SUSTAINABILITY REPORT 2008

2008
SUSTAINABILITY REPORT

During the 2008 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.

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STANDARD INFORMATION

PERFORMANCE INDICATORS

Introduction to the 2008 Sustainability Report

With its 2006 Sustainability Report, Enel was one of the first companies in the world to adopt the Global Reporting Initiative's new G3 guidelines 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, through their participation in the Initiative's dedicated work groups and governing bodies, 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 adopt the highest standards of transparency and completeness for their information.

As specified in the aforesaid guidelines, "the GRI Reporting Framework is meant to be a universally accepted model for reporting an organization's economic, environmental, and social performance. All organizations can use it, regardless of their size, industry, or country. The model includes practical considerations common to different kinds of organizations, from the smallest firms to larger, geographically dispersed ones. The GRI Reporting Framework contains both general and industry-specific content considered by a broad range of stakeholders around the world to be universally applicable for reporting an organization's sustainability performance."

In addition, beginning with this Report, Enel has decided to include voluntarily several indicators from the EUSS – the GRI-G3's Electric Utility Sector Supplement – in the part regarding the Organization Profile which is dedicated to economic, environmental, and product reporting.

Since 2006, Enel has participated in the international work group on the Sector Supplement regarding utilities.

From the introduction to the GRI-G3 Guidelines

"The urgency and magnitude of the risks and threats regarding 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 openly and clearly 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 trustworthy 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, accountancies, 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:

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USEFUL LINKS

Global Reporting Initiative
www.globalreporting.org

Sustainability Report 2008 and preceding ones
www.enel.it/azienda_en/sostenibilita/sostenibilita_2008

Annual Report 2008 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

Junction Content Index

The purpose of the index is to facilitate the reader's direct search for reference to the GRI-G3 indicators in this document, where by "Group" or "Enel" is meant the group of companies controlled by Enel SpA.

* of the Annual Report.

Letter to our Stakeholders

Our Mission

Our mission at Enel is to generate and distribute value in the international energy market for the benefit of the needs of our customers, the investment of our shareholders, the competitiveness of the countries in which we do business, and the expectations of all the people who work with us. Enel operates in the service of communities, respecting the environment and the safety of people, and with a commitment to making the world a better place for future generations.

2008 was an important year for Enel, one during which we laid solid foundations for completing the geographical and technological composition of the Group. We became stronger in Europe and Latin America, with a generating capacity of 83.3 GW at the end of 2008 – thanks to the consolidation of 67.05% of Endesa and 100% of OGK-5 – having achieved our business objectives and created opportunities for growth in the service of our 49.3 million customers.

With our acquisition of OGK-5 in Russia in March 2008 and the signing of our agreement with Acciona in February 2009, which meant that we had achieved full control of Endesa, we can say that our phase of international expansion has been successfully concluded.

In the next few years, our strategy will target financial solidity and the profitability of our industrial plan, as well as the dissemination of our corporate values throughout the newly consolidates companies. In pursuing these objectives, we shall always pay the utmost attention to the interests of all our stakeholders and observe the principles on which our social sustainability is based.

Furthermore, we shall make our operations ensuring that our business grows organically, and pursuing excellence in the service quality we provide.

Sustainability permeates every aspect of our daily work. It is an integral part of the instruments at our disposal for doing our job, as well as of the safety conditions that protect us, our satisfaction, our professional development, and, with regard to the external world, the way in which we relate to our stakeholders: investors, customers, suppliers, institutions, future generations, employees, communities, and, in general, all of Enel's partners. It is the distinctive characteristic of the corporate culture of the men and women who work at Enel and contribute to our dedication to excellence and maintain it constant over time.

Since 2002, Enel has publicly reported its corporate social responsibility through the Sustainability Report, of which this is the seventh edition. It is an important appointment with all our stakeholders, which we have renewed year after year, constantly improving its reporting systems.

In managing the economic, social, and environmental parameters that characterize its corporate responsibility, Enel applies the same methods used to govern its business. The policy of sustainability is pursued and implemented through strategic choices, operative and financial plans, and investment reported with the utmost strictness and transparency in the annual edition of the Sustainability Report.

