avoided and the related issue of CO_2 credits, and monitoring the performance of all the projects.

Most of the initiatives in progress were developed bilaterally. In other cases – as in Central America – in addition to acquiring the emission permits issued through the project, Enel also develops and actively participates in carrying out the projects. Furthermore, with the objective of diversifying the risk associated with the implementation and performance of the single projects, Enel also decided to invest in two carbon funds, one of which is the Italian Carbon Fund managed by the World Bank.

Enel is now a top player in the global emissions market and appears as a project participant in many CDM projects.

Project scouting regarded the main LDCs, particularly China, India, and South America areas in which – given the high abatement potential – it was immediately evident that there was an opportunity to generate large economies of learning and scale.

With regard to the project portfolio on the abatement of greenhouse gases constructed by Enel so far, the expected reduction of emissions amounts to 75 Mt of CO_2 equivalent in the period 2008-2012.

Enel's portfolio contains more than 60 projects regarding the reduction of hydrofluorocarbon emissions and the construction of wind and mini-hydro plants. Of these, 10 are in progress, have completed the approval cycle, and will generate 73% of the expected volume of emissions avoided.

Assistance to decision-makers

With its experience and knowledge as an international leader in in the energy industry, Enel has the ambition and expertise to offer assistance to political decision-makers in establishing a stable and predictable regulatory framework that facilitates as rapid and effective transition as possible to a low-emission economy. Enel intends to make analytical instruments capable of delineating a broad picture of the prospects for reducing emissions available to decision- and opinion-makers, thus allowing the former to choose policies that will concentrate resources on actions that are most efficient from a cost/benefit point of view. To obtain this result, it is indispensable that government agencies and private companies cooperate. Otherwise, the risk is that firms and consumers will incur costs that are both excessive and unnecessary.

Enel is active in several discussions that will lead to the establishment of policies on climate change. This takes place through participation in initiatives such as those of the IETA (International Emissions Trading Association), the e8 (an international organization that promotes the development of sustainable energy and consists of 9 leading companies in the electricity industry whose headquarters are in countries that are G8 members), and Eurelectric (an association of European electricity companies), as well as the Climate Action Programme (promoted by the Carbon Trust, Ceres, the FTSE4Good, the Investor Network on Climate Risk, and the Pew Center on Global Climate Change), with the aim of promoting discussion between governments and international industries, the sharing of best practices, and awareness of the opportunities and resources that the market can provide regarding the challenge of climate change.

In particular, Enel participates in the Combat Climate Change initiative (http://www.combatclimatechange.org), which involves 49 companies that intend to promote the integration of the issues regarding the climate in the world market and trade through a plan that will be implemented by 2013. The 3C initiative was kicked off in January 2007 with the issue of a statement calling on the global community and all its representatives to unite their efforts with those of the economic leaders in a common vision of a low-emission, sustainable society.

The initiative is characterized in particular by its worldwide membership. In effect, companies belonging to different industries and geographical areas are involved. Among the fundamental principles promoted by 3C is, first of all, the adoption of a global, long-term solution to the problem of climate change. This approach is to be developed through the use of market mechanisms and the formation of a global price of CO_2, which would contribute to the perception of the adoption

of the technologies and best practices for reducing emissions as an opportunity, and no longer as merely a cost. However, 3C recognizes that market mechanisms are not always capable of producing good results; for example, in the construction and transportation industries. Therefore, governments should supplement the price mechanism by establishing minimum energy and emissions efficiency requirements in such sectors. Furthermore, they should in general ensure financial or other kinds of support for the most promising new technologies, in order to lay out a pathway from development to sales that is rapid and economically feasible.

In November 2007, 3C members confirmed their commitment to assist political leaders throughout the world in the development of an effective strategy and to intensify their internal efforts to reduce emissions. 3C has disseminated a series of recommendations, which are summarized below:

> establish global objectives for limiting the maximum temperature increase and, consequently, the goals for emissions reduction as of 2030 and 2050;
> activate corporate engagement and the potential of the market to facilitate the change to a low-emission society;
> develop a long-term global system for exchanging emission rights as an essential mechanism for furthering measures for abatement;
> establish minimum requirements of energy and emissions efficiency to supplement the price mechanism, especially in the construction and transportation industries;
> make an international effort to design systems aimed at identifying opportunities for abatement in agriculture and forestry;
> increase efficiently public support for the selection of emerging technologies that have a high potential for abatement and systematically reduce the obstacles to their dissemination;
> split up the cost of the inevitable adaptation among countries in an equitable way that reflects the global nature of the problem;
> encourage the countries belonging to the G8+5 countries to take on a guiding role and present themselves as good examples in the process of emissions reduction.

The Environment and Innovation Project

The Environment and Innovation Project is an investment program launched in December 2006 to reinforce Enel's engagement in the development of renewable sources and technological innovation, which are strategic objectives for achieving leadership in the world energy market.
Enel's environmental vocation has become an authentic mission, ambitious in its objectives, but at the same time realistic and rigorous. The importance of this project for the environment and innovation is attested by the very large sum earmarked for investment: 7.4 billion euros for the five-year period 2008-2012 – much larger than the already considerable figure of about 4 billion allocated in the 2007 industrial plan – which has given a powerful boost to generation with renewable energy and the development of highly innovative new projects.

Investment in renewable energy

Much of the total investment (6.8 billion euros in five years) is earmarked for the development and construction of new plants running on renewable energy. The first results of this commitment have already been achieved. In effect, at the end of 2007, after the project had been underway for only one year, 33 additional MW went into operation in Italy and 169 more abroad.
Furthermore, in the last year Enel acquired about 600 MW of plants in operation and wind, geo, and hydro projects to develop in Europe, North America, and Latin America. The resources used for the acquisition of existing plants and of projects in the pipeline were in addition to the investment earmarked for the direct development of plants by Group companies.

Wind

Enel was a protagonist in the growth of wind energy in Italy, with new plants that brought the number of MW installed as of the end of 2007 up to 315.
There were also important developments abroad. In France, an area with a high wind potential, Enel acquired projects for the construction of wind plants with total power amounting to 58 MW through its subsidiary Erelis; in Romania, the Company acquired Blue Line, a company for the development of wind projects with a future productive capacity of about 200 MW; in Greece, Enel became the third largest company in the wind production market, signing an agreement for the acquisition of plants already in operation or to be built in the near future with total power amounting to 127 MW; and, finally, Enel North America signed agreements for the construction of new wind farms in the United States and Canada.

Geothermy

Availing itself of the excellence attained over the years, in 2007 Enel continued to grow in the field of geothermal energy, thus contributing to the consolidation of its role as one of the global leaders in the use of the natural heat of the earth to produce electricity with zero emissions. In effect, the Company entered the geothermal market in the United States by acquiring a geothermal plant already in operation and four projects at an advanced stage of development, with a total capacity of about 150 MW, located in Nevada, California, and Utah. It also completed Berlin III, in El Salvador, the first geothermal plant constructed abroad by Enel, with a capacity of 44 MW and an estimated production of 320 GWh.

Hydro

Since December 2006, 4 hydro plants have been started up in Italy and abroad. In Panama, Enel acquired an additional stake in Fortuna, which owns 300 MW of hydroelectric capacity and satisfies 25% of the country's electricity requirements. Furthermore, in December 2007 plants producing a total of 52 MW were acquired in Mexico.

Photovoltaic solar

Enel is about to add the generating plant with photovoltaic panels at Montalto di Castro (Viterbo province) to the Serre Persano (Salerno province) plant, the largest Italian one of this kind, with 3.3 MW of installed power.
In addition, a project to install photovoltaic systems on the primary substations of the distribution network was started up. The first MW was installed on fifty substations during 2007.

Innovation

Innovation is an essential component of the strategy of a company like Enel, which intends to be one of the main actors on the future global energy stage. This requires not only the use of the best existing technologies, but also a direct commitment to the development of new technologies for the generation and distribution of electricity with a low environmental impact.
The attainment of technological leadership depends on a substantial investment plan (about 600 million euros in five years) to develop highly innovative projects regarding three important areas: the construction of thermal power stations with zero emissions, the diversification and application of new technologies for renewable energy sources, and the development of distributed generation, together with projects to improve efficiency in end uses.

The zero-emissions power station

One of the solutions recognized at the European level as fundamental for achieving the objectives for CO_2 reduction set by the E.U. is the development of technologies for producing electricity from fossil sources in power plants "without smokestacks": ones that can capture the CO_2 produced.

For years Enel has participated in the European technological platform for the development of plants generating electricity from fossil fuels with zero emissions and has begun intensive research on the capture and storage of carbon dioxide (projects that go under the name of CCS, Carbon Capture and Storage).

As part of this research, Enel is working on an important project for the use of hydrogen, the real energy source of the future, thus opening the way to a full-scale hydrogen economy.

Capture and storage of CO_2

Enel is acquiring experience in all the most promising techniques for capturing and storing CO_2. This activity provides for the construction of pilot and demonstration plants and is focused on the main CCS techniques, i.e.:

> the post-combustion capture of CO_2: a process in which the carbon dioxide is separated from the flue gas of fossil-fired power plants. Enel intends to build, by 2012, a demonstration plant complete with geological storage of carbon dioxide, which will be one of the most innovative European plants for CO_2 capture. In 2007, experimental trials were carried out on a laboratory plant, while the design of a pilot plant that will be built in Brindisi and will precede the construction of the demonstration plant is at an advanced stage;

> combustion in oxygen: a process that replaces combustion in air with combustion in pure oxygen, which allows the plant's smokestack to obtain a concentrated flow of CO_2 ready to be captured. In 2007, tests were begun on his innovative technique in cooperation with the Itea company and the Enea research center at an experimental plant at Gioia del Colle, in Bari province, while Enel plans to build a pilot plant in Brindisi and subsequently an industrial-scale demostration plant;

> coal gasification: a technique that allows the CO_2 to be separated before combustion, thus obtaining hydrogen for thermal generation. Enel is defining its participation in important European and other international projects on gasification and CO_2 capture.

Furthermore, intense work is being done with the most important Italian geophysical research institutes to assess and characterize storage possibilities in Italy.

The hydrogen frontier

Hydrogen is one of the most ecological and strategic fuels for the near future. Enel has decided to play a leading role and is working on a program involving both its production and its use, thus contributing to the start of the transition to the new hydrogen economy and guiding this transition in Italy, thanks to its research centers.
Enel has concentrated its efforts on the use of this fuel for medium-scale generation and at the "Andrea Palladio" power plant at Fusina (Venice province) is constructing the first and only example in the world of a hydrogen-fired generating plant. It consists of a combined cycle, whose gas turbine, developed in cooperation with General Electric, is equipped with an innovative combustion chamber, in which the combustion of the hydrogen can take place with extremely low emissions of NO_X and develop about 12 MW of power, while the flue gas consists exclusively of hot air and water vapor.
Construction work on the innovative plant has begun and it will be in operation by the end of 2009, while an intense experimental campaign on its technological "heart", the combustion chamber, has been in progress for several months.
There is nothing in the world comparable to this project, which puts Italy in the forefront in the development of advanced systems for the use of this fuel.

The renewable energy of the future

A future scenario in which there is a substantial use of renewable sources for the generation of electricity is unthinkable if we do not solve some of the problems regarding the limits connected with these kinds of sources. Therefore, particularly important are all the innovative projects that could solve the problems concerning, for example, cost cutting, the low yield of the systems currently available, and the accumulation of energy necessary to ensure the continuity of the supply of electricity.
One of the objectives of the Environment and Innovation Project is to find the appropriate technologies for filling this technological gap and allow the most innovative solutions to move on from the stage of research to that of industrial production.
Different initiatives have been undertaken in order to obtain these results, of which the most important are the following.

The Archimedes Project

For Enel, 2007 was an extraordinarily important year in thermodynamic solar energy. In effect, the Company signed a protocol of understanding to implement the Archimedes Project: an extremely efficient thermodynamic solar plant with an innovative system of energy accumulation developed with Enea technology. The working design has been completed and the procedure for obtaining authorization to begin work early in 2008 is nearing the end. The implementation of Archimedes

marks the passage from the laboratory stage to the industrial one, a step that is indispensable from the technological point of view and that of the development of the components. The decision to build a 5-MW plant immediately was based on the need to quickly have one in operation, so that the technology and innovation of "Archimedes" can allow Italian companies in the industry to envision a worldwide market.

Innovative Photovoltaic

In 2007, Enel launched the Innovative Photovoltaic Project, whose objective is to find the systems and components in the photovoltaic field that will enable Enel to play the role of a technological leader and increase its competitiveness. A strategic instrument for achieving the objectives of this project is the Advanced Solar Laboratory at Passo Martino, in Catania province. Thanks to a total surface of 10 hectares and the excellent conditions of solar irradiation and the climate in general, the site will enable the laboratory to characterize – in the field and throughout the year – the most promising existing photovoltaic systems, as well as those being developed, beginning with those based on concentration technology. Furthermore, the laboratory will be able to simulate solar radiation and monitor the performance of the different systems in both normal operating conditions and in situations of stress. The laboratory will therefore constitute a center of excellence at both the national and international level for the study and characterization of the most advanced photovoltaic components and systems.

Innovative Geothermy: low enthalpy

The Innovative Geothermy Project aims to increase in-house know-how in a field in which Enel is already the absolute international leader, focusing on the exploitation of as yet unused low-enthalpy fields, on which the future development of the geothermal generation of electricity depends. In addition, Enel is working on a program to supplement low-temperature geothermal resources with other renewable sources, especially solar.

The Diamond

The "Diamond" is an innovative power plant based on the use of solar energy, which was conceived and designed by Enel Research and the University of Pisa. Mounted on the face of a diamond-shaped structure, photovoltaic panels produce electricity that can be stored in the form of hydrogen and used when there is no sunshine. All of this is synthesized with a "golden"-sized construction, made of prefabricated glass and steel components that create a new kind of power plant: functional, fascinating, and capable of achieving an overall compositional harmony among architecture, technology, and nature.
The first installations of the "Diamond" will take place in two important places: the San Rossore park, in Pisa, and the Medici villa at Pratolino, in Florence.

Efficiency and distributed generation

Enel has been engaged for years in campaigns to raise awareness about energy conservation, as shown by the initiatives carried out in 2007 for efficiency in end uses (17 million low-consumption light bulbs and 4 million water economizers distributed in 2007 alone), the Energia in Gioco project to promote intelligent consumption among Italian students, and the increased efficiency of street lighting through Enel Sole.
In addition to the careful exploitation of electricity, Enel turned its attention to the development of distributed generation, conceiving a future scenario in which its customers will be not only consumers, but also producers and managers of electricity. Projects were started up to study and develop complex systems capable of managing the flows of electricity at the local level, thus inverting the usual concept of an electricity grid as a one-way street transporting electricity from power plants to customers.

The Green Islands

Enel's commitment to the smaller islands began on Caprera, in Sardinia, where the Company contributed to the reorganization of the island's energy system by building systems for artistic lighting, as well as photovoltaic and thermal solar plants together with the Ministry of the Environment.
This commitment to the world of the small islands is continuing on Capraia, in Tuscany, and on the Aeolian Islands, in Sicily, with the Green Islands Project, whose objective is to supply the islands with electricity produced from renewable energy sources and to gradually make them self-sufficient. The necessary energy is currently supplied by fossil fuels, but the situation is changing radically. Already in 2007, Enel replaced one of the four diesel generators that supply Capraia with a generator that runs entirely on bio-diesel, while the project also provides for a photovoltaic plant, for which the authorization procedure is in progress. Numerous thermal solar plants will also be installed on the island. The aim is to preserve the characteristic landscape of the island.
As far as the Aeolian Islands are concerned, Enel terminated the first stage of replacing the generators with new machines that are more efficient and pollute less. The substitution will continue with the introduction also on these islands of 100%-biodiesel motors. As on Capraia, a series of photovoltaic plants, with a total capacity of 1.5 MW, will also be constructed on the Aeolians.

Smart Grids

The distribution networks of the future will have to satisfy consumers' electricity requirements flexibly, economically, and reliably, allowing users to interact with the network in real time, knowing the price of electricity and deciding themselves how to manage their consumption. To adapt the distribution network to this necessity, Enel is working on a project dedicated to Smart Grids, which – thanks to innovative technologies for monitoring and controlling distribution – maintain the necessary balance at the local level to manage the flow of electricity, thus ensuring the quality and utmost security of the service. This activity is part of a large project promoted and financed by the E.U. to develop distribution networks that are flexible and capable of integrating with distributed generation.

WATER

EN8

Total water withdrawal, by source.

Note that:

> part of the water consumed comes from recycled waste water;

> part of the consumption of industrial water is due to the desulfurization of flue gas and the reduction of NO_X emissions through temperature abatement with the injection of oxygenated water into the combustion chamber (gas turbine and combined cycles).

KPI	UM					%	Companies concerned
		2007	2006	2005	2007-2006	2007-2006	
Water required for industrial use	**(mil. m³)**	**38.3**	**39.9**	**44.0**	**-1.6**	**-3.9**	Italy
from rivers	(mil. m³)	9.4	9.4	10.0	0.0	-0.1	Italy
from wells	(mil. m³)	3.6	3.9	4.1	-0.3	-7.0	Italy
from aqueducts	(mil. m³)	5.5	4.8	5.4	0.7	13.9	Italy
Total withdrawals of internal water	*(mil. m³)*	*18.5*	*18.1*	*19.5*	*0.4*	*2.2*	*Italy*
from the sea, used as is	(mil. m³)	11.9	12.2	13.9	-0.2	-1.8	Italy
from the sea, desalinated	(mil. m³)	6.4	7.2	7.3	-0.8	-10.7	Italy
from waste water (used inside plants)	(mil. m³)	1.5	2.5	3.3	-1.0	-39.6	Italy
Water requirements for industrial use	**(mil. m³)**	**97.5**	**31.4**	**28.6**	**66.2**	**211.0**	**Abroad** (1)
from rivers	(mil. m³)	89.4	23.4	24.8	66.0	282.5	Abroad (1)
from wells	(mil. m³)	2.5	3.4	2.8	-0.9	-25.4	Abroad (1)
from aqueducts	(mil. m³)	0.9	1.0	1.0	-0.1	-9.3	Abroad (1)
Total withdrawals of internal water	*(mil. m³)*	*92.9*	*27.8*	*28.6*	*65.1*	*234.4*	*Abroad* (1)
from waste water (share used inside plants)	(mil. m³)	4.7	3.6	-	1.1	30.5	Abroad (1)

(1) Excluding Endesa and Russia.
(2) 2006 does not include the figure regarding Slovenské elektrárne.

EN9

Water sources significantly affected by the withdrawal of water.

Significant amounts of water are used in hydroelectric production. However, this use does not essentially change the qualitative characteristics of waterways and is made compatible with the multiple uses of the resources upstream and downstream from the power plant.

In both run-of-river plants and those with reservoirs, as well as in pumping plants, water for hydroelectric production runs through the main equipment, the turbine, and is entirely returned to the river, unchanged, downstream.

A list of the waterways concerned by Enel's hydro production, both in Italy and abroad, is provided for the sake of completeness.

In some cases, thermal and nuclear plants may use water for cooling in open cycles, i.e., through a constant and considerable flow from an adjacent waterway, which is entirely returned without any chemical changes.

The following tables show the waterways from which more than 5% of the average annual flow is withdrawn to cool thermal and nuclear plants and/or to which the water is returned.

PLANT SITES AND WATER SOURCE

Plant location	Region/Country		Water source	Water withdrawn > 5%	Waste water > 5%
Pietro Vannucci	Umbria	●	Timia River	From 2 to 6%	
Pietro Vannucci	Umbria	●	Puglia Stream	No	Yes
Porto Corsini	Emilia Romagna	●	Piallassa Baiona lagunar area	No	Yes
Santa Barbara	Tuscany	●	San Cipriano Basin	Yes	No
Santa Barbara	Tuscany	●	Lanzi Gully	No	Yes
Pietrafitta	Umbria	●	Nestore River	Yes	No
Escucha	Spain	●	Palomar de Arroyo well	No	Yes
Torina	Spain	●	Torina and Aguayo Rivers	Yes	Yes
Barcena	Spain	●	Besaya River	Yes	Yes
Aguilar	Spain	●	Pisuerga River	Yes	Yes
Remolina	Spain	●	Esla River	Yes	Yes
Urdon	Spain	●	Urdon River	Yes	Yes
Camarmena	Spain	●	Cares River	Yes	Yes
Arenas	Spain	●	Cares River	Yes	Yes
La Paraya	Spain	●	Aller, Lorria, Llananzanes Rivers	Yes	Yes
Doiras	Spain	●	Navia River	Yes	Yes
Silvon	Spain	●	Navia River	Yes	Yes
Arbon	Spain	●	Navia River	Yes	Yes
Chavin	Spain	●	Landro River	Yes	Yes
Tronceda	Spain	●	Tronceda River	Yes	Yes
Xerdiz	Spain	●	Landro River	Yes	Yes
Piago De Martul	Spain	●	Mino River	Yes	Yes
Bohunice	Slovakia	●	Váh River	Yes	No
Mochovce	Slovakia	●	Hron River	Yes	No
Nováky	Slovakia	●	Nitra River	Yes	No
Vojany	Slovakia	●	Laborec River	Yes	No

● Thermal
● Hydro
● Nuclear

EN10

Percentage and total volume of water recycled and reuse.

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Water required for industrial use	**(mil. m³)**	**38.3**	**39.9**	**44.0**	**-1.6**	**-3.9**	**Italy**
from waste water (used inside plants)	(mil. m³)	1.5	2.5	3.3	-1.0	-39.6	Italy
% of water recycled and used again	(%)	3.9	6.1	7.5	-2.3	-37.2	Italy
Water requirements for industrial use (2)	**(mil. m³)**	**97.5**	**31.4**	**28.6**	**66.2**	**211.0**	**Abroad** (1)
from waste water (share used inside plants)	(mil. m³)	4.7	3.6	-	1.1	30.5	Abroad (1)
% of water recycled and used again	(%)	4.8	11.4	-	-6.6	-58.0	Abroad (1)

(1) Excluding Endesa and Russia.
(2) 2006 does not include the figure regarding Slovenské elektrárne.

BIODIVERSITY

The actions planned in the areas of Enel plants in Italy that are located within the Sites of National Interest established with specific decrees by the Ministry of the Environment regard activities aimed at the environmental characterization, reclamation, and restoration of the areas.
All the projects in progress are in the characterization or planning stage. An example is the project for the restoration of the area around the abandoned Santa Barbara lignite mine, which has already passed the Regional Environmental Impact Assessment.
Once the work is completed, an assessment will be made of the biodiversity before and after such activity.

Among the actions that Enel has undertaken in favor of biodiversity, it should be noted that since 2001 the Company and Federparchi have promoted the "Park Energy" protocol of understanding, which was signed by the Ministry of the Environment, Legambiente, the ANCIM (National Association of Municipalities on the Smaller Islands), the UNCEM (National Union of Mountain Communities), and the UPI (Union of the Italian Provinces).
The objective of the protocol was to begin a discussion between Enel and the signatory associations to develop joint projects based on an integrated approach, in order to achieve a balance between industrial development and environmental compatibility.
It is this context that in 2007 Enel and Federparchi developed a project based on

the protection of biodiversity in the protected areas of Italy, to be launched in conjunction with the European Park Day, an annual event that takes place on May 24.
The project provides for the sponsorship of initiatives and activities to support biodiversity in three Italian parks:

> the Adamello Brenta Natural Park, for the safeguard of the char;
> the Abruzzo, Lazio and Molise National Park, for the safeguard of the brown bear of the Marsica area;
> the Sila National Park, for the safeguard of the crested newt.

Furthermore, the four Italian parks involved were twinned with the Alti Tatra National Park, located in Slovakia in the vicinity of the hydro plants of Slovenské elektrárne, which has developed similar initiatives for the protection of two indigenous species: the marmot and the chamois.
Four projects for the protection and conservation of a number of animal species at risk were undertaken in the four Italian national parks. Specifically, the projects provide for the:

> census and monitoring of the species in question;
> identification of the elements necessary to define the ecological niche;
> restoration of the ideal environmental conditions or the creation of structures to protect the sites where the animals reproduce and winter;
> distribution of educational material and informative pamphlets.

See also the comment on the SO1 indicator on p. 152.

EN11

Location and size of the land owned, leased, or managed in or adjacent to areas with high biodiversity outside the protected areas.

The following tables show Enel's sites (hydro, wind, and thermal) in Italy located in, adjacent to, or bordering on protected areas (national, regional, sites of E.U. importance, special protection areas, oases, etc.).
For Italy, it is also possible to compare the map and classification on the website of the Ministry of the Environment (www2.minambiente.it/sito/settori_azione/scn/sap/elenco_ufficiale.asp and www.minambiente.it/index.php? id_sezione=1344) with the map that shows the location of Enel's sites.

SITES OF THERMAL PLANTS IN/ADJACENT TO PROTECTED AREAS (1/2)

Plant location	Region/Country	Protected water body	Ecological/Environmental value	In/Adjacent to protected areas
Augusta	Sicily	Yes		Megara Iblea archeological area
Fusina	Veneto	Yes	SIC, ZPS	Lower middle and upper lagune of Venice
Porto Marghera	Veneto	Yes	SIC, ZPS	Upper lagune of Venice
Perugia	Umbria	Yes	SIC	Timia River
La Spezia	Liguria	No		Cinque Terre Protected Marine Area
Priolo Gargallo	Sicily	No	Archeological	Thapsos and Saline di Priolo archeological site
Porto Corsini	Emilia Romagna	Yes	SIC, ZPS	Piallassa Baiona Po Delta Regional Park
Leri	Piedmont	No	SIC, ZPS	Partecipanza Wood Tricerro Giant Fountain San Genuario Swamp
Alessandria	Piedmont		SIC, ZPS	Po–Sesia confluence Po–Tanaro confluence Orba Torrent heron nesting area Scrivia Torrent bed between Cassano and Villalvernia
La Casella	Emilia Romagna	Yes	SIC, ZPS	Po River from Rio Boriacco Bosco Ospizio
Carpi	Emilia Romagna		SIC, ZPS	Valle di gruppo Valle delle Bruciate and Tresinaro
Santa Barbara	Tuscany		SIC	Chianti Mountains
Piombino	Tuscany	No		WWF Orti-Bottagone oasis
Capraia	Tuscany	Yes	National Park	Tuscan Archipelago National Park
Portoferraio	Tuscany	Yes	National Park	Tuscan Archipelago National Park
Termini Imerese	Sicily			Monte San Calogero Regional Reserve
Vulcano	Sicily		SIC, ZPS	Vulcano Island Aeolian Archipelago - sea and land area
Malfa	Sicily		SIC, ZPS	Salina Island (Monte Fossa delle Felci e dei Porri) Aeolian Archipelago - sea and land area
Santa Marina Salina	Sicily		SIC, ZPS	Salina Island (Monte Fossa delle Felci e dei Porri) Aeolian Archipelago - sea and land area
Panarea	Sicily		SIC, ZPS	Panarea Island and nearby reefs Aeolian Archipelago - sea and land area
Stromboli	Sicily		SIC, ZPS	Stromboli and Strombolicchio Islands Aeolian Archipelago - sea and land area
Filicudi	Sicily		SIC, ZPS	Filicudi Island Aeolian Archipelago - sea and land area
Alicudi	Sicily		SIC, ZPS	Alicudi Island Aeolian Archipelago - sea and land area
Montalto di Castro	Latium	Yes	SIC	No
Torrevaldaliga Nord	Latium	Yes	SIC	No
Rossano	Calabria	No		No
Mercure	Calabria	Yes	National Park	Pollino National Park
Acquaspruzza 1	Molise		Partially Protected Area	
Monte Arci	Sardinia		Regional Park	
Nuova Altanurra	Sardinia		Pilo Pond	

SIC: site of E.U. importance.
ZPS: special protection area.

Plant location	Region/Country	Protected water body	Ecological/Environmental value	In/Adjacent to protected areas
Bahia De Algeciras	Spain	Yes	Protected Area	
Puente Nuevo	Spain	Yes	Water used for irrigation and local drinking water	
Puertollano	Spain	Yes	River water used for irrigation	
Cercs	Spain	Yes		
Escatron	Spain	Yes	River water used for irrigation and drinking. Ecological water flow to respect	Plan de Ordenación de Recursos Naturales (PORN) de los Sotos y Galachos del Ebro
Escucha	Spain	Yes	Well water used for irrigation and local drinking water	
Aguilar	Spain	Yes		
Remolina	Spain	Yes		
Urdon	Spain	Yes	Area of environmental interest	"Picos de Europa" National Park
Camarmena	Spain	Yes	Area of environmental interest	"Picos de Europa" National Park
Chavin	Spain	Yes	Area of environmental interest	Souto da Retorta LIC Rio Landro
Tronceda	Spain	Yes	Area of environmental interest	LIC Serra do Xistral Reserva Terras do Miño
Xerdiz	Spain	Yes	Area of environmental interest	LIC Rio Landro
Piago de Martul	Spain	Yes	Area of environmental interest	LIC Ladra-Parga-Támora Reserva Terras do Miño
UHE Agro-Trafo	Tocantis	Yes		
PCH Lageado	Tocantis	No		Apa da Serra do Lageado
Čierny Váh	Slovakia			Nízke Tatry protected area
Maritza East	Bulgaria	No	Habitat of many water birds, different species of fish, and aquatic fauna	

EN12

Description of the largest impacts of activities, products, and services on the biodiversity of protected areas or areas with high biodiversity outside of protected areas.

Enel's current business activities do not cause negative impacts on biodiversity in protected areas. The land, fluvial, and marine biomonitoring carried out on a number of production sites confirms this.
Fish stocking and activities favoring stork nesting and reproduction produce a positive impact.
In particular, fish stocking is carried out in northern Italy using the marble trout and the grayling, while in Romania stork nesting and reproduction in the Danube delta area is facilitated.

See also the comment on the EN15 indicator on p. 96.

EN13

Protected or restored habitats.

The legislation in force in the different environments in which the Group operates regulates the procedures for studying the surface and underground earth to evaluate possible contamination of sites in areas declared to be of national interest through chemical, physical, and historical investigation.
In the event a site owned by Enel proves to be contaminated, the legislation provides that a decontamination program must be developed.
The Fortuna Forest Reserve Management, at the Enel Fortuna hydro power plant, in Panama, is a unique example of a partnership of government, communities, and enterprises for the sustainability of a protected area. Covering 19,500 hectares, the Fortuna Forest Reserve includes primary and secondary forest, and its particular condition as an inhabited area makes it virgin land with a high degree of

biodiversity. Therefore, it is considered one of the most important areas of the World Biosphere Reserve and part of the Mesoamerican Biological Corridor.
In this context, Enel Fortuna works to protect the environment, keep the Reserve intact, and promote sustainable development together with the communities in the adjacent areas, making it one of the most protected areas in the country. Enel Fortuna promotes research through appropriate infrastructure and services at a center for scientists and scholars from all over the world, who stay at the installations for rather long periods of time, transforming the reserve into a "living laboratory". In 2007, the Enel Fortuna Research Center hosted 241 scientists and students (both local and international, from universities such as the University of Illinois, Göttingen University, and St. Edward's University), who came to the Center to carry out field research in the Reserve.
In particular, with the aim of protecting the environment, keeping the Reserve intact, and promoting sustainable development, Enel Fortuna has developed a program of environmental management that includes:

> continual monitoring of the water in the Enel Fortuna Water Laboratory;
> measuring the ecological flow and checking, among other things, sediment, oils, lubricators, the stability of slopes, and the microclimate of the forests;
> a Health & Prevention Program aimed at checking and reducing on-the-job risks in order to create safe conditions for its employees, customers, visitors, and the environment in general;
> a complete educational program for the community, with continual visits to the different villages;
> consultancy programs for independent farmers and organized groups;
> annual drawing and murales competitions and monthly discussions at the schools in the regions, as well as projects for the creation of school vegetable gardens and a recently opened visitors' center.

With regard to the actions in progress where Enel power plants in Italy are located on sites of national interest, as established by the Ministry of the Environment with specific decrees, the Company is continuing all its activities aimed at the environmental characterization, safeguard, reclamation, and restoration of the areas. Specifically, characterization plans have been prepared for the Piombino (Livorno province), Giugliano (Naples province), and Maddaloni (Caserta province) power plants. The studies to characterize the earth and aquifers for the Brindisi Sud plant have been completed, while as far as the La Spezia, Fusina and Porto Marghera (Venice province), Sulcis and Porto Scuso (Cagliari), Livorno, and Priolo Gargallo (Siracusa) plants are concerned, the characterization studies have been completed and the projects for the emergency safeguard of the aquifers have become operative.
With regard to the Fusina, Porto Marghera, Priolo Gargallo, Sulcis, and Porto Scuso plants, the Company has moved on to the next phase, that of designing the decontamination systems, while the execution of the definitive project for decontaminating the polluted area around the Augusta (Siracusa) plant is in progress.
In 2007, Enel received the favorable opinion of the regional government sent to the Ministry of the Environment regarding the project for the environmental reclamation of the S. Barbara mine in the municipalities of Cavriglia (Arezzo province) and Figline Valdarno (Florence province). The reclamation project includes the repair of the catchment network, the creation of two lakes, reforestation, and the repair of the main roads, as well as work to integrate the area with the existing landscape.

EN14

Strategies, actions carried out, future plans for managing impacts on biodiversity.

Enel's activities do not cause negative impacts on biodiversity.

> Environmental management systems also consider effects on biodiversity in their assessment of the significant aspects. Most of Enel's Italian production sites, Slovenské elektrárne's plants, several of Enel Latin America's plants, some of EUFER's plants, and the electricity network of the Infrastructure and Network Division Italy, as well as the electricity network of the two Romanian distribution companies are ISO 14001 certified, while some of the generating plants in Italy are EMAS registered.
In any case, the environmental management systems are gradually being extended to all of Enel's activities.

KPI	UM					%	Companies concerned
		2007	2006	2005	2007-2006	2007-2006	
Environmental certification							
ISO certified organizations	(no.)	30	28	26	2	7.1	Italy
EMAS registered organizations	(no.)	19	16	14	3	18.8	Italy
Degree of EMAS certification coverage*	(%)	50.5	47.3	42.1	3.3	6.9	Italy
Degree of ISO 14001 coverage*	(%)	88.5	81.6	75.2	6.9	8.4	Italy
Degree of ISO 14001 coverage	**(%)**	**68.5**	**64.5**	**20.4**	**4.0**	**6.2**	**Abroad** (1)

* The values for 2006 and 2005 differ from those published in the 2006 Report, because as of this year they regard nominal power and not net efficient power.
(1) Excluding Endesa and Russia.

> Environmental Impact Assessments (EIA) on all aspects, and specifically on biodiversity, are performed whenever Enel constructs or substantially modifies a generating plant or an electricity or gas transportation system. The EIA extends to the connected infrastructure.

> As far as thermal generation is concerned, in areas bordering on large plants, within a radius of about 20 km, bio-monitoring is carried out through measurements made over time regarding the phytopathological state of bio-indicator species (for example, species of trees or lichens), which allow indexes to be developed that are directly connected with the ecological state of the environment and its biodiversity (for example, a lichen frequency index), or through the use of bio-accumulators (lichens, mosses, rye grass, tree leaves, etc.), whose analysis over time allows the effects of the fallout of pollutants on the soil to be checked. Terrestrial bio-monitoring campaigns are currently in progress at the thermal sites where plants are being transformed:
  – Termini Imerese (Palermo province), where the second bio-monitoring campaign is in progress;
  – Santa Barbara (Arezzo province), where the activity is in its first year;
  – Torrevaldaliga Nord (Rome province), where the plan regarding monitoring is in the pre-operational stage.

> Bio-monitoring is also carried out in the bodies of water involved in the thermal generation of electricity to see if the change in temperature caused by the discharge of cooling water entails a change over time in the eco-system and biodiversity (observations of the benthos, plankton, phytoplankton, and algae). An example is the periodical investigations carried out on the frequency of species present in the benthos and the extension over time of the sea grass beds, both of which are carried out in the sections of sea across from the thermal plants.

2007 was the last year of the four-year period 2003-2007 at Torrevaldaliga Nord, where the pre-operational stage of the plan for monitoring the benthos, plankton,

and sea grass is in progress. Furthermore, the sea area across from the Torrevaldaliga Nord plant (at Santa Marinella) continued to be monitored to check the extension of the sea grass planted in 2004.

The bio-monitoring carried out so far show a substantial influence of the operation of the plants on the biodiversity and the terrestrial and marine ecosystems.
In the specific case of the hydro production of electricity, Enel keeps an eye on the aquatic ecosystems, ensuring the presence of local species of fish through periodic stocking campaigns.

See the comment below on the EN15 indicator.