We are deeply engaged in disseminating the principles and practice of corporate social responsibility, bringing and integrating experiences of participation not only to the economic, but also to the social and cultural development of the countries where we have operations, while constantly respecting diversity. As a guarantee of such commitment, every year we establish our CSR objectives and priorities

in accordance with the Group's strategic policies, as well as with the principles of the UN's Global Compact, integrating them in our industrial plan and submitting them to planning and auditing on a semi-annual basis.

We want to pursue an attentive and transparent dialogue with our stakeholders in all the communities and countries that host us, enhancing our corporate culture through this constant discussion. Above all, we believe it is essential to further strengthen our commitment to respect for individuals and their integrity, with particular regard to the implementation of training and prevention initiatives concerning occupational safety for all our employees and suppliers, as well as for the communities and countries in which we do business.

We shall revise our Code of Ethics, the pillar of our sustainability strategy, in 2009 in accordance with the best international practices and integrate it at the Group level. We shall improve, and extend to all the Group companies, the appropriate processes for ensuring transparency in our corporate actions, and prevent violations of human rights, especially with regard to child labor, incidents of corruption, and business practices that are unfair or impede free competition.

Enel reaffirms its global commitment to environmental protection and the fight against climate change. Our environmental strategy is based on a mitigation plan that is consistent with our growing ability to apply the best available technologies for reducing the emission of greenhouse gases and other pollutants. Our objective is to be able to generate electricity at a low cost and with zero emissions. As an industry leader, we believe that commitment to the fight against climate change is not only essential to protect the planet, but also, and especially, to ensure our competitiveness and further business growth for our Company.

For this reason, too, Enel considers the growth of the market for renewable energy to be essential, and has set up a dedicated company, Enel Green Power.

Investment in the development of research and innovation in every field of our business is increasingly important to reduce their environmental impact: from clean coal, the capture and sequestration of CO_2, and the field of hydrogen to the most advanced solar energy, systems for recharging electric cars, and smart grids that can manage the two-way flow of electricity that the spread of renewable energy entails. In this way, the efficiency of the system is maximized and the development of distributed generation is facilitated.

Our objectives are ambitious and complex, but within our reach. We are certain that our Company has the expertise, capabilities, and sense of responsibility necessary to achieve them, overcoming the difficulties that we will encounter along the way.

All the people who work in the Group in all the 22 countries in which we are present are, and will be, enthusiastically engaged in pursuing these objectives.

Enel is open to the world, a Company that is growing and developing organically and responsibly in the global energy market, increasing our capabilities and opportunities for development for all of us.
This is why we feel certain that we can commit ourselves to ensuring sustainable, economical, and accessible energy to future generations.

Chairmain
Piero Gnudi

Chief Executive Officer
and General Manager
Fulvio Conti


Enel

Standard information

1. Strategy and Analysis

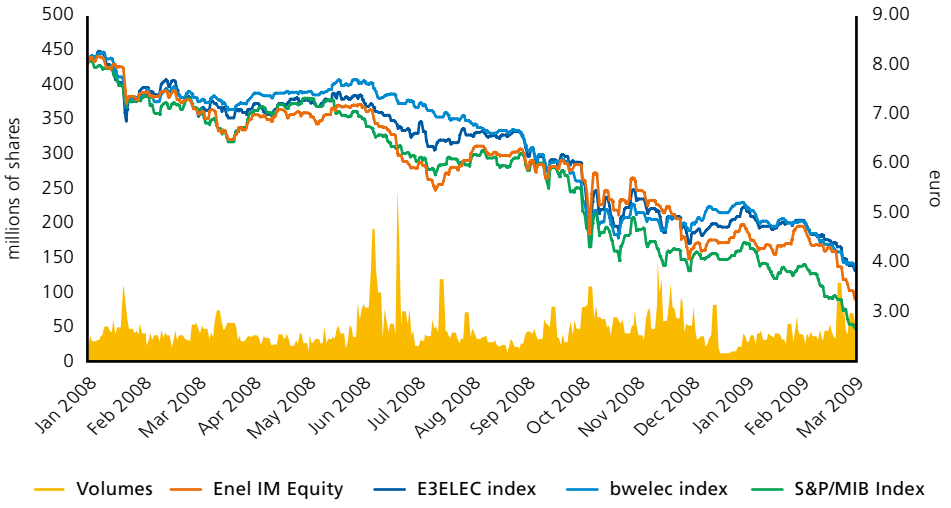
Extract from Chief Executive Officer Fulvio Conti's letter to shareholders and stakeholders, published in the 2008 Annual Report

With the acquisition in Russia of OGK-5, which took place in March 2008, and the signing in February 2009 of the agreement with Acciona, which marked the achievement of full control of Endesa, we can say that the Enel Group's international expansion has been successfully concluded.
The creation of the new Renewable Energy Division, dedicated to the development and management of energy generation from renewable sources at the international level, will enable Enel to play a leading role in a market segment with an extremely high potential for growth even in periods, like the current one, when the economy slows down.
Enel is now the second largest European electricity group, with, at the end of 2008, an installed capacity of 83.3 GW and 49.3 million customers in 22 countries on 4 continents, and – thanks to the complete consolidation of Endesa – is about to become the largest private group in Latin America.
Enel has thus reached an optimum size for playing a leading role in the increasingly integrated and global energy market, with a well-balanced mix of regulated activities and generation, which can ensure stable cash flows over a long period of time.
The contribution made by our acquisitions abroad, the synergy deriving from them, and our continual striving for operating excellence and efficiency in all our Divisions have contributed decisively to the improvement of the Group's results.
In 2008, our gross margin increased by 45.5% with respect to the previous year, while Group net income for the year, amounting to 5,293 million euro, increased by 35.2%.
In line with the strategic policies adopted so far, the plans of the Enel Group in the next few years will be aimed at maintaining our leadership in the Italian energy market and consolidating and integrating our international companies, as well as continually striving for operating excellence and the development of innovative technologies, renewable energy sources, and nuclear power.
(…)The size it has achieved and its situation of prime importance in the European energy markets and in the other countries in which it operates constitute the preconditions and, at the same time, a solid foundation, for continuing the strategic policies established in the recent past.
Therefore, the Group will focus on consolidating and integrating the different companies that constitute it, with the aim of creating value thanks to the

Detailed information regarding governance (ownership structure, independent and non-executive directors, and the composition, role, and duties of committees) is contained in the 2008 Annual Report (www.enel.it/azienda/en/investor_relations) from page 13 to page 43.

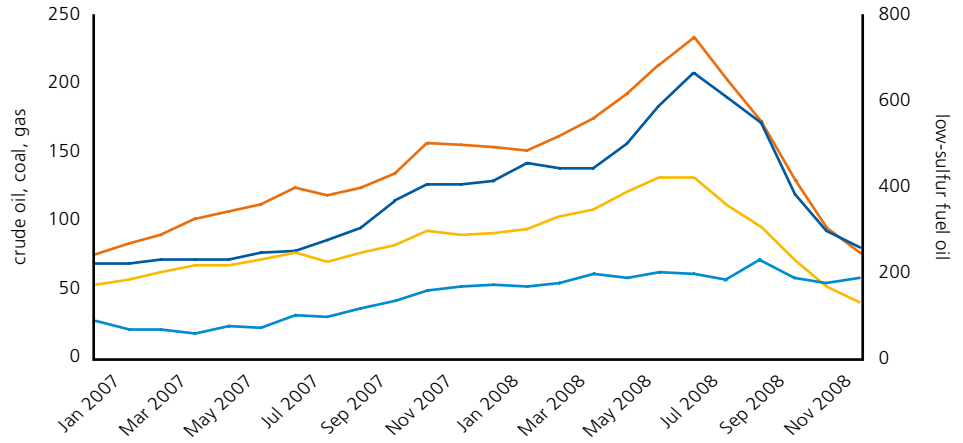
professionalism, expertise, and operating synergy that characterizes it, without neglecting to seek new opportunities in technological innovation and the systematic growth of the areas and businesses in which it operates.
At the same time, the Group will pursue the portfolio optimization initiatives aimed at strengthening its financial position, which has been greatly influenced by the policy of international expansion implemented in the last few years.
Furthermore, it will continue to carry out plans for investing in research and development and in the field of renewable energy sources, as well as to emphasize technological excellence and concern for environmental issues.
Finally, as soon as the regulatory framework under examination by the Italian Parliament has been established, we will be engaged in devising and implementing the plan for the return to nuclear energy in Italy.
The consolidation and integration of our international activities and the optimization of our portfolio, as well as the development activities and efficiency actions planned in the operating Divisions, will also produce positive effects in 2009 and contribute to the improvement of the results of our Group in spite the continuing recession in the global economy.