EN15

Number of the species on the IUCN's red list and the national lists of protected species that have their habitat in the areas where the organization operates, broken down by their level of risk of extinction.

The WWF's red book (www.wwf.it) shows all the species at risk of extinction that are included in the IUCN's red list. Enel's operations do not endanger the existence of said species. In agreement with local governments in Italy, Enel has recently oriented its enhancement of fish species to stocking species that in specific areas are on the IUCN's list. Specifically, in northern Italy stocking is done with the marble trout, which is considered an endangered species, and the grayling, which is considered a vulnerable species.
The data regarding fish stocking for the last five years are published in the Group's 2007 Environmental Report, which can be consulted on: www.enel.it/attivita_en/ambiente/documentienel/rapporti/.
In particular, see the chapters concerning the different organizational Divisions, in the "Environmental Results" section.
In Romania, Enel facilitates the nesting and reproduction of the stork (a species rated at low risk by the IUCN's red list) in the delta of the Danube. In 2007, 31 nests were installed.
In Spain, EUFER has committed itself to an investment program in line with the main ecological, social, and economic challenges of the Network of Natural Parks of Castelli and León, so as to act structurally on the natural systems and positively affect their conservation, their use by the public, and their social and economic revitalization.
In Costa Rica, the Company supported NGOs (Fundecor) for a program to conserve the rivers in the area of the Don Pedro and Rio Volcan hydro plants.
In Guatemala, among the activities of environmental restoration, it is interesting to note the reforestation of 13 hectares in the vicinity of the Matanzas - San Isidro hydro plant and the conservation of 32 hectares of reforestation carried out in past years in the vicinity of the El Canada - Montecristo hydro installation.
In Panama, Enel is restoring an area subject to erosion through its reforestation with indigenous species (about 10 hectares) and the management and monthly monitoring of the Foresta Fortuna reserve.
In Bulgaria, initiatives are underway to re-cultivate the area of the ash separation reservoir (8,200 square meters) by reconstituting the topsoil with 3,430 tons of earth and planting 4,320 acacias and 1,080 oaks.
In North America, ENA is making improvements in the hydro project regarding the historic Great Stone Dam in Lawrence, Massachusetts. Once it is finished, the project provides for the installation of an inflatable crest gate that becomes larger or smaller according to the conditions, creating benefits for the users of the reservoir and favoring the migration of thousands of fish, which will be able to swim up the river in the spring to deposit their eggs.

EMISSIONS, EFFLUENTS, AND WASTE

EN16
Total direct and indirect greenhouse gas emissions by weight.

CO_2

CO_2 is the typical product of combustion and, as such, almost all of our activities come from our thermal plants (this contribution constitutes almost all of Enel's total CO_2 emissions in the world). Small quantities – which are reported in consideration of, among other things, the concern for the issue of the greenhouse effect – also come from the storage and movement of fuel oil in Italy (combustion of natural gas and diesel fuel for the production of process steam), geothermal drilling (combustion of diesel fuel to run the diesel motors of the related machinery), the distribution of natural gas (combustion of a fraction of the gas transported for the heating necessary in the phase of depressurization), and the generators installed in most plants (combustion of diesel fuel).
CO_2 is also present in the reaction products of the desulfurization of the flue gas released by the boilers of some thermal plants.
Finally, the distribution of natural gas also contributes to CO_2 emissions in another way. In effect, because CO_2 is a minor component of natural gas, it is present in leaks from the network.
Until Directive 2003/87/EC went into effect, emissions produced by combustion were calculated by applying to the consumption of the different fuels the emission factors recommended by the 1996 Guidelines of the IPCC (International Panel on Climate Change) for national inventories of greenhouse gases. Each of them was then multiplied by a corrective coefficient to take into account the typical fraction of carbon that is not combusted. The calculation considered the combusted carbon – which, however, as just mentioned, was assumed to be less than 100% – completely oxidized into CO_2.
Since the emission allowance trading system instituted by Directive 2003/87/EC went into effect, with regard to the plants and fuels subject to the aforesaid directive, and thus obliged to monitor and report emissions, the latter have been calculated according to parameters derived from analyses (carbon in the fuel, calorific power, carbon in the ashes) performed on single lots of fuel.
In other cases (plants operated with fuels not subject to Directive 2003/87/EC, with total emissions amounting to less than 50 kt), Enel uses the reference parameters of the latest national inventories of greenhouse gases.
CO_2 emissions from the desulfurization process are calculated stechiometrically from the quantity of limestone used.
CO_2 emissions connected with the leakage of natural gas are calculated on the basis of the latter, taking into account the carbon dioxide contained in natural gas (average value in 2005: 0.12%) and its density (1.977 kg/m^3).

SF_6

SF_6 is used in medium- and high-voltage electrical equipment because of the insulating and extinguishing properties of electric arcs, which make it irreplaceable in these applications. The quantities emitted into the atmosphere are connected with the leakage to which this equipment may be subject. The aforesaid quantities are calculated according to a complex procedure that takes into account topping up (calculated as he difference between the weight of the SF_6 actually present at the beginning and end of the year in the specially provided cylinders, plus the weight of the compound present in the cylinders acquired during the year and minus the weight of SF_6 in any cylinders that are sold during the year), includes those carried out by third parties, and – in the extremely

rare case of breakage – attributes the nominal SF_6 contained in equipment to leakage. Taking into account the particular stratagems used in removing the SF_6 contained in equipment that has reached the end of its useful life, this procedure is able to produce sufficiently reliable data. Both the weight of the SF_6 emitted and the weight of CO_2 equivalent are shown in terms of their global warming potential (GWP). The 100-year GWP used (GWP=22,200) is the one specified in the "IPCC Third Assessment Report: Climate Change 2001", published in 2006, while the figure expressed in weight of CO_2 equivalent shows the extremely limited amount (of Enel's total greenhouse-gas emissions in the last year). There is no doubt that the variability of the emissions from one year to the next is strongly influenced by the irregularity of the aforesaid topping up.

Like the small quantity of CO_2 mentioned above, the **CH_4** comes from the leakage of natural gas from the distribution network. The quantity is calculated from, precisely, the leakage, taking into account of the methane content of the natural gas (average value in 2004: 92.94%) and its density (0.717 kg/m^3). Both the weight of the CH_4 emitted and the weight of CO_2 equivalent in terms of their GWP are shown. The 100-year GWP used (GWP=23) is the one specified in the "IPCC Third Assessment Report: Climate Change 2001", while the figure expressed as the weight of CO_2 equivalent shows an extremely limited amount of Enel's total greenhouse-gas emissions in the last year.

CH_4

As far as "minor" pollutants are concerned (for example, metals), Enel has carried out large-scale campaigns to measure their concentrations in the flue gas produced by thermal plants – using different kinds of fuel and with different abatement systems – and obtained results that are well under the precise limits established by the laws in force in the different countries in which Enel carries out its business activities.

The carbon dioxide contained in geothermal steam requires separate consideration. In this regard, see the Group's 2007 Environmental Report, which can be consulted on www.enel.it/attivita_en/ambiente/documentienel/rapporti/. In particular, see the chapter "Environmental Results".

In accordance with the criteria followed by the aforesaid IPCC Guidelines, the emissions CO_2 connected with the portion of thermal production obtained with solid biomass and the biodegradable portion of the CDR (containing non-fossil carbon) are not shown. In effect, these represent the return to the atmosphere of the CO_2 absorbed during the growth of the biomass which constitutes the organic component of the waste or is used as such, with an overall balance of zero.

On the other hand, CO_2 emissions from combustion of the portion of the aforesaid CDR that is not biodegradable (containing fossil carbon) are shown.

The emissions produced by the consumption of fuel for heating and transportation, amounting in 2007 to about 63,935 tons, must be added to these values.

The emissions total does not contain the indirect emissions deriving from the consumption of energy (electricity, heat, and steam), because they are absolutely negligible within the total emissions produced by the Company's business activities.

GHG emissions for the last five years are shown in the Group's 2007 Environmental Report, which can be consulted on www.enel.it/attivita_en/ambiente/documentienel/rapporti/, with particular regard to the chapter "Environmental Results", in which the emissions and specific indicators for the different organizational Divisions are explained.

KPI	UM				%		Companies concerned
		2007	2006	2005	2007-2006	2007-2006	
Greenhouse gas emissions							
Greenhouse gas specific emissions	(g/kWh)	694	699	687	-4	-0.6	Italy
Emissions	(mil. t)	46.8	51.6	56.2	-4.8	-9.3	Italy
Emissions avoided	(mil. t)	14.9	16.6	16.2	-1.7	-10.3	Italy
Other greenhouse gas emissions (SF_6)	(,000 kg)	4.8	4.3	4.2	0.5	11.4	Italy
Other production cycles (CH_4)	(,000 t)	14.8	15.9	13.0	-1.0	-6.6	Italy
Other production cycles (CO_2) (1)	(,000 t)	10.6	10.9	9.6	-0.3	-2.5	Italy
Greenhouse gas emissions Slovakia							
Specific emissions of greenhouse gases	(g/kWh)	1,314	-	-	-	-	Slovakia
Emissions	(mil. t)	4.1	-	-	-	-	Slovakia
Greenhouse gas emissions Bulgaria							
Specific emissions of greenhouse gases	(g/kWh)	1,385	1,422	1,449	-36.7	-2.6	Bulgaria
Emissions	(mil. t)	4.8	4.4	4.4	0.4	8.6	Bulgaria
Greenhouse gas emissions Iberia							
Specific emissions of greenhouse gases	(g/kWh)	1.019	1.006	957	12.4	1.2	Iberia
Emissions	(mil. t)	4.1	4.2	6.0	-0.1	-1.5	Iberia

(1) CO_2 from other production cycles regarding only the gas network.

EN17

Other significant indirect emissions of greenhouse gases, by weight.

For emissions deriving from the use of fuels for transportation and heating, see the comment on the EN16 indicator on the preceding pages.

Enel is focusing its attention on the assessment of emissions that occur upstream from the productive process and are caused by the extraction and transportation of the fuels used, as well as the emissions connected with the production of several raw materials and regarding the guidelines of the Intergovernmental Panel on Climate Change (IPCC) and the World Resources Institute (WRI). The factors of emission furnished by the IPCC guidelines concern the emissions of CH_4 that take place during the extraction, transportation, and storage of the fuels and the production of lime, limestone, soda, and ammonia.
Emissions downstream from the productive process will be assessed later, with particular regard to the organic fraction of waste and the chemical and biological demand for oxygen of wastewater.

EN18

Initiatives to reduce the emission of greenhouse gases and results achieved.

In July 2000, Enel signed a voluntary agreement with the then Ministry of the Environment and the then Ministry of Industry, Commerce, and Crafts regarding the reduction of greenhouse gases. Through actions on its generating plants, its distribution networks, and the demand side, and using the mechanisms of the Kyoto Protocol, the Company undertook to achieve an average specific emission of CO_2 equivalent amounting to 510 g/kWh produced by its plants in Italy in 2006 with respect to its emission in 1990, amounting to 618 g/kWh produced. The goal was achieved and exceeded. Furthermore, even though the term of the agreement expired in 2006, Enel has continued in its commitment to reducing its specific emissions, reporting in 2007 a result of 496 g/kWh produced by its Italian generating plants. In absolute terms, supposing that Enel had to produce the same quantity of electricity as it produced in 2007 with the specific emission of 1990, it can been seen that the emissions avoided amount to 11.5 million tons (1). Furthermore, in 2007 Enel achieved reductions of CO_2 through actions aimed at decreasing its consumption in end uses of energy, as reported in the EN5 indicator. As early as 2004, Enel was engaged at the international level in seeking projects for the abatement of greenhouse-gas emissions through the Clean Development Mechanism (CDM) and Joint Implementation (JI), which have already been described in the focus on Climate Strategy on p. 78 of this Report. With regard to the project portfolio constructed so far by Enel, the reduction of emissions expected amounts to 75 Mt of CO_2 equivalent in the period 2008-2012.
Thanks to the activity begun in 2007 to extend the environmental management systems to the Group's buildings, Enel has promoted a plan for reducing energy consumption in office activities, which will lead to a reduction of indirect emissions of greenhouse gases.
The contribution to the reduction of CO_2 emissions by generation from renewable sources and nuclear energy is considered in the assessment of the specific emission of the generating plants. However, if we want to focus our attention on the emissions avoided thanks to the introduction of renewable sources and nuclear plants in our productive mix, it suffices to multiply the production of electricity obtained with each of these sources by the average specific emission of CO_2 of the fossil thermal production of the Group's plants present in the different areas. (Absent the thermal plants of the Group, the national average specific emission of 2005 is taken as the reference, processing the data shown in the IEA Statistics publication "Electricity Information – 2007 edition"). In the case of hydro, the data regard only production from natural flows, excluding those from pumping. Thus, for 2007 there is a saving of 35 Mt of CO_2 (Group companies).

(1) The quantity of CO_2 emitted was determined by multiplying the reduction, with respect to 1990, of average specific emission, amounting to 122 g/kWh by the quantity of electricity produced in 2007 (94.2 TWh).

EN19

Emissions of substances harmful for ozone, by weight.

In its industrial activities in Italy, Enel does not use substances that are harmful for ozone.

Thanks to the extension of its environmental management systems to Group buildings in 2007, Enel initiated a plan for replacing Freon R22, considered harmful for ozone, in all its air-conditioning systems. EC Regulation 2037/200 on the use of hydrofluorocarbons allows this substance to be used until 2010. However, Enel intends to replace Freon R22 ahead of the deadline.

EN20

NO, SO, and other significant atmospheric emissions, by kind and weight.

The significant atmospheric pollutants emitted by Enel's activities, and in particular by the thermal production of electricity, are the sulfur oxides, the nitrogen oxides, and particulate. Such pollutants are continuously measured by analyzers installed on the smokestacks. The measurements of concentration are multiplied by the quantity of flue gas, obtaining the mass quantities.

As far as the "lesser" pollutants (for example, metals) are concerned, in Italy Enel carries out campaigns to measure their concentration in the flue gas produced by its thermal plants on average every year – in situations that differ with respect to the kinds of fuel and the abatement systems – obtaining results that are abundantly under the precise limits established by the Ministerial Decree of July 12, 1990 and the E.U. legislation in force. Moreover, there is a reference book, published in 2001, which contains statistics regarding about 8 years of the emissions data recorded at 40 thermal power plants and will be updated with the data of the last few years.

Separate considerations must be made with regard to the gases present in geothermal steam, which are not condensable and therefore escape into the atmosphere when, following its expansion in the turbine, the steam itself undergoes condensation. This concerns in particular hydrogen sulfide (H_2S), the only potentially polluting substance present in significant quantities in geothermal fluid. Thanks to the H_2S abatement systems, whose installation continues, the emissions of this gas wind up being lower than the natural ones that would still be present in the absence of the geothermal plants.

In any case, the specific emissions measured in the different geographical areas have tended to decrease, thanks to the greater attention dedicated by the Company to this kind of pollution. In effect, specific emissions have decreased not only in Italy, but also in Bulgaria, Slovakia, and Spain since Enel acquired control of the respective companies.

KPI	UM					%	Companies concerned
		2007	2006	2005	2007-2006	2007-2006	
Polluting emissions							
Net specific emissions of SO_2	(g/kWh)	0.67	0.93	0.89	-0.26	-28.0	Italy
Net specific emissions of NO_X	(g/kWh)	0.52	0.58	0.60	-0.06	-10.3	Italy
Net specific emissions of H_2S	(g/kWh)	3.09	4.00	4.61	-0.90	-22.6	Italy
Net specific emissions of particulate	(g/kWh)	0.024	0.029	0.032	-0.004	-15.0	Italy
Polluting emissions Slovakia							
Net specific emissions of SO_2	(g/kWh)	10.6	-	-	-	-	Slovakia
Net specific emissions of NO_X	(g/kWh)	2.1	-	-	-	-	Slovakia
Specific emissions of particulate	(g/kWh)	0.2	-	-	-	-	Slovakia
Polluting emissions Bulgaria							
Net specific emissions of SO_2	(g/kWh)	28.8	62.5	70.2	-33.7	-54.0	Bulgaria
Net specific emissions of NO_X	(g/kWh)	1.6	2.3	2.3	-0.7	-32.3	Bulgaria
Specific emissions of particulate	(g/kWh)	0.4	1.1	1.1	-0.6	-58.8	Bulgaria
Polluting emissions Iberia							
Net specific emissions of SO_2	(g/kWh)	10.0	13.6	11.6	-3.6	-26.7	Iberia
Net specific emissions of NO_X	(g/kWh)	4.0	3.9	3.3	0.0	1.0	Iberia
Specific emissions of particulate	(g/kWh)	1.2	1.0	0.8	0.2	17.4	Iberia

EN21

Total water discharged, by quality and use.

Polluted industrial water is treated before it is discharged into the recipient waterways.
There are specific treatment plants at all the sites where polluted water is produced, according to the kind of pollution present.
The plants for treating oily substances are more or less sophisticated, according to whether they are:

> simple trap tanks, i.e., a spillway that separates the floating oily substances from the water discharged below the free surface;
> plants equipped with a series of different separation devices (API tanks, rope oil absorbers, lamellar plate separators, trap tanks).

All these separation techniques exploit the difference between the density of oil and that of water.

Other plants for treating industrial water are ones used for water polluted by chemical substances. They are generally tanks in which reagents (mainly lime water and ferric chloride) are added. By regulating the pH, the latter allow the pollutants to be flocculated through the addition of polyelectrolyte. The floccules are then transferred from the bottom, thickened, and dehydrated to produce mud, which is then managed as waste.
Several power plants, which use large quantities of ammonia to treat flue gas in the deNOx systems, may be equipped with towers that strip the ammonia from the water.
The table of the EN10 indicator on p. 90 shows the information regarding the quantities of waste water recycled.
In examining the evolution over time of the quantity of water discharged, it is necessary to take into account that the quantity of water discharged increases proportionately where the Company has adopted systems for treating gaseous emissions through the desulfurization of flue gas and NOx abatement, with injections of oxygenated water into the combustion chamber (gas turbine and combined cycles).

KPI	UM				%		Companies concerned
		2007	2006	2005	2007-2006	2007-2006	
Emissions into water							
COD (Chemical Oxygen Demand)	(t)	352.0	381.0	390.6	-28.9	-7.6	Italy
BOD (Biochemical Oxygen Demand)	(t)	81.6	83.5	76.6	-1.9	-2.3	Italy
Nitrogen	(t)	118.2	86.9	105.7	31.3	36.0	Italy
Heavy metals	(t)	4.2	2.7	3.2	1.6	58.2	Italy
Phosphorous	(t)	8.3	9.3	8.0	-1.0	-10.8	Italy
Waste water (quantity discharged)	**(mil. m³)**	**13.7**	**13.3**	**14.8**	**0.4**	**3.1**	**Italy**
from thermal production	(mil. m³)	13.7	13.2	14.7	0.5	3.4	Italy
from storing and moving fuel oil	(mil. m³)	0.03	0.07	0.11	-0.04	-57.1	Italy
Waste water (quantity discharged) (2)	**(mil. m³)**	**27.4**	**7.0**	**6.3**	**20.4**	**291.5**	**Abroad** (1)
from thermal production	(mil. m³)	20.1	7.0	6.3	13.1	187.4	Abroad (1)
from nuclear production	(mil. m³)	7.3	0	0	7.3	0.0	Abroad (1)

(1) Excluding Endesa and Russia.
(2) 2006 does not include the figure regarding Slovenské elektrárne.

EN22

Total weight of waste, by type and disposal method.

The method of disposal and reuse is determined directly by Enel for all the kinds of waste produced. The kinds of hazardous and non-hazardous waste produced by the Enel Group's operations in 2007, with the respective quantities, are listed in the tables in the appendix of this Report.
In assessing the quantities of the waste, it must in any case be kept in mind that the more efficient the systems for treating waste (gaseous and liquid) are, the larger the quantity of waste produced is. The quantity of ashes and gypsum (used in the treatment of gaseous waste) and of sludge (used in the treatment of liquid waste) should be considered an indicator of the effectiveness of the Company's environmental management.

KPI	UM				%		Companies concerned
		2007	2006	2005	2007-2006	2007-2006	
Waste management							
Waste produced	(,000 t)	1,801	1,580	1,801	221	14.0	Italy
Hazardous special waste produced	(,000 t)	38.4	37.5	45.4	1.0	2.6	Italy
Waste recycled	(%)	84	88	90	-4	-4.9	Italy
Disposal of asbestos	(t)	4,737.4	2,077.4	3,376.0	2,660.0	128.0	Italy
Waste management							
Waste produced	(,000 t)	3,399.19	3,062.00	1,799.00	337.19	11.01	Abroad (1)
including hazardous waste produced (2)	(,000 t)	14.17	8.50	13.30	5.67	66.66	Abroad (1)
Waste recycled	(%)	26.40	24.42	37.06	1.98	8.10	Abroad (1)
Liquid radioactive waste with low/medium activity	(,000 m^3)	0.12	0.16	-	-0.04	-24.84	Abroad (1)
Solid radioactive waste with low/medium activity	(t)	37.87	44.65	-	-6.78	-15.18	Abroad (1)
Solid radioactive waste with high activity	(t)	0.11	0.90	-	-0.79	-88.01	Abroad (1)

(1) Excluding Endesa and Russia.
(2) The change in this kind of waste between the years cannot be correlated with the quantity of electricity produced.

EN23

Total number and volume of significant spills.

Enel monitors critical environmental situations, meaning those where a refusal of or an opposition to installations (or the impact caused by operation of the same) is expressed, for evident environmental reasons, by any third party who feels disturbed, harmed, or threatened by their current or future presence.
The refusal and the opposition are expressed through initiatives of local governments or private citizens, and entail, or may entail, significant economic costs because of missing authorizations, work suspensions, plant modifications, etc. A different critical situation corresponds to every oppositional initiative regarding the same installation. The critical situation ceases to exist when the circumstances that caused it no longer exist. Legal litigation is excluded from environmental critical situations. Critical situations are classified according to the area to which they belong: air and climate, waste water, soil-water and underground, and surface water.
In 2007, a total of 58 critical situations (Group companies) occurred, regarding exclusively the area of the soil-water and underground, and therefore spills.
But it is important to note that these critical situations, manifested by public and private initiatives, do not always turn out to actually be critical environmental situations once they have been duly investigated and monitored.

EN24

Weight of transported, imported, exported, or treated waste classified as hazardous according to the Basel Convention (attachments I, II, III, and VII) and percentage of it transported abroad.

The total weight of the hazardous waste transported by Enel to be recycled or disposed of amounts to the quantity of the single kinds produced during the year, except for the quantities that temporarily remain in authorized storage facilities located at the sites where the waste was produced.
Specialized companies treated the entire amount.
See also the comment on the EN22 indicator on p. 103.

EN25

Identity, size, state of safeguard, and value of the biodiversity of the aquatic fauna and flora and the related habitats significantly damaged by wastewater and leakages caused by the organization.

In monitoring the impacts caused in the areas concerned by its activities, Enel pays considerable attention to the quality and quantity of waste water – especially if it amounts to 5% or more of the entire volume of the reservoir – to the presence of areas that are protected or are included in the list of wetlands and aquatic birds protected and managed according to the principles of the Ramsar Convention, and to the safeguard of biodiversity.
The parameters monitored are listed in the table of the EN11 indicator.
See also the comment on the EN12 indicator on p. 93.

PRODUCTS AND SERVICES

EN26

Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.

The Environment and Innovation Project is an investment program launched in December 2006 to reinforce Enel's engagement in the development of renewable sources and technological innovation, which are strategic objectives for achieving leadership in the world energy market.
For further details, see "Focus on: Climate Strategy" on p. 73.

Through the adoption of environmental management systems (ISO 14001 certified and EMAS registered), applied not only to the industrial activities of the productive process (production and distribution of electricity, gas distribution), but also to the activities carried out in offices (real estate management and office activities), Enel undertakes all possible activities with the aim of mitigating environmental impacts.
Most of Enel's production sites in Italy, Slovenské elektrárne's generating plants, several of Enel Latin America's plants, many of EUFER's plants, and the electricity grid of the Infrastructure and Networks Division in Italy, as well as the distribution network of the two Romanian distribution companies, are ISO 14001 certified, and some of the Italian generating plants are EMAS registered. About 73.13% of Enel's installed power in the world is ISO 14001 certified and about 35.9% of its installed power in Europe is EMAS registered. ISO 14001 certification is gradually being extended to all the activities carried out by the Group.
In Italy, Enel has also adopted systematic "Green Procurement" procedures with the aim of identifying categories of goods and services classifiable as eco-compatible

(see also the introduction to the HR1 indicator on p. 141). The Enel Group plans to introduce a method for systematically selecting contractors and suppliers according to criteria based on the environmental compatibility of the goods and services supplied (see also the comment on the EN2 indicator on p. 68).

EN27

Percentage of products sold and related packing material recycled or reused, by category.

Several kinds of materials necessary for the production process are recycled and restored, in particular oils and exhausted batteries. At the end of their useful life, they are all delivered to the respective obligatory consortiums for the recycling of waste. The quantities of waste water produced and disposed of during 2007 are shown in the tables in the appendix. The latter also show the quantities of the other kinds of waste subject to collection and recycling and the materials defined as byproducts (ash from coal combustion and gypsum).

COMPLIANCE

EN28

Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.

In 2007, monetary sanctions regarding environmental issues (Group companies) amount to 167,850 euros, including:

> 2,230 euros in Italy for hydro production. This figure consists of two items: the payment of 2,000 euros to the municipality of Calasca Castiglione for the definitive and total settlement of the latter's requests regarding damage to springs following the construction of the deviation canal of the new Pieve 2 plant, damage that Enel Power had already amended with a previous agreement which, after a period of observation, the municipality in question had followed up with another request; and 230.91 euros for a delay in the request for meter calibration following an inspection by officials from the customs office;

> 6,500 euros in Italy regarding geothermal production (legal expenses incurred for an order issued by the court of Montepulciano, which imposed the execution of various environmental inspections);

> 300 euros in Spain for EUFER's wind production (expense deriving from a complaint regarding the installation of a meter without the authorization of the Environmental Council of the autonomous government of Galicia);

> 158,820 euros in Bulgaria (an expense consisting of the following items: 9,730 euros for exceeding the legal limit for the aquatic concentration of several pollutants; 92,850 euros for exceeding the legal limit for the atmospheric concentration of several pollutants; 5,110 euros regarding waste disposal; 51,130 euros for a delay in the rehabilitation of the plant and the installation of a water management system).

For further details on litigation, see p. 18 of this Report.

TRANSPORT

EN29

Significant environmental impacts of transporting products and other goods and materials used for the organization's operations and transporting its personnel.

The impacts deriving from the transportation of products and other goods may be broken down as follows:

> the impact produced by the transportation of electricity;
> the impact produced by the transportation of gas (pipelines);
> the impact produced by the transportation of goods and waste (suppliers and contractors);
> the impact produced by vehicles owned by Enel SpA.

The impact produced by power lines may be broken down into two kinds (excluding specific cases, such as, for example, crossing waterways):

> the visual impact that may be produced by the power line (cable and supports). In constructing new networks and renovating old ones, Enel adopts basically two strategies to attenuate this kind of impact: burial for low-, medium-, and high-voltage cables and the use of elicord cables, in which the three phases are insulated and intertwined, for low- and medium-voltage ones. Buried cables are used in inhabited areas, while the adoption of elicord cables for overhead lines allows the overall visual impact to be attenuated, because this cable is less visible than are three separate ones and because it can be used in crossing wooded areas; its supports are less voluminous than those used for traditional overhead lines and the cable can fully integrate with the vegetation. Overhead power lines can be built with bare wire or with cable (wire insulated by a sheath). For obvious reasons, bare wire cannot be used in building underground lines. The overhead/underground cable index (i.e., the percentage of cable used in all the power lines) provides an immediate qualitative indication of the environmental attenuation of the visual impact of the power lines. The cable index of Enel's power lines increased from 66.99% percent in 2006 to 67.31% in 2007.

KPI	UM				%		Companies concerned
		2007	2006	2005	2007-2006	2007-2006	
Impact on landscape/environment							
Circuit-length of power lines	(km)	1,104,980	1,096,300	1,090,128	8,680.0	0.8	Italy
Total LV lines	(km)	747,406	740,979	736,026	6,427.0	0.9	Italy
Total MV lines	(km)	338,644	336,517	335,151	2,127.0	0.6	Italy
Total HV lines	(km)	18,930	18,804	18,951	126.0	0.7	Italy
Overhead/underground cable index LV/MV	(%)	70.6	70.2	69.6	0.4	0.6	Italy
Overhead/underground cable index LV	(%)	84.1	83.7	83.2	0.3	0.4	Italy
Overhead/underground cable index MV	(%)	40.9	40.4	39.7	0.5	1.4	Italy
Impact on landscape/environment Romania							
Circuit-length of power lines	(km)	53,228	52,972	n.a.	256	0.5	Romania
Total LV lines	(km)	25,591	25,513	n.a.	78	0.3	Romania
Total MV lines	(km)	23,523	23,347	n.a.	176	0.8	Romania
Total HV lines	(km)	4,114	4,112	n.a.	2	0.0	Romania
Overhead/underground cable index LV/MV	(%)	29.1	28.0	n.a.	1.1	3.9	Romania
Overhead/underground cable index LV	(%)	40.2	38.4	n.a.	1.9	4.9	Romania
Overhead/underground cable index MV	(%)	16.9	16.6	n.a.	0.3	1.7	Romania

> Impact on arboreal vegetation.
The crossing of wooded areas produces an impact on the arboreal vegetation caused by direct damage of the latter from uprooting and cutting, both when the power line is constructed and subsequently during its maintenance. Since it can traverse wooded areas, the elicord cable for overhead power lines greatly reduces this impact.

The impact produced by gas pipelines can be broken down into two main kinds (excluding specific cases, such as, for example, crossing waterways).

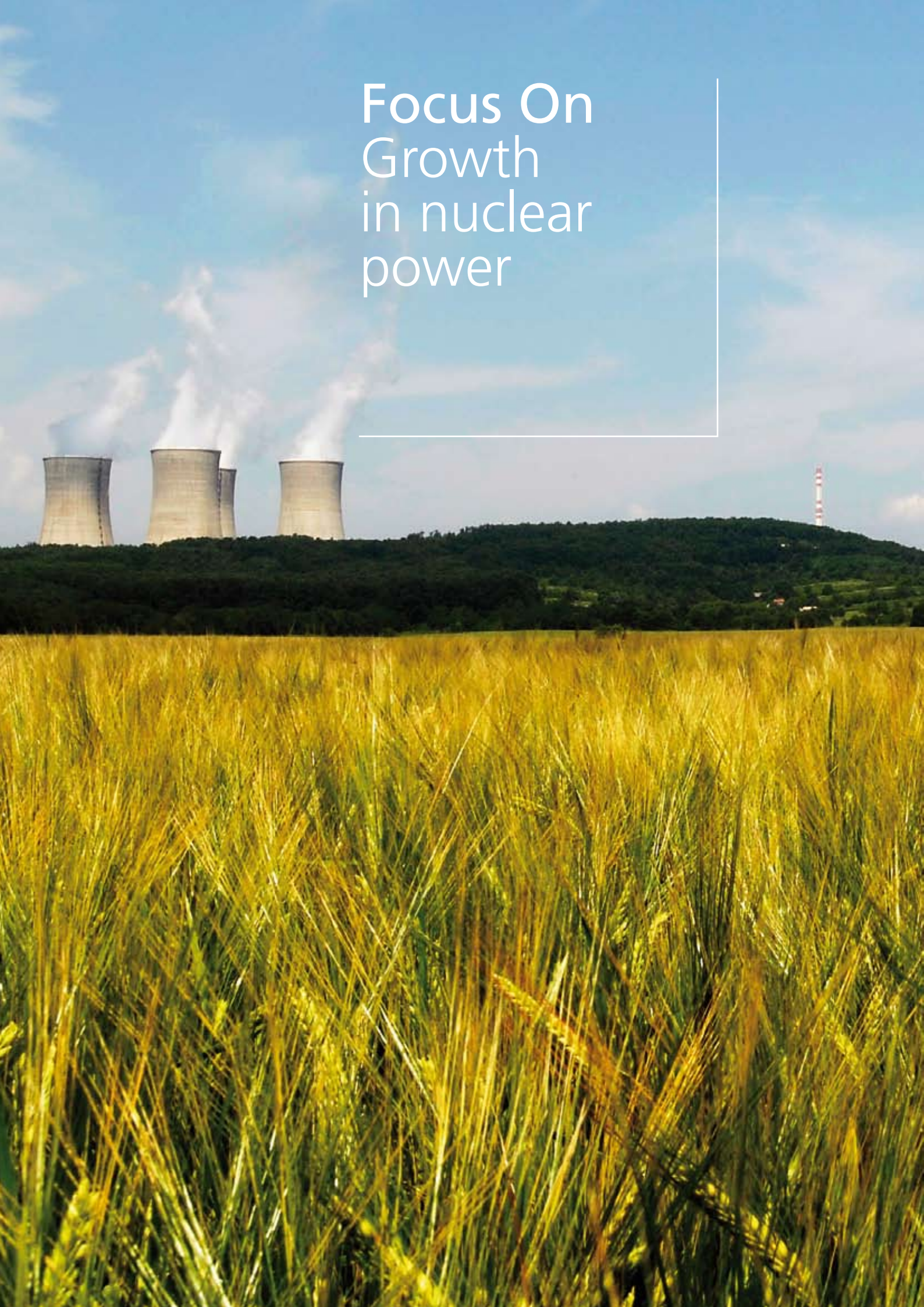
> Impact on ecosystems.
The impact on flora and fauna, both land and marine, is caused by direct damage to the same, both when the pipeline is built and during its subsequent maintenance. Along land pipelines there must be strips of cleared land allowing the pipelines to be maintained. In such areas, the spontaneous growth of the arboreal vegetation will be controlled.

> Efficiency of the network in transportation.
Leaks of gas during the transportation of the same in the pipeline networks are caused by standard factors and not directly. These losses can be estimated at about 0.65% a year.

The impact generated by the transportation of coal and biomass, on the one hand, and ashes and gypsum (combustion products), on the other, is greatly attenuated and can be narrowed down to what is generated by maritime and fluvial transportation on large coal ships and/or barges. During the handling and storage (to and from plants in the phases of loading and unloading ships and barges at docks and in power plants), particulate may be dispersed, an event that is greatly attenuated by various methods (humidification, use of enclosed coal bins, depressurization of the transportation facilities at power plants, conveyor belts, and towers). The clean-coal technology currently used in the new Civitavecchia (Rome province) and Porto Tolle (Venice province) power plants in Italy provides for the adoption of the most advanced technologies available (depressurized systems, domes, etc.). Finally, it should be noted that if coal spills into water occur, it does not cause problems for the eco-system, because it is practically inert.

As far as the indirect impact caused by the use of vehicles is concerned, Enel currently carries out an investigation of the suppliers and contractors of all the organizations (production sites, the former Electricity Network Business Area of the Infrastructure and Networks Division Italy, power lines located in Romania) where environmental management systems are present, seeking to reward companies that are more environmentally sustainable (for example, all other conditions equal, preferring companies that are ISO 14001 certified or EMAS registered). This criterion is not specific for transportation, but it is evident that a supplier or contractor that adopts sustainable management systems has environmental policies that are also attentive to the impact caused by transportation. As of now, it is not possible for Enel to quantify the benefits deriving from this policy. The Company is implementing "Green Procurement" procedures to reduce such impacts to the minimum. It is in any case extremely difficult to try to make a quantitative assessment of this kind of impact in the absence of standardized methods. Enel is absolutely willing to adopt valid methods

that are widely recognized as an effective instrument for the aforesaid assessment.
As far as its own vehicle fleet is concerned, the impact produced regards polluting atmospheric emissions. With regard to the CO_2 produced by Enel's fleet in 2007, see the comment on the EN16 indicator on p. 97.
As far as the other pollutants are concerned, during 2007 Enel tried to attenuate the impact produced by converting its entire fleet to Euro-4 certified vehicles.



Focus On Growth in nuclear power

Growth in nuclear power

2007 ended with a new number for Enel: the 9.5% of electricity generated from nuclear energy. In effect, following the recent acquisitions in Spain and Slovakia, Enel closed the year with 4,436 MW of nuclear power.
In 2006, Enel acquired Slovenské elektrárne, with its two nuclear power plants in Slovakia, of which the one in Mochovce is being enlarged to double its capacity. The following year the Company acquired 67% of Endesa, a Spanish company with five nuclear power plants, and formed an alliance with the French company EDF regarding third-generation nuclear power (Flamanville 3), with a 12.5% equity interest and an option on the next five EPRs built by EDF in France. These are the most important moves in Europe and are part of the Company's pursuit of a clear objective: to bring its production mix back into balance.
The objective of creating, enhancing, and consolidating its capabilities in nuclear engineering to assist in the construction of nuclear plants (project management, design, construction) and the supervision and support of the operation of the plants, as well as to provide technical support for the acquisition of nuclear assets and technological development, is pursued by a dedicated unit, which is also entrusted with interfacing with Italian and international organizations in the field and participating in international nuclear projects on issues that range from safety to innovation.
The Nuclear Technical Area employs 55 engineers, who are mainly dedicated to designing, in addition to 2,400 Slovakian engineers and operating technicians and 1,260 Spanish ones. It is divided into three operating areas.
The first is dedicated to research and technological development, with the objective of ensuring Enel's participation in international activities for developing nuclear technology. This area is projected into the future of nuclear energy and operates in the technical due diligence regarding nuclear assets in the phase of acquisition and participation in new investments, assisting the Business Development unit of the International Division and cooperating with the relevant corporate departments. It has the additional task of establishing the benchmarks for plant performance and the costs of construction, the fuel cycle, and operation and post-operation, as well as handling Enel's relations with Italian and international bodies on regulations and standards regarding the design and construction of nuclear plants.

Called "Development of Engineering and Construction Capabilities", the second area is dedicated to building plants. It is currently engaged in two projects: one at Flamanville in France together with EDF and the other at Mochovce in Slovakia with Slovenské elektrárne. This is the area in which the most people are involved: 24 in Slovakia and 20 for the EPR project, to which Enel plans to assign 10 more people.

The third operating area is "Development of Operation & Maintenance Capabilities". The resources of this unit constitute the nucleus of the reconstitution of Enel's capabilities in the operation and maintenance of nuclear power plants. For now mainly working abroad, in time these resources will also constitute an effective instrument for integrating and transferring best practices among the companies of the Group.

As part of the agreements with EDF, about 30 people will be involved in activities assisting the operation and maintenance of the French nuclear plants.

In addition to the three operating areas, there are the Parent Company's Quality unit (which is dedicated to developing the Quality Management System for the processes of the Nuclear Technical Area and to checking that it is implemented, in order to ensure and maintain the quality certification according to ISO 9001 and the IAEA guidelines) and Radioprotection unit (which is entrusted with ensuring radioprotection for Enel workers and the people who work under Enel's responsibility, in compliance with corporate procedures, Italian law, and the Directives of the European Union).

"Nuclear Safety Oversight" is another unit of the Parent Company, which attends to plants that have already been constructed and are in operation, checking the level of safety in the management of the plants to keep them in line with the highest international standards, detecting potential problems, and promoting continual improvement. This unit ensures a continual updating according to the best technical, operating, and managerial practices, interfacing with Italian and international bodies. This evaluation enables it to prepare a series of periodical reports on the technical safety performance of the plants for Enel's management.

By the end of 2008, Enel plans to have at least sixty more nuclear engineers at its disposal. These new resources will enable the Company to master the third-generation EPR technology of Flamanville, in whose construction and management an Enel task force will participate along with the EdF experts.

As part of its nuclear program, the Company has developed a broad-ranging plan of activities aimed at involving all interest groups through a corporate team involving the Nuclear Technical Area, External Relations – in particular, the Brussels office and the CSR and Relations with Stakeholders unit – the Corporate

Strategy unit, and the International Division.
The aims of the plan are to disseminate among stakeholders knowledge about specific nuclear issues, ensure a constant flow of information, and monitor the activities of non-governmental organizations that have a position for or against this energy source.
During 2007, Enel developed a position paper on nuclear energy, which is aimed at providing ad hoc answers to questions posed by environmentalist and consumer NGOs, the mass media, and sustainability analysts. The Company was also an active participant in meetings, round tables, and forums regarding nuclear energy with NGOs and local communities.
As far as communication with local communities in Slovakia is concerned, for both plants there are very active contacts with regional associations, which bring together the mayors of towns within 20 kilometers. In addition to periodical meetings, the associations have also been invited to Italy to meet the Enel management and visit plants.
With regard to Mochovce, for years information has also been transmitted to the community through a monthly (4 pages, tabloid format), which, in addition to environmental-monitoring data, provides all the information on the plant that can be useful to the citizens.
A Civic Information Committee has also been set up there, with the purpose of informing and sharing with society the project for completing Mochovce 3 and 4. The Committee consists of the ten mayors of the Regional Association, two academics, and one representative of the Region, and will meet periodically with the people in charge of the project.

Mochovce

The Mochovce 3 and 4 Safety Board is an external committee, which was instituted to ensure that the completion project corresponds to the most modern criteria regarding safety. Consisting of six of the leading world specialists on the safety of nuclear plants, its has followed every aspect of the planning and provided advice to make the plant safe and technologically advanced. It has also provided several suggestions with regard to communication and stakeholder involvement, which have been adopted in the general communication plan.

GENERAL

When it builds new plants and infrastructure, Enel conducts Environmental Impact Studies (EIS) and Environmental Impact Assessments (EIA), in accordance with the requirements and provisions of the law. These documents are at the disposal of the Ministry of the Environment and of the local and regional governments (for 30 days and upon request) where the infrastructure projects have been approved. The public and the stakeholders concerned are guaranteed access by both national and local institutions. In any case, Enel announces through national and local newspapers the availability of the evaluations and the time period in which they may be consulted. After the deadline, the public may request the evaluations directly from Enel.
In all the activities it carries out, with particular regard to the industrial ones, Enel follows a transparent and reproducible procedure for collecting data, with systems for monitoring emissions and networks for monitoring air quality that are partly managed directly by local communities or the relevant supervisory agencies. In the operating phases, the local governments are constantly on the alert for potential sources of impact, with particular regard to dumping, emissions, and waste. Local governments, spontaneous committees, and environmental associations in particular represent the local communities. When data collection is managed directly by local governments (air-quality networks), the latter select the manager of the monitors. In all cases the programs concern 100% of the operations.

In an Environmental Impact Study, in order to assess the environmental effectiveness of the project proposed, the possible alternatives are always compared and all technical stratagems aimed at reducing the foreseeable impacts are identified. As part of the authorization procedure for the works, agreements are made with the local authorities and communities to make improvements in the existing environments, which can act as compensation for any remaining impacts that cannot be mitigated by technical means. In cases where the environmental damage cannot be quantified in monetary terms, compensation may be made by environmental projects aimed at the implantation, reintroduction, or restoration of natural elements as environmental benefits equivalent to the remaining impacts that cannot be mitigated. In this regard, the situation is very different according to the business (thermal, hydro, geothermal, or wind production, electricity distribution, gas distribution, etc.) and country considered.
Enel has recently acquired businesses in areas of the world where concern for the environment is different from what it is in Italy. In addition to complying with local laws, Enel constantly undertakes to apply the best practices, raise concern for the environment to the highest level, mitigate impacts, and enhance any positive effects there may be.
In conclusion, given the Company's strong commitment, its relations with local communities are mostly very good and reciprocally appreciative. It is not by chance that in all instances where the Company is shutting down business activities, the aforesaid communities strongly encourage Enel to continue to invest in such sites rather abandon them.

EN30

Total expenses and investment for environmental protection.

As far as Enel's operations in Italy are concerned, for 2006 environmental expenses were recorded according to the new classification system based on the Eurostat/Istat criteria, which is explained in detail in the 2005 Environmental Report (available on the corporate website) and in 2007 was gradually extended to Enel companies abroad. According to the Istat criteria, "expenses for the protection of the environment" are expenses for activities and actions to prevent and reduce the phenomena of environmental pollution and deterioration, as well as to restore the quality of the environment, regardless of the reasons that determine them (regulatory provisions, agreements with local governments, company decisions, etc.). They exclude expenses incurred to limit the use of natural resources, as well as expenditure for activities that, in effect, have a favorable impact on the environment, but are carried out mainly to pursue other objectives, such as hygiene or on-the-job safety. The term "expense" is always understood in its algebraic meaning, since it can also include revenue, such as in some cases of waste that will be recycled.
The Generation and Energy Management Division (Italy) has prepared a procedure for recording environmental costs. This method links environmental magnitudes to economic ones, and takes into account the inability of general and industrial accounting to respond precisely to the new criteria. The single environmental costs and revenues have been defined and standardized and several mechanisms of the Industrial Accounting System have been adjusted in order to classify such economic magnitudes within the recording structures peculiar to the chart of accounts of industrial accounting.
The gradual introduction of "Green Procurement"is intended to:

> identify addition categories of expenditure;
> codify such categories in the computerized accounting systems;
> adopt standard procedures for recording environmental costs in all the Group companies (similarly to what has already been done for the Generation and Energy Management Division).

Enel's financial commitment for environmental protection in 2007 amounts to:

> 159 million euros for investment;
> 349 million euros for current expenses.

Environmental investment in existing plants (68% of the total) regards the distribution of electricity (28%), the co-generation of electricity and heat (3%), and the production of electricity (69%).

In Italy, environmental expenditure amounts to:

> 153 million euros for investment (119 million euros in 2006);
> 279 million euros for current expenses (560 million euros in 2006).

The reduction is attributable to the drastic decrease in Enel's use of fuel oil.
The expenditure regards the electricity business in particular in this case, too.

Environmental investment in existing plants (67% of the total) regards the distribution (28%) and production (72%) of electricity.
The latter includes:

> continuation of the work on the systems for abating emissions of SO_2 and NO_X at the Brindisi Sud power station;
> upgrading the system for monitoring emissions at the Fusina (Venice province) power station and reconstructing the one at the Porto Marghera (Venice province) power station;
> work accessory to the installation of the flue-gas desulfurizers and denitrifiers

on units 1 and 2 and work to increase the efficiency of the same systems on units 3 and 4 at the Fusina power station;
> upgrading the desulfurization systems of the La Spezia power plant;
> remodeling the excavated surfaces of the Pietrafitta (Perugia province) lignite mine, in disuse, and restoring the original flora and fauna situation (as required by the Ministry of Industry's decree authorizing the construction of the new Pietrafitta plant);
> as part of the rehabilitation of contaminated sites in areas designated as "of national interest" by law 426/98, decontamination of the Augusta (Siracusa province) power plant; characterization and decontamination of the Fusina and Porto Marghera (Venice province), La Spezia, and Mercure (Cosenza province) power plants; environmental characterization of the Brindisi, Sulcis (Cagliari province), Priolo Gargallo (Siracusa province), and Livorno sites; hydrographic works at the former Santa Barbara (Arezzo province) lignite mine; and decontamination of materials containing asbestos at the Bari, Rossano Calabro (Catanzaro province), Fusina, and Civitavecchia (Rome province) power plants;
> in hydro plants, installation or improvement of systems for degreasing drainage-collection tanks, adoption of sound-proofing systems, replacement of trash racks and sluice gates, and decontamination of materials containing asbestos;
> as far as geothermal plants are concerned, in addition to continuing the installation of systems for abating emissions of mercury and hydrogen sulfide and the decontamination of steam conduits from asbestos, an increase in investment aimed at the safety of geothermal aqueducts, the reduction of noise, and environmental restoration.

In Slovakia, in 2007 about 5.015 million euros was invested in environmental projects for draining the suspension of gypsum deriving from units 1 and 2 of Nováky B and the construction of a system for the treatment of biological and oily waste water at the same plant.

The sum spent in 2007 (Italy) by the Research Technical Area – which since December 2007 has belonged to the Engineering and Innovation Division – on investment for research and development aimed at protecting the environment amounts to 14.344 million euros.

Environmental investment in new plants, both by all Enel Group companies (32% of the total) and in Italy (33%) regards almost entirely (more than 98%) electricity distribution.
Such investment essentially concerns the construction of environmentally compatible power lines (new or replacements). In consideration of current standard construction practices, as well as for financial reasons, only the following are considered environmental investments:
> the additional expenditure incurred for adopting cables (both overhead and underground) instead of bare conductors for the construction of medium-voltage lines in sparsely inhabited areas;
> the additional expenditure incurred for using underground cables instead of overhead ones for the construction of low-voltage lines in the aforesaid areas;
> the additional expenditure incurred for adopting underground cables instead of bare conductors in the construction of high-voltage lines, wherever they are located.

Current environmental expenses for 2007 regard almost exclusively (95%) electricity production.

Of these, 58% (203.4 million euros) concerns extra costs for fuels, that is, essentially for using, as required by environmental regulations, low-sulfur fuels instead of those that could be used in the absence of the environmental restrictions that make this measure necessary. The valuation of the difference in expenditure is based on the calculation – for each plant that can run on fuel oil or fuel oil/natural gas – of the difference between the cost incurred for the low- and very-low-sulfur fuel oil or for the natural gas and that of a corresponding quantity of medium-sulfur fuel oil. With respect to 2006, there was a drastic reduction of this item, which is due essentially to a decrease of more than 50% in the use of fuel oil in Italian plants (from 3,637 kt in 2006 to 1,773 kt in 2007 in Italy and from 3,690 kt in 2006 to 2,157 kt in 2007 in all Enel Group companies).
Both the Infrastructure and Networks Division's operating costs for training on environmental issues and decontamination after environmental incidents (caused mainly by the theft of copper) and its investment for the dehalogenation of equipment containing PCB and the installation of photovoltaic panels on primary substations (a project started up in 2007) were higher in 2007 than in 2006.

The remaining current expenses regard actions of environmental protection carried out by Enel itself or outsourced:
> the operation or maintenance of equipment or systems with environmental functions;
> waste disposal;
> the installation and operation of environmental management systems;
> Enel employees and those of the contractors involved in these activities, environmental training and education.

They include expenditure regarding support personnel dedicated to the environment, i.e., employees who perform duties for multiple operating units, even though thy are involved in the same industrial activity. This is because the 'intellectual' activities performed by support personnel with regard to the environment are considered exclusively support for the industrial activity.

For the Generation and Energy Management Division, in 2007 taxes with an "environmental tax base" entailed the following outlays in Italy:
> 4.5 million euros for "taxes" on emissions of sulfur dioxide (SO_2) and nitrogen oxides (NO_X);
> 10.2 million euros for geothermal kWh contributions;
> 2.5 million euros for the portion of the carbon tax regarding a consumption tax on coal.

The preceding items are not recorded as current environmental expenses, but are recorded separately, because they do not fully satisfy the requirements of "environment-specific" taxes:
> payment without a specific consideration;
> direct outlay, i.e., excluding taxes paid by suppliers or providers of services, which are "passed on" to the industrial price of the good or service;
> tax base included among those that the Eurostat considers environmentally significant (atmospheric emissions, substances that deplete the ozone layer, discharges of polluting substances into waterways, waste management, noise, energy products, transportation, resources);
> allocation of the tax revenue to the financing of expenditure on the protection of the environment, in the amount (partial or total) established.

Other charges in 2007 that were recorded separately, because they were not explicitly allocated to environmental protection regard:

> 7 million euros (at the Group level) regarding the purchase of carbon-dioxide emission permits necessary to make up the deficit of the quotas assigned as part of the trading system regulated by Directive 2003/87/EC (the so-called Emissions Trading Directive) with respect to the actual emissions. There was a drastic reduction with respect to 2006 (84 million), which is due to both the steep fall in the cost of purchasing CO_2 emission permits and Enel's enormous commitment in terms of the investment made to reduce CO_2 emissions.

> 39 million euros connected with the acquisition of green certificates to complete compliance with the obligation (established by legislative decree no. 79/1999 for importers or producers of electricity generated from non-renewable energy sources) to introduce into the national electricity system a portion of electricity generated by plants that run on renewable sources and were put into operation on or after April 1, 1999.

Finally, even though they do not entail out-of-pocket expenses, mention should be made of the revenues lost because of the reduced production of several hydro plants, which were required to release part of the diverted water into the original riverbed in order to preserve eco-systems (minimum in-stream flow). In 2007, the loss totaled about 80 million euros.

KPI	UM				%		Companies concerned
		2007	2006	2005	2007-2006	2007-2006	
Environmental expenditure	(mil. euros)	432	679	444	-247	-36.4	Italy
Total current expenditure (1)	(mil. euros)	279	560	344	-281	-50.2	Italy
Total environmental investment	(mil. euros)	153	119	100	34	28.3	Italy

(1) Following the gas emergency, in 2006 more low-sulfur fuel oil was used, with a consequent increase in the related expense.

- **-41%**
  the index of accident frequency in the last 4 years

- **-16%**
  accidents with respect to 2006

- 41,746 persons in Italy; 31,754 abroad
- Definition of a new Leadership Model
- Foundation of Enel University

LA - Labor Practices and Decent Work Performance Indicators

GRI-G3: Disclosure on Management Approach

With regard to industrial relations, in 2007 the consolidation of Enel's international operations led to the start of talks for the constitution of a European Corporate Committee under the coordination of the two federations of European unions: the European Federation of Public Service Unions (EPSU) and the European Mine, Chemical, and Energy Workers' Federation (EMCEF). The Company also intends to have the ECC sign the protocol on corporate social responsibility, which was drawn up in collaboration with the Italian labor unions during 2007 and will be formalized in 2008.

In the last 4 years, the accident frequency index has fallen by 41%, while the seriousness index has decreased by 37%, with a total of 514 accidents (about 16% fewer than in 2006 and all of 48% fewer than in 2004). As far as the workers of contractor firms are concerned, an improvement in the figures was recorded in 2007, with a sharp decrease in serious and fatal accidents, a sign of constant supervision on work sites, an informed coordination process, and the choice of increasingly qualified contractors.

With its extension to all the Group companies, the survey on the corporate atmosphere – which had begun at the end of 2006 – was completed in the first few months of 2007. More than 12,000 employees of the foreign companies received the questionnaire regarding their satisfaction, the management style, the corporate image and values, the strategic objectives, change and integration, and the future. Including employees in Italy, the survey involved a total of about 57,000 people.

It has been a valuable source of information, establishing a framework for updating policies for the management of Enel's human resources. During the first half of 2007, there was a strong commitment to disseminating the results through internal communication and dedicated discussion meetings. Subsequently, the plans for improving the problematic areas that emerged were defined and communicated in a brochure sent to all employees.

The main actions concerned: the formalization and publication of a new leadership model, based on a managerial style more responsive to the new challenges, both internal and external; the definition and formalization of a new talent management system to give greater emphasis to merit and to extend and improve the review process; the creation of Enel University to enhance the development of human capital to support Enel's transition to a market-based multinational company through the integration of the processes of selection, training, and knowledge management.

With regard to the defense of diversity and equal opportunity, 2007 – proclaimed by the European Commission as the Year of Equal Opportunity for everyone – saw Enel participate in a trial system of certification for companies that adopt policies of non-discrimination promoted by the Ministry of Labor and Social Security. At the European level, through the Commission's activities on behalf of equal opportunity, the Company cooperated in numerous international partnerships, including the European Social Dialogue to identify good practices for policies regarding equal opportunity and diversity, which were then incorporated in the creation of a toolkit for Eurelectric (Union of the Electricity Industry), the European Federation of Public Service Unions (EPSU), and the European Mine, Chemical and Energy Workers' Federation (EMCEF).

Enel's concern for ethical values also led to the adoption and implementation of the Zero Tolerance for Corruption Plan by its subsidiaries and a large-scale campaign of training on the Code of Ethics for the employees of its foreign subsidiaries in 2007 and 2008.

To consolidate their efforts regarding social responsibility and concern for individuals, in 2007 Enel and the Italian labor unions drew up a specific protocol on corporate social responsibility (for further details, see p. 125 and p. 139).

EMPLOYMENT

LA1

Total number of employees, broken down by category, contract type, and geographical distribution.

As of December 31, 2007, the Enel Group had 73,500 employees. This figure includes Endesa (18,792 employees in Spain, Portugal, and Latin America). The personnel increase in 2007 was due essentially to the acquisition of companies abroad.

NUMBER AND COMPOSITION OF PERSONNEL (1/2)

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Number							
Employees	**(no.)**						
Total employees	(no.)	73,500	58,548	51,778	14,952	25.5	Enel*
Hours worked	(mil. h)	93.0	95.8	87.8	-2.8	-3.0	Enel (1)
Breakdown by geographical area (2)							
Italy	**(no.)**	**41,746**	**44,687**	**46,754**	**-2,941**	**-6.6**	**Enel***
Valle d'Aosta	(no.)	180	191	191	-11	-5.8	Enel*
Piedmont	(no.)	2,915	3,228	3,345	-313	-9.7	Enel*
Lombardy	(no.)	4,829	5,158	5,417	-329	-6.4	Enel*
Trentino Alto Adige	(no.)	371	394	398	-23	-5.8	Enel*
Veneto	(no.)	3,452	3,702	3,873	-250	-6.8	Enel*
Friuli Venezia Giulia	(no.)	491	571	587	-80	-14.0	Enel*
Liguria	(no.)	1,210	1,260	1,404	-50	-4.0	Enel*
Emilia Romagna	(no.)	2,159	2,420	2,601	-261	-10.8	Enel*
Tuscany	(no.)	3,847	4,207	4,338	-360	-8.6	Enel*
Marches	(no.)	764	827	867	-63	-7.6	Enel*
Umbria	(no.)	767	882	883	-115	-13.0	Enel*
Latium	(no.)	6,147	5,677	6,096	470	8.3	Enel*
Abruzzo	(no.)	951	1,074	1,079	-123	-11.5	Enel*
Molise	(no.)	294	341	327	-47	-13.8	Enel*
Campania	(no.)	3,246	3,684	3,850	-438	-11.9	Enel*
Apulia	(no.)	2,546	2,772	2,875	-226	-8.2	Enel*
Basilicata	(no.)	502	605	586	-103	-17.0	Enel*
Calabria	(no.)	1,487	1,677	1,792	-190	-11.3	Enel*
Sicily	(no.)	3,619	3,928	4,044	-309	-7.9	Enel*
Sardinia	(no.)	1,817	1,992	2,110	-175	-8.8	Enel*
Branches of Italian companies abroad	(no.)	152	97	91	55	56.7	Enel*

* Includes Endesa.
(1) Excluding Endesa, Russia, EUFER, and Greece.
(2) The figures for 2006 and 2005 have been reclassified, separating the branches in Italy and abroad from the single regions/countries, in line with such reporting in 2007. Furthermore, 2006 has been recalculated, considering – as in 2007 and 2005 – the region of employment, and not that of residence.

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Breakdown by geographical area (2)							
Abroad	**(no.)**	**31,754**	**13,861**	**5,024**	**17,893**	**129.1**	**Enel***
Iberia	(no.)	1,078	1,057	1,036	21	2.0	Enel*
France	(no.)	22	13	0	9	69.2	Enel*
Greece	(no.)	26	0	0	26	0.0	Enel*
Romania	(no.)	3,459	3,607	3,604	-148	-4.1	Enel*
Bulgaria	(no.)	815	898	60	-83	-9.2	Enel*
Slovakia	(no.)	6,408	7,338	-	-930	-12.7	Enel*
Russia	(no.)	573	430	9	143	33.3	Enel*
North America	(no.)	224	195	184	29	14.9	Enel*
South America	(no.)	405	323	131	82	25.4	Enel*
Endesa	(no.)	18,744	-	-	18,744	-	Enel*
Composition							
Breakdown by professional status							
Executives	(no.)	1,069	691	562	378	54.6	Enel*
Supervisors	(no.)	6,569	4,900	4,103	1,669	34.1	Enel*
White-collar workers	(no.)	43,602	30,540	28,480	13,062	42.8	Enel*
Blue-collar workers	(no.)	22,260	22,417	18,633	-157	-0.7	Enel*
Executives	(%)	1.5	1.2	1.1	0.3	23.1	Enel*
Supervisors	(%)	8.9	8.4	7.9	1	6.8	Enel*
White-collar workers	(%)	59.3	52.2	55.0	7	13.7	Enel*
Blue-collar workers	(%)	30.3	38.3	36.0	-8	-20.9	Enel*
Flexible employment							
Fixed-term contracts							
Fixed-term contracts	(no.)	27	31	22	-4	-12.9	Italy
Starter/training contracts	(no.)	453	448	1,130	5	1.1	Italy
Total fixed-term contracts	**(no.)**	**480**	**479**	**1,152**	**1**	**0.2**	**Italy**
Fixed-term contracts as % of total	(%)	1.2	1.1	2.5	0.08	7.5	Italy
Permanent contracts	**(no.)**	**41,114**	**44,111**	**45,511**	**-2,997**	**-6.8**	**Italy**
Permanent contracts as % of total	(%)	98.8	98.9	97.5	-0.1	-0.1	Italy
Fixed-term contracts							
Fixed-term contracts	(no.)	477	-	-	-	-	Abroad (4)
Fixed-term contracts as % of total	(%)	4.2	-	-	-	-	Abroad (4)
Permanent contracts	(no.)	10,870	-	-	-	-	Abroad (4)
Permanent contracts as % of total	(%)	95.8	-	-	-	-	Abroad (4)
Part-time employment	**(%)**	**2.5**	**2.3**	**2.3**	**0.1**	**6.4**	**Italy**
Full-time contracts	(no.)	40,569	43,557	45,604	-2,988	-6.9	Italy
Part-time contracts	(no.)	1,025	1,033	1,059	-8	-0.8	Italy
Part-time employment	**(%)**	**0.5**	**-**	**-**	**0.5**	**0.0**	**Abroad (4)**
Full-time contracts	(no.)	11,294	-	-	11,294	0.0	Abroad (4)
Part-time contracts	(no.)	52	-	-	52	0.0	Abroad (4)
Overtime	**(%)**	**5.3**	**5.4**	**5.9**	**-0.1**	**-1.8**	**Italy**
Overtime	**(%)**	**3.3**	**-**	**-**	**3.3**	**0.0**	**Abroad (4)**

* Includes Endesa.
(3) Excluding Endesa, Russia, EUFER, and Greece.
(4) Includes: ELA, ENA, EUFER, Romania, Bulgaria, and Slovakia.

LA2

Total number and turnover rate of employees, broken down by age, gender, and geographical area.

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Changes in number							
New hires	**(no.)**	**1,980**	**1,015**	**839**	**965**	**95.1**	**Enel**
Terminations	**(no.)**	**6,005**	**3,384**	**3,287**	**2,621**	**77.5**	**Enel**
Italy	(no.)	3,895	2,520	3,061	1,375	54.6	Enel
Abroad	(no.)	2,110	864	226	1,246	144.2	Abroad (1)
Women	(no.)	474	270	368	204	75.6	Italy
Men	(no.)	3,421	2,250	2,693	1,171	52.0	Italy
Women	(%)	1.1	0.6	0.8	0.5	83.3	Italy
Men	(%)	8.2	5.0	5.8	3.2	64.0	Italy
< 30 years old	(no.)	36	33	46	3	9.1	Italy
30-50 years old	(no.)	184	156	200	28	17.9	Italy
> 50 years old	(no.)	3,675	2,331	2,815	1,344	57.7	Italy
< 30 years old	(%)	0.1	0.1	0.1	-	-	Italy
30-50 years old	(%)	0.4	0.3	0.4	0.1	33.3	Italy
> 50 years old	(%)	8.8	5.2	6.0	3.6	69.2	Italy
Turnover rate							
Italy	(%)	9.4	5.7	6.6	3.7	64.2	Enel
Abroad	(%)	16.0	6.2	4.4	9.8	158.1	Enel

(1) Includes: ELA, ENA, EUFER, Romania, Bulgaria, and Slovakia.

As of December 31, 2007, there were 295 people with trainee contracts.

LA3

Benefits provided for full-time workers, but not for part-time workers and those with fixed-term contracts, broken down by main production sites.

In Italy, the institution of a real system of "internal welfare" distinguishes employment at Enel. For personnel regulated by the national collective labor contract for workers in the electricity industry, recreational, cultural, and sports activities are managed by the ARCA, while for executives they are managed by the ACEM. The ANSE has a similar purpose and is dedicated to older personnel, both active and retired.

The funding of the ARCA is determined by an agreement between Enel and the workers' union organizations and is provided exclusively by the companies whose employees are ARCA members. The criterion for quantifying the funding is based on an annual sum per person, which is then multiplied by the number of workers employed as of January 1 each year.

The ACEM is an association that was instituted in accordance with an agreement between the Enel companies and the union representatives of the executives. The institutional activities of the ACEM are also connected with the management of leisure, such as the organization of cultural and educational initiatives, travel, and the ACEM club in Rome. The funding is determined by an agreement between the member companies and the union representatives of the executives.

The ANSE may be joined on a voluntary basis by older Enel employees, both active and retired, and their survivors. In addition to the management of leisure, its purpose is to individually assist members and their survivors. Supplementary health care is managed by the FISDE, while similar services for executives are entrusted to the ASEM.
FISDE, the supplementary health-care fund for employees, is managed by an equal number of company and union representatives. Its funds also come from the companies whose employees are FISDE members and the quantification is based on an annual sum per person, which is multiplied by the number of employees as of January 1 each year. The ASEM manages supplementary health care through financial contributions when there are medical expenses regarding executives of the member companies.
Part-time employees and those with beginner (*inserimento*) contracts, even if fixed-term, enjoy the same benefits as permanent full-time employees. The only employees who do not have the benefits in question are those with fixed-term contracts other than beginner ones, who constitute only 0.06% of the total.

LABOR/MANAGEMENT RELATIONS

In 2007, the consolidation of Enel's international importance led to the constitution of the European Company Committee, coordinated by two European federations: the European Federation of Public Service Unions (EPSU) and the European Mine, Chemical and Energy Workers' Federation (EMCEF). During the training session held in Rome in May, which was organized with the European Trade Unions Institute (ETUI), the representatives of all the Enel companies in the European Union, gathered together in the Special Negotiation Delegation, learned about the Group's organization and strategy and the most important issues for the social dialogue: the corporate social responsibility system, the values and policies regarding worker health and safety, the guidelines for the management of human resources in an international context, and the industry-level instruments of social dialogue.
In October, the Delegation presented its platform of requests, to which the Company has begun to respond, aiming to consolidate a relationship with the workers' representatives based on total confidence in order to cope with change and support Enel's economic activity, which is socially responsible with regard to the environment, local communities, and the people who work in the Group. The talks will continue, with the preparation of the related Agreement Document, in the first half of 2008.
In 2007, corporate social responsibility was also the focus of an extensive discussion with the Italian labor unions, which led to the drafting of a specific protocol on the subject. It will be formalized during 2008, with the intention of including the European union federations in the signing (see p. 139).

LA4

Percentage of employees covered by collective bargaining agreements.

100% in the countries where national bargaining is provided for.

LA5

Minimum notice period for operating changes (organizational changes), specifying whether or not such conditions are included in the collective bargaining.

According to the regulations established by the E.U. and adopted by the member states, in case of transfers of firms or plants, or parts of firms or plants, to a new owner following a contractual sale or merger, the transferer and the transferee are obliged to inform the representatives of the workers concerned "in time". Pursuant to Italian law (article 47, law 428/1990), this means at least 25 days before. In Italy, in case of significant organizational changes, the Industrial Relations Protocol, which was signed by the most representative unions, provides for a preliminary discussion with the workers' representatives, to be concluded within three months. Before the beginning of the discussions, Enel is committed to make all the documentation available to the parties, in order to ensure that the workers' representatives can base their proposals on a complete view of the project.

OCCUPATIONAL HEALTH AND SAFETY

In 2007, the Enel Group continued the process of revising the system of managing worker health and safety in all its divisions and companies, which aims to develop the system and rationalize its processes through the definition of roles, tasks, and responsibilities, as well as the establishment of operational and managerial procedures.
In Italy, for each Production Unit, the hierarchical-functional line and those in charge of applying the regulations in force (Employer, Executive) are specified. At the same time, a Prevention and Protection Service is set up in each Unit and the related Person in Charge is designated and, if necessary, a Competent Doctor for medical supervision regarding the risks involved is appointed.
As in 2005 and 2006, in 2007 significant initiatives were undertaken regarding the questions of hygiene, health, and safety in the workplace. The more than 475,000 hours of training – 9 hours a head – show that constant and periodical training constitutes an essential step towards a solid culture of safety.
In 2007, more than 28 million euros – about 536 euros per person – were invested in the protection of the health and safety of workers, a significant part

of which was for training. Considering the value of the personnel engaged in safety, the total investment rises to almost 55 million euros.
Among the initiatives carried out in 2007, there is also the distribution of the "Safety at Enel" manual to all Italian employees. The document was translated into German for the bilingual regions of Italy and versions are being prepared for the personnel of Enel companies abroad and for those with impaired eyesight. Begun in 2005, the preparatory work for the document involved an inter-division and inter-company work group consisting of representatives of the different safety units of the Enel Group, which was coordinated by the Parent Company's unit. The manual thus constitutes an effective tool of instruction, in combination with the other activities carried out by the Group regarding education, information, and training.
The process of harmonizing and integrating activities abroad regarding health and safety was greatly intensified in 2007. The main event was the Safety Round Table, an occasion for discussion and the exchange of ideas, as well as for the launch of the "Zero Accidents" project, which provides for the integration of the corporate business plans with specific "Strategic Plans for Safety" and the start-up of the "Safety in Tune with Me" program for disseminating the culture of safety through the education, motivation, and involvement of personnel, the promotion of safe behavior, and two-way communication.
Another noteworthy event was the International Safety Community, an occasion for sharing the experience and knowledge acquired by Enel throughout the world, the achievement of the best operating practices, and the establishment of a single international strategy that can help Enel become a world leader in the field of workplace health and safety.
Also completed in 2007 was the trial phase of GEINF, a database for the computerized management of accidents at Enel. In 2008, the operating phase will begin at the divisions and companies in Italy, and after this consolidation phase is over, the project will be extended to those abroad.
With regard to operating sites in Italy, law 123/07 (provisions regarding workplace health and safety), which went into effect on August 25, 2007, provides for the extension of the administrative liability of legal persons decribed in legislative decree no. 231/01 to the crimes of manslaughter and bodily harm committed in violation of regulations for the prevention of accidents and the protection of workplace health and safety. As early as 2002 Enel adopted a specific Compliance Program pursuant to legislative decree 231/01 (see on p. 38).
Confirming its constant commit to fighting illegal conduct, Enel immediately implemented a process to review all safety plans already in effect and, with a resolution of the Board of Directors on February 27, 2008, updated the Program so as to include the new crimes in question.

LA6

Percentage of workers represented on the Committee for Health and Safety, consisting of representatives of the management and the workers, instituted for the purpose of supervising and providing advice on programs for the protection of the worker's health and safety.

All subsidiaries whose headquarters are not in Italy constitute an ad hoc group of workers and specialists dedicated to safety questions, in terms of both prevention and supervision.

In Italy, Enel has numerous formal committees created in accordance with specific agreements with the representatives of its workers:

> Worker Safety and Health Committee of Enel Distribuzione SpA, which represents 47% of the workers;
> Equal-representation committee on worker training of the Infrastructure and Network Division, which represents 43% of the workers;
> Equal-representation committee of the Generation and Energy Management Division, which represents 17% of the workers;
> Committee for safety at the Torrevaldaliga Nord worksite near Civitavecchia, in Rome province, which represents about 2,800 persons, who constitute 100% of the area (with 130 Enel employees, of whom 21 are dedicated to workplace safety);
> Meeting pursuant to article 11 of Legislative Decree 626/94, which is attended by the employer (or a representative of the latter), the head of the Prevention and Protection Service, the Competent Doctor, and the representative of the workers for safety, convened at least once a year, represents 100% of the companies in Italy in which Legislative Decree 626/94, which adopts the directives of the E.U., is applied.

LA7

Rate of occupational accidents, disease, days of work lost, and absenteeism, and total number of deaths, broken down by geographical area.

The figures refer to 52,608 workers. The population considered does not include the executives and employees of companies consolidated with the proportional method. The data regarding the workers belonging to contractor firms employed in workplaces managed by Enel are unavailable. Accidents requiring insignificant treatment are not included in the recorded data.

The calculation of the days of absence from work regards solar days and begins on the day after the accident.

The following are the 2007 data, broken down by geographical region:

> Total Enel Group: 1.105 (1.27 in 2006);
> Americas: 1.123 (2.28 in 2006);
> Europe excluding Italy: 0.324 (0.37 in 2006);
> Italy: 1.332 (1.52 in 2006).

The rate of days of work lost because of accidents (LDR) in 2007 breaks down as follows:

> Total Enel Group: 43.79 (51.54 in 2006);
> Americas: 15.085 (42.17 in 2006);
> Europe excluding Italy: 18.46 (20.24 in 2006);
> Italy: 51.81 (60.41 in 2006).

The absenteeism rate (AR) – the number of days of absence from work (excluding leaves for vacations, family reasons, study, maternity/paternity) with respect to the total number of work days, multiplied by 200,000) – is 10,146, compared to 10,078 in 2006.

There was one fatal occupational accident – an automobile accident abroad at the Qatar branch of Enelpower – with respect to 52,608 employees.