Performance of Enel share price and the MIB 30, S&P MIB, and FTSE Electricity E300 indices (daily trading volume/listed price) – from January 2008 to March 9, 2009



At the end of 2008, Enel's shares were quoted at 4.5225 euro, a performance that was in line with that of the European indexes previously analyzed.
The worsening of the international business cycle and the uncertainty reigning in financial markets also conditioned the utility sector, which experienced a downturn, mainly because of the severe conditions in commodity markets, as well as the price of energy and the heightened perception of general riskiness in the stock market. The main indexes regarding the utility sector, FTSE Electricity and Bloomberg World Electricity, recorded a fall of 52% with respect to January 2008.
During the two years under consideration, the fuel market showed a trend of increasing prices, which reached its peak during the summer. Specifically, crude oil increased by 33.8%, with the average price of Brent rising from 72.5 dollars a barrel in 2007 to 97.0 dollars in 2008. In 2008, coal recorded an average price of 147.4 dollars a ton, an increase of 66.6% with respect to 2007 (88.5 dollars a ton). The average price of natural gas (Belgium Zeebrugge index) went from 30.5 pence/therm to 58.9 pence/therm, an increase of 93.1%. Finally, the average price of LSD fuel increased by 42.2%, going from 371.9 dollars a ton in 2007 to 529.0 dollars a ton in 2008.

Fuel prices



Sustainability Plan

Enel's Corporate Social Responsibility is integrated with the multi-year 2009 - 2013 Industrial Plan, which lays out the Company's growth path within a strategy of environmental protection and social development.

Every year, the operating heads of the Divisions of Enel SpA receive a "Plan Letter" from the Chief Executive Officer containing the corporate social responsibility guidelines to be used in establishing the individual objectives and specifying the action areas. The specific sustainability plans of the operating units, based on the Plan Letter, are then inserted in Enel's sustainability control system, described in the section "Parameters of the Report" on page 52 of this Report. As with the guidelines on the specific objectives and the action areas, several common concerns connected with the corporate climate, the individual, and health and safety are noted and must be included.

With an eye to Enel's transformation into a multinational, it will be necessary to identify actions that facilitate the completion of the Company's new organizational model and the enhancement of its global capabilities, as well as the development of programs of recruiting and training aimed at consolidating such capabilities.

In accordance with the objective of achieving "Zero Accidents", effective plans for prevention must be provided for throughout the entire Group, as well as actions aimed at disseminating and implementing the culture of safety both within Enel and in its contracting firms.

The results achieved in 2008 confirm Enel's ability to attain the goals set regarding international growth, market leadership, and operating excellence, as well as technological innovation and concern for the environment. Having completed its international expansion through large acquisitions – chosen as ones that create value and correspond to our strict investment criteria – Enel intends to pursue energy leadership in Europe by completing the phase of consolidation, already underway, with the integration of the companies acquired and continuing its strategy of organic growth. In all the countries where it is present, Enel must improve the process of reporting and checking its CSR commitments through the Sustainability Report, making concrete and uniform the Company's efforts in acting transparently, discussing with stakeholders in each country and local community, improving its environmental performance, pursuing technological innovation, extending the use of electronic meters, and dedicating special attention to the fundamental subject of safety. With regard to renewable energy, Enel will also strive to attain leadership in both the Italian and global markets in the specific field of alternative sources, making the best use of the capabilities that already exist in the Group, as well as rationalizing and developing the assets concerned in the best possible way.