The data reported regard 2007 and are calculated as they were last year, in accordance with the ILO Code of Practice on Recording and Notification of Occupational Accidents and Diseases.

The data regarding previous years, which were calculated according to the

method formerly used, are available in the "These are the numbers" section of this document and in the Sustainability Report of the year concerned.
The index of accident frequency at Enel went from about 9.46 in 2004 to 8.16 in 2005, 6.38 in 2006, and 5.53 in 2007, with a reduction of 41% in the four-year period (in Italy alone, it went from 9.53 in 2004 to 8.7 in 2005, 7.59 in 2006, and 6.68 in 2007). The seriousness index, on the other hand, decreased from about 0.30 in 2004 to 0.27 in 2005, 0.26 in 2006, and 0.22 in 2007, with a reduction of about 37% in the four-year period (in Italy alone, it went from 0.31 in 2004 to 0.28 in 2005, 0.30 in 2006, and 0.26 in 2007), with a total of 514 accidents (a decrease of about 16% with respect to the previous year and all of 48% with respect to 2004).
As far as the workers of contractor firms during the execution of works on behalf of Enel, an improvement was recorded in 2007, with a sharp decrease in serious and fatal accidents (38 cases in 2004, 19 cases in 2005, 22 cases in 2006, and 15 cases in 2007 – 1 fatal and 14 serious), the result of constant supervision on work sites, an attentive coordination process, and the choice of increasingly qualified contractors.
The occupational disease rate (ODR) is not available. However, a common process that enables the figure to be calculated at the Group level is under study.

SAFETY

KPI	UM				%		Companies concerned
		2007	2006	2005	2007-2006	2007-2006	
Serious and fatal employee on-the-job accidents							
Employee on-the-job accidents	(no.)	12	18	15	-6	-33.3	Enel (1)
Fatal accidents	(no.)	1	1	4	-	-	Enel (1)
Serious accidents	(no.)	11	17	11	-6	-35.3	Enel (1)
Frequency index	(no.)	5.5	6.4	8.2	-0.8	-13.3	Enel (1)
Lost-time injuries frequency rate	(ind)	1.105	1.270		-0.2	-13.0	Enel (1)
Accident seriousness index	(no.)	0.22	0.26	0.27	-0.04	-15.2	Enel (1)
Absence from work because of accident rate	(ind)	43.79	51.54		-7.75	-15.0	Enel (1)
Safety expenditure per employee (2)	(euros)	1,044	929	842	115	12.4	Enel (3)
Health inspections	(no.)	22,581	23,103	23,760	-522	-2.3	Enel (3)
On-the-job accidents of contractor and other workers							
On-the-job accidents of contractor workers	(no.)	15	22	19	-7	-31.8	Enel (1)
Third-party accidents	(no.)	88	94	76	-6	-6.4	Enel (1)

(1) Excluding Endesa, Russia, EUFER, and Greece.
(2) Excludes executives.
(3) Excluding Endesa, Russia, France, Greece, Viesgo, and branches for 2007 and Russia, France, and branches for 2006.

LA8

Programs of education, training, advice, prevention, and risk control regarding serious disturbances or disease to assist workers, their families, and communities.

The Supplementary Health Care Fund for Employees of the Enel Group (FISDE) was instituted in accordance with an agreement between Enel and the electricity industry labor unions in March 1997 as the Fund for Enel Personnel.
There are essentially three areas in which the Fund operates to assist its members:

> direct and indirect reimbursement of members for health care supplementing that provided by the National Health Service;
> assistance to members who are disabled or constitute a social emergency (such as, for example, drug addiction, alcoholism, maladjustment);
> preventive medicine.

With regard to preventive medicine, the main initiatives of the FISDE were the campaign for the prevention of tumors through an agreement with the Italian

Association for the Fight against Tumors (LILT) and the campaign for the prevention of cardiovascular disease in accordance with an agreement with the National Association of Hospital Cardiologists (ANMCO).
As an alternative to participation in the programs of prevention established with the LILT and the ANMCO, FISDE members may use the services supplied by the health care market that are provided for by the protocols for the prevention of tumors and cardiovascular disease and request reimbursement from the Fund within the established limits of expenditure.
As far as the disabled are concerned, the FISDE pays for a diverse series of services – services to individuals, financial contributions, membership services and activities – for those enrolled in the Fund for the Disabled.
The services to individuals are aimed at improving the quality of life of the individual concerned, including more satisfactory integration in the various social networks to which he or she belongs, such as, for example, a school or workplace.
The goal of the financial contributions is to supplement the family's purchasing power with regard to social and health services and the acquisition of equipment that will improve the quality of life of the disabled person.
The membership services and activities are cultural, recreational, and sports initiatives decided by the Board of Directors and addressed to the entire community of the enrolled. Among the activities in question, particular mention should be made of the training courses addressed to the parents of young disabled people.
The protocol for initiatives for members also provides for special programs of assistance.

	Education/Training		Counseling		Prevention/ Risk Control		Treatment	
Recipients	YES	NO	YES	NO	YES	NO	YES	NO
Workers	■		■		■		■	
Workers' families		■	■			■	■	
Community members		■		■		■		■

Enel workers who are potentially exposed to particular risks are:
> those exposed to ionizing radiation;
> those who work in power stations with a high risk of accidents, as defined in Italy by Legislative Decree 334/99 ("Severo Bis") and by similar laws directly adopting regulations of the E.U. or international standards;
> in general, those who work in operating areas of production and distribution.

Currently there is a strong process of alignment between Italy and companies abroad, both from the organizational point of view and with regard to on-the-job safety, through the application of the Health and Safety Policy aimed at the prior assessment of the sources of risk in workplaces. In this regard, existing local conditions and the regulations in force are taken into consideration.
A comparative framework showing the uniformity, comparability, or equivalence of all the geographical areas concerning the Group is being developed. A further extension of the operative phases begun in 2007 is planned for 2008.

LA9
Formal agreements with the labor unions regarding health and safety.

Enel also has agreements with the labor unions regarding the health and safety of workers:
> National Collective Bargaining Agreement (CCNL) for workers in the electricity industry in accordance with national and local regulations;
> equal-representation committees;
> collective agreements;
> observance of E.U. Directives, where applicable.

The agreements regulate matters such as:
> individual protection systems (DPI);
> management-worker health committees;
> education, information, and training;
> complaints;
> the right to refuse unsafe work;
> the right to periodical inspections (the representatives of the workers for safety – RLS – may carry inspections of workplaces in accordance with article 19 of Legislative Decree 626/94).

There are also global-level agreements on:
> conformance with ILO standards;
> equal-representation bodies for resolving particular problems;
> commitment to and observance of performance objectives and standards.

The revision of the agreements for workers' representatives in Italy is in progress.

TRAINING AND EDUCATION

LA10
Average number of annual hours of training per employee, broken down by employee category.

In 2007, training activity increased, both in absolute values and in terms of training per employee.
The most important news on this front regards the birth of the dedicated internal organization Enel University. It integrates the use of three essential levers for increasing human capital: selection, training, and knowledge management. This allows veritable career paths to be created for the Group's employees, right from the time they are hired, through training that is consistent with their profile and their professional development. In addition to its attention to newly hired young people, the objective of Enel University is to facilitate the transmission, maintenance, and development of technical knowledge, whether already explicit or still implicit.
In terms of knowledge management, a number of practice communities are active. Using the corporate intranet, they share and transfer data, documents, and information. In 2007, our effort focused on creating cross-department and cross-country initiatives. An example is the "safety at all latitudes" community, which brings together all those in the Group who work on safety issues in order to share key performance indicators and best practices.

Particular attention is also given to making the most of and developing the ideas of employees through the "Eureka! An idea for energy" project. An in-house competition led to the selection of 6 particularly innovative ideas to develop in cooperation with universities.
To assist Enel's transition to a multinational company by developing distinctive capabilities and excellent resources, in 2007 the Cross Cultural Center was created for the development of a professional culture based on shared values that is respectful of local cultures and open to change. Its activities concern three areas: the development of an intercultural approach through training aimed at enabling employees to perform their jobs successfully in a context characterized and driven by diversity; language learning, through the strengthening of the system of analyzing needs, the planning of a personalized curriculum according to the different roles, and the introduction of a common corporate system for classifying the levels of knowledge of languages; a professional translation service, with the establishment of a common glossary and the coordination of external firms certified for the services of translating and interpreting.
Training was begun in 2007, and will continue in 2008, on the new Leadership Model so that employees can appropriate it and translate it into organizational conduct based on it. The SEEDS (Self Empowerment & Development Strategy) training program addressed to 800 supervisors constitutes the first initiative in this direction.
Enel University also promoted "Orienta: Innovation, Internationalization, and Complexity", a series of lectures followed by discussion to foster the development of a culture of innovation within the international context, facilitate active and proactive discussion between Enel's top management and authoritative economic, political, and social figures on the international scene, provide diverse ways of looking at the context in order to facilitate the interpretation of the signals it sends, and develop the ability to identify intangible connections between one's own organization and the market in order to make decision-making quicker.
The events are held every three or four months and are addressed to the top management and department heads. They last 2 hours: one hour dedicated to the lecture, followed by an hour of discussion. The underlying theme of all the events regards the two main ideas of the project: internationalization and innovation. There is always a technical coordinator and a moderator to enliven the discussion between the lecturer and the audience.

For the companies abroad, see the comment on the HR3 indicator on p. 143.

Total hours dedicated to training by process area (Italy)	
Main process area (GEM)	420,733.00
Main process area (Infrastructure and Networks)	308,419.20
Sector area (Sales)	113,557.74
Staff area (Parent Company Services)	253,363.67
Total	**1,096,073.61**

Average number of hours of training per employee (Italy)	
Main process area (GEM)	44.58
Process area (Infrastructure and Networks)	12.99
Sector area (Sales)	23.04
Staff area (Parent Company and Services)	49.71

KPI	UM	2007	2006	2007-2006	% 2007-2006	Companies concerned
Average number of employees by process area						
Sales	(no.)	4,928	5,488	-560	-10.2	Italy
Generation and Energy Management	(no.)	9,443	9,633	-190	-2.0	Italy
Infrastructure and Networks	(no.)	23,750	25,389	-1,640	-6.5	Italy
Parent Company, Services and Other areas	(no.)	5,092	5,148	-56	-1.1	Italy
Total	**(no.)**	**43,212**	**45,658**	**-2,446**	**-5.4**	**Italy**
Total hours dedicated to training by process area						
Sales	(,000 h)	113.6	117.1	-3.6	-3.0	Italy
Generation and Energy Management	(,000 h)	420.7	290.3	130.4	44.9	Italy
Infrastructure and Networks	(,000 h)	308.4	564.2	-255.8	-45.3	Italy
Parent Company, Services and Other areas	(,000 h)	253.4	106.1	147.3	138.9	Italy
Total	**(,000 h)**	**1,096.1**	**1,077.7**	**18.4**	**1.7**	**Italy**
Average annual number of hours of training per employee						
Sales	(h)	23.04	21.34	1.70	8.0	Italy
Generation and Energy Management	(h)	44.55	30.14	14.41	47.8	Italy
Infrastructure and Networks	(h)	12.99	22.22	-9.24	-41.6	Italy
Parent Company, Services and Other areas	(h)	49.76	20.60	29.16	141.6	Italy

LA11

Programs for managing expertise and for promoting progressive training/refresher courses to support the ongoing development of employees and the management of the final phase of their careers.

With its creation of the internal organization Enel University, Enel set itself the objective of developing the technical and managerial capabilities of the various professional families. In this direction, there are modular training programs aimed at updating specific knowledge (such as the courses regarding the professional family of human resources) and others aimed at managerial capabilities, team leadership, interaction in complex organizational contexts, and communication. Institutional training punctuates and accompanies the professional growth of employees, providing on each occasion courses aimed at the specific professional needs at a given time and at the areas needing improvement as shown by the performance evaluations.

Specifically, 2007 saw the first edition of the Junior Enel Training International, which is addressed to young, recently hired university graduates from the different countries where the Group is present.

See also LA10 comment on p. 131.

LA12

Percentage of employees who regularly receive evaluations of their performance and the development of their career.

As far as personnel-management policies are concerned, 2007 is characterized as a year of "transition", that is, a year in which there was a great effort to rethink the models, methods, instruments, and timing of the evaluation of performance and career development. For this reason, the percentage is not available.

Two significant initiatives highlighted new approach: the results of the 2006 Atmosphere Study and the codification of the new Leadership Model:

> The Atmosphere Study showed how complementary the need to assess and develop the Group's professional expertise is to the need of individuals and the specific populations to know their value and prospects. This assessment should be made as transparent and explicit as possible and with great concern for meritocracy.

> The new Leadership Model renews the corporate managerial style and represents a model of identification to which the different populations compare themselves and according to which they are assessed with regard to their role and responsibilities.

Both of these initiatives contributed to the creation of the new Talent Management and Performance Management systems.
Beginning in 2009, these new systems will see the annual involvement of all Italian employees except blue-collar workers (and no longer only management and middle management).

As far as the assessment activity carried out in Italy is concerned, 2007 saw the carrying out of the ordinary MBO process (about 850 people) and the new AOL-Assessment and Orientation online project (about 200 people), which was addressed to the "young" target of the new Talent Management system. Specifically, AOL involved young university graduates between 25 and 32 years of age with two or three years of corporate experience. The initiative, which will be extended to the Group companies abroad, constitutes an occasion to make a structured assessment of the quality of their integration and to understand their professional orientation, with the objective of formulating a new professional agreement and establishing an appropriate future-oriented development plan.

The employees of ENA, ELA, Enel Panama, EUFER, and the companies present in Bulgaria regularly receive evaluations of their performance and development. Beginning in 2008, an evaluation process for management will be introduced in all subsidiaries in accordance with the new performance management system.

	Content	UM	Italy	Abroad
Personnel evaluated	Personnel with capabilities evaluation (at least one a year)	(%)	2.5	13.7
Persons evaluated		(no.)	1,045	1,788
Executives evaluated		(no.)	433	53
Supervisors evaluated		(no.)	414	142
White-collar workers evaluated		(no.)	198	429
Blue-collar workers evaluated		(no.)	-	1,165

DIVERSITY AND EQUAL OPPORTUNITY

The Equal Opportunity Committee has been active at Enel since 1989. It consists of members appointed by both the Company and the labor unions, and is committed to disseminating the value of diversity and putting into practice the principle of "nondiscrimination", which is also referred to in the corporate Code of Ethics.

Over the years, the Committee's activities have aimed at ensuring concern for equal opportunity in the various aspects of resource management: from pay and training to internal communication, leadership development, and work-life balance.

In addition, the Committee has worked in numerous international partnerships, including the European Social Dialogue, to identify good practices for policies regarding equal opportunity and diversity, which then were published in a practical guide for Eurelectric (Union of the Electricity Industry), the European Federation of Public Service Unions (EPSU), and the European Mine, Chemical and Energy Workers' Federation (EMCEF).

During 2007, the work done in the context of the European Union was subsequently supplemented by the Committee in an international project in order to photograph the situation in the Enel companies with regard to diversity and equal opportunity, laying the foundation for networking and the exchange of experiences in line with the internationalization of the Group's activities.

Limited in the initial phase to the Enel companies in Italy, Romania, Slovakia, and Bulgaria, the project uses a questionnaire produced by a team of international experts to collect information and numerical data. In addition to recording the characteristics of employees (number, education, organizational and pay level), this instrument goes into the legislation of each country with regard to equal opportunity, regulations, and corporate policies concerning the selection, management, and development of personnel.

The results of the project will be presented, together with proposals for initiatives to be undertaken, during the first half of 2008.

The European Commission declared 2007 the European Year for Equal Opportunity for everyone. As part of the initiatives proposed by the member states, Enel joined the trial of a system, promoted by the Italian Labor and Social Security Ministry, of certifcation for companies that adopt non-discrimination policies.

The "Pink Stamp S.O.N.O. Same Opportunities New Opportunities" project, which is open to all companies, both public and private, is aimed at developing policies for quality employment for women, the regularization of jobs in the underground economy, and the removal of obstacles and discrimination that determine pay differences.

Begun in 2007, the project will continue in 2008 through a comparison with similar experiences in the European Union in order to start up virtuous processes for cultural change in firms and specifically to promote equal pay, conciliation policies, and stabilization processes.

LA13

Composition of the governing bodies of the company and breakdown of employees by gender, age, protected category and other indicators of diversity.

The Board of Directors of Enel SpA consists entirely of men. Detailed information on the corporate governance system is available in the Annual Report, which is available at: www.enel.it/azienda/en/investor_relations.

KPI	UM				%		Companies concerned
		2007	2006	2005	2007-2006	2007-2006	
Age							
Average	(years)	43.3	45.8	45.2	-2.5	-5.4	Enel (1)
Under 35	(%)	14.6	13.8	13.2	0.8	5.9	Enel (1)
From 35 to 44	(%)	27.7	27.6	27.0	0.1	0.5	Enel (1)
From 45 to 54	(%)	45.0	45.8	48.5	-0.8	-1.9	Enel (1)
From 55 to 59	(%)	11.8	11.9	10.6	-0.1	-0.6	Enel (1)
Over 60	(%)	0.9	0.9	0.8	0.0	-3.5	Enel (1)
Years at Enel							
Average	(years)	19.1	21.6	20.7	-2.5	-11.7	Enel (1)
Less than 10	(%)	18.2	18.8	17.6	-0.6	-3.1	Enel (1)
From 10 to 19	(%)	27.0	27.2	26.4	-0.2	-0.7	Enel (1)
From 20 a 29	(%)	33.7	31.0	32.2	2.7	8.6	Enel (1)
From 30 to 34	(%)	19.8	21.2	21.4	-1.4	-6.4	Enel (1)
More than 35	(%)	1.3	1.8	2.4	-0.6	-30.5	Enel (1)

(1) Excluding Endesa, Russia, France, Greece, Viesgo, and branches for 2007 and Russia, France, and branches for 2006.

KPI	UM	Executives	Supervisors	White-collar workers	Blue-collar workers	Total	Companies concerned
Age (2007)							
Under 35	(%)	2.3	6.4	10.8	19.6	13.1	Italy
From 35 to 44	(%)	28.8	36.2	28.8	18.3	26.1	Italy
From 45 to 54	(%)	44.3	42.5	48.0	47.7	47.4	Italy
From 55 to 59	(%)	19.3	12.9	11.7	13.9	12.6	Italy
Over 60	(%)	5.3	1.9	0.7	0.5	0.8	Italy
Under 35	(no.)	11	241	2,610	2,604	5,466	Italy
From 35 to 44	(no.)	137	1,363	6,934	2,435	10,869	Italy
From 45 to 54	(no.)	211	1,599	11,554	6,332	19,696	Italy
From 55 to 59	(no.)	92	487	2,818	1,845	5,242	Italy
Over 60	(no.)	25	72	157	67	321	Italy
Years at Enel (2007)							
Less than 10	(%)	40.1	23.9	12.0	18.2	15.4	Italy
From 10 to 19	(%)	21.0	25.4	26.0	21.7	24.5	Italy
From 20 to 29	(%)	25.4	32.7	38.2	33.1	35.9	Italy
From 30 to 34	(%)	12.2	15.9	23.0	26.5	23.3	Italy
Over 35	(%)	1.3	2.2	0.9	0.4	0.9	Italy
Less than 10	(no.)	191	898	2,877	2,423	6,389	Italy
From 10 to 19	(no.)	100	954	6,255	2,887	10,196	Italy
From 20 a 29	(no.)	121	1,230	9,188	4,399	14,938	Italy
From 30 to 34	(no.)	58	598	5,533	3,522	9,711	Italy
Over 35	(no.)	6	81	221	52	360	Italy

KPI	UM	2007	2006	2007-2006	% 2007-2006	Companies concerned
Male employees	**(no.)**	**44,220**	**48,678**	**-4,458**	**-9.2**	**Enel** (1)
Executives	(no.)	500	610	-110	-18.0	Enel (1)
Supervisors	(no.)	3,549	3,983	-434	-10.9	Enel (1)
White-collar	(no.)	21,089	22,606	-1,517	-6.7	Enel (1)
Blue-collar	(no.)	19,083	21,479	-2,396	-11.2	Enel (1)
Incidence of male employees	**(%)**	**83.5**	**83.9**	**-0.4**	**-0.5**	**Enel** (1)
Female employees	**(no.)**	**8,721**	**9,330**	**-610**	**-6.5**	**Enel** (1)
Executives	(no.)	69	75	-6	-8.0	Enel (1)
Supervisors	(no.)	834	828	6	0.7	Enel (1)
White-collar	(no.)	7,092	7,620	-528	-6.9	Enel (1)
Blue-collar	(no.)	726	807	-81	-10.0	Enel (1)
Incidence of female employees	**(%)**	**16.5**	**15.9**	**0.5**	**3.4**	**Enel** (1)
Female supervisors/executives	**(%)**	**17.6**	**16.2**	**1.4**	**8.7**	**Enel** (1)
Disabled employees/protected categories	**(no.)**	**2,387**	**2,645**	**-258**	**-9.8**	**Italy**

(1) Excluding for 2007 Endesa, Russia, France, Greece, Viesgo, and branches and for 2006 Russia, France, and branches.

LA14

Ratio of base salary of women to that of men in the same category.

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Women's gross yearly pay as % of men's (average)							
Executives	(%)	84.8	86.0	-	-1.2	-1.4	Italy
Supervisors	(%)	92.4	91.4	-	1.0	1.1	Italy
White-collar workers	(%)	91.2	91.2	-	0.0	0.0	Italy
Blue-collar workers	(%)	90.7	91.7	-	-1.0	-1.1	Italy

29,734

hours of training on human rights

- 16 violations of the Code of Ethics
- Protocol with the trade unions on Corporate Social Responsibility
- Startup of the "Green Procurement" project

HR - Human Rights Performance Indicators

GRI-G3: Disclosure on Management Approach

Since 2002, Enel has applied its Code of Ethics, which expresses the Company's commitments and ethical responsibilities in the conduct of its business. Specifically, with regard to the defense of human rights, Enel avoids any kind of discrimination based on age, gender, sexual preferences, health, race, nationality, political opinions, or beliefs. It ensures the safeguard of its employees as physical and moral beings, working conditions that respect individual dignity, and safe and healthy work environments, and does not tolerate demands or threats aimed at inducing people to act against the law or the Code of Ethics or to act in ways that offend an individual's moral and personal preferences and convictions.
The Code of Ethics is binding for the actions of all employees, and all affiliated and allied companies, as well as the Group's main suppliers, are required to act in accordance with the general principles expressed therein.
The Ethical and Fraud Audit Unit, which is part of Enel SpA's Auditing Department, is entrusted with the task of checking the application of and compliance with the Code through the analysis and assessment of the risk control process, as well as the task of receiving reports of violations and carrying out the related investigations.
During 2007, improvements were made in the instruments supporting the analysis, traceability, and certifiability of the management of reports, including anonymous ones, and the related management process was strengthened by the establishment of a specific policy regarding the "Management of reports of alleged fraud and violations of the Code of Ethics".

The policy

> confirms that the behavior of whoever holds a position as the head, or in any case, coordinator, of resources must represent an example and provide leadership in accordance with the Code of Ethics and the Zero Tolerance of Corruption Plan;
> states that every violation of the Code of Ethics and the other reference regulations must be promptly brought to the attention of the Head of Auditing, even if there is only a suspicion, so that the latter can investigate and report to the Internal Control Committee;
> guarantees absolute confidentiality regarding the identity of the whistleblower and immunity of the same from reprisals, illicit pressures, embarassment, and discrimination of any kind;
> provides stakeholders and/or anyone else who intends to report an alleged violation of the Code of Ethics with a specially provided channel dedicated to both signed and anonymous reports.

In 2007, there were 16 ascertained violations of the Code of Ethics, distributed as follows according to the process concerned:
> Network connection, operation, and maintenance: 5;
> Customer management: 5;
> Credit management: 2;
> Metering: 1;
> Contract, materials, and logistics management: 1;
> Asset and real estate services management: 1;
> Worksite management: 1.

Following the ascertainment of the violations, the Ethical and Fraud Audit Unit appropriately informed the process owners involved and requested them to adopt specific corrective measures.

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Implementation of the Code of Ethics							
Total reports received	**(no.)**	**87**	**85**	**28**	**2**	**2.4**	**Enel**
Shareholders	(no.)	2	-	-	2	0.0	Enel
Customers	(no.)	38	30	13	8	26.7	Enel
Employees	(no.)	36	32	8	4	12.5	Enel
Public at large	(no.)	3	14	3	-11	-78.6	Enel
Suppliers	(no.)	8	9	4	-1	-11.1	Enel
Total violations of the Code of Ethics	**(no.)**	**16**	**28**	**2**	**-12**	**-42.9**	**Enel**
Action taken for violations of the Code of Ethics	**(no.)**	**16**	**n.a.**	**n.a.**	**16**	**0.0**	**Enel**
for corruption	(no.)	-	n.a.	n.a.	0	0.0	Enel
for mobbing	(no.)	1	n.a.	n.a.	1	0.0	Enel
for inappropriate use of corporate means/instruments	(no.)	1	n.a.	n.a.	1	0.0	Enel
for other reasons	(no.)	14	n.a.	n.a.	14	0.0	Enel
including dismissals	(no.)	1	n.a.	n.a.	1	0.0	Enel

Over the years, the Code of Ethics has been extensively disseminated internally through specific information and training campaigns in all the companies of the Group.

In addition, in order to strengthen the policy it has established with regard to social responsibility and the care of human resources, in 2007 Enel and the Italian labor unions drafted a specific Protocol on Corporate Social Responsibility, which will be formalized in 2008, with the intention of extending its signing to the federations of E.U. unions.

Among the principles established in the Protocol, which the parties undertake to observe, are the:

> Tripartite Declaration of the ILO;
> freedom of association, and real recognition of the right of collective bargaining (ILO Convention 87 and 98);
> no discrimination with respect to workers' representatives (ILO Convention 135);
> prohibition of any kind of forced or obligatory labor (ILO Convention 29 and 105);
> prohibition of child labor (ILO Convention 138 and 182);
> prohibition of discrimination with regard to employment and profession (ILO Convention 100, 159 and 111);
> a constant effort to improve the conditions of safety and health in workplaces (ILO Convention 155, 167, 174 and 187);
> and professional orientation and training to enhance human resources (ILO Convention 142).

Ways of implementing the Protocol include achieving a consensus on values and strengthening bilateral instruments with regard to sustainable development and environmental strategy, work safety and health, training, people care, equal opportunity, social dialogue, and industrial relations, as well as monitoring the application and observance of the Protocol by the Enel Committee on Industrial, Employment, and Environmental Policies, a body on which management and unions have equal representation.

INVESTMENT AND PROCUREMENT PRACTICES

During 2007, Enel started up the "Green Procurement" project to implement "green" purchasing policies in supply, work, and service contracts.

In the first phase, the project required suppliers to fill out a questionnaire on the perception and dissemination of the issues in their firms and concerned 20 procurement categories, from the Company's core business (work on high-, medium-, and low-voltage) to services and IT products (furnishings, cleaning, personal computers, printers).

In particular, the survey aimed to determine:
> the awareness of the environmental risk connected with supplies by measuring the levels of awareness and the degree of integration of environmental issues in the procurement strategies of the supplier firms;
> the knowledge of the level of dissemination and application of green procurement in supply policies and processes;
> the perception of the risk/opportunity connected with green procurement and the incentives that facilitate or hamper its introduction and dissemination.

The preliminary activities regarding the introduction of green procurement included the selection of a first sample of procurement groups (30) and the updating of the rules that enable suppliers/contractors to obtain qualification or to tender regarding the groups included in the project.
In order to produce green procurement reports, beginning with the data of 2007 the specifications of the control model were established. The potential award of "green" contracts amounts to about 500 million euros a year.
Furthermore, in order to assess the environmental sustainability of its suppliers, Enel prepared a questionnaire on the perception and dissemination of environmental issues in such firms. The survey regarded 9,500 suppliers and the high percentage of those interviewed who responded (40%) constituted a good signal of sensitivity.

HR1
Percentage and total number of significant investment agreements that include clauses on human rights or that are subjected to a related screening.

All agreements regarding acquisitions include specific clauses concerning:
> acknowledgment and acceptance of Enel's Code of Ethics;
> an explicit guarantee by the seller with regard to his observance of the laws and provisions that regulate employment relations;
> an explicit guarantee by the seller with regard to his observance of laws and regulations for the protection and safeguard of the environment;
> an explicit guarantee with regard to the observance of the laws for the protection of workers.

First-level Enel managers have been explicitly urged to not undertake cooperation agreements or investigations regarding acquisitions and mergers if they have not verified that the third party concerned accepts Enel's Code of Ethics.
The clause regarding Enel's Code of Ethics is now included in most of the agreements the Company enters into.
Since 2006, we have included this clause and everything that has already been specified in the HR1, HR5, HR6, HR7, and HR8 comments in all agreements regarding the acquisition of CER (Certified Emission Reductions).
These clauses are also included in supply and service agreements with third parties that are based in less developed countries or in countries that present specific risk areas. Furthermore, supply and service contracts generally require observance of laws, regulations, and obligatory provisions established by the relevant authorities concerning the activities carried out, the materials employed, employment contracts, and on-the-job health and safety.
Finally, the Code of Ethics – which expresses the commitments and ethical responsibilities in the conduct of the Company's business and other activities and is based on specific principles of respect for and defense of the individual – is applied to all subsidiaries.
In effect, the related Boards of Directors are requested to adopt the Code of Ethics and the ZTC Plan with a special resolution during their first meeting after the acquisition (for details, see p. 39 of this Report).

HR2

Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.

All contracts, regardless of their value or the subject matter, contain a so-called "general information" clause that makes Enel's adoption of a Code of Ethics explicit. Furthermore, contract-work contracts contain a clause that obliges the contractor to apply the National Collective Bargaining Agreement to the workers it employs and to comply with the regulations regarding on-the-job health, safety, and hygiene, as well as wage, insurance, and pension obligations.
In 2002 the Company introduced a rule that provides for the acceptance of specific ethical clauses regarding human rights (prohibition of child and forced labor, freedom of association and of union activity, prohibition of discrimination, safety and environmental-protection obligations) at the tender stage and/or at the stage of signing contracts with suppliers that do all or part of their business in "countries at risk".
Furthermore, if it seems advisable, Enel provides for the possibility of adopting the aforesaid rule in cases that do not involve the "supplies at risk" mentioned above.
Since 2001, all procurement contracts (awarded following tenders in accordance with the E.U. regulations) have contained a special clause forbidding the exploitation of child labor, which provides for the rescission of the contract in case of violation.
See also the comment on the EC6 indicator on p. 61.

HR3
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.

For the calculation of this indicator, training regarding the Code of Ethics, Corporate Social Responsibility, and Safety for Enel Personnel was considered.
Total number of hours dedicated to personnel training (see LA10): 1,096,073.
Number of hours dedicated to training on policies and procedures regarding aspects of human rights that are significant for activities: 29,734 (370,759 when training dedicated to safety is included).
The Group companies located abroad are completing their campaigns for training Enel personnel (data not available).
In 2007, employees of the companies located outside Italy were able to access the distance-learning course on the Code of Ethics, which had been adopted by their company, with more than 4,200 persons (out of a total of 5,500) participating. For workers who do not have a personal computer at their disposal and others who were not able to access the online course, on-the-spot training was arranged. For the companies acquired before 2008, this training campaign on the Code of Ethics is scheduled to end by the end of 2008.

NON-DISCRIMINATION

HR4
Total number of incidents of discrimination and actions taken.

There were no incidents in the period concerned (2005, 2006, and 2007).

FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

HR5
Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.

The non-E.U. countries at "ethical risk" with which Enel has supply relations are identified by referring to the information contained on the ILO website, supplemented by the evaluations of the FTSE4GOOD Advisory Committee and the research carried out by the Ethical Investment Research Service (EIRIS), whose partners include international research organizations such as the Investor Responsibility Research Center.
Normally, all acquisition agreements contain an explicit clause regarding the seller's obligation to specifically observe the laws on employment.
The following are examples of clauses inserted in such contracts.

Employees

"You undertake to apply to the personnel involved in executing the order conditions regarding regulations and wages that are not inferior to those contained in the collective bargaining agreements in force at the time and in the places where the activities are carried out, as well as to duly meet your obligations regarding health insurance and everything else required by the laws, regulations, and rules in force.
Absent provisions of the law and collective bargaining agreements, you must apply the usages of the single professional categories concerned".

Union freedom

"You must ensure workers, without distinction, the right – without prior authorization – to establish trade union organizations of their choosing and to join these organizations in accordance with the latter's bylaws".

Prohibition of discrimination, abuses, and harassment

"You undertake to treat your employees with dignity and respect, and to not use any form of physical, moral, sexual, psychological or verbal violence against them. Furthermore, you must not discriminate against employees on the basis of their race, age, gender, sexual preferences, religion, nationality, social or ethnic origin, disability, union membership, or political affiliation".

CHILD LABOR

HR6

Operations identified as having significant risk for incidents of child labor, and measures taken to contribute to the elimination of child labor.

See the preceding comment concerning the identification of transactions at risk.
Normally, all procurement contracts include an explicit clause regarding the seller's obligation to specifically observe laws on employment.
The following is an example of the clause that is inserted in such contracts.

Child labor

"You undertake to not employ in the process, either direct or indirect, of your business, any person whose age is less than the minimum one established by the legislation of the country in which such activities are to be carried out.
In any case, whatever kind of work is assigned, it must not compromise the health, safety, or morality of minors, the term "minor" referring to any person who is less than 18 years old.
Furthermore, you must keep at Enel's disposal registers and/or documents that must show the personal data of all your employees who are less than 18 years old".

FORCED AND COMPULSORY LABOR

HR7
Operations identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of forced or compulsory labor.

See the preceding comment concerning the identification of transactions at risk. Normally, all procurement contracts include an explicit clause regarding the seller's obligation to specifically observe laws on employment.
The following is an example of the clause that is inserted in contracts.

Forced labor

"You undertake to not use any kind of forced or obligatory labor, i.e. labor performed by persons under the threat of any kind of punishment, who have not spontaneously offered to perform it (inmates, etc.). Nor shall you ask employees to 'deposit' money or documents when they begin their employment for the purpose of retaining them against their will".

SECURITY PRACTICES

HR8
Percentage of security personnel trained in the organization's policies or procedures concerning aspects of human rights that are relevant to operations.

In protecting its assets and human resources, Enel is guided by the principles contained in its Code of Ethics. For this purpose, it employs about 40 people in security who, among other things, receive specific training regarding how they should act in performing their duties. Both in Italy and abroad, however, guards are employees of other companies, to which – after investigating their qualifications – Enel entrusts external security tasks through contracts that regulate their services. Among other things, such contracts provide for rules of conduct marked by respect for and protection of the rights of the persons who work for the companies.
Enel intends to ensure that the companies in countries outside Europe to which it entrusts the aforesaid tasks provide appropriate and specific training on aspects regarding the respect of human rights.

INDIGENOUS RIGHTS

HR9
Total number of incidents of violations involving rights of indigenous people and actions taken.

None.
With regard to the observations made in the 2006 Sustainability Report (p. 109) by the people in the area of Empresa Electrica Panguipulli SA regarding the management previous to Enel's, we report the projects carried out by Enel to improve the conditions and quality of life of the Mapuche families and communities located around the Pullinque power plant.

During 2007, projects were undertaken regarding:
> an increase of livestock and agricultural production;
> education;
> employment;
> communitarian agriculture;
> a social register.

All these projects are planned, implemented, and supervised through the Agrarian Development Agency, a highly professional institution, which for more than thirty years has been successfully dedicated to developments programs to help the native communities of Chile and other Latin American countries through the efficient use of funds provided by governments and not-for-profit organizations.

To implement all the projects included in the Pullinque Development Program, the Agrarian Agency relies on a highly experienced agricultural expert totally dedicated to this work. There is also a part-time expert with more than twenty years of experience of implementing programs agricultural efficiency and working with local families. In addition to the permanent personnel, each project has benefited from the suggestions of specialists.

Thanks to these programs, about eighty families more were reached than in 2006.

PROJECT FOR INCREASING LIVESTOCK AND AGRICULTURAL PRODUCTION

As a result of the implementation of this project, improvements have been achieved in the livestock and agricultural production of these Mapuche families, with healthy animals and a larger harvest than in 2006. Because the families themselves consume most of these agricultural products, it can also be said that in 2007 there was a further improvement in their basic nutrition.
Furthermore, a small part of such production was available to sell at fairs, such as the one at Coñaripe, which attracts many tourists, with a consequent large demand for agricultural products.
The project for improving agricultural and livestock production includes, among other things, the following components.

Model farms

On these farms, the experts of the Agrarian Agency guide the Mapuche in applying techniques for growing vegetables that have contributed to a considerable increase in the productivity of their land, as well as to instructing neighboring groups. That creates benefits for the owner of the land, who keeps what he grows, and helps disseminate the agricultural techniques among the Mapuche in the vicinity.

Creation of greenhouses

As part of this project, conferences with government bodies such as the IDAP have been organized, thanks to which government funds have been earmarked for the construction of greenhouses for growing vegetables. The latter have been connected to the electricity grid and equipped with water tanks and pumps. In these cases, the experts of the Agrarian Agency have taught the Mapuche in the vicinity how to maintain the greenhouses.

Veterinarians

The health program for animals implemented during the year was the result of the medical diagnosis carried out specially for this purpose by several veterinarians, who vaccinated and de-wormed more than 200 cows, pigs, horses, and goats belonging to the Mapuche community.

Rotating funds

Through this mechanism, different kinds of seeds (peas, beans, and mainly potatoes), fertilizers, vaccines, etc. were purchased and distributed to the neighbors. The distribution of these products was carried out according to the numbers of members of each family. Thanks to these resources, it was possible to create more productive activities in the communities. In addition to being a minor fraction of total production, these rotating funds are consistent with the concept of self-sufficiency, which has already reached a good level among the members of the community. With the revenue from 2007 and 2008, this will make it possible to extend these benefits to more Mapuche families. It is clear that greater storage capacity will needed to conserve these payments before they are allocated to other communities.

PROGRAM FOR EDUCATION

This is an important aid program to make the level of education proportionate to the degree of development and economic independence.
This program supported families financially through the contribution of money to 27 school-age children in the Mapuche community.
The distribution of the money is monthly and began following a social and economic evaluation carried out with professionals in the field, privileging children who had the greatest need, but also establishing scholastic performance parameters for maintaining the financial support. The monthly payments to the students are part of the upper-level scholarship donated by the Chilean government.
The vast majority of the recipients in 2007 finished the first year of middle school and three the second year. Furthermore, one was enrolled in the seventh grade of elementary school and three were enrolled at the secondary level.

PROJECTS FOR THE PROMOTION OF EMPLOYMENT

All the projects begun emerged as responses of the Enterprise to the needs expressed by the representatives of the Mapuche families and regard two essential points:

> the first concerns the teaching of basic ideas of each subject;
> the second one concerns the management and marketing of each project.

Through these programs groups of community members were formed in different fields of production corresponding to work in which they have a great tradition. During 2007, instruction included the following subjects:

> beekeeping and the production of honey;
> hand-woven wool fabrics;
> furniture making;
> floriculture;
> ethnic tourism.

Only the last kind of employment is not part of their tradition, but was expressly requested by the Mapuche and is a good source of income, given the great natural and scenic beauty of the environment.

Hand-woven wool fabrics

This activity was set up for a group of eight women who are neighbors. During the winter they work with wool thread and various fabrics and during the summer of 2008 they will sell their products at the Coñaripe fair.

Tourism

Tours are organized of places in which interest is rapidly growing. In addition, enough funds were raised to finance the basic infrastructure for a camping site.

Beekeeping project

An expert in the field was hired to carry out a basic analysis in order to identify the infrastructure necessary and the environments for the bees. This project began with five community members, who were later joined by 10 families.

Floriculture

Technical accessories were given to a group of families who are engaged in this kind of work. In addition, small amounts of flowers were grown in greenhouses, mainly with horticultural techniques.

Furniture making

In response to the requests of several members of the community with much experience in this field, visits were organized for them to various furniture stores. This project was re-evaluated in the light of the results of these visits.

COMMUNITY AGRICULTURE PROJECT

In response to a persistent interest of the Mapuche communities, during 2007 the Enterprise acquired 30 acres of land, which will be dedicated completely to the use and benefit of all the members of the Mapuche communities who live around the Pullinque plant. The idea is to establish a productive activity on this land that will contribute to supporting the assistance programs currently in progress. Agricultural specialists and Mapuche community leaders participated in the choice of this land, which is located in an area very close to a main road, with easy access to water and electricity.
In March 2008, specialists were to determine the best use of this land. A project for developing this area based on their opinion will be proposed.

SOCIAL SURVEY

In order to know more about the origin and composition of the Mapuche families, in 2007 a survey was carried out of more than 150 families in the vicinity of the plant. The data already collected will allow a preliminary analysis to be made of the social needs of each Mapuche family and a list to be drawn up of the potential beneficiaries of the Pullinque Development Program.

- 750

meetings with associations representing interest groups

- 61

power plants open to the public

- 91,000 student visitors to Enel plants
- 200 "Energy and Nature" paths

SO - Social Performance Indicators

GRI-G3: Disclosure on Management Approach

Listening to the different components of an ever more complex and varied society constitutes a decisive factor for the industrial strategies of a company like Enel, which is engaged in constructing large-scale infrastructure for energy. In this context, in 2007 the External Relations Department reorganized itself to increase the Company's ability to discuss with the protagonists that, both nationally and locally, can contribute to planning growth that is compatible with the interests of society and local communities. Teamwork among the Department's different Units harmonized the procedures for discussing the demands of different stakeholders. In particular, the Company set up the Great Infrastructure Projects unit for the purpose of the developing and carrying out Enel's great strategic projects within a megacommunity. The task of the Institutional Affairs Unit is to represent Enel's interests and positions to Italian and E.U. institutions with regard to corporate activities and projects, the management of impacts on society, and the latter's approval. In particular, the unit monitors regulations under consideration that could entail a significant impact on the Company's activities at both the national and the E.U. level and, with the assistance of the relevant departments, prepares proposals for amending legislative acts that serve to make the Company's positions known to all those involved.
The approval of local communities is more and more decisive for the success of the strategic projects. Therefore, discussion with local institutions is entrusted to a specific Local External Relations and Confindustria Unit. The latter carries out its assignment by involving the stakeholders in the construction of enduring quality relations through the use of particular instruments, such as the establishment of a common policy based on protocols of understanding and planning agreements. The unit also uses instruments such as position papers, flyers, brochures, corporate presentations, material created ad hoc on specific issues of widespread interest, and newsletters addressed to specific targets, which enable it to provide complete and transparent information on issues that are important for constructing a dialogue.
Relations with associations, which are more and more influential, are handled by the CSR and Relations with Associations Unit, which discusses systematically with the associations that represent consumers, environmentalists, small and medium businesses, and local authorities. Precautionary and cooperative attention to the expectations and needs expressed by these interest groups, combined with appropriate handling of relations, enable the Company to avoid potential problems and to start up projects approved by the aforesaid associations. Among the issues discussed during meetings in the different areas concerned were: the liberalization of the electricity market; the enhancement of the role of research and innovation; joint monitoring and the safeguard of biodiversity; the fuel mix and the potential of bio-fuels; energy efficiency and the development of renewable energy sources; conciliation and the out-of-court settlement of disputes; and the enhancement of cities.
Designed and developed in Italy, the "relationship model" regarding Enel and association, based on a study conducted by the LUISS University of Rome, will gradually be extended to all the countries in which Enel is present.
The Company's relations with local communities are enlivened through Energiaper (Energyfor), a container of projects in six areas: culture, music, science, the environment, educations, and sports. Enel maintains these relations in three ways: actively participating in the life of local communities, promoting new cultural and social initiatives that provide opportunities for the latter to grow, and opening its facilities and making them accessible. Energiaper supports and develops projects for integrated communication in partnership with both public and private institutions and with organizations engaged in the development of local communities. It constitutes a platform for exchange and a driving force of social and cultural development. Through its quest for original cultural initiatives and new languages for communication, scientists, artists,

educators, and prominent figures join Enel to give citizens a prospective and forward-looking view of energy.
Community-oriented projects and initiatives like Energiaper are classified according to the method of the London Benchmarking Group (LBG). This model allows the Company to ensure continuity and consistency between its strategic objectives and social aims by distinguishing four main categories for breaking down Enel's engagement in local communities: largesse, investments in communities, commercial initiatives with a social impact, and socially sustainable initiatives.
With regard to the fight against corruption, Enel was one of the first Italian companies to adopt a compliance program pursuant to legislative decree 231/2001, and in June 2006 it adopted a specific Zero Tolerance of Corruption Plan.

COMMUNITY

SO1

The nature, objective, and effectiveness of any program or activity that assesses and manages the impact of operations on a particular community, including the initial phase of the activity, the operative phase, and the end of operations.

The **Great Infrastructure Projects** unit was instituted at the beginning of 2007 to manage relations with the relevant bodies and, more generally, knowledge about the impact on the environment and health during the implementation of Enel's large-scale infrastructure projects (mega community). In pursuing its activity, the unit makes use of a specific corporate organizational model for the internal coordination of the different departments and units involved in carrying out the project and a decision support system (DSS) designed to support all the activity of managing the mega-community.
In effect, the DSS enables all the people involved to access the information, which is organized by interest group, so as to ensure the appropriate degree of confidentiality of sensitive data, but also ensure that clear and transparent information is made available to the stakeholders concerned.
As far as associations that represent interest groups are concerned, in 2007 750 meetings of various kinds were organized: work tables, closed and public workshops, and one-to-one. The meeting were held with associations representing the four reference categories: environmentalists, consumers, small and medium-sized businesses, and local authorities.
More specifically, as part of relations with consumer associations, the six-month trial period of the *conciliation procedure* based on the conciliation agreement between Enel and 14 such associations began in March 2007. The conciliation procedure is an instrument for settling disputes out of court and is based on the voluntary participation of the parties. Enel is the only large company at the European level that has adopted the conciliation procedure. If consumers are not satisfied after they have sent a written complaint, they may turn to their associations to start the conciliation procedure.
Another of the Company's initiatives in 2007 was the second edition of **Rinnova** (www.enel.it/rinnova/), which constitutes a concrete commitment by Enel and several institutions, associations, and firms selected for their authoritativeness.

It is aimed at fostering discussion with different stakeholders and drawing up operative proposals for the development of renewable energy sources. In order to ensure a long-term, analytical approach, Rinnova established a Reflection Workshop (RinnovaMenti), with the objective of discussing and comparing different points of view on renewable energy, energy conservation, and innovation. At the end of Rinnova 2007 a document entitled "The Green Energy of Rinnova" was issued, in which the Rinnova partners made several operative proposals on which they agreed for achieving the objectives set by the E.U. for 2020 with regard to the planning of goals, technological innovation and new opportunities for enterprises, and the legislative, administrative, and regulatory framework.

The **Sun Days** initiative (www.giornatedelsole.it), which started on March 21 and ended on September 23, 2007, brought together consumers and environmentalists for the first time. As part of Enel's strategy of fostering "virtuous" behavior by its customers in order to conserve energy and increase the use of renewable energy, such as solar photovoltaic, the Company distributed more than 100,000 guides to energy conservation and the use of solar energy, over 150,000 low-consumption light bulbs, and 50,000 water-economizer kits in 25 squares all over Italy, representing 7,700 tons of CO_2 avoided in one year.

In addition, since early 2007 a database for monitoring the main European associations representing interest groups has been active. The database is organized according to the countries where Enel is present – Spain, Slovakia, Romania, Bulgaria, and France – and records the non-governmental organizations for and against nuclear energy.

As part of **Energiaper**, Enel's program that supports and develops communication projects in cooperation with public and private institutions and with organizations engaged in developing local areas, more than 50 projects have brought music, art, science, and sports throughout Italy, promoting a system of direct relations with stakeholders and the public at large.

Energiaper supports innovative cultural projects like **La parola contesa**, a series of nine events in three Italian cities with international interpreters of contemporary culture, who discuss current issues, guided by key words, with Italian scientists. 18 such figures were involved, with more than 9,000 people in the audiences in the 3 host cities (Naples, Rome, Milan).

Another cultural event in which Enel participates is the **Festivaletteratura** in Mantua. In 2007, this city in Lombardy hosted Scintille: 22 brief talks, 27 speakers, about 3,000 participants, to garner ideas and stimuli.

Enel Contemporanea, on the other hand, marks Enel's entry for the first time into the world of contemporary art: three international artists (Angela Bulloch, Jeppe Hein, Patrik Tuttofuoco), three places symbolic of Rome (Ara Pacis, Garbatella, Piazza del Popolo), three times of the year to introduce an innovative use of energy in public art, starting out from Rome and directed towards the world. More than 1,500 people attended each inauguration.

2007 was also the year of celebration of the sculptor Antonio Canova, 250 years after his birth. As part of the Enel series "Ten Great Exhibitions", from October 2007 to February 2008 the Galleria Borghese hosted an exhibition dedicated to him, divided into six sections, with a total of 50 masterpieces on display.

Energiaper also promotes great music. Concerts of young musicians and events organized in cooperation with prestigious institutions like Rome's Auditorium Parco della Musica, the Accademia Nazionale di Santa Cecilia, and the Teatro alla Scala become occasions for interaction with local communities. 2007 saw the first edition of **Intermittenze**, Enel's music project, whose key stylistic feature

is the mixture of different genres, from jazz and pop to singer-composers and electronic music: 4 great concerts featuring 13 musicians, each in a different Italian city, with a total audience of 50,000 people.
2007 also saw the fourth edition of **Energia in Gioco**, with which the Company dedicates itself to its relationship with the most recent generations and the world of education. This initiative enables young people to discover how to use electricity intelligently, without wasting it, and involved more than 545,000 students in 8,000 schools in Italy, Slovakia, Romania, Bulgaria, Chile, Guatemala, and Costa Rica. 91,000 students visited Enel plants and all of 145,000 participated in the competition, where quizzes enabled them to measure the knowledge of science and energy they acquired and creative projects did the same for their ability to conceive and communicate ideas for improving our perception of energy. The initiative took place under the aegis of Ján Figel, a member of the European Commission, who is responsible for Education, Training, Culture, and Youth.
Science as a platform for the exchange of views and dialogue with stakeholders and the public at large is another area of the Energiaper project. **Oxygen**, Enel's scientific magazine, is a concrete instrument for achieving an ambitious objective: to discuss science in a way that is serious but not elitist, clear but not banal. With four issues a year, more than 100 pages, and 5,000 copies per issue, Oxygen intends to be "science for everyone".
Enel's participation in the Veronesi Foundation's annual forum, **The Future of Science**, as well as its support of scientific events such as the Science Festivals of Genoa (with its exhibition on the future of humanity and the world called **Tomorrow**) and Rome (with its **Evening Dialogues**) constitute other important occasions for arousing interest in scientific issues with significant social, economic, and environmental implications.
After culture, music, and science, the environment and consideration of the issues connected with its protection are another essential component of Energiaper.
The protection and enhancement of areas with great natural interest adjacent to Enel's power plants and their transformation into centers of numerous athletic and recreational activities constitute the heart of the **Nature and Local Environments** program. There are more than 200 **Energy and Nature Paths**, which every year attract about 50,000 hikers and bikers. Since 2003, the most significant activities connected with the project have been gathered in a guide – **The Pleasures of Energy** – of which 200,000 copies are printed.
Another way of creating a bond with the local environment and getting the public to know the environmental and technological heritage of the Company's power plants is **Open Power Plants**. The fifth edition was held in 2007, when 61 plants "opened their doors" to the public and offered them a program of numerous cultural, musical, and sports events. About 94,000 visitors took advantage of the more than 150 events organized.
Enel also participates in the national **LittleGreatItaly** festival, promoted by the environmentalist association Legambiente, with initiatives on energy efficiency. The Company distributed 150,000 water economizers with **Loving Italy**, a festive day dedicated to 1,500 small municipalities.
In addition to culture, science, the environment, and education, **Energiaper** is also sports, and in particular the promotion of sports with strong local features. Among the various initiatives: cooperation with Rome's Olympic Stadium for the AS Roma and SS Lazio teams and sponsorship of prestigious sports events

such as the **ATP Tennis Tournament**, **Italy's national basketball teams**, and the **World Swimming Championship**.

In the table, the economic commitment in communities in 2007, reported according to the model of the London Benchmarking Group.

ASSOCIATIONS, INSTITUTIONS, AND MEDIA

KPI	UM					%	Companies concerned
		2007	2006	2005	2007-2006	2007-2006	
Extent of relations							
Meetings with associations	(no.)	750	680	461	70	10.3	Enel (5)
Issues discussed with associations	(no.)	50	45	31	5	11.1	Enel (5)
Corporate image							
Presence index	(no.)	3,378	2,315	3,372	1,063	45.9	Enel (5)
Global Visibility Index	(,000)	1,424	1,238	1,330	187	15.1	Enel (5)
Qualitative Index of Vis bility (from -1 to +1)	(ind)	0.94	0.92	0.93	0.02	2.2	Enel (5)

(5) Excluding Endesa.

INITIATIVES IN FAVOR OF COMMUNITIES

KPI	UM					%	Companies concerned
		2007 (9)	2006	2005	2007-2006	2007-2006	
LBG approach							
Donations to social initiatives							
Largesse expenditure	(mil. euros)	7.3	6.8	8.6	0.5	7.1	Italy
Investment in communities	(mil. euros)	18.3	19.5	12.4	-1.2	-6.4	Italy
Business initiatives with social impact	(mil. euros)	7.8	3.1	2.1	4.7	152.9	Italy
Socially sustainable business initiatives	(mil. euros)	0.2	0.2	0.8	0.0	26.1	Italy
Total (largesse + investment)	(mil. euros)	33.6	29.6	23.8	4.0	13.6	Italy

(9) Also includes, for 2007, Slovakia, ELA, and Romania, in the amount of 2.6 million euros.

CORRUPTION

In compliance with the principles declared and assumed in the Code of Ethics, in 2002 Enel became the first Italian company to provide itself with a structured or organic system of procedures aimed at preventing the commission of specific crimes and other breaches of the law, including ones in the interest of the Company and ones against the civil service. This system – the Organizational Model 231/2001 – was put in place in accordance with the prescriptions of the legislative decree that adapted Italian law to international agreements on the protection of financial interests and the fight against corruption.
With regard to the fight against corruption, in compliance with the tenth principle of the Global Compact, since June 2006 Enel has been active with its "Zero Tolerance of Corruption" Plan, which – in addition to confirming the necessity of observing the principles of honesty, transparency, and fairness in the conduct of business – puts forward precise anti-corruption measures to adopt in different work relations,

including those with partners, subsidiaries, suppliers, consultants, and colleagues. In drawing up the ZTC Plan, the study group availed itself of the expertise of Transparency International, adopting and including in the Plan the criteria of transparency developed by Transparency with regard to bribes, facilitations, contributions, sponsorships, giveaways, and purchasing processes.

SO2

Percentage and number of internal divisions monitored for risks connected with corruption.

100% (in the period concerned: 2005, 2006, 2007).
All Enel employees undertake to fight corruption. Specifically, each organizational unit is responsible, for the parts within its province, for setting up appropriate control systems useful for implementing the ZTC Plan.
Monitoring the controls set up by the different operating units for implementing the Plan is entrusted to the Auditing Departing, which performs its duties in all Enel companies and provides suggestions for improving the internal control system. The results of the assessments made by the Auditing Department are summarized in the Analysis of the Enel Group's Risk Factors (which is updated annually) and the Annual Report on the Internal Control System provided for by Organizational Model 231/01.

SO3

Percentage of workers who have received training on the organization's anti-corruption policies and procedures.

In 2007, 6,819 employees in Italy received training on anti-corruption policies and procedures.
The online course regarding the Code of Ethics, which has been translated into 5 languages, has been assigned to foreign personnel since the end of 2006. The Zero Tolerance of Corruption procedure, which went into effect in 2006, is being implemented at all the companies abroad (see the HR3 comment on p. 143). With regard to competition and to anti-competitive practices that should be avoided, a specific distance-training course has been made available to all Enel employees. Among other things, the course uses practical cases to explain the rules for conduct in relations with competitors, customers, and suppliers. It also includes multiple-choice tests that are useful for checking what has been learned. Furthermore, the continual training addressed to contact-center workers provides for specific antitrust forms illustrating how to behave and what anti-competitive practices to avoid in relations with the people with whom they are in contact.

SO4

Actions undertaken in response to cases of corruption.

In the period concerned (2005, 2006, 2007), a single case of corruption occurred within the Group, in the procurement process. Enel took the steps provided for by the Company's disciplinary code to punish the personnel involved and suspended the other party's qualification as a supplier.

PUBLIC POLICY

SO5

Positions on public policy, participation in the development of public policies, and pressure exercised.

In 2007, the Institutional Affairs unit presented amendments to various bills and government provisions such as, for example, the liberalization package, the Bersani bill, the "tesoretto" (tax revenue windfall) decree, the tax changes included in the budget law, the National Allocation Plan, the budget law, and the deadline extension decree, as well as observations on legislative decrees adopting E.U. directives.

At the E.U. level, in 2007 Enel's Brussels office was constantly engaged in analyzing and monitoring changes in the European Union's vision and legislation with regard to electricity markets.

In particular, the office carefully followed Herbert Reul's parliamentary initiative on energy sources and the first directives of the European Commission for the third liberalization package regarding electricity markets, as well as the so-called climate and emission-trading-system package. In addition, it acted in support of the Zero Emissions Platform and the elaboration of the Commission's decisions in support of CO_2 capture and storage. The office carried out its activity through direct contacts with members of the European Parliament, the ITRE (Industry, Research, and Energy) and ENVI (Environment) Parliamentary Committees, and the staffs of the Commissioners in charge of Energy and the Environment.

The office is also actively engaged in the social dialogue with the European labor union federations, which in 2007 focused on corporate social responsibility, the impact of market liberalization on employment, and the management of change.

The local level is entrusted to the "External Local Relations and Confindustria" unit, which promptly responds through a synergetic system to requests by local communities for dialogue. The unit carries out its activity by involving stakeholders in the construction of lasting quality relations, availing itself of specific instruments such as consensus development through the use of protocols of understanding and program agreements. In order to provide appropriate answers on highly sensitive issues, the unit organizes, sometimes with Confindustria, conferences, seminars, and meetings on energy efficiency, administrative simplification, diffuse generation, and wind plants.

SO6

Total financial and other contributions to political parties and related institutions by country.

Article 3.27 of Enel's Code of Ethics (in effect since March 2002), which regulates the Company's economic relations with parties, labor unions, and associations prescribes: "Neither in Italy nor abroad shall Enel finance parties, their representatives, or their candidates, and nor shall it sponsor conferences or festivals whose exclusive purpose is political propaganda. It shall refrain from exercising any pressure, direct or indirect, on political representatives (for example, by making Enel facilities available, accepting recommendations for hires, or awarding consultancy contracts).

Enel shall not make contributions to organizations with which there could be a conflict of interest (for example, labor unions, or environmental or consumer associations). However, Enel may cooperate, even financially, with such

organizations on specific projects according to the following criteria:
> purposes in line with Enel's mission;
> clear and documented allocation of the resources;
> express authorization by the departments of Enel SpA in charge of managing such relations".

Contributions to political parties are explicitly regulated by item 2.2 of the Zero Tolerance of Corruption procedure: "Enel shall refrain from exercising any kind of illegal pressure, direct or indirect, on political representatives; shall not finance parties, or their representatives or candidates, either in Italy or abroad; and shall not sponsor events whose exclusive purpose is political propaganda".

UNFAIR COMPETITION

SO7
Total number of legal proceedings regarding unfair competition, anti-trust, and monopolistic practices and related rulings.

The Legislative Affairs and Antitrust Unit coordinates the compliance program, whose purpose is to make employees who act in the name of and on behalf of Enel aware of antitrust regulations and the importance of complying with them. The program entailed the revision of all corporate processes to assess their compatibility with antitrust regulations. After being applied in Italy, it is gradually being extended to the Group companies located in other countries and is currently being implemented at Slovenské elektrárne. The compliance program also provides for the distribution of a specific manual of conduct for the application of regulations regarding collusion and the abuse of a dominant position, committing the management and employees to full and strict compliance with the regulations.
With regard to compliance with antitrust regulations, at the end of 2007 the Sales Division and the Infrastructure and Networks Division began a specific mapping activity to identify problems that could expose the Company to antitrust proceedings. The analysis took off from the point of view of the parties that interact with Enel – customers, traders, and producers – and concentrated on the problematic aspects of corporate actions and the elements of anticompetitive behavior that the Authority could point out, as well as the regulations and the actions already undertaken to prevent the occurrence of the cases highlighted.

YEAR	PROCEEDING	SANCTION	CASH SETTLEMENT	APPEAL
2005	**Resolution 10/05** Conclusion of formal inquiry regarding the brownout of June 26, 2003.	NO AEEG issued another order, excluding ENEL Produzione from reserve payments for the first half of 2003. Economic damage: 76 million euros.	YES	YES Order overruled by Adminstrative Court (TAR); appeal to higher court still pending.
2005	**Resolution 259/05** Conclusion of formal inquiry of Enel Produzione regarding the blackout of September 28, 2003.	NO	YES	NO
2006	**Resolution 230/06** Request for information regarding annual and long-term contracts for natural gas procurement abroad.	1 million euros	NO	NO
2006	**Resolution 283/06** Improper use of gas storage capacity in thermal years 2004/05 and 2005/06.	24 million euros	Partial/thermal year 2004/05	YES
2007	**Resolution 152/04** Start of formal inquiry regarding the blackout of September 28, 2003. The inquiry concluded with Resolution 259/05 for Enel Produzione and with Resolution 149/07 for Enel Distribuzione.	NO	YES	NO
2007	**Resolution 66/07** Failure to inform customers about free-of-charge payment method.	11.7 million euros	NO	YES
2007	**Resolution 102/07** Violation of gas business code of behavior.	127,000 euros	NO	NO

AEEG (ELECTRICITY AND GAS AUTHORITY) PROCEEDINGS IN PROGRESS

YEAR	PROCEEDING	STAGE
2006	**Resolution no. 237/06 (Failure to read meters)** Start of formal inquiry regarding a possible monetary administrative sanction against **Enel Distribuzione** for failure to comply with the provision referred to in paragraph 3.1 of AEEG Resolution no. 200/99 of December 28, 1999. With its **Resolution no. 314/07**, the AEEG renewed the formal inquiry.	**Announcement of results pending.** **The final order** must be adopted by **September 2008**.
2007	**Resolution no. 300/07** Start of formal inquiry regarding a possibile monetary administrative sanction against 7 distributors and 36 sellers of natural gas (including **Enel Energia**) for violation of AEEG orders concerning the M rate adjustment coefficient. The charges against Enel Energia concern two places with a very small number of customers.	The formal inquiry will end by July 31, 2008 and the related final orders will be adopted by **October 31, 2008**.
2008	**Resolution VIS 12/08** Start of formal inquiry for a possible monetary administrative sanction against **Enel Distribuzione** for violation of provisions regarding connections to the power grids.	**The final order** must be adopted by the end of **October 2008**.

YEAR	PROCEEDING	SANCTION	CASH SETTLEMENT	APPEAL
2004	**Case COMP/38662 - GDF/Enel (October 26, 2004)** Regarding use of gas in Italy in service contract between Enel and GdF: agreement restricting competition.	NO sanction		NO
2006	**Case A-366 Restrictive conduct in the wholesale electricity market (December 20, 2006)** Conduct of Enel and Enel Produzione in wholesale electricity market in several months of 2004 and 2005.	NO The Authority accepted Enel's commitments to sell VPP (virtual power plants) in the form of two-way CFD (contracts for difference), amounting to 1,000 MW for 2007 and 2008.		
2006	**Expte (Case) 602/2005 Abuse of dominant position in restrictions market (December 28, 2006)** Enel Viesgo Generación's conduct on 14 days in 2002 and 2003.	2.5 million euros		Appeal pending before the Audiencia Nacional.
2007	**Case A-390 Activation of supplies made subject to payment of pre-existent arrears (July 19, 2007)** Conduct of Enel Distribuzione in making new electricity supply contracts subject to customers' paying arrears of previous customers.	NO The Authority accepted Enel's commitments to modify internal procedures regarding contract takeovers and reimburesements and to increase monitoring contacts with end customers.		
2007	**Expte (Case) 602/05 Abuse of dominant position in restrictions market (April 18, 2007)** Enel Viesgo Generación's conduct in 2004 and the first two months of 2005.	NO		
2007	**Expte (Case) 2646/05 Abuse of dominant position in restrictions market (July 20, 2007)** Enel Viesgo Generación's conduct in 2003.	NO		

It is not possible to propose cash settlements of the Anitrust Authority's sanctions.

COMPLIANCE

SO8

Monetary value of significant penalties and total number of penalties for non-compliance with laws or regulations.

See the preceding comment.

31.4

million tele-managed meters

+4%

perception of sensitivity to environmental issues in the Enel brand

- 24,000 customers interviewed

PR - Product Responsibilty Performance Indicators

GRI-G3: Disclosure on Management Approach

Even though the product in question is intangible, Enel believes that product safety is an investment, a corporate value to which it systematically applies several elements typical of a management system, such as strategic planning, organizational structure, program implementation, monitoring, control, and re-examination, without neglecting the communication necessary to training and creating awareness among all the people involved in the processes of production and distribution. In the production and distribution of electricity and the distribution of gas, this approach naturally results in the adoption of a Health and Safety Management system, one of whose strong points is the ability to involve the top management to achieve corporate objectives.

Now operating on over 31 million meters in Italy, the Telemanager represents the implementation of a great infrastructure project, a formidable support for market liberalization aimed at making corporate processes more efficient.

Thanks to the Telemanager, which resolution 292/07 of the Electricity and Gas Authority (AEEG) made obligatory in Italy, customer management with regard to consumption is possible through the adjustment of rates according to time and/or social brackets. The AEEG can shift consumption and reallocate the peaks of power demand on the network by adjusting rates, with, in addition, significant results on polluting emissions, in particular CO_2. At the same time, telemanagement effectively supports and makes possible – at present, only in Italy for all customers – switching, through the closing reading necessary for the change of seller. The rate of over 300,000 switches a month would be unthinkable without telemanagement, because of the costs, complexity, and lack of transparency of the procedures.

In accordance with applicable laws in Italy regarding so-called "beyond the meter" service, it will soon also be possible to economically create household systems or demand site management. The information on consumption and the rate signals made available by the digital meter will make it possible to manage household loads according to the different time brackets.

By now, to a greater or lesser extent, all industrialized countries are starting up more or less complex telemanagement projects. With the alliance with IBM established in 2004, Italy, and Enel in particular, is in the forefront of this process. In addition to Enel and its 31,400,000 meters, other distributors (AEM Turin, AEM Milan and ASM Brescia, now merged into A2A, Hera Bologna, Trentino Servizi, ACEGAS Trieste, ENIA Parma, etc.), with a total of 3,500,000 meters, have adopted or are adopting Enel's technology. Pilot projects are in progress in Russia, the Ivory Coast, and Australia (Powercor). In Spain, Viesgo, a Group company, has already installed more than 100,000 Enel meters and interesting developments are foreseeable following the acquisition of Endesa and its partner Acciona.

The development of telemanagement also lends itself effectively to the management of distributed generation (smart grids), photovoltaic in particular, thanks to the two-way meters. This enables Enel to support the dissemination of alternative kinds of energy without practical limits at a time in which the Kyoto agreements require an increasing percentage of generation from renewable energy sources.

With regard to the market, Enel's challenge is to manage and serve its customers in the best possible way and anticipate their needs by proposing innovative services that obey the rules of the market and respect the quality of the environment.

Concretely, managing customers in the best possible way means, first of all, facilitating their access to the Company in every way, strengthening the latter's bent for relations and its traditional presence at the community level (branch offices for customers, technical competence, fruitful dialogue). And here too, innovation is represented by the digital meter and telemanagement, through which Enel

offers customers whose traditional meter has been replaced economic incentives to shift their consumption of electricity to off-peak hours. In effect, the Company has devised a special offer to all customers who concentrate most of their consumption during the evening, on weekends, and on holidays. In these cases, the price of electricity is frozen for 24 months and differentiated by time brackets in which generation is primarily from renewable sources (sun, water, wind).
Another incentive for energy conservation is Enelpremia. This prize program promoted by Enel Energia is addressed to all the latter's residential customers and several categories of micro-business customers with contracts for the supply of electricity and gas. Enelpremia allows all customers who sign up to accumulate electronic prize points, "energy points", which can be used to request the prizes in the catalogue. Among other ways, energy points can be accumulated through electricity conservation. In effect, the aforesaid customers can obtain one energy point for every kilowatt-hour saved with respect to the previous year. Furthermore, the clients who take part in the promotion can obtain discounts of from 10% to 42% on the purchase of class A+ and A++ high-energy-efficiency electrical appliances, air conditioners with class AA energy efficiency, and thermal solar systems.
Enel has also undertaken initiatives that attempt to overcome linguistic differences and those deriving from disabilities, through the use of bills in German and French for the Triveneto and Valle d'Aosta regions and ones in Braille for customers with impaired eyesight. Finally, Enel is promoting the use of sms for managing electricity supply contracts. Customers with disabilities regarding speech and hearing can easily use this instrument. In effect, with a simple sms it is possible to report meter readings, request forms for bank domiciliation, and obtain copies of invoices issued.

CUSTOMER HEALTH AND SAFETY

The Telemanager is a technologically advanced system of metering electricity and managing contractual relations with customers, in both local and remote mode, which uses a mixed communication network (GSM and telephone coupled with the low-voltage power grid) between the digital meter installed on the customer's premises and the Company's customer management center. It also allows the quality parameters of the electricity supply (number of interruptions, voltages fluctuations, etc.) to be monitored.
The new digital meters allow all customers to:

> check their consumption, regarding either their current two-month billing period or the preceding one;
> find out the rate applied;
> find out the power absorbed by the different household appliances in different situations of use.

Using Telemanagement, customers can quickly obtain the activation and modification of their contracts by simply dialing 800 900 800, Enel Distribuzione's toll-free phone number. Remote reading of their meters allows customers to have bills calculated on the basis of their recorded, up-to-date consumption rather

than making payments in advance. The meter allows customers to withdraw the maximum available power (+10% of the committed power) for an unlimited period of time and in all environmental conditions. This is what is technically called demand-side management, the best way to manage electricity demand. In other words, the possibility of finding out at any time how much they are consuming and of choosing among the different rates induces customers to reduce their consumption when demand and prices are high, avoiding consumption peaks and thus optimizing the management of the entire network.

PR1

Phases of the life cycle of products/services whose impact on health and safety are assessed in order to promote improvement and percentage of the main categories of products/services subjected to such procedures.

The business of Enel's Infrastructure and Networks Division is the distribution of electricity and gas. This business is considered a "service" and is not like a typical industrial process resulting in the marketing of final products.
The information requested by the GRI does not seem to apply to the activities connected with the distribution networks.
The latter are managed in compliance with the construction and operating regulations on the safety of the system, which is ensured during the stages of planning, construction, operation, and checking.
Enel's electricity distribution network is certified according to the ISO 14001:2004 standard, the OHSAS 18001 standard regarding workers' health and safety, and the ISO 9001:2000 standard regarding the maintenance of HV, MV, and LV installations and the automated remote control system.
Enel's gas distribution network, on the other hand, is certified according to the ISO 9001:2000 standard.
With regard to safety and health, the Sales Division acts to:

> continually improve activities, processes, services, and behavioral models regarding the Safety and Health of Workers (SSL);
> pursue the objectives set and develop the awareness of all the people concerned (personnel, customers, suppliers, associations, etc.) by providing them with the relevant information;
> cooperate with authorities and qualified bodies on establishing and developing measures regarding SSL;
> comply with applicable regulations regarding SSL;
> propose reasonable and constant improvements in prevention and protection regarding SSL.

Since 2001, the Sales Division has obtained certification for on-the-job safety and health according to the OHSAS 18001:1999 specifications.

PR2

Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.

See the preceding comment.

PRODUCT AND SERVICE LABELING

PR3

Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.

Directive 2003/54/EC on the liberalization of energy markets requires that "… the member states shall provide that, on their bills or together with the same, and in all the promotional material sent to final customers, electricity suppliers must specify:

> the share of each energy source in the overall mix of fuels used by the supplier company in the previous year;

> at least the information sources available, for example web pages, if information on environmental impact – at least in terms of CO_2 emissions and radioactive waste from the production of electricity with the overall mix of fuel used by the supplier in the preceding year – are available to the public".

As soon as the measures implementing this Directive are issued, Enel will conform by setting up a system to provide all its customers with all the information specified above.

PR4

Total number (broken down by category) of cases of non-compliance with regulations or voluntary codes regarding information and the labeling of products/services.

With its resolution 102/07, the Electricity and Gas Authority fined Enel Energia SpA 127,000 euros for failure to observe the Code of Business Conduct with respect to contractual clauses in the period from April 2005 to the fall of 2006. This concerned specifically the periodicity of the recording of withdrawals and the automatic compensations. Enel Energia modified the contracts and offered as amendment the possibility of payment in installments over three years without interest for customers consuming less than 5,000 m^3, even over the limits provided for by resolution no. 229/01, in addition to payment in installments of bills for over 200 euros.