Specific capabilities will be directed to the field of research and technological innovation, with particular regard to renewable energy (solar, innovative geothermy, biomass, and accumulation systems) in order to make them increasingly competitive, as well as to nuclear energy. As far as the latter is concerned, we intend to play a leading role with our acquisitions in Slovakia and Spain, and our agreement with EdF for the development of the new-generation power plant at Flamanville.

Shown below are the tables that regard the "Common concerns" and the "Guidelines by Division". The last column refers to the comments on the GRI indicators contained in this Report (see the Junction Content Index on page 5 of this Report), which show the actions and the results obtained for each action area during 2008.

COMMON GUIDELINES	OBJECTIVES	ACTION AREAS	GRI INDICATORS CONCERNED
Corporate Climate	> Motivation and welfare	> Create a corporate climate 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 climate	
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; LA12; 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	
		> Extension of OHSAS 18001 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	

COMMON GUIDELINES	OBJECTIVES	ACTION AREAS	GRI INDICATORS CONCERNED
Sales	> Increase customer confidence and loyalty > Continue the promotion of informed consumption > Service personalization and direct communication with customers > Complete and accurate information > Further improvement of service standards and their monitoring > Become a benchmark in Europe > Development of socially responsible products	> Increase the points of contact with customers > Development of one-to-one services > Dissemination of high-efficiency products for civil and industrial use > Promotion of differentiated rates and related savings > Expansion of call center activity to assist linguistic minorities in Italy	PR DMA; PR5; PR6
Generation and Energy Management	> Attain positions of international leadership in energy efficiency > Optimization of thermal power plants > Minimization of environmental and litigation risk	> Optimization of technology and fuel mix > Development of clean-coal and carbon-sequestration technologies > Further reduction of emissions > Environmental certification > Protection of tangible and intangible corporate assets	EN DMA; EN5; EN7; EN16; EN17; EN18; EN19; EN20; EN26
Renewable Energy	> Attain positions of national and international leadership > Enhance existing assets > Investment in new assets	> Research on and development of innovative technologies > Consolidation in the countries where we have operations > Consider opportunities for expansion	EN DMA; EN6; EN26
Engineering and Innovation	> Research on and development of the efficiency and environmental compatibility of thermal generation, renewable energy sources, and distributed generation > Manage the engineering processes for developing and constructing generating plants > Establish an Innovation Plan compatible with the strategies of the Divisions	> Monitor the subjects of Group interest > Implementation of projects with a high degree of technological innovation > Research on systems that make the use of renewable energy increasingly competitive > Research on and design of smart grids, electric mobility, and home automation	EN DMA; EN6; EN26
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; Safety's Box; LA7; LA9; LA10; LA11; Introduction LA13; HR DMA; HR9; SO3

Summary of the critical issues regarding Enel SpA noted by the media in 2008

National television channels

> The increase in electricity prices and the Authority's report
> Issues regarding the conversion of the Torrevaldaliga Nord power plant, in Rome province, to coal
> Power line failures
> Fatal accidents

Radio

> Polemics regarding the increase in electricity and gas prices
> Criticisms regarding the conversion of power plants to clean coal

Local television channels

> On-the-job accidents
> Consumer criticism regarding poor service and the excessive price of energy