With its resolution 66/07, the Electricity and Gas Authority fined Enel Distribuzione SpA 11,700,000 euros for its failure to indicate on its bills how to pay free of charge. See the comment on the SO7 indicator on p. 158.

PR5

Practices regarding customer satisfaction, including the results of surveys aimed at measuring it.

Enel has created a process for the systematic measurement of customer satisfaction in order to achieve the following strategic objectives:

> evaluation of the perceived quality of the services provided;

> knowledge of our customers' expectations and needs;

> measurement of the performance of all contact channels.

The main instrument for measuring customer satisfaction consists in periodical surveys, a privileged occasion for an encounter between the Company and the customer, who can express his or her opinions on the contact channels, new offers, and proposals of future services. In effect, every month samples of customers who have used the call center and have entered into contact with the

sales channels, direct or indirect, are interviewed. The scope of the survey is nationwide and covers the three markets served: the regulated electricity market, the free one, and gas. In addition to these systematically structured surveys, there are those on specific topics, which may be connected with the launch of a new service or the need for feedback following changes in management processes. Finally, once a year Enel carries out an extensive survey, aimed at obtaining an overall view of the main items regarding its channels and services and general evaluations of satisfaction with the Company. Enel submits to the evaluation of its customers and thus maintains a constant dialogue, thanks to surveys conducted with a regular frequency, which allow the Company to have an always up-to-date overview of the level of customer satisfaction, as well as of both the Company's areas of strength and the areas needing improvement. Discussion of the results with the top management in meetings exclusively dedicated to the subject enables the Company to act quickly in areas where customers are not sufficiently satisfied, making changes in management processes, rather than in personnel training or the ways in which it communicates with customers.
The actions decided with the top management are also aimed at achieving operating excellence through continual improvement, even in the areas in which the Company has obtained good evaluations in the surveys.
During 2007, an independent specialized firm interviewed over 24,000 customers in 12 customer-satisfaction surveys and the overall score was 7.2/10.
Furthermore, Enel decided to assess the efficiency and effectiveness of the management of all its contact channels in an entirely innovative way.
Specifically, as far as the sales force is concerned, in 2007 more than 12,000 new customers were interviewed to assess their level of satisfaction with the competence, professional behavior, and transparency of the sales personnel, as well as with the services proposed. The overall score on the sales force in November 2007 was 8.5/10.
These surveys are only one element in the policy of monitoring corporate performances. In order for the quest for continual improvement to be completely effective, it is important for it to be accompanied by the measurement of service levels and the quality provided by the main channels of contact with customers. In this regard, Enel has created a team of persons dedicated full-time to checking the consistency of the operating sales activities with corporate procedures, legislative measures, and the provisions of the regulatory Authorities. Among other things, this team uses mystery calls to check the conduct of employees assigned to contact with customers, in order to monitor the appropriateness of sales activity in its entirety. These checks lead to a careful analysis of the sales process and the devising of plans for improvement and for remedying individual anomalous cases.

Finally, it should be noted that all the reports, proposals, and complaints received from customers also have a space dedicated to them and are included in the general analysis of customer satisfaction, because all feedback contributes to sparking a virtuous circle in which quality objectives are continually exceeded.

MARKETING COMMUNICATIONS

In 2007, the Italian energy market was completely liberalized and the communication situation in the entire market began to change. The profile of Enel that emerged from the fifth survey conducted by GFK Eurisko on brand equity – i.e., the degree to which private individuals, firms, and opinion leaders perceive the Enel brand in Italy – is a company increasingly close to the needs of its customers, a solid institution, and a leader in its industry. The perception of the brand, in effect, maintains its very solid position, while the Company's Italian competitors are much less well known, with the exception of the limited local areas where municipal companies erode some of the visibility of the Enel brand. In 2007, there was an increase especially in the perception of Enel as a company that sells gas and photovoltaic systems and produces electricity from renewable energy sources. Moreover, the image of a strong company that is economically and financially sound (a "national champion") is widespread. According to the GFK Eurisiko survey, Enel has also made considerable progress in the direction of increased social responsibility. The public has a high perception of the sensitivity to environmental issues shown by the Company, as well as of its promotion and dissemination of culture, art, and social activities.

ENEL BRAND EQUITY INDEX – HOUSEHOLD CUSTOMERS

		2005	2006	2007
Top of mind	%	92	91	89
Total spontaneous	%	98	97	96
Visibility equity	0-100	95	94	92
Propensity	0-5	3.66	3.7	3.67
Customer relationship	%	43	42	45
Price transparency	%	41	40	45
Technical expertise	%	57	55	57
Institutional dimension	%	75	75	75
National system	%	49	49	51
Ethics	%	39	38	42
Brand equity index	0-100	70	71	71

PR6

Programs for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.

In conformity with Enel's Code of Ethics, which has been adopted by all Group companies, the Company's advertising and the information it provides to its customers must be:

> clear and simple, and expressed in language that is as close as possible to the language normally used by the parties (in the case of customers and the general public, avoiding clauses that can only be understood by experts, listing prices with VAT included, and explaining all costs clearly);

> worded in accordance with the laws and regulations in force, without resorting to evasive or illegitimate practices (such as, for example, the insertion of procedures or clauses designed to mislead consumers);

> complete, so as to not neglect information that is important for the decisions that customers make;

> available on the Company's website.

The channels of communication (bills and invoices, daily newspapers, e-mail and ordinary mail) must be used according to the nature and importance of the message without resorting to the use of excessive pressure or frequency, and without using advertising instruments that are misleading or that could cause misunderstandings.

Finally, Enel must take pains to inform its customers promptly and precisely of any:

> change in contracts;
> change in the economic or technical conditions for its service and/or the sale of its products;
> result of the surveys carried out in compliance with the regulations and requirements of the regulatory authorities.

Enel is also a member of the UPA, an association of the most important and qualified industrial, commercial, and service companies that invest in advertising. The UPA belongs to the Institute of Advertising Self-regulation. In this regard, in its advertising Enel follows the Self-regulation Code of Commercial Communication, which was issued by the IAP and on April 21, 2008 celebrated its 45th edition.

PR7

Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.

In Italy no infractions occurred during the reporting period (or in the previous three years).

CUSTOMER PRIVACY

PR8

Number of substantiated complaints regarding violations of customer privacy and loss of consumer data.

No infractions occurred during the reporting period or in the previous three years (Italy).

With regard to policies for the protection of customer privacy, Enel has adopted an organizational model and procedures that fully comply with the provisions of Legislative Decree 196/2003. The persons in charge of, and those assigned to, data processing have already been appointed and all the IT devices aimed at ensuring security in the processing and conservation of the personal data of Enel's customers have been put into effect.

Furthermore, specific clauses are provided for in Enel's contracts with partners that have to use customers' personal data to carry out specific activities, such as, for example, sales and surveys of customer satisfaction.

Finally, Enel is deeply committed to carefully monitoring all the other companies who may be in a position to use customers' personal data.

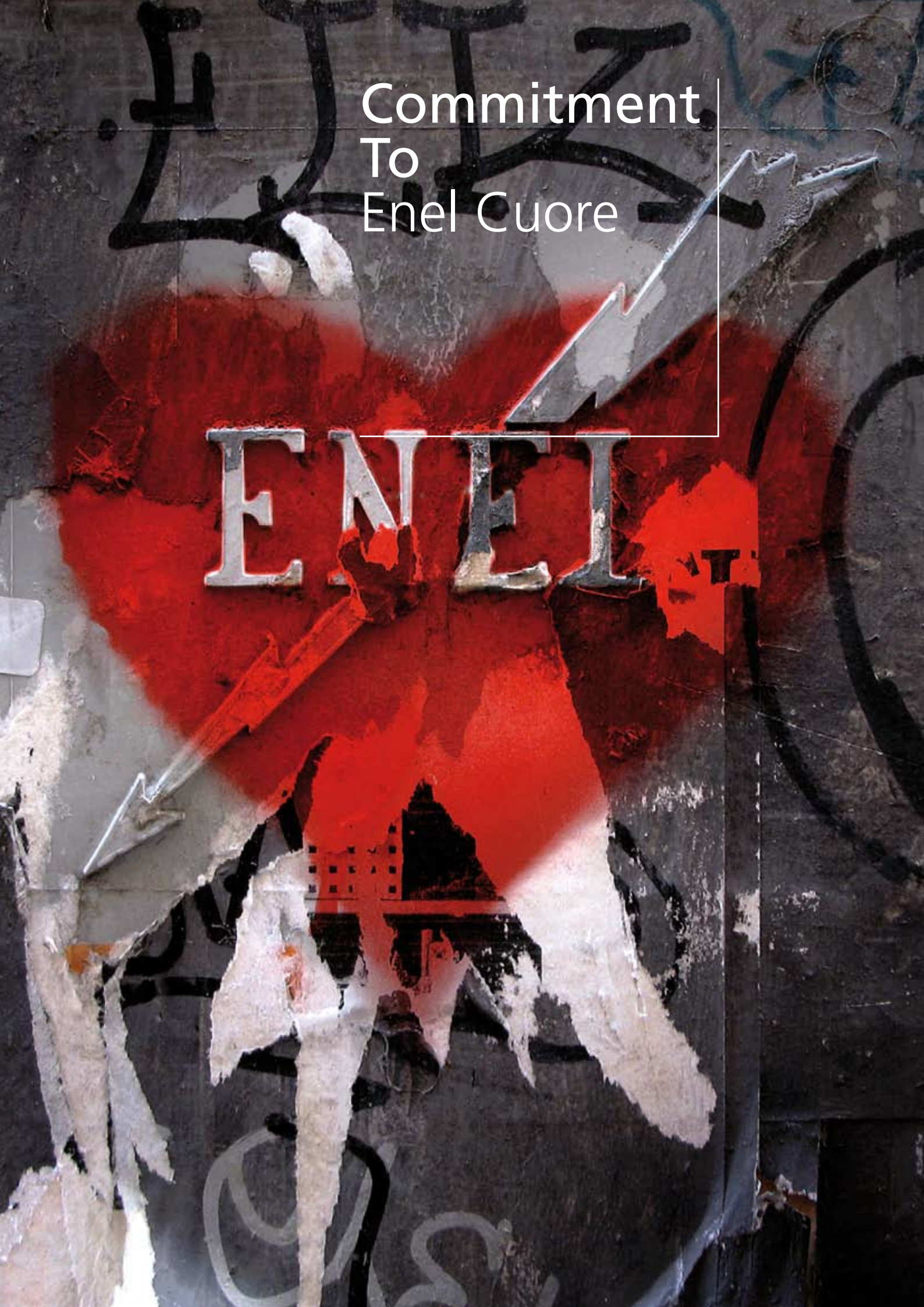
COMPLIANCE

PR9

Monetary value of the main penalties for non-compliance with laws or regulations regarding the supply and use of products or services.

In the period considered, the monetary value of the fine imposed on Enel Energia SpA amounted to 127,000 euros and the one imposed on Enel Distribuzione SpA amounted to 11,700,000 euros.
See also the comments on the indicators PR4 (p. 166) and SO7 (p. 158).

Commitment To Enel Cuore



Enel Cuore

Enel Cuore Onlus was born on October 3, 2003 of the wish of Enel SpA and its subsidiaries to create an autonomous not-for-profit organization through which they could express their social concern in favor of communities, in accordance with an ideal of cooperation focused on the individual.

Areas of activity

Accommodation

Enel Cuore supports the renovation or creation of centers or spaces that accommodate the disadvantaged (the poor, the marginalized, immigrants, abandoned or mistreated children, women who have suffered violence, etc.).

The elderly

Enel Cuore tries to avoid the institutionalization of elderly people who are not self-sufficient by including those who live in isolation in a program of home assistance enabling them to continue to live in their own home.

Disabilities

Enel Cuore facilitates the socialization of the disabled, especially young ones, through sports, games, travel, and contact with nature and animals.

Assistance

Enel Cuore enters hospitals together with associations of patients, especially those of the youngest ones. With them, it supports the creation of places built for children (playrooms, special units, etc.) or environments where the family can lead a normal life (apartment hotels connected with hospitals). Enel Cuore also supports the diagnosis and treatment of certain diseases by furnishing specific equipment to hospitals.

Education

Enel Cuore builds schools, kindergartens, and training centers so that children who live in the midst of warfare or in conditions of poverty and hardship have the means to study just as all the other ones do, with their rights respected (U.N. Convention, 1989).

Detailed information on all the projects supported by Enel Cuore is available on its institutional website (www.enelcuore.org)

In 2007

The following are descriptions of some of the projects supported in 2007.

Centro de Desarrollo Infantil "Madre de la Iglesia" (El Salvador)

On February 21, Enel Cuore inaugurated a 'guarderia' for the children of students and employees of the Universidad Catolica de Occidente (UNICO) in El Salvador. The new Madre de la Iglesia kindergarten created in Santa Ana by Enel Cuore and the ICU (Institute for University Cooperation, a not-for-profit organization) accommodates 120 Salvadorean children up to 6 years old.
"El Salvador is a country with a very young population, but with insufficient opportunities for a proper education", says Mariella Pisciotta, head of ICU projects for Latin America. "In particular, there is a lack at the pre-school level. It is estimated that only 50% of children from 4 to 6 attend kindergarten, while there are no data on younger children, for whom no centers exist, but only groups of volunteer mothers".
In this situation, the location of the kindergarten on the UNICO campus ensures the children of an appropriate program for learning, enables them to be close to one of their parents, and allows the latter to continue their studies. The new kindergarten has three classrooms, with audiovisual and computer equipment, a room for resting, a kitchen, a laundry, bathrooms, a storeroom, and a playground. From seven o'clock in the morning to seven in the evening, qualified teachers work with the children, assisted by students studying Education and a staff assigned to the general services.

Centro de Capacitación Técnica at Zunil (Guatemala)

2007 also saw the inauguration of the Centro de Capacitación Técnica at Zunil, Guatemala, a vocational school at more than two thousand meters above sea level. The school was created entirely by the support of Enel Cuore, which earmarked an initial contribution of 40,240 euros and committed itself to supporting the project with 20,000 euros a year for the next three years, a total of 100,240 euros.
Through this project, Enel Cuore supports the Zumil community in enhancing its resources (tourism, the environment, agriculture, and human capital) and in getting children over 12 to continue their education. The objective is to provide young people with significant vocational training in automotive mechanics, electrotechnics, accounting, and agricultural techniques.

Department of Educational Guidance in Bucharest (Romania)

Together with Parada Italia Onlus, Enel Cuore contributes to the activity of the Department of Educational Guidance in the Center for Assistance to Street Youth in Bucharest. The purpose of the Center is to be an alternative to drifting and drugs. It was attended during the year by 233 youngsters and offers training and social and educational activities aimed at enabling them to make the best use of their potential and to be reintegrated in society.

Thanks to Enel Cuore, the Center's Department of Educational Guidance can now accommodate 50 (instead of only 20) young people between 7 and 29 years old, who, in addition to renovated classrooms, have new educational material, textbooks, and computers at their disposal.

Haita Mirela Adina, an educational psychologist at the Fundatia Parada, says: "Thanks to the funds provided by Enel Cuore, we have been able to implement the activities that aim to teach elementary writing, reading, and mathematical calculation, prevent the kids from dropping out of school, inform and advise families, help our guests to leave the street and integrate in community life, and advise and guide them in choosing a vocation".

Furthermore, with the support of Enel Cuore and the Parada Association, on June 6 a great juggling show was put on in the auditorium of the main office in Rome for the children of employees, with the young jugglers trained by the French clown Miloud Oukili, the founder of the not-for-profit organization engaged in reintegrating into society the children who live on the streets and in the cellars of Bucharest.

"My specialty is exceeding limits"

This is the slogan that guided the Second National Day of Paralympic Sports, which was organized by the Italian Paralympic Committee with the support of Enel Cuore as part of its "The heart that illuminates sports" program for the promotion of sports for the disabled.
On October 11, 2007, about twenty thousand students of all ages, who were the protagonists of this initiative, took to the squares of ten cities in Italy together with hundreds of paralympic athletes for a series of demonstrations of the various sports practiced by disabled people and to provide able students with an opportunity to try each of them.
"The National Day of Paralympic Sports is an extraordinarily effective occasion for promotion, "said Luca Pancalli, the Chairman of the Italian Paralympic Committee. "Thanks to the support of Enel Cuore Onlus, we are able to create events where contact with the sports practiced by the disabled is extremely concrete and effective. We focus on young people in school, so that sports are truly a right and an option to guarantee to everyone".

Company	UM	2007 dues	Extraordinary contribution	Largesse from members	**Total**
Enel SpA	(euros)	40,000	500,000		**540,000**
Enel Distribuzione SpA	(euros)	40,000	3,000,000		**3,040,000**
Enel Produzione SpA	(euros)	40,000	2,500,000	247,550	**2,787,550**
Enel Energia SpA	(euros)	40,000		3,195	**43,195**
Enel Sole Srl	(euros)	40,000			**40,000**
Enel.si Srl	(euros)	40,000			**40,000**
Enel Trade SpA	(euros)	40,000			**40,000**
TOTAL	(euros)	**280,000**	**6,000,000**	**250,745**	**6,530,745**


Enel

These are the numbers

The following tables show the magnitudes that Enel considers essential for its sustainability auditing and reporting.

The tables contain:

> the description of the magnitude recorded;
> the unit of measurement in which it is expressed;
> the number for 2007;
> the number for 2006;
> the number for 2005;
> the change in absolute value between 2007 and 2006;
> the percentage change between 2007 and 2006;
> the company/companies to which the number refers.

Criteria used for the Key Performance Indicators (KPI):

> by "Enel" is meant the whole Group excluding Endesa. (data that include it are marked with an asterisk: "Enel*");
> the economic data regarding the item "Economic performance" for 2005, 2006 and 2007 are taken from the Annual Report;
> the differences between 2007 and 2006, expressed as both an absolute value and a percentage value, are calculated considering decimals, which are not visible in print.

UNITS OF MEASUREMENT

,000	thousands
no.	number
%	per cent
,000 h	thousands of hours
,000 kg	thousands of kilograms
,000 km	thousands of kilometers
,000 m²	thousands of square meters
,000 t	thousands of tons
euros	euros
cent €	euro cents
years	years
g/kWh	grams per kilowatt-hour
d	days
GWh	gigawatt-hours
h	hours
h pro cap	hour per person
ind	rating
km	kilometers
kW	kilowatts
kWh	kilowatt-hours
l/kWh	liters per kilowatt-hour
mil. euros	millions of euros
mil. h	millions of hours
m³	millions of cubic meters
mil. t	millions of tons
min	minutes
bil. m³	billions of cubic meters
Mtoe	millions of tons of oil equivalent
MW	megawatts
sec	seconds
t	tons
TWh	terawatt-hours

ACRONYMS

ACR	Abandoned Call Rate
BOD	Biochemical Oxygen Demand
BoD	Board of Directors
CCGT	Combined Cycle Gas Turbine
COD	Chemical Oxygen Demand
CSR	Corporate Social Responsibility
DPS	Dividend per Share
DT	Distance Training
EBIT	Earnings Before Interest and Tax
EBITDA	Earnings Before Interest, Tax, Depreciation and Amortization
EBT	Earnings Before Tax
EDLS	Enel Distance Learning System
EIB	European Investment Bank
ENA	Enel North America
EPS	Earnings per Share
EUFER	Enel Unión Fenosa Renovables
GARP	Growth at Reasonable Price
GEM	Generation and Energy Management
HV	High Voltage
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
IPO	Initial Public Offering
IRAP	Imposta Regionale sulle Attività Produttive (regional tax on firms)
IRES	Imposta sul Reddito delle Società (corporate income tax)
IVR	Integrated Voice Response
KM	Knowledge Management
LBG	London Benchmarking Group
LV	Low Voltage
MIR	Networks, Infrastructure, and Sales
MV	Medium Voltage
ORIM	Orimulsion
PCB	Polychlorinated Biphenyls
R&D	Research & Development
ROACE	Return on Average Capital Employed
S&P	Standard & Poor's
SRI	Socially Responsible Investment
TG	Telemanagement
TSR	Total Shareholder Return

ETHICAL AUDITING

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Implementation of the Code of Ethics							
Total reports received	**(no.)**	**87**	**85**	**28**	**2**	**2.4**	**Enel**
Shareholders	(no.)	2	-	-	2	0.0	Enel
Customers	(no.)	38	30	13	8	26.7	Enel
Employees	(no.)	36	32	8	4	12.5	Enel
Public at large	(no.)	3	14	3	-11	-78.6	Enel
Suppliers	(no.)	8	9	4	-1	-11.1	Enel
Total violations of the Code of Ethics	**(no.)**	**16**	**28**	**2**	**-12**	**-42.9**	**Enel**
Action taken for violations of the Code of Ethics	**(no.)**	**16**	**n.a.**	**n.a.**	**16**	**-**	**Enel**
for corruption	(no.)	-	**n.a.**	**n.a.**	-	-	Enel
for mobbing	(no.)	1	**n.a.**	**n.a.**	1	-	Enel
for inappropriate use of corporate means/ instruments	(no.)	1	**n.a.**	**n.a.**	1	-	Enel
for other reasons	(no.)	14	**n.a.**	**n.a.**	14	-	Enel
including dismissals	(no.)	1	**n.a.**	**n.a.**	1	-	Enel

CORPORATE GOVERNANCE

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Board of Directors							
Total Board members	(no.)	9	9	9	-	-	Enel SpA
Independent directors	(no.)	7	7	8	-	-	Enel SpA
Directors designated by minority shareholders	(no.)	3	3	3	-	-	Enel SpA
Women on the Board	(no.)	-	-	-	-	-	Enel SpA
Board meetings	(no.)	21	16	21	5	31.3	Enel SpA
Internal dealing							
Shares owned by Board members and important persons	(,000)	622.5	303.0	330.8	319.5	105.4	Enel SpA

PROVIDERS OF CAPITAL

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Debt							
Total debt	(mil. euros)	55,791	11,690	12,312	44,101	377.3	Enel*
Debt to Equity	(no.)	2.4	0.6	0.6	1.7	285.2	Enel*
Rating (1)							
S&P	(ind)	A -	A +	A +	-	-	Enel*
Outlook	(ind)	Negative	Negative	Stable	-	-	Enel*
Moody's	(ind)	A2	Aa3	Aa3	-	-	Enel*
Outlook	(ind)	Negative	Negative	Stable	-	-	Enel*
Grants							
Grants received during the year	(mil. euros)	15.4	23.1	25.5	-7.7	-33.2	Italy
Energy networks	(%)	77.8	75.6	60.0	2.2	2.9	Italy
R&D	(%)	5.3	3.8	5.8	1.5	39.4	Italy
Renewable energy	(%)	11.7	19.9	28.8	-8.2	-41.1	Italy
Other	(%)	5.1	0.7	5.4	4.5	676.5	Italy
Projects that received grants during the year	(no.)	94	98	76	-4	-4.1	Italy
Loans granted by the EIB and others							
Remaining debt regarding EIB and other loans	(mil. euros)	2,951.1	2,778.7	2,422.0	172.5	6.2	Italy
Energy networks	(%)	63.8	72.4	64.0	-8.6	-11.9	Italy
R&D	(%)	0.3	0.4	0.7	-0.1	-29.6	Italy
Renewable energy	(%)	22.0	10.8	14.6	11.2	103.8	Italy
Other	(%)	13.9	16.4	20.7	-2.5	-15.3	Italy
Projects in progress with EIB	(no.)	21	25	18	-4	-16.0	Italy

* Including Endesa.
(1) Data as of March 3, 2008.

SHAREHOLDERS (1/4)

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Composition shareholder base							
Investors							
Ministry of the Economy	(%)	21.1	21.2	21.4	-0.1	-0.4	Enel SpA
Cassa Depositi e Prestiti	(%)	10.1	10.2	10.2	-0.1	-0.5	Enel SpA
Institutional investors	(%)	34.3	32.9	29.5	1.4	4.2	Enel SpA
Retail investors	(%)	34.4	35.7	38.9	-1.3	-3.5	Enel SpA
Geographical breakdown of institutional investors							
Italy	(%)	19.9	22.5	22.8	-2.6	-11.7	Enel SpA
UK	(%)	21.3	25.6	24.7	-4.3	-16.8	Enel SpA
Rest of Europe	(%)	29.8	27.8	26.6	2.0	7.3	Enel SpA
North America	(%)	27.0	22.6	24.4	4.4	19.5	Enel SpA
Rest of the world	(%)	2.0	1.5	1.6	0.5	32.7	Enel SpA
Concentration index (Top 50)	**(%)**	**21.7**	**33.2**	**30.8**	**-11.6**	**-34.8**	**Enel SpA**
Investment style of institutional investors							
GARP	(%)	23.1	25.6	21.7	-2.5	-9.9	Enel SpA
Growth	(%)	33.4	32.3	33.0	1.1	3.5	Enel SpA
Index	(%)	19.7	20.3	16.4	-0.6	-2.8	Enel SpA
Value	(%)	15.2	11.4	15.9	3.8	33.7	Enel SpA
Hedge	(%)	5.8	5.9	4.0	-0.1	-2.3	Enel SpA
Other	(%)	2.8	4.5	9.0	-1.7	-38.2	Enel SpA
Socially responsible investors							
SRI funds	**(no.)**	**45**	**47**	**45**	**-2**	**-4.3**	**Enel SpA**
Enel shares held by SRI funds	**(mil.)**	**388.1**	**342.3**	**409.4**	**45.7**	**13.4**	**Enel SpA**
Weight of SRI in institutional funds	**(%)**	**18.3**	**16.9**	**22.5**	**1.4**	**8.5**	**Enel SpA**
Geographical distribution shareholder base							
Italy	(%)	9.3	12.7	18.9	-3.4	-27.1	Enel SpA
UK	(%)	36.0	43.9	43.5	-7.9	-18.0	Enel SpA
Rest of Europe	(%)	34.0	24.4	27.9	9.6	39.4	Enel SpA
North America	(%)	20.7	19.0	9.7	1.7	9.2	Enel SpA
SRI presence in top 10	**(no.)**	**2**	**1**	**2**	**1**	**100.0**	**Enel SpA**

SHAREHOLDERS (2/4)

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Share performance							
Financial performance of shares							
Enel	(%)	4.1	16.9	-5.7	-12.8	-75.7	Enel SpA
MIB30	(%)	-6.5	16.6	13.0	-23.0	-139.0	Enel SpA
FTSE Electricity E300	(%)	16.2	40.1	18.6	-23.9	-59.6	Enel SpA
Acea	(%)	-2.4	74.1	6.8	-76.5	-103.2	Enel SpA
AEMMI	(%)	23.9	56.4	-4.9	-32.5	-57.6	Enel SpA
Centrica	(%)	1.2	39.2	8.5	-38.0	-96.9	Enel SpA
Endesa	(%)	2.4	63.0	26.9	-60.6	-96.2	Enel SpA
Iberdrola	(%)	25.6	45.4	22.2	-19.8	-43.6	Enel SpA
RWE	(%)	15.2	33.6	47.8	-18.3	-54.6	Enel SpA
Scottish Power	(%)	8.8	39.4	34.1	-30.6	-77.6	Enel SpA
E.ON	(%)	40.6	22.6	30.3	18.0	79.6	Enel SpA
Dividend Yield							
Enel	(%)	6.0	8.2	8.3	-2.2	-26.5	Enel SpA
Acea	(%)	3.8	3.2	4.5	0.6	17.9	Enel SpA
AEMMI	(%)	2.2	2.4	3.3	-0.1	-5.9	Enel SpA
Centrica	(%)	3.5	3.3	4.0	0.2	6.2	Enel SpA
Endesa	(%)	4.5	6.7	3.3	-2.2	-32.5	Enel SpA
Iberdrola	(%)	2.5	2.7	3.3	-0.2	-6.1	Enel SpA
RWE	(%)	3.6	2.1	2.4	1.5	73.6	Enel SpA
Scottish Power	(%)	1.7	3.7	6.0	-2.0	-54.6	Enel SpA
E.ON	(%)	2.3	6.8	2.8	-4.5	-66.0	Enel SpA
Enel in the main stock market indexes of the world							
E100	(%)	0.8	0.8	0.7	0.0	0.0	Enel SpA
MIBTEL	(%)	6.7	6.1	6.3	0.6	10.4	Enel SpA
S&P/MIB	(%)	8.7	8.0	8.0	0.8	9.9	Enel SpA
MIBHIS	(%)	6.9	6.1	6.3	0.9	14.2	Enel SpA
MIBPUBLH	(%)	41.3	39.8	37.4	1.5	3.8	Enel SpA
BE500	(%)	0.6	0.6	0.6	0.0	6.1	Enel SpA
BEELECT	(%)	8.8	9.8	14.7	-1.1	-11.0	Enel SpA
SX5E	(%)	1.5	1.5	1.5	-0.1	-4.5	Enel SpA
SXXE	(%)	0.9	0.9	0.9	0.0	0.2	Enel SpA
SX6E	(%)	8.7	10.0	11.4	-1.2	-12.2	Enel SpA
Enel in the FTSE4GOOD sustainability index	(ind)	No	No	Yes			Enel SpA
Enel's presence in the DJSI	(ind)	Yes	Yes	Yes			Enel SpA
Shareholder return							
EPS	(euro cents)	64.3	49.2	63.3	15.1	30.7	Enel SpA
DPS	(euro cents)	49	64	55	-15	-23.4	Enel SpA
TSR since the IPO	(%)	6.4	5.9	2.5	0.6	9.7	Enel SpA
TSR last 2 years	(%)	19.4	13.1	21.3	6.3	48.1	Enel SpA
Communication with shareholders							
Meetings with investors	(no.)	136	104	260	32	30.8	Enel SpA
Information on CSR	(no.)	35	38	31	-3	-7.9	Enel SpA
Requests for information from retail shareholders	(no.)	769	745	683	24	3.2	Enel SpA

SHAREHOLDERS (3/4)

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Economic performance							
Revenues	**(mil. euros)**	**43,673**	**38,513**	**33,787**	**5,160**	**13.4**	**Enel***
Italy (2)	(mil. euros)	36,019	35,445	31,929	574	1.6	Enel*
Iberia	(mil. euros)	3,164	1,049	1,289	2,115	201.6	Enel*
Slovakia	(mil. euros)	1,602	975	-	627	64.3	Enel*
South Eastern Europe and Russia	(mil. euros)	1,295	872	454	423	48.6	Enel*
North America	(mil. euros)	63	82	66	-19	-22.9	Enel*
South America	(mil. euros)	1,530	91	49	1,439	1,586.9	Enel*
EBITDA	**(mil. euros)**	**10,023**	**8,019**	**7,745**	**2,004**	**25.0**	**Enel***
Ebitda GEM (3)	(%)	35.3	39.4	44.0	-4.0	-10.3	Enel*
Ebitda Networks	(%)	37.2	42.6	43.9	-5.4	-12.8	Enel*
Ebitda Market (3)	(%)	3.2	2.1	2.0	1.2	55.7	Enel*
Ebitda International	(%)	23.7	11.4	6.3	12.3	107.4	Enel*
Ebitda Other (Services, etc.)	(%)	0.5	4.5	3.9	-4.0	-88.6	Enel*
EBIT	**(mil. euros)**	**6,990**	**5,819**	**5,538**	**1,171**	**20.1**	**Enel***
EBT	**(mil. euros)**	**6,088**	**5,168**	**4,794**	**920**	**17.8**	**Enel***
Group net income for the year	**(mil. euros)**	**3,977**	**3,036**	**3,895**	**941**	**31.0**	**Enel***
Value added (broken down by stakeholder)							
Revenues	(mil. euros)	43,673	38,513	33,787	5,160	13.4	Enel*
External costs	(mil. euros)	29,640	26,206	23,034	3,434	13.1	Enel*
Proceeds/(Expense) from commodity risk	(mil. euros)	-36	-614	272	578	-94.1	Enel*
Gross value added continuing operations	(mil. euros)	13,997	11,693	11,025	2,304	19.7	Enel*
Proceeds from share trading/Gross value added	(mil. euros)	127	263	2,952	-136	-51.7	Enel*
Total gross value added	(mil. euros)	14,124	11,956	13,977	2,168	18.1	Enel*
Shareholders	(mil. euros)	3,030	3,958	3,472	-928	-23.4	Enel*
Providers of capital	(mil. euros)	902	651	984	251	38.6	Enel*
Employees	(mil. euros)	3,326	3,210	3,100	116	3.6	Enel*
Government	(mil. euros)	2,384	2,433	2,480	-49	-2.0	Enel*
Enterprise system	(mil. euros)	4,482	1,704	3,941	2,778	163.0	Enel*
Economic value generated							
Economic value generated directed:							
Revenues	(mil. euros)	43,673	38,513	33,787	5,160	13.4	Enel*
Economic value distributed:							
Operating costs	(mil. euros)	29,676	26,820	22,762	2,856	10.6	Enel*
Personnel and benefit cost	(mil. euros)	3,326	3,210	3,100	116	3.6	Enel*
Payments to providers of capital	(mil. euros)	3,932	4,609	4,456	-677	-14.7	Enel*
Payments to governments	(mil. euros)	2,384	2,433	2,480	-49	-2.0	Enel*
Economic value discontinued operations	(mil. euros)	127	-	2,952	127	0.0	Enel*
Economic value generated	**(mil. euros)**	**4,482**	**1,441**	**3,941**	**3,041**	**211.0**	**Enel***

* Including Endesa.
(2) Revenues are shown net of intra-company elisions and adjustments.
(3) In 2006, reclassified from Generation to Sales because of transfer of "energy devouring customers".

SHAREHOLDERS (4/4)

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Economic performance							
Volume of electricity sold	**(TWh)**	**196.3**	**159.9**	**156.3**	**36.5**	**22.8**	**Enel***
Italy (4)	(TWh)	142.4	142.7	148.2	-0.2	-0.2	Enel*
Abroad	(TWh)	53.9	17.2	8.1	36.7	214.2	Enel*
Volume of gas sold	**(mil. m³)**	**5.5**	**4.5**	**5.1**	**1.0**	**20.9**	**Enel***
Italy	(mil. m³)	4.9	4.5	5.1	0.4	7.7	Enel*
Abroad	(mil. m³)	0.6			0.6	0.0	Enel*
Customers							
Only-electricity customers	(,000)	30,335.3	30,250.4	30,029.6	84.9	0.3	Enel*
Only-gas customers	(,000)	2,082.4	2,313.6	2,141.0	-231.2	-10.0	Enel*
Dual-energy customers	(,000)	380.0	17.4	2.0	362.6	2,085.7	Enel*
Foreign customers	(,000)	17,947.9	2,200.0	2,065.9	15,747.9	715.8	Enel*
Electricity production	**(TWh)**	**153.5**	**131.4**	**125.7**	**22.1**	**16.8**	**Enel***
Production Italy	(TWh)	94.2	103.9	112.1	-9.7	-9.3	Enel*
Production abroad	(TWh)	59.3	27.5	13.6	31.8	115.4	Enel*
Investment							
Investment	**(mil. euros)**	**4,929.0**	**2,962.7**	**2,829.0**	**1,966.3**	**66.4**	**Enel**
Valle d'Aosta	(mil. euros)	10.6	8.6	6.5	2.0	23.5	Enel
Piedmont	(mil. euros)	157.7	136.7	156.2	21.1	15.4	Enel
Lombardy	(mil. euros)	305.5	251.6	285.9	53.9	21.4	Enel
Trentino Alto Adige	(mil. euros)	11.7	15.4	23.5	-3.8	-24.4	Enel
Veneto	(mil. euros)	218.8	221.1	227.4	-2.2	-1.0	Enel
Friuli Venezia Giulia	(mil. euros)	30.1	22.4	27.1	7.7	34.1	Enel
Liguria	(mil. euros)	59.9	59.1	58.0	0.8	1.4	Enel
Emilia Romagna	(mil. euros)	124.2	127.3	156.2	-3.1	-2.5	Enel
Tuscany	(mil. euros)	251.6	239.1	266.1	12.6	5.3	Enel
Marches	(mil. euros)	41.3	49.0	52.5	-7.7	-15.6	Enel
Umbria	(mil. euros)	31.1	26.9	26.3	4.2	15.7	Enel
Latium	(mil. euros)	908.3	572.3	454.3	336.0	58.7	Enel
Abruzzo	(mil. euros)	46.0	47.4	52.6	-1.4	-2.9	Enel
Molise	(mil. euros)	50.5	36.7	14.6	13.9	37.8	Enel
Campania	(mil. euros)	135.7	119.3	131.4	16.4	13.7	Enel
Apulia	(mil. euros)	181.6	133.7	115.1	48.0	35.9	Enel
Basilicata	(mil. euros)	28.2	18.6	20.9	9.6	51.8	Enel
Calabria	(mil. euros)	62.1	66.9	123.4	-4.9	-7.2	Enel
Sicily	(mil. euros)	176.9	216.0	148.9	-39.1	-18.1	Enel
Sardinia	(mil. euros)	107.7	116.8	125.2	-9.1	-7.8	Enel
Total Italy	**(mil. euros)**	**2,939.4**	**2,484.7**	**2,471.9**	**454.7**	**18.3**	**Enel**
Spain and France	(mil. euros)	1,398.0	214.4	222.4	1,183.6	552.1	Enel
South Eastern Europe and Russia	(mil. euros)	176.9	124.0	58.3	52.8	42.6	Enel
North America	(mil. euros)	264.0	51.1	5.5	213.0	417.2	Enel
South America	(mil. euros)	12.6	14.3	13.1	-1.7	-12.1	Enel
Slovakia	(mil. euros)	131.9	63.5	-	68.4	107.6	Enel
Total foreign	**(mil. euros)**	**1,983.4**	**467.3**	**299.2**	**1,516.1**	**324.4**	**Enel**
Adjustments	(mil. euros)	6.2	10.7	57.9	-4.5	-41.8	Enel

* Including Endesa.
(4) Excluding transfers to dealers.

SUPPLIERS

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Suppliers							
Number suppliers	(no.)	17,391	18,265	17,707	-874	-4.8	Enel
Supplier concentration (top 15)	(%)	29.2	25.7	22.8	3.6	13.8	Enel
Local suppliers with contracts >1 mil. euros	(no.)	560	494	501	66	13.4	Enel
Foreign suppliers with contracts >1 mil. euros	(no.)	57	54	32	3	5.6	Enel
Expense for local contractors with contracts >1 mil. euros	(mil. euros)	2,373.5	2,368.1	2,168.7	5.4	0.2	Enel
Expense for foreign suppliers with contracts >1 mil. euros	(mil. euros)	434.0	455.0	193.9	-21.1	-4.6	Enel
Concentration expense on local suppliers	(%)	85	84	92	1	1.2	Enel
Concentration expense on foreign suppliers	(%)	15	16	8	-1	-6.3	Enel
Procurement and fuels							
Purchases of materials and services	(mil. euros)	3,504	3,450	3,014	54	1.6	Enel
Supplies	(mil. euros)	1,273	1,564	1,284	-291	-18.6	Enel
Works	(mil. euros)	960	759	919	201	26.5	Enel
Services	(mil. euros)	1,271	1,127	811	144	12.8	Enel
Fuel purchases	(mil. euros)	4,556	7,271	2,694	-2,715	-37.3	Enel
Gas	(mil. euros)	2,777	4,197	720	-1,420	-33.8	Enel
Oil	(mil. euros)	496	1,134	851	-638	-56.3	Enel
Coal	(mil. euros)	345	1,108	549	-763	-68.9	Enel
Services	(mil. euros)	938	832	574	106	12.7	Enel
Management instruments							
Active qualifications	(no.)	2,406	2,784	2,960	-378	-13.6	Enel
Online tenders	(%)	90	91	92	-1	-1.1	Enel
Online purchases	(%)	88	91	98	-3	-3.3	Enel
Contracts awarded without tender	(%)	37.7	27.5	21.0	10.2	37.1	Enel
Litigation with suppliers							
Total proceedings	(no.)	548	534	590	14	2.6	Enel
Incidence of proceedings as defendant	(%)	83.6	81.0	81.7	2.5	3.1	Enel

ELECTRICITY MARKET ITALY

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Customer portfolio							
Volume of retail electricity sales	(TWh)	142.4	142.7	148.2	-0.2	-0.1	Italy
- Volume sold in free market	(TWh)	39.9	22.3	18.5	17.7	79.4	Italy
Mass-market customers	*(TWh)*	*18.4*	*3.0*	*-*	*15.3*	*505.0*	*Italy*
Business customers	*(TWh)*	*21.6*	*19.2*	*18.5*	*2.3*	*12.2*	*Italy*
- Volume sold in regulated markets	(TWh)	102.5	120.4	129.7	-17.9	-14.9	Italy
Retail electricity customers	(,000)	30,715.3	30,267.8	30,031.6	447.5	1.5	Italy
- Free-market customers	0	1,226.1	297.4	40.0	928.6	312.2	Italy
Mass-market customers	*(,000)*	*1,202.1*	*268.2*	*-*	*933.8*	*348.2*	*Italy*
Business customers	*(,000)*	*24.0*	*29.2*	*40.0*	*-5.3*	*-18.0*	*Italy*
- Regulated-market customers	0	29,489.2	29,970.3	29,991.6	-481.1	-1.6	Italy
"Green Energy" sold	(GWh)	6,157.0	219.0	216.2	5,938.0	2,711.4	Italy
Sales structure							
Punti Enel (electricity + gas)	(no.)	135	132	-	3	2.3	Italy
Qui Enel / Qui Gas	(no.)	1,271	868	1,005	403	46.4	Italy
Supply connection							
Execution of simple jobs	(d)	9.6	9.1	8.6	0.5	5.5	Italy
Supply connection	(d)	1.5	2.0	1.5	-0.5	-25.0	Italy
Technical quality							
Service continuity index (including external causes)	(min)	49	51	63	-2	-3.9	Italy
Service continuity index (excluding external causes)	(min)	45	46	56	-1	-2.0	Italy
Investment in quality	(mil. euros)	182	181	222	1	0.6	Italy
Awards/Penalties for service	(mil. euros)	183	164	118	19	11.6	Italy
Call Center (5)							
Service level	(%)	86	88	90	-2	-2.3	Italy
Average waiting time	(sec)	178	117	139	61	52.1	Italy
Training per operator	(h)	72	27	25	45	166.3	Italy
Customer satisfaction							
Customer satisfaction index	(ind)	7.2	8.1	-	-0.9	-10.7	Italy
Written complaints and requests for info - electricity (6)	(.000)	90.2	99.8	93.2	-9.6	-9.6	Italy
Written complaint answering time - electricity (6)	(d)	34.9	17.3	21.6	17.6	101.7	Italy
Litigation with electricity customers Italy							
Total proceedings	(no.)	107,931	97,273	59,753	10,658	11.0	Italy
Incidence of proceedings as defendant	(%)	91.2	91.7	84.2	-0.5	-0.6	Italy

(5) The 2007 values regard the total activities carried out by the Enel Contact Centers for the free electricity and gas market and for the regulated market, while for 2006 and 2005 they regard only the regulated market.
(6) These regard only the regulated market (i.e., the free market is excluded).

GAS MARKET

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Customer portfolio							
Volume of gas sold	(mil. m³)	4,897	4,545	5,089	351.8	7.7	Italy
Mass-market customers	*(mil. m³)*	*2,865*	*2,973*	*3,021*	*-107.9*	*-3.6*	*Italy*
Business customers	*(mil. m³)*	*2,032*	*1,572*	*2,067*	*459.7*	*29.2*	*Italy*
Gas customers	(,000)	2,462.4	2,331.1	17.1	131.4	5.6	Italy
Mass-market customers	*(,000)*	*2,460.4*	*2,329.2*	*15.0*	*131.2*	*5.6*	*Italy*
Business customers	*(,000)*	*2.0*	*1.9*	*2.1*	*0.1*	*6.7*	*Italy*
Dual-energy customers	(no.)	380,000	17,386	1,993	362,614	2,085.7	Italy
Activation of gas supply							
Execution of simple jobs	(d)	17.1	7.5	9.5	9.6	128.0	Italy
Supply activation	(d)	12.7	3.0	2.5	9.7	323.3	Italy
Customer satisfaction							
Written complaints	(,000)	4,403	2,465	2,448	1,938	78.6	Italy
Written complaint response	(d)	18.5	18.3	17.7	0.2	1.1	Italy
Litigation with gas customers							
Total proceedings	(no.)	354	608	1,264	-254	-41.8	Italy

FOREIGN MARKET

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Electricity sold							
Electricity sold in free market:	**(kWh)**	**26,251**	**8,670**	**-**	**17,581**	**202.8**	**Enel**
Iberia	(kWh)	7,663	649	-	7,014	1,080.7	Enel
Romania	(kWh)	644	446	-	198	44.4	Enel
France	(kWh)	394	-	-	394	0	Enel
Russia	(kWh)	17,222	7,575	-	9,647	127.4	Enel
South America	(kWh)	328	-	-	328	0	Enel
Electricity sold in regulated market:	**(kWh)**	**27,640**	**8,483**	**-**	**19,157**	**225.8**	**Enel**
Iberia	(kWh)	16,094	3,968	-	12,126	305.6	Enel
Romania	(kWh)	4,274	4,446	-	-172	-3.9	Enel
Russia	(kWh)	203	69	-	134	194.2	Enel
South America	(kWh)	7,069	-	-	7,069	0	Enel
Total sales abroad:	**(kWh)**	**53,891**	**17,153**	**-**	**36,738**	**214.2**	**Enel**
Iberia	(kWh)	23,757	4,617	-	19,140	414.6	Enel
Romania	(kWh)	4,918	4,892	-	26	0.5	Enel
France	(kWh)	394	-	-	394	0	Enel
Russia	(kWh)	17,425	7,644	-	9,781	128.0	Enel
South America	(kWh)	7,397	-	-	7,397	0	Enel

ELECTRICITY MARKET ROMANIA

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Customer Portfolio							
Free-market customers	(,000)	0.76	0.73	0.06	0.03	4	Romania
Regulated-market customers	(,000)	1,443	1,437	1,441	6	0	Romania
Sales structure							
Agencies	(no.)	95	94	108	1	1	Romania
Indirect channel	(no.)	2	-	-	2	-	Romania

ENVIRONMENTAL MANAGEMENT SYSTEM

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Environmental certification							
ISO certified organizations	(no.)	30	28	26	2	7.1	Italy
EMAS registered organizations	(no.)	19	16	14	3	18.8	Italy
Degree of EMAS certification coverage (1)	(%)	50.5	47.3	42.1	3.3	6.9	Italy
Degree of ISO 14001 coverage (1)	(%)	88.5	81.6	75.2	6.9	8.4	Italy
Research and innovation							
Expenditure on research (2)	(mil. euros)	31.1	24.8	22.3	6.3	25.2	Italy
Research personnel	(no.)	180	170	155	10	5.9	Italy
Environmental expenditure							
Environmental expenditure	(mil. euros)	432	679	444	-247	-36.4	Italy
Total current expenditure (3)	(mil. euros)	279	560	344	-281	-50.2	Italy
Total environmental investment	(mil. euros)	153	119	100	34	28.3	Italy
Personnel dedicated to environmental issues	(no.)	176	194	197	-18	-9.2	Italy
Safety systems							
Inspections on ships transporting oil	(%)	100	100	100	-	-	Italy
Inspections on ship transporting LNG	(%)	100	100	100	-	-	Italy
Inspections on ships transporting coal	(%)	100	100	100	-	-	Italy

(1) The values for 2006 and 2005 differ from those published in the 2006 Sustainability Report, because as of this year they regard nominal power and not net efficient power.
(2) These include both operating and investment costs.
(3) Following the gas emergency, in 2006 more low-sulfur fuel oil was used, with a consequent increase in the related expense.
* From 2007, also includes investement regarding research and development for protection of the environment.

ENERGY EFFICIENCY OF GENERATING PLANTS (1/2)

KPI	UM					%	Companies concerned
		2007	2006	2005	2007-2006	2007-2006	
Generating plants							
Thermal net efficient power	**(MW)**	**25,005**	**25,117**	**26,902**	**-112**	**-0.4**	**Italy**
Coal	(MW)	4,959	4,939	4,939	20	0.4	Italy
CCGT	(MW)	5,962	5,385	5,005	577	10.7	Italy
Oil/gas	(MW)	12,083	12,794	14,826	-711	-5.6	Italy
Other	(MW)	2,002	2,000	2,132	2	0.1	Italy
Renewable net efficient power	**(MW)**	**15,391**	**15,358**	**15,314**	**33**	**0.2**	**Italy**
Hydro	(MW)	14,401	14,379	14,363	22	0.2	Italy
including mini-hydro (<10 MW)	(MW)	947	940	938	7	0.7	Italy
Wind	(MW)	315	305	277	11	3.6	Italy
Geo	(MW)	671	671	671	-	-	Italy
Other	(MW)	4	4	4	-	-	Italy
Total net efficient power	**(MW)**	**40,396**	**40,475**	**42,216**	**-79**	**-0.2**	**Italy**
Thermal net production	**(TWh)**	**67.3**	**73.8**	**81.8**	**-6.6**	**-8.9**	**Italy**
Coal	(TWh)	28.6	27.9	30.0	0.7	2.6	Italy
CCGT	(TWh)	23.3	19.5	22.2	3.8	19.5	Italy
Oil/gas	(TWh)	15.1	26.0	29.3	-10.9	-42.0	Italy
Other	(TWh)	0.4	0.4	0.3	-0.1	-18.6	Italy
Renewable net production	**(TWh)**	**26.9**	**30.1**	**30.3**	**-3.2**	**-10.6**	**Italy**
Hydro	(TWh)	21.2	24.5	24.9	-3.3	-13.5	Italy
including mini-hydro (<10 MW)	(TWh)	2.4	2.8	3.0	-0.4	-14.3	Italy
Wind	(TWh)	0.5	0.4	0.4	0.1	19.1	Italy
Geo	(TWh)	5.2	5.2	5.0	0.0	0.7	Italy
Total net production	**(TWh)**	**94.2**	**103.9**	**112.1**	**-9.7**	**-9.4**	**Italy**
Thermal plants	**(no.)**	**133**	**148**	**161**	**-15**	**-10.1**	**Italy**
Coal units	(no.)	18	18	18	-	-	Italy
CGGT units	(no.)	15	15	14	-	-	Italy
Oil/gas units	(no.)	35	36	49	-1	-2.8	Italy
TG units	(no.)	25	25	28	-	-	Italy
Diesel units	(no.)	40	54	52	-14	-25.9	Italy
Plants run on renewable energy	**(no.)**	**557**	**555**	**554**	**2**	**0.4**	**Italy**
Hydro plants	(no.)	501	500	500	1	0.2	Italy
including mini-hydro plants (<10 MW)	(no.)	324	323	323	1	0.3	Italy
Wind plants	(no.)	20	19	17	1	5.3	Italy
Photovoltaic plants	(no.)	4	4	4	-	-	Italy
Geo plants	(no.)	31	31	32	-	-	Italy
Biomass plants	(no.)	1	1	1	-	-	Italy
Thermal generating plants							
CCGT (power)	**(%)**	**23.8**	**21.4**	**18.6**	**2.4**	**11.2**	**Italy**
CCGT plant yield	**(%)**	**52.5**	**52.7**	**53.0**	**-0.2**	**-0.4**	**Italy**
Availability thermal plants (KD)	**(%)**	**73.3**	**70.6**	**77.9**	**2.7**	**3.8**	**Italy**
New CC plants	**(MW)**	**389**	**380**	**0**	**9**	**2.4**	**Italy**
Investment in efficiency	**(mil. euros)**	**776**	**630**	**232**	**146**	**23.1**	**Italy**

ENERGY EFFICIENCY OF GENERATING PLANTS (2/2)

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Green Energy							
Development of renewable energy (4)	(MW)	33	44	104	-11	-25.4	Italy
Hydro	(MW)	22	17	45	5	32.7	Italy
including mini-hydro (<10 MW)	(MW)	7	2	4	5	287.6	Italy
Wind	(MW)	11	31	30	-20	-64.7	Italy
Geo	(MW)	-	-	46	-	-	Italy
Disposals	(MW)	-	3	17	-3	-100.0	Italy
Green Certificate production	(TWh)	2.0	1.8	1.3	0.2	12.5	Italy
Coverage Green Certificate requirements	(%)	88.4	80.0	60.9	8.4	10.5	Italy
Investment in renewable energy	(mil. euros)	360	249	262	112	44.9	Italy

(4) Net of disposals.

NETWORK ENERGY EFFICIENCY

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Electricity distribution							
Construction/power LV/MV lines	(km)	19,582	19,917	21,057	-335	-1.7	Italy
LV lines	(km)	13,569	13,474	13,047	95	0.7	Italy
MV lines	(km)	6,013	6,443	8,010	-430	-6.7	Italy
Equipment with PCB	(%)	4.2	5.3	7.1	-1.1	-20.2	Italy
Energy transported	TWh	255.8	255.0	251.0	0.8	0.3	Italy
Municipalities served by power network (5)	(no.)	7,724	7,670	8,010	54	0.7	Italy
Gas distribution							
Gas leaks	(no.)	278	357	433	-79	-22.1	Italy
Extension gas network (6)	(,000 km)	30.7	30.6	29.4	0.1	0.2	Italy
Network checked	(%)	37.2	49.4	53.4	-12.2	-24.7	Italy
Remote-controled substations	(no.)	1,072	935	800	137	14.7	Italy
Gas network authorizations	(no.)	2,032	2,023	2,045	9	0.4	Italy
Gas transported	(bil. m^3)	3.5	3.7	3.9	-0.2	-5.4	Italy

(5) Including Deval.
(6) Gas network already in operation, not merely laid.

RATIONAL USE OF ENERGY

KPI	UM					%	Companies concerned
		2007	2006	2005	2007-2006	2007-2006	
Promotion of energy efficiency							
Energy Efficiency Certificates	(no.)	212,034	96,174	51,408	115,860	120.5	Italy
Photovoltaic	(kWp)	17,600	8,280	-	9,320	112.6	Italy
Micro-generation	(kW)	1,840	1,958	1,890	-118	-6.0	Italy
Digital meters installed	(,000)	30,800	29,800	26,954	1,000	3.4	Italy
Internal energy consumption							
Electricity consumption for civil uses	(MWh)	123,704	n.a.	n.a.	-	-	Italy
Other fuel consumption	(toe)	1,394	n.a.	n.a.	-	-	Italy
Water requirements for civil uses	(,000 m³)	1,317	n.a.	n.a.	-	-	Italy
Paper purchased for printing/photocopies	(mil.*)	279	n.a.	n.a.	-	-	Italy
Space occupied	(,000 m²)	1,542	n.a.	n.a.	-	-	Italy

* Millions of size A4-sheets.

ENVIRONMENTAL PERFORMANCE (1/2)

KPI	UM					%	Companies concerned
		2007	2006	2005	2007-2006	2007-2006	
Resources used in production							
Consumption of fossil fuels							
Coal	(mil. t)	11.4	10.8	11.8	0.6	5.9	Italy
Oil	(mil. t)	1.8	3.6	3.7	-1.9	-51.4	Italy
Gas	(mil. m³)	7.2	7.3	8.5	-0.1	-1.0	Italy
Diesel	(,000 t)	69.9	79.1	63.7	-9.2	-11.7	Italy
Biomass and waste for thermal production	(,000 t)	97.5	32.9	19.1	64.6	196.3	Italy
Total fuel consumption	**(Mtoe)**	**14.8**	**16.4**	**18.0**	**-1.6**	**-9.9**	**Italy**
Coal	(%)	45.9	39.7	39.5	6.2	15.6	Italy
Oil	(%)	11.9	21.9	20.4	-10.0	-45.7	Italy
Gas	(%)	41.5	37.7	39.7	3.7	9.9	Italy
Other (diesel, biomass, and waste for thermal prod.)	(%)	0.7	0.6	0.4	0.1	20.8	Italy
Geothermal fluid (total extracted)	**(,000 t)**	**50,478**	**49,929**	**45,804**	**549**	**1.1**	**Italy**
Geothermal fluid (net of liquids reinjected)	(,000 t)	30,364	32,985	32,080	-2,621	-7.9	Italy
Geothermal steam used to produce electricity	(,000 t)	44,215	43,937	41,687	278	0.6	Italy
Specific requirements for thermal production	**(l/kWh)**	**0.57**	**0.54**	**0.54**	**0.03**	**5.6**	**Italy**
Water required for industrial use	**(mil. m³)**	**38.3**	**39.9**	**44.0**	**-1.6**	**-3.9**	**Italy**
from rivers	(mil. m³)	9.4	9.4	10.0	-	-	Italy
from wells	(mil. m³)	3.6	3.9	4.1	-0.3	-7.0	Italy
from aqueducts	(mil. m³)	5.5	4.8	5.4	0.7	13.9	Italy
Total withdrawals of internal water	*(mil. m³)*	*18.5*	*18.1*	*19.5*	*0.4*	*2.2*	*Italy*
from the sea, used as is	(mil. m³)	11.9	12.2	13.9	-0.2	-1.8	Italy
from the sea, desalinated	(mil. m³)	6.4	7.2	7.3	-0.8	-10.7	Italy
from waste water (used inside plants)	(mil. m³)	1.5	2.5	3.3	-1.0	-39.6	Italy
% of water recycled and used again	**(%)**	**3.9**	**6.1**	**7.5**	**-2.3**	**-37.2**	**Italy**

ENVIRONMENTAL PERFORMANCE (2/2)

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Resources used in production							
Expendables	**(,000 t)**	**251.7**	**229.0**	**219.4**	**22.7**	**9.9**	**Italy**
Limestone	(,000 t)	192.4	169.6	162.4	22.8	13.4	Italy
Ammonia	(,000 t)	19.8	19.2	19.7	0.6	3.1	Italy
Caustic soda	(,000 t)	15.6	13.5	9.2	2.1	15.6	Italy
Spent lime	(,000 t)	10.1	9.1	8.4	1.0	11.3	Italy
Sulfuric/hydrochloric acid	(,000 t)	4.6	5.0	6.5	-0.4	-8.1	Italy
Other	(,000 t)	9.3	12.7	13.2	-3.4	-26.7	Italy
Polluting emissions							
Net specific emissions of SO_2	**(g/kWh)**	**0.67**	**0.93**	**0.89**	**-0.26**	**-28.0**	**Italy**
Net specific emissions of NO_X	**(g/kWh)**	**0.52**	**0.58**	**0.60**	**-0.06**	**-10.3**	**Italy**
Net specific emissions of H_2S	**(g/kWh)**	**3.09**	**4.00**	**4.61**	**-0.90**	**-22.6**	**Italy**
Net specific emissions of particulate	**(g/kWh)**	**0.024**	**0.029**	**0.032**	**-0.004**	**-15.0**	**Italy**
Emissions into water							
COD (Chemical Oxygen Demand)	(t)	352.0	381.0	390.6	-28.9	-7.6	Italy
BOD (Biochemical Oxygen Demand)	(t)	81.6	83.5	76.6	-1.9	-2.3	Italy
Nitrogen	(t)	118.2	86.9	105.7	31.3	36.0	Italy
Heavy metals	(t)	4.2	2.7	3.2	1.6	58.2	Italy
Phosphorous	(t)	8.3	9.3	8.0	-1.0	-10.8	Italy
Waste water (quantity discharged)	**(mil. m³)**	**13.7**	**13.3**	**14.8**	**0.4**	**3.1**	**Italy**
from thermal production	(mil. m³)	13.7	13.2	14.7	0.5	3.4	Italy
from storing and moving fuel oil	(mil. m³)	0.03	0.07	0.11	-0.04	-57.1	Italy
Greenhouse gas emissions							
Greenhouse gas specific emissions	**(g/kWh)**	**694**	**699**	**687**	**-4**	**-0.6**	**Italy**
Emissions	**(mil. t)**	**46.8**	**51.6**	**56.2**	**-4.8**	**-9.3**	**Italy**
Emissions avoided	**(mil. t)**	**14.9**	**16.6**	**16.2**	**-1.7**	**-10.3**	**Italy**
Other greenhouse gas emissions (SF_6)	**(,000 kg)**	**4.8**	**4.3**	**4.2**	**0.5**	**11.4**	**Italy**
Other production cycles (CH_4)	**(,000 t)**	**14.8**	**15.9**	**13.0**	**-1.0**	**-6.6**	**Italy**
Other production cycles (CO_2) (7)	**(,000 t)**	**10.6**	**10.9**	**9.6**	**-0.3**	**-2.5**	**Italy**
Waste management							
Waste produced	(,000 t)	1,801	1,580	1,801	221	14.0	Italy
Hazardous special waste produced	(,000 t)	38.4	37.5	45.4	1.0	2.6	Italy
Waste recycled	(%)	84	88	90	-4	-4.9	Italy
Disposal of asbestos	(t)	4,737.4	2,077.4	3,376.0	2,660.0	128.0	Italy
Impact on landscape/environment							
Circuit-length of power lines	**(km)**	**1,104,980**	**1,096,300**	**1,090,128**	**8,680.0**	**0.8**	**Italy**
Total LV lines	(km)	747,406	740,979	736,026	6,427.0	0.9	Italy
Total MV lines	(km)	338,644	336,517	335,151	2,127.0	0.6	Italy
Total HV lines	(km)	18,930	18,804	18,951	126.0	0.7	Italy
Overhead/underground cable index (LV/MV)	**(%)**	**70.6**	**70.2**	**69.6**	**0.4**	**0.6**	**Italy**
Overhead/underground cable index (LV)	**(%)**	**84.1**	**83.7**	**83.2**	**0.3**	**0.4**	**Italy**
Overhead/underground cable index (MV)	**(%)**	**40.9**	**40.4**	**39.7**	**0.5**	**1.4**	**Italy**
Environmental litigation Italy							
Environmental proceedings as defendant	**(no.)**	**213**	**228**	**275**	**-15**	**-6.6**	**Italy**

(7) CO_2 from other production cycles regarding only the gas network.

ENVIRONMENTAL MANAGEMENT SYSTEMS

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Environmental certification							
Degree of ISO 14001 coverage	(%)	68.5	64.5	20.4	4.0	6.2	Abroad (1)

(1) Excluding Endesa and Russia.

ENERGY EFFICIENCY OF GENERATING PLANTS (1/2)

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Generating plants							
Thermal net efficient power	(MW)	4,680	6,200	2,141	-1,520	-24.5	Abroad (1)
Coal	(MW)	2,230	2,409	1,410	-179	-7.4	Abroad (1)
Oil/gas	(MW)	400	1,331	731	-931	-69.9	Abroad (1)
Nuclear	(MW)	2,050	2,460	-	-410	-16.7	Abroad (1)
Renewable net efficient power	(MW)	4,577	4,101	1,645	476	11.6	Abroad (1)
Hydro	(MW)	3,981	3,772	1,159	209	5.5	Abroad (1)
Wind	(MW)	542	283	412	259	91.5	Abroad (1)
Geo	(MW)	7	-	-	7	-	Abroad (1)
Other (EUFER co-generation, ENA biomass, etc.)	(MW)	47	46	74	1	2.2	Abroad (1)
Total net efficient production	(MW)	9,257	10,301	3,786	-1,044	-10.1	Abroad (1)
Iberia	(%)	19.7	23.6	69.6	-4	-16.5	Abroad (1)
Greece	(%)	0.9	-	-	1	-	Abroad (1)
Bulgaria	(%)	6.3	5.4	14.5	1	16.7	Abroad (1)
Slovakia	(%)	60.8	62.5	-	-2	-2.7	Abroad (1)
North America	(%)	5.1	3.9	10.6	1	30.8	Abroad (1)
Latin America	(%)	7.2	4.6	5.2	3	56.5	Abroad (1)
Thermal net production	(TWh)	24.7	20.3	9.3	4.4	21.8	Abroad (1)
Coal	(TWh)	10.6	9.4	8.3	1.2	13.0	Abroad (1)
Oil/gas	(TWh)	-	0.2	1.0	-0.2	-99.2	Abroad (1)
Nuclear	(TWh)	14.1	10.7	-	3.4	31.8	Abroad (1)
Net renewable production	(TWh)	10.2	7.2	4.3	3.0	41.4	Abroad (1)
Hydro	(TWh)	9.0	6.0	2.9	3.0	49.9	Abroad (1)
Wind	(TWh)	0.8	0.8	0.9	-	-	Abroad (1)
Geo	(TWh)	0.04	-	-	0.04	-	Abroad (1)
Other (EUFER co-generation, ENA biomass, etc.)	(TWh)	0.3	0.3	0.5	-	-	Abroad (1)
Total net production	(TWh)	34.9	27.5	13.6	7.4	26.9	Abroad (1)
Iberia	(%)	16.9	22.2	62.0	-5.3	-23.9	Abroad (1)
Greece	(%)	0.2	-	-	0.2	-	Abroad (1)
Bulgaria	(%)	9.9	11.3	22.1	-1.4	-12.4	Abroad (1)
Slovakia	(%)	61.5	56.8	-	4.7	8.3	Abroad (1)
North America	(%)	3.6	5.0	9.4	-1.4	-28.0	Abroad (1)
Latin America	(%)	7.9	4.7	6.5	3.2	68.1	Abroad (1)

(1) Excluding Endesa and Russia.

ENERGY EFFICIENCY OF GENERATING PLANTS (2/2)

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Generating plants							
Renewable net efficient power	**(MW)**	**4,577**	**4,101**	**1,645**	**476**	**11.6**	**Abroad** (1)
Iberia	(MW)	1,032	899	1,045	133	14.8	Abroad (1)
Greece	(MW)	80	-	-	-	-	Abroad (1)
Slovakia	(MW)	2,329	2,329	-	-	-	Abroad (1)
North America	(MW)	472	402	402	70	17.4	Abroad (1)
Latin America	(MW)	664	471	198	193	41.0	Abroad (1)
Iberia	(%)	22.5	21.9	63.5	1	2.9	Abroad (1)
Greece	(%)	1.7	-	-	-	-	Abroad (1)
Slovakia	(%)	50.9	56.8	-	-	-	Abroad (1)
North America	(%)	10.3	9.8	24.4	1	5.2	Abroad (1)
Latin America	(%)	14.5	11.5	12.0	3	26.3	Abroad (1)
Renewable net production	**(TWh)**	**10.16**	**7.18**	**4.30**	**3**	**41.4**	**Abroad** (1)
Iberia	(TWh)	1.88	1.98	2.13	-0.10	-4.8	Abroad (1)
Greece	(TWh)	0.05	-	-	-	-	Abroad (1)
Slovakia	(TWh)	4.24	2.54	-	-	-	Abroad (1)
North America	(TWh)	1.24	1.37	1.28	-0.13	-9.7	Abroad (1)
Latin America	(TWh)	2.75	1.30	0.89	1.45	111.9	Abroad (1)
Iberia	(%)	18.5	27.5	49.5	-9	-32.7	Abroad (1)
Greece	(%)	0.5	-	-	-	-	Abroad (1)
Slovakia	(%)	41.7	35.3	-	-	-	Abroad (1)
North America	(%)	12.2	19.1	29.9	-7	-36.1	Abroad (1)
Latin America	(%)	27.1	18.1	20.6	9	49.8	Abroad (1)

(1) Excluding Endesa and Russia.

ENVIRONMENTAL PERFORMANCE (2) (1/3)

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Resources used in production							
Fuel consumption (3)							
Coal	(,000 t)	11,835.5	11,679.7	8,966.7	155.8	1.3	Abroad (1)
Oil	(,000 t)	67.7	100.7	230.6	-33.0	-32.8	Abroad (1)
Gas	(mil. m³)	62.6	112.8	190.4	-50.2	-44.5	Abroad (1)
Diesel	(,000 t)	1.6	2.0	1.5	-0.4	-19.8	Abroad (1)
Biomass and waste for thermal production	(,000 t)	400.5	403.9	327.0	-3.4	-0.9	Abroad (1)
Total fuel consumption	**(Mtep)**	**3.31**	**3.46**	**2.79**	**-0.15**	**-4.4**	**Abroad** (1)
Coal	(%)	93.6	91.6	83.0	2.0	2.2	Abroad (1)
Oil	(%)	1.9	2.8	8.0	-0.9	-31.0	Abroad (1)
Gas	(%)	1.7	2.9	6.5	-1.2	-41.1	Abroad (1)
Other (diesel, biomass and waste for thermal production)	(%)	2.8	2.7	2.5	0.1	3.6	Abroad (1)

(1) Excluding Endesa and Russia.
(2) The values do not include the EBO V1 nuclear plant (410 MW) and several hydro plants (739 MW carved out) in Slovakia.
(3) As of this year the value also includes the consumption of the other activities regarding thermal production. The previous years have therefore been reclassified.

ENVIRONMENTAL PERFORMANCE [2] (2/3)

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Resources used in production							
Uranium [4]	(t)	37	33	-	4	10.9	Abroad [1]
Water consumption [5]							
Specific requirements for thermal production [6]	(l/kWh)	5.7	4.3	3.1	1.4	31.8	Abroad [1]
Specific requirements for nuclear production	(l/kWh)	3.2	-	-	-	-	Abroad [1]
Water requirements for industrial use	(mil. m³)	97.5	31.4	28.6	66.2	211.0	Abroad [1]
from rivers	(mil. m³)	89.4	23.4	24.8	66.0	282.5	Abroad [1]
from wells	(mil. m³)	2.5	3.4	2.8	-0.9	-25.4	Abroad [1]
from aqueducts	(mil. m³)	0.9	1.0	1.0	-0.1	-9.3	Abroad [1]
Total withdrawals of internal water	*(mil. m³)*	*92.9*	*27.8*	*28.6*	*65.1*	*234.4*	*Abroad* [1]
from the sea	(mil. m³)	-	-	-	-	-	Abroad [1]
from waste water (share used inside plants)	(mil. m³)	4.7	3.6	-	1.1	30.5	Abroad [1]
% of water recycled and used again	(%)	4.8	11.4	-	-6.6	-58.0	Abroad [1]
Expendables [5]	(,000 t)	352.7	173.6	5.6	179.2	103.2	Abroad [1]
Limestone	(,000 t)	321.7	165.3	-	156.4	94.6	Abroad [1]
Ammonia	(,000 t)	2.4	-	-	2.4	36,289.2	Abroad [1]
Caustic soda	(,000 t)	2.0	1.1	1.1	0.9	76.9	Abroad [1]
Spent lime	(,000 t)	16.2	0.4	0.5	15.9	4,364.2	Abroad [1]
Sulfuric/hydrochloric acid	(,000 t)	3.6	2.2	2.4	1.4	61.0	Abroad [1]
Other	(,000 t)	6.9	4.6	1.5	2.3	49.8	Abroad [1]
Polluting emissions Slovakia							
Net specific emissions of SO_2	(g/kWh)	10.6	-	-	-	-	Slovakia
Net specific emissions of NO_X	(g/kWh)	2.1	-	-	-	-	Slovakia
Specific emissions of particulate	(g/kWh)	0.2	-	-	-	-	Slovakia
Polluting emissions Bulgaria							
Net specific emissions of SO_2	(g/kWh)	28.8	62.5	70.2	-33.74	-54.0	Bulgaria
Net specific emissions of NO_X	(g/kWh)	1.6	2.3	2.3	-0.75	-32.3	Bulgaria
Specific emissions of particulate	(g/kWh)	0.4	1.1	1.1	-0.6	-58.8	Bulgaria
Polluting emissions Iberia							
Net specific emissions of SO_2	(g/kWh)	10.0	13.6	11.6	-3.6	-26.7	Iberia
Net specific emissions of NO_X	(g/kWh)	4.0	3.9	3.3	0.0	1.0	Iberia
Specific emissions of particulate	(g/kWh)	1.2	1.0	0.8	0.2	17.4	Iberia
Nuclear atmospheric emissions							
Noble gases	(TBq per Unit)	9.2	13.5	-	-4.3	-31.8	Abroad [1]
Iodine (annual limits)	(TBq per Unit)	10.6	20.7	-	-10.0	-48.6	Abroad [1]
Aerosol	(TBq per Unit)	20.5	34.5	-	-14.0	-40.7	Abroad [1]
Nuclear emissions into water							
Tritium (annual limits)	(TBq per Unit)	13.0	14.6	-	-1.6	-11.0	Abroad [1]
Products of corrosion and fission	(GBq per Unit)	0.03	0.07	-	-0.04	-56.7	Abroad [1]

(1) Excluding Endesa and Russia.
(2) The values do not include the EBO V1 nuclear plant (410 MW) and several hydro plants (739 MW carved out) in Slovakia.
(4) The figure regards the quantity of uranium dumped from the reactor during the year (refueling).
(5) 2006 does not include the figure regarding Slovenské elektrárne.
(6) Includes the consumption for ash transportation.

ENVIRONMENTAL PERFORMANCE [2] (3/3)

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Emissions into water							
Waste water (quantity discharged) [5]	(mil. m³)	27.4	7.0	6.3	20.4	291.5	Abroad [1]
from thermal production	(mil. m³)	20.1	7.0	6.3	13.1	187.4	Abroad [1]
from nuclear production	(mil. m³)	7.3	-	-	7.3	0.0	Abroad [1]
Greenhouse gas emissions Slovakia							
Specific emissions of greenhouse gases	(g/kWh)	1,314	-	-	-	-	Slovakia
Emissions	(mil. t)	4.1	-	-	-	-	Slovakia
Greenhouse gas emissions Bulgaria							
Specific emissions of greenhouse gases	(g/kWh)	1,385	1,422	1,449	-36.7	-2.6	Bulgaria
Emissions	(mil. t)	4.8	4.4	4.4	0.4	8.6	Bulgaria
Greenhouse gas emissions Iberia							
Specific emissions of greenhouse gases	(g/kWh)	1,019	1,006	957	12.4	1.2	Iberia
Emissions	(mil. t)	4.1	4.2	6.0	-0.1	-1.5	Iberia
Waste management							
Waste produced	(,000 t)	3,399	3,062	1,799	337	11.0	Abroad [1]
including hazardous waste produced [7]	(,000 t)	14.2	8.5	13.3	5.7	66.7	Abroad [1]
Waste recycled	(%)	26.4	24.4	37.1	2.0	8.1	Abroad [1]
Liquid radioactive waste with low/medium activity	(,000 m³)	0.12	0.16	-	-0.04	-24.8	Abroad [1]
Solid radioactive waste with low/medium activity	(t)	37.9	44.6	-	-6.8	-15.2	Abroad [1]
Solid radioactive waste with high activity	(t)	0.11	0.90	-	-0.8	-88.0	Abroad [1]
Impact on landscape/environment Romania							
Circuit-length of power lines	(km)	53,228	52,972	n.a.	256	0.5	Romania
Total LV lines	(km)	25,591	25,513	n.a.	78	0.3	Romania
Total MV lines	(km)	23,523	23,347	n.a.	176	0.8	Romania
Total HV lines	(km)	4,114	4,112	n.a.	2	0.0	Romania
Overhead/underground cable index LV/MV	(%)	29.1	28.0	n.a.	1.1	3.9	Romania
Overhead/underground cable index LV	(%)	40.2	38.4	n.a.	1.9	4.9	Romania
Overhead/underground cable index MV	(%)	16.9	16.6	n.a.	0.3	1.7	Romania

(1) Excluding Endesa and Russia.
(2) The values do not include the EBO V1 nuclear plant (410 MW) and several hydro plants (739 MW carved out) in Slovakia.
(5) 2006 does not include the figure regarding Slovenské elektrárne.
(7) The change in this kind of waste between the years cannot be correlated with the quantity of electricity produced.

NUMBER AND COMPOSITION OF PERSONNEL (1/4)

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Number							
Employees							
Total employees	(no.)	73,500	58,548	51,778	14,952	25.5	Enel*
Hours worked	(mil.h)	93.0	95.8	87.8	-2.8	-3.0	Enel (1)
Breakdown by geographical area (2)							
Italy	**(no.)**	**41,746**	**44,687**	**46,754**	**-2,941**	**-6.6**	**Enel***
Valle d'Aosta	(no.)	180	191	191	-11	-5.8	Enel*
Piedmont	(no.)	2,915	3,228	3,345	-313	-9.7	Enel*
Lombardy	(no.)	4,829	5,158	5,417	-329	-6.4	Enel*
Trentino Alto Adige	(no.)	371	394	398	-23	-5.8	Enel*
Veneto	(no.)	3,452	3,702	3,873	-250	-6.8	Enel*
Friuli Venezia Giulia	(no.)	491	571	587	-80	-14.0	Enel*
Liguria	(no.)	1,210	1,260	1,404	-50	-4.0	Enel*
Emilia Romagna	(no.)	2,159	2,420	2,601	-261	-10.8	Enel*
Tuscany	(no.)	3,847	4,207	4,338	-360	-8.6	Enel*
Marches	(no.)	764	827	867	-63	-7.6	Enel*
Umbria	(no.)	767	882	883	-115	-13.0	Enel*
Latium	(no.)	6,147	5,677	6,096	470	8.3	Enel*
Abruzzo	(no.)	951	1,074	1,079	-123	-11.5	Enel*
Molise	(no.)	294	341	327	-47	-13.8	Enel*
Campania	(no.)	3,246	3,684	3,850	-438	-11.9	Enel*
Apulia	(no.)	2,546	2,772	2,875	-226	-8.2	Enel*
Basilicata	(no.)	502	605	586	-103	-17.0	Enel*
Calabria	(no.)	1,487	1,677	1,792	-190	-11.3	Enel*
Sicily	(no.)	3,619	3,928	4,044	-309	-7.9	Enel*
Sardinia	(no.)	1,817	1,992	2,110	-175	-8.8	Enel*
Branches of Italian companies abroad	(no.)	152	97	91	55	56.7	Enel*
Abroad	**(no.)**	**31,754**	**13,861**	**5,024**	**17,893**	**129.1**	**Enel***
Iberia	(no.)	1,078	1,057	1,036	21	2.0	Enel*
France	(no.)	22	13	0	9	69.2	Enel*
Greece	(no.)	26	0	0	26	0.0	Enel*
Romania	(no.)	3,459	3,607	3,604	-148	-4.1	Enel*
Bulgaria	(no.)	815	898	60	-83	-9.2	Enel*
Slovakia	(no.)	6,408	7,338	-	-930	-12.7	Enel*
Russia	(no.)	573	430	9	143	33.3	Enel*
North America	(no.)	224	195	184	29	14.9	Enel*
South America	(no.)	405	323	131	82	25.4	Enel*
Endesa	(no.)	18,744	-	-	18,744	-	Enel*

* Includes Endesa.
(1) Excluding Endesa, Russia, EUFER, and Greece.
(2) The figures for 2006 and 2005 have been reclassified, separating the branches in Italy and abroad from the single regions/countries, in line with such reporting in 2007. Furthermore, 2006 has been recalculated, considering – as in 2007 and 2005 – the region of employment, and not that of residence.

NUMBER AND COMPOSITION OF PERSONNEL (2/4)

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Composition							
Breakdown by professional status							
Executives	(no.)	1,069	691	562	378	54.6	Enel*
Supervisors	(no.)	6,569	4,900	4,103	1,669	34.1	Enel*
White-collar workers	(no.)	43,602	30,540	28,480	13,062	42.8	Enel*
Blue-collar workers	(no.)	22,260	22,417	18,633	-157	-0.7	Enel*
Executives	(%)	1.5	1.2	1.1	0.3	23.1	Enel*
Supervisors	(%)	8.9	8.4	7.9	1	6.8	Enel*
White-collar workers	(%)	59.3	52.2	55.0	7	13.7	Enel*
Blue-collar workers	(%)	30.3	38.3	36.0	-8	-20.9	Enel*
Education							
University graduates	(%)	14.8	12.9	11.3	1.9	14.8	Enel (3)
High school graduates	(%)	49.1	48.4	41.9	0.6	1.3	Enel (3)
Other	(%)	36.2	38.7	46.8	-2.5	-6.5	Enel (3)
Age							
Average	(years)	43.3	45.8	45.2	-2.5	-5.4	Enel (3)
Under 35	(%)	14.6	13.8	13.2	0.8	5.9	Enel (3)
From 35 to 44	(%)	27.7	27.6	27.0	0.1	0.5	Enel (3)
From 45 to 54	(%)	45.0	45.8	48.5	-0.8	-1.9	Enel (3)
From 55 to 59	(%)	11.8	11.9	10.6	-0.1	-0.6	Enel (3)
Over 60	(%)	0.9	0.9	0.8	0.0	-3.5	Enel (3)
Years at Enel							
Average	(years)	19.1	21.6	20.7	-2.5	-11.7	Enel (3)
Less than 10	(%)	18.2	18.8	17.6	-0.6	-3.1	Enel (3)
From 10 to 19	(%)	27.0	27.2	26.4	-0.2	-0.7	Enel (3)
From 20 a 29	(%)	33.7	31.0	32.2	2.7	8.6	Enel (3)
From 30 to 34	(%)	19.8	21.2	21.4	-1.4	-6.4	Enel (3)
More than 35	(%)	1.3	1.8	2.4	-0.6	-30.5	Enel (3)

* Includes Endesa.
(3) Excluding Endesa, Russia, France, Greece, Viesgo, and branches for 2007 and Russia, France, and branches for 2006.

NUMBER AND COMPOSITION OF PERSONNEL (3/4)

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Flexible employment							
Fixed-term contracts							
Fixed-term contracts	(no.)	27	31	22	-4	-12.9	Italy
Starter/training contracts	(no.)	453	448	1,130	5	1.1	Italy
Total fixed-term contracts	**(no.)**	**480**	**479**	**1,152**	**1**	**0.2**	**Italy**
Fixed-term contracts as % of total	(%)	1.2	1.1	2.5	0.08	7.5	Italy
Permanent contracts	(no.)	41,114	44,111	45,511	-2,997	-6.8	Italy
Permanent contracts as % of total	(%)	98.8	98.9	97.5	-0.1	-0.1	Italy
Fixed-term contracts							
Fixed-term contracts	(no.)	477	n.a.	n.a.	-	-	Abroad (4)
Fixed-term contracts as % of total	(%)	4.2	n.a.	n.a.	-	-	Abroad (4)
Permanent contracts	(no.)	10,870	n.a.	n.a.	-	-	Abroad (4)
Permanent contracts as % of total	(%)	95.8	n.a.	n.a.	-	-	Abroad (4)
Part-time employment	**(%)**	**2.5**	**2.3**	**2.3**	**0.1**	**6.4**	**Italy**
Full-time contracts	(no.)	40,569	43,557	45,604	-2,988	-6.9	Italy
Part-time contracts	(no.)	1,025	1,033	1,059	-8	-0.8	Italy
Part-time employment	**(%)**	**0.5**	**n.a.**	**n.a.**	-	-	Abroad (4)
Full-time contracts	(no.)	11,294	n.a.	n.a.	-	-	Abroad (4)
Part-time contracts	(no.)	52	n.a.	n.a.	-	-	Abroad (4)
Overtime	**(%)**	**5.3**	**5.4**	**5.9**	**-0.1**	**-1.8**	**Italy**
Overtime	**(%)**	**3.3**	**n.a.**	**n.a.**	-	-	Abroad (4)
Interns at Enel	**(no.)**	**236**	**57**	**96**	**179**	**314.0**	**Enel**
Employees covered by collective agreements/Italy	**(%)**	**100**	**100**	**100**	-	-	**Italy**
Number of employees covered by collective agreements/Italy	(no.)	41,746	44,687	46,754	-2,941	-6.6	Italy
Employees covered by collective agreements/ENA	**(%)**	**9.8**	**n.a.**	**n.a.**	-	-	**ENA**
Employees covered by collective agreements/ELA	**(%)**	**50.3**	**n.a.**	**n.a.**	-	-	**ELA**
Employees covered by collective agreements/EUFER	**(%)**	**100.0**	**n.a.**	**n.a.**	-	-	**EUFER**
Employees covered by collective agreements/Romania	**(%)**	**99.4**	**n.a.**	**n.a.**	-	-	**Romania**
Employees covered by collective agreements/Bulgaria	**(%)**	**91.7**	**n.a.**	**n.a.**	-	-	**Bulgaria**
Employees covered by collective agreements/Slovakia	**(%)**	**95.2**	**n.a.**	**n.a.**	-	-	**Slovakia**

(4) Includes: ELA, ENA, EUFER, Romania, Bulgaria, and Slovakia.

NUMBER AND COMPOSITION OF PERSONNEL (4/4)

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Changes in number							
New hires	**(no.)**	**1,980**	**1,015**	**839**	**965**	**95.1**	**Enel**
Terminations	**(no.)**	**6,005**	**3,384**	**3,287**	**2,621**	**77.5**	**Enel**
Italy	(no.)	3,895	2,520	3,061	1,375	54.6	Italy
Abroad	(no.)	2,110	864	226	1,246	144.2	Abroad (4)
Women	(no.)	474	270	368	204	75.6	Italy
Men	(no.)	3,421	2,250	2,693	1,171	52.0	Italy
Women	(%)	1.1	0.6	0.8	0.5	83.3	Italy
Men	(%)	8.2	5.0	5.8	3.2	64.0	Italy
< 30 years old	(no.)	36	33	46	3	9.1	Italy
30-50 years old	(no.)	184	156	200	28	17.9	Italy
> 50 years old	(no.)	3,675	2,331	2,815	1,344	57.7	Italy
< 30 years old	(%)	0.1	0.1	0.1	-	-	Italy
30-50 years old	(%)	0.4	0.3	0.4	0.1	33.3	Italy
> 50 years old	(%)	8.8	5.2	6.0	3.6	69.2	Italy
Turnover rate							
Italy	(%)	9.4	5.7	6.6	3.7	64.2	Enel
Abroad	(%)	16.0	6.2	4.4	9.8	158.1	Enel

(4) Includes: ELA, ENA, EUFER, Romania, Bulgaria, and Slovakia.

SATISFACTION AND PROFESSIONAL DEVELOPMENT (1/2)

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Compensation							
Incidence of variable pay Italy	**(%)**	**6.0**	**5.0**	**5.2**	**1.0**	**20.0**	**Italy**
Incidence of variable pay ENA	**(%)**	**12.0**	**-**	**-**	**12.0**	**0.0**	**ENA**
Incidence of variable pay ELA	**(%)**	**23.0**	**-**	**-**	**23.0**	**0.0**	**ELA**
Incidence of variable pay Romania	**(%)**	**9.0**	**-**	**-**	**9.0**	**0.0**	**Romania**
Incidence of variable pay Bulgaria	**(%)**	**36.0**	**-**	**-**	**36.0**	**0.0**	**Bulgaria**
Incidence of variable pay Slovakia	**(%)**	**69.6**	**-**	**-**	**69.6**	**0.0**	**Slovakia**
Employees participating in incentive plans	**(%)**	**3.2**	**2.8**	**2.5**	**0.4**	**15.5**	**Italy**
Executives with stock options (5)	**(%)**	**98.5**	**88.0**	**85.0**	**10.5**	**11.9**	**Italy**
Women's gross yearly pay as % of men's (average)							
Executives	(%)	84.8	86.0	-	-1.2	-1.4	Italy
Supervisors	(%)	92.4	91.4	-	1.0	1.1	Italy
White-collar workers	(%)	91.2	91.2	-	0.0	0.0	Italy
Blue-collar workers	(%)	90.7	91.7	-	-1.0	-1.1	Italy

(5) There was a sharp increase in 2007, because the reference population does not include executive terminations during the first half, which usually took place at the end of the year.

SATISFACTION AND PROFESSIONAL DEVELOPMENT (2/2)

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Development							
Evaluations Italy	(%)	2.5	9.0	1.4	-6.5	-72.2	Italy
Evaluations abroad	(%)	15.8	-	-	-	-	Abroad (4)
Internal development	(%)	56.8	65.0	79.0	-8.2	-12.7	Italy
Status changes	(%)	11.7	13.5	12.9	-1.8	-13.5	Italy
Training							
Hours of training per employee	(h)	25.4	23.6	17.3	1.8	7.5	Italy
Total hours of training (distance + classroom)	(,000 h)	1,096.1	1,077.7	833.4	18.4	1.7	Italy
Hours of executive training (distance)	(,000 h)	46.7	113.2	79.2	-66.4	-58.7	Italy
Hours of classroom training	(,000 h)	1,049.3	964.5	754.2	84.8	8.8	Italy
- for executive training	(,000 h)	195.8	-	-	195.8	0.0	Italy
- for specialist training	(,000 h)	853.6	964.5	754.2	-110.9	-11.5	Italy
Incidence of DT	(%)	4.3	10.5	9.5	-6.2	-59.4	Italy
Courses available online	(no.)	1,151	1,123	1,114	28	2.5	Enel
Access to the EDLS	(%)	66.8	65.1	75.4	1.7	2.6	Italy
Knowledge Management and Internal Communication							
Access to the corporate intranet	(%)	76.7	66.7	63.7	10.0	15.0	Italy
Expenditure on KM systems (6)	(mil. euros)	3.2	1.8	5.8	1.4	79.2	Enel
Intranet access per day	(no.)	12,313	10,000	8,487	2,313	23.1	Enel (3)
Hard copies of Enel Insieme	(no./month)	53,000	35,000	54,000	18,000	51.4	Enel (3)
Dissemination of sustainability							
Sustainability training per employee (7)	(h)	10.5	8.3	9.7	2.2	26.6	Italy
Managers with MBO on sustainability	(%)	41	-	-	41	0.0	Italy
Dissemination of MBO on sustainability	(%)	16	-	-	16	0.0	Italy
Corporate atmosphere							
Spontaneous resignations of executives and supervisors	(no.)	49	37	37	12	32.4	Italy
"People Care" Project	(no.)	3	-	-	3	0.0	Italy
Employees involved	(no.)	672	-	-	672	0.0	Italy
Actual beneficiaries	(no.)	69	-	-	69	0.0	Italy
Absentee rate	(ind)	10,146	10,078	-	68	0.7	Italy
Benefits for employees	(euros)	2,561	2,429	2,293	132	5.5	Electricity Italy
Employees covered by Pension Plan (Benefit Plan)	(no.)	38,261	-	-	38,261	0.0	Italy
Litigation with employees							
Total proceedings	(no.)	2,651	2,857	3,091	-206	-7.2	Italy
% of proceedings as defendant	(%)	77.4	79.1	80.3	-1.7	-2.1	Italy

(3) Excluding Endesa, Russia, France, Greece, Viesgo, and branches for 2007 and Russia, France, and branches for 2006.
(4) Includes: ELA, ENA, EUFER, Romania, Bulgaria, and Slovakia.
(6) The increase in investment in the inEnel portal is due to the growth of the infrastructure component to support the development of the service model (for example, smart upload, the new organizational system) and the growth of practice and organizational communities and the consequent support in getting them started with change management actions.
(7) Regards training on the environment and safety only of the personnel of the Generation and Energy Management and Infrastructure and Networks Divisions.

EQUAL OPPORTUNITY

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Equal Opportunity							
Female employees	(no.)	8,721	9,330	7,959	-610	-6.5	Enel (3)
Executives	(no.)	69	75	59	-6	-8.0	Enel (3)
Supervisors	(no.)	834	828	723	6	0.7	Enel (3)
White-collar workers	(no.)	7,092	7,620	6,829	-528	-6.9	Enel (3)
Blue-collar workers	(no.)	726	807	348	-81	-10.0	Enel (3)
% of employees who are women	(%)	16.5	15.9	15.4	0.5	3.4	Enel (3)
Female supervisors and executives	(%)	17.6	16.2	16.8	1.4	8.7	Enel (3)
Pay of female employees	(%)	88.3	89.4	86.0	-1.1	-1.3	Italy
Disabled eemployees							
Disabled employees / protected categories	(no.)	2,387	2,645	2,900	-258	-9.8	Italy

(3) Excluding Endesa, Russia, France, Greece, Viesgo, and branches for 2007 and Russia, France, and branches for 2006.

SAFETY

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Serious and fatal employee on-the-job accidents							
Employee on-the-job accidents	(no.)	12	18	15	-6	-33.3	Enel (1)
Fatal accidents	(no.)	1	1	4	-	-	Enel (1)
Serious accidents	(no.)	11	17	11	-6	-35.3	Enel (1)
Frequency index	(no.)	5.5	6.4	8.2	-0.8	-13.3	Enel (1)
Lost-time injuries frequency rate	(ind)	1.105	1.270	-	-0.2	-13.0	Enel (1)
Accident seriousness index	(no.)	0.22	0.26	0.27	-0.04	-15.2	Enel (1)
Absence from work because of accident rate	(ind)	43.79	51.54	-	-7.75	-15.0	Enel (1)
Safety expenditure per employee (8)	(euros)	1,044	929	842	115	12.4	Enel (3)
Health inspections	(no.)	22,581	23,103	23,760	-522	-2.3	Enel (3)
On-the-job accidents of contractor and other workers							
On-the-job accidents of contractor workers	(no.)	15	22	19	-7	-31.8	Enel (1)
Third-party accidents	(no.)	88	94	76	-6	-6.4	Enel (1)

(1) Excluding Endesa, Russia, EUFER, and Greece.
(3) Excluding Endesa, Russia, France, Greece, Viesgo, and branches for 2007 and Russia, France, and branches for 2006.
(8) Excludes executives.

RELATIONS WITH LABOR UNIONS

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Relations with labor unions							
Rate of union membership of electricity workers	(%)	72.6	74.2	74.2	-1.6	-2.2	Italy
Rate of union membership of gas workers	(%)	69.6	69.5	62.5	0.1	0.1	Italy

ASSOCIATIONS, INSTITUTIONS, AND MEDIA

KPI	UM	2007	2006	2005	2007-2006	% 2007-2006	Companies concerned
Extent of relations							
Meetings with associations	(no.)	750	680	461	70	10.3	Enel
Issues discussed with associations	(no.)	50	45	31	5	11.1	Enel
Relations with institutions							
Taxes paid	(mil. euros)	2,384	2,433	2,480	-49	-2.0	Enel*
IRES, IRAP and other taxes	(mil. euros)	1,708	1,968	2,104	-260	-13.2	Enel*
Taxes paid abroad	(mil. euros)	294	99	43	195	197.0	Enel*
Other taxes and duties	(mil. euros)	203	173	184	30	17.3	Enel*
Fees net of contributions received	(mil. euros)	179	193	149	-14	-7.3	Enel*
Corporate image							
Presence index	(no.)	3,378	2,315	3,372	1,063	45.9	Enel
Global Visibility Index	(,000)	1,424	1,238	1,330	187	15.1	Enel
Qualitative Index of Visibility (from -1 to +1)	(ind)	0.94	0.92	0.93	0.02	2.2	Enel

* Includes Endesa.

INITIATIVES IN FAVOR OF COMMUNITIES

KPI	UM	2007 (9)	2006	2005	2007-2006	% 2007-2006	Companies concerned
LBG approach							
Donations to social initiatives							
Largesse expenditure	(mil. euros)	7.3	6.8	8.6	0.5	7.1	Italy
Investment in communities	(mil. euros)	18.3	19.5	12.4	-1.2	-6.4	Italy
Business initiatives with social impact	(mil. euros)	7.8	3.1	2.1	4.7	152.9	Italy
Socially sustainable business initiatives	(mil. euros)	0.2	0.2	0.8	0.0	26.1	Italy
Total (largesse + investment)	(mil. euros)	33.6	29.6	23.8	4.0	13.6	Italy

* Includes Endesa.
(9) Also includes, for 2007, Slovakia, ELA, and Romania, in the amount of 2.6 million euros.

Appendix

		2007	2006	2005	2004	2003
Heavy coal ash						
quantity produced						
thermal and fossil combined-thermal production	t	404,046	445,097	356,344	257,581	35,855
quantity delivered for recycling						
thermal and fossil combined-thermal production	t	51,580	42,241	44,107	89,973	35,855
Light coal ash						
quantity produced						
thermal and fossil combined-thermal production	t	3,225,772	2,905,986	2,590,925	1,955,047	1,043,885
quantity delivered for recycling						
thermal and fossil combined-thermal production	t	1,877,782	1,633,647	1,786,031	1,934,000	1,029,882
Heavy fuel-oil ash						
quantity produced						
thermal and fossil combined-thermal production	t	24	93	41	6	168
Gypsum from desulfurization						
quantity produced						
thermal and fossil combined-thermal production	t	726,188	405,710	279,632	354,713	442,598
quantity delivered for recycling						
thermal and fossil combined-thermal production	t	286,631	280,767	284,421	361,918	431,009
Other (excluding fuel-oil ash and orimulsion)						
quantity produced						
electricity production and geothermal drilling	t	746,704	824,873	265,704	200,523	203,548
electricity distribution	t	33,254	31,439	48,032	53,645	39,210
storage and handling fuel oil, gas distribution	t	278	371	175	167	175
Total	**t**	**780,237**	**856,683**	**313,911**	**254,334**	**242,933**
quantity delivered for recycling						
electricity production and geothermal drilling	t	141,484	140,013	118,515	134,932	95,553
electricity distribution	t	31,678	29,296	46,347	52,819	39,432
storage and handling fuel oil, gas distribution	t	273	331	125	121	175
Total	**t**	**173,436**	**169,641**	**164,986**	**187,871**	**135,160**
Other (with fuel-oil ash and orimulsion)						
quantity produced						
simple and combined production of electricity and geothermal drilling	t	746,729	824,966	265,745	200,529	203,717
electricity distribution	t	33,254	31,439	48,032	53,645	39,210
storage and handling fuel oil, gas distribution	t	278	371	175	167	175
Total	**t**	**780,261**	**856,776**	**313,952**	**254,340**	**243,101**
quantity delivered for recycling						
simple and combined production of electricity and geothermal drilling	t	141,484	140,013	118,515	134,932	95,553
electricity distribution	t	31,678	29,296	46,347	52,819	39,432
storage and handling fuel oil, gas distribution	t	273	331	125	121	175
Total	**t**	**173,436**	**169,641**	**164,986**	**187,871**	**135,160**
TOTAL						
quantity produced						
simple and combined production of electricity and geothermal drilling	t	5,102,735	4,581,759	3,492,646	2,767,871	1,726,055
electricity distribution	t	33,254	31,439	48,032	53,645	39,210
storage and handling fuel oil, gas distribution	t	278	371	175	167	175
Total	**t**	**5,136,267**	**4,613,569**	**3,540,853**	**2,821,682**	**1,765,440**
quantity delivered for recycling						
simple and combined production of electricity and geothermal drilling	t	2,357,477	2,096,667	2,233,074	2,520,823	1,592,299
electricity distribution	t	31,678	29,296	46,347	52,819	39,432
storage and handling fuel oil, gas distribution	t	273	331	125	121	175
Total	**t**	**2,389,428**	**2,126,295**	**2,279,545**	**2,573,762**	**1,631,906**

HAZARDOUS SPECIAL WASTE

		2007	2006	2005	2004	2003
Light fuel-oil ash						
quantity produced						
thermal and fossil combined-thermal production	t	1,811	7,212	10,109	8,971	11,479
quantity delivered for recycling						
thermal and fossil combined-thermal production	t	118	133	94	197	948
Other (excluding fuel-oil ash and orimulsion)						
quantity produced						
simple and combined production of electricity and geothermal drilling	t	25,746	22,449	30,147	13,999	12,769
electricity distribution	t	23,268	16,308	18,730	12,368	8,212
storage and handling fuel oil, gas distribution	t	756	14	23	2,106	6
Total	**t**	**49,770**	**38,771**	**48,900**	**28,473**	**20,986**
quantity delivered for recycling						
simple and combined production of electricity and geothermal drilling	t	3,731	3,910	8,480	2,326	1,085
electricity distribution	t	12,342	8,537	7,182	4,472	5,757
storage and handling fuel oil, gas distribution	t	2	3	1	-	-
Total	**t**	**16,075**	**12,450**	**15,663**	**6,798**	**6,842**
Other (case with orimulsion ash)						
quantity produced						
simple and combined production of electricity and geothermal drilling	t	25,746	22,449	30,147	13,999	12,769
electricity distribution	t	23,268	16,308	18,730	12,368	8,212
storage and handling fuel oil, gas distribution	t	756	14	23	2,106	6
Total	**t**	**49,770**	**38,771**	**48,900**	**28,473**	**20,986**
quantity delivered for recycling						
simple and combined production of electricity and geothermal drilling	t	3,731	3,910	8,480	2,326	1,085
electricity distribution	t	12,342	8,537	7,182	4,472	5,757
storage and handling fuel oil, gas distribution	t	2	3	1	-	-
Total	**t**	**16,075**	**12,450**	**15,663**	**6,798**	**6,842**
TOTAL						
quantity produced						
simple and combined production of electricity and geothermal drilling	t	27,557	29,661	40,256	22,970	24,248
electricity distribution	t	23,268	16,308	18,730	12,368	8,212
storage and handling fuel oil, gas distribution	t	756	14	23	2,106	6
Total	**t**	**51,581**	**45,982**	**59,009**	**37,444**	**32,466**
quantity delivered for recycling						
simple and combined production of electricity and geothermal drilling	t	3,849	4,043	8,574	2,523	2,033
electricity distribution	t	12,342	8,537	7,182	4,472	5,757
storage and handling fuel oil, gas distribution	t	2	3	1	-	-
Total	**t**	**16,194**	**12,583**	**15,757**	**6,995**	**7,789**

TOTAL SPECIAL WASTE

		2007	2006	2005	2004	2003
quantity produced						
simple and combined production of electricity and geothermal drilling	t	5,130,291	4,611,420	3,532,902	2,790,840	1,750,303
electricity distribution	t	56,523	47,747	66,762	66,013	47,421
storage and handling fuel oil, gas distribution	t	1,034	385	198	2,272	181
Total	**t**	**5,187,848**	**4,659,551**	**3,599,862**	**2,859,126**	**1,797,906**
quantity delivered for recycling						
simple and combined production of electricity and geothermal drilling	t	2,361,326	2,100,710	2,241,648	2,523,346	1,594,331
electricity distribution	t	44,020	37,833	53,529	57,291	45,189
storage and handling fuel oil, gas distribution	t	275	335	125	121	175
Total	**t**	**2,405,622**	**2,138,878**	**2,295,302**	**2,580,757**	**1,639,696**

RADIOACTIVE WASTE

		2007	2006	2005	2004	2003
Low-, medium-, and high-activity: quantity stored inside plants						
liquid						
simple and combined nuclear production	m^3	2,923	3,054	-	-	-
solid						
simple and combined nuclear production	t	346	441	-	-	-
Low- and medium-activity: quantity produced						
liquid						
simple and combined nuclear production	m^3	121	161	-	-	-
solid						
simple and combined nuclear production	t	38	45	-	-	-
High-activity: quantity produced						
Solid						
simple and combined nuclear production	t	0	1	-	-	-

The Auditor's Report

KPMG S.p.A.
Revisione e organizzazione contabile
Via Ettore Petrolini, 2
00197 ROMA RM

Telefono 06 809611
Telefax 06 8077475
e-mail it-fmauditaly@kpmg.it

(Translation from the Italian original which remains the definitive version)

Review report on the sustainability report

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

1 We have carried out our review of the sustainability report of the Enel Group (the "group") at 31 December 2007, prepared in compliance with the "Sustainability Reporting Guidelines" established in 2006 by GRI - Global Reporting Initiative, as set out in the "Report parameters" section. This sustainability report is the responsibility of the parent's directors. Our responsibility is to issue this report based on our review.

2 We carried out our work in accordance with the criteria established for review engagements by "International Standards on Assurance Engagements 3000 - Assurance Engagements other than Audits or Reviews of Historical Financial Information", issued by the International Auditing and Assurance Standard Board (IAASB), carrying out the following procedures:

- verifying that the financial data and information included in the "Economic Performance" paragraph of the sustainability report are consistent with those included in the group's consolidated financial statements as at and for the year ended 31 December 2007, upon which we issued our report dated 22 April 2008 pursuant to article 156 of Legislative decree no. 58 of 24 February 1998;
- analysing how the processes underlying the generation, recording and management of quantitative data included in the sustainability report operate. In particular, we have performed the following procedures:
  - interviews and discussions with management delegates and personnel of Endesa SA, Enel Distributie Banat SA, Enel Distribuzione S.p.A., Enel Energie SA, Enel Produzione S.p.A., Enel Romania SA, Enel Servizi S.r.l., Enel Servizio Elettrico S.p.A., Sfera S.r.l. and Slovenske Elektrarne SA to gather information on the information technology, accounting and reporting systems used in preparing the sustainability report, and on the processes and procedures used to gather, combine, process and transmit data and information of the various group companies to the office that prepares the sustainability report;
  - sample-based analysis of documentation supporting the data and information included in the sustainability report to confirm our understanding of processes and their adequacy in relation to the objectives described, and that the internal control system correctly manages data and information;

- analysing the completeness of the qualitative information included in the sustainability report and its consistency throughout;
- verifying the stakeholders' involvement process, in terms of methods used and completeness of persons involved, and analysis of the minutes of the meetings and of any other information available, with regard to the salient features identified;
- obtaining the representation letter signed by the legal representative of Enel S.p.A. on the compliance of the sustainability report with the guidelines indicated in paragraph 1 and on the reliability and completeness of the information and data contained therein.

3 As required by the guidelines referred to in paragraph 1, the sustainability report presents the prior year's figures and information for comparative purposes, with respect to which reference should be made to our report dated 18 May 2007.

4 A review is less in scope than an audit carried out in accordance with generally accepted auditing standards. Accordingly, we do not express an opinion on the sustainability report. Based on our review, we are not aware of any material modifications or integrations that should be made to the group's sustainability report at 31 December 2007 for it to be in conformity with the guidelines governing its preparation referred to in paragraph 1.

5 As disclosed by the directors in the "Report parameters" section of the sustainability report at 31 December 2007, the data and information contained therein refer to the parent and the consolidated companies at 31 December 2007. With regard to the Endesa Group, which was acquired by the Enel Group on 5 October 2007, the directors have provided detailed disclosure on Endesa's commitment to sustainable development in a specific section in the sustainability report at 31 December 2007.

Rome, 3 June 2008

KPMG S.p.A.

(Signed on the original)

Marco Maffei
Director of Audit

KPMG S.p.A.
Revisione e organizzazione contabile
Via Ettore Petrolini, 2
00197 ROMA RM

Telefono 06 809611
Telefax 06 8077475
e-mail it-fmauditaly@kpmg.it

(Translation from the Italian original which remains the definitive version)

Review report on the compliance of the sustainability report with AccountAbility 1000 (AA 1000)

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

Introduction

We have been engaged by Enel S.p.A. to carry out the procedures described in the paragraph entitled "Work performed" on the sustainability report of the Enel Group at 31 December 2007. We issued a separate review report dated 3 June 2008 on the sustainability report of the Enel Group at 31 December 2007 prepared in accordance with the "Sustainability Reporting Guidelines" established by the GRI - Global Reporting Initiative in 2006.

Respective responsibilities of directors and reviewers

The directors of Enel S.p.A. are responsible for the preparation of the sustainability report of the Enel Group and the information and statements contained therein, for determining the group's objectives in respect of corporate social responsibility performance, and for establishing and maintaining appropriate performance management and internal control systems from which the reported information is derived.

Our responsibility is to express our conclusions on the reliability of the board of directors' statement, included in the section entitled "Report parameters" of the sustainability report of the Enel Group at 31 December 2007. As applicable and where significant, we have also considered whether:

- any of the relevant disclosures in the sustainability report are inconsistent with our findings;
- we have received all the information and explanations required to carry out our work or not;
- we have become aware of further or different information and/or omissions in the board of directors' statement or in the process of gathering and preparing information included in the sustainability report.

Basis of our work

We conducted our work in accordance with the "International Standard on Assurance Engagements 3000 – Assurance Engagements other than Audits or Reviews of Historical Information" issued by the International Auditing and Assurance Standards Board ("IAASB") and with the AccountAbility 1000 Assurance Standard, issued by AccountAbility.

These standards require that we carry out certain procedures on the organisation and the processes of gathering information and data relating to corporate social responsibility performance and detailed in the sustainability report.

A multi-discipline team of corporate social responsibility and assurance specialists carried out our work.

Scope of our work

The scope of our work was to assess the reliability of the board of directors' statement, included in the section entitled "Report parameters" of the sustainability report of the Enel Group at 31 December 2007, that such report was prepared in compliance with the AccountAbility 1000 Assurance Standard ("AA 1000") issued by AccountAbility, in particular in relation to the requirements regarding materiality, completeness and compliance with the legitimate expectations of the stakeholders.

Work performed

We planned and performed our work to obtain all the information and explanations that we considered necessary for the purpose of our engagement.

We have performed the following procedures:

- interviews with Enel S.p.A.'s staff responsible for implementing the corporate social responsibility programme in order to obtain and understand:
  - the methodology of data and information gathering, the basis of the preparation of the sustainability report and the related corporate social responsibility programme;
  - their opinion on the progress of the corporate social responsibility programme within the different group units;
  - the director's statements included in the sustainability report relating to the corporate social responsibility programme;
- interviews with the internal audit staff to analyse the controls they performed in relation to the group's internal procedures relevant for the purposes of our engagement;

- verification of the stakeholders' involvement process, in terms of the methods used and the completeness of those involved, through the comparison of the salient features arising from meetings held with them and summarised in the relevant minutes with the information disclosed in the sustainability report;
- obtaining the representation letter, signed by the parent's legal representative, on the reliability and completeness of the sustainability report and information and data contained therein, with particular reference to its compliance with AA 1000.

A review is less in scope than an audit carried out in accordance with generally accepted auditing standards. Accordingly, we do not express an opinion on the sustainability report.

Conclusions

Based on our review, we are not aware of any material modifications or integrations that should be made to the sustainability report referred to in the paragraph entitled "Introduction" hereof, for it to be in conformity with the AA 1000 standards issued by AccountAbility governing its preparation.

Rome, 3 June 2008

KPMG S.p.A.

(Signed on the original)

Marco Maffei
Director of Audit

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