National or local daily newspaper

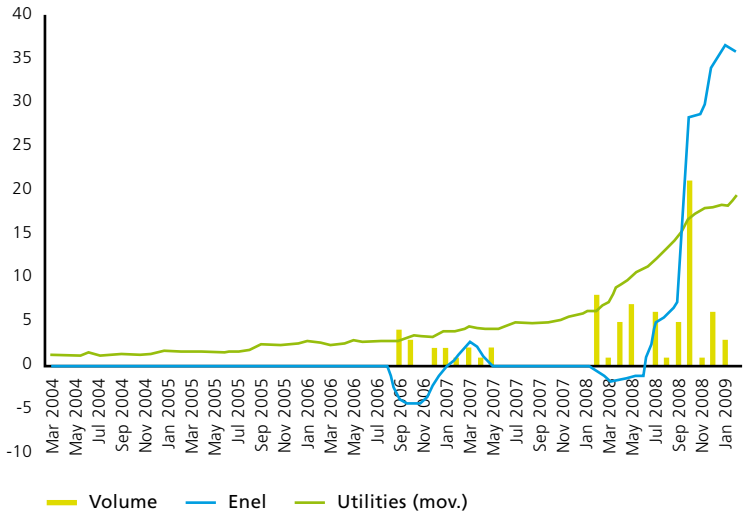
> Issues regarding the Porto Tolle power plant, in Rovigo province; Greenpeace demonstration
> Judicial investigation regarding the sale of Wind
> Fines inflicted by the Antitrust Authority
> Criticisms from citizens and local governments regarding power-line failures
> The problems of Enel shares on the stock market

Satellite television channels

> Criticisms regarding the conversion of power plants to clean coal
> The problems of Enel shares on the stock market
> The high price of electricity

The Ethical Quote of Covalence, a Swiss company, is a measure of ethical reputation based on the quantification of qualitative data. Beginning in 2001, about 100,000 positive and negative facts have been gathered from more than 10,000 sources and classified by an international team of 250 analysts. From 2002 to 2007, Covalence monitored 200 companies in 10 different industries.
The companies included in the Ethical Quote receive a score called "ethical popularity", which is calculated adding up algebraically the positive items (+1) and the negative ones (-1).
In 2008, Covalence's study was extended to over 540 companies in 18 large industries (about 30 companies per industry).
As can be seen in the evaluation graph regarding Enel, in 2008 the Company rose sharply towards the highest levels of the Ethical Quote, enabling it to achieve a performance that was well above the annual average of the utility sector.

Ethical Quote



Refer to: Covalence's web site (www.covalence.ch).

Litigation

The significant events that concerned the Group in 2008 are contained in the Annual Report, which is available in the Investor Relations section (http://www.enel.it/azienda/investor_relations) of our institutional web site (www.enel.it). The following are the most significant proceedings concerning the Enel Group with regard to sustainability.

Environmental litigation

The litigation regarding environmental issues mainly concerns the installation and operation of power lines and equipment by Enel Distribuzione, which succeeded Enel SpA in the related relationships.
Enel Distribuzione is involved in a number of civil and administrative law suits regarding requests, often using urgent procedures, that portions of the power network be moved or operated in a different way as a precautionary measure. Such requests were made by people living near such lines on the basis of the alleged potential of the latter to cause harm, despite the fact that they were installed in compliance with current regulations. In several cases, damages have also been claimed for harm to health that has supposedly been caused by exposure to electro-magnetic fields.
The outcome of these proceedings is generally favorable to the Company. In this regard, in a decision in February 2008, the court ruled that compliance with the precautionary limits on exposure to electro-magnetic fields provided for by the regulations in force ensure – in accordance with the most authoritative studies on the subject and the evidence emerging at the European level – that health is not jeopardized. There have been sporadic adverse precautionary rulings, which, however, have been appealed. As of now, there have been no definitive adverse decisions, and no compensation for harm to health has ever been awarded, while a decision in February 2008, which has been challenged before the competent Court of Appeal, found that harm had been caused by the "stress" of living near a power line and the fear of possible negative consequences for health.
There is also litigation concerning the electro-magnetic fields of the low- and medium-voltage transformer substations housed inside buildings, which – according to the Company's experts – are always within the induction limits provided for by Italian regulations. In this regard, two recent decisions confirmed that compliance with the specific regulations in force ensure that health is safeguarded.
In August 2008, a decision of the Court of Cassation – regarding a 380-kW transmission power line between Forlí and Fano, which is no longer owned by Enel – was handed down, which, contrary to the current scientific findings on this subject, held that there was a causal connection between the headaches reported by several people and their exposure to electro-magnetic fields. The situation regarding the litigation changed thanks to the clarification of the legislative framework in consequence of the coming into force of the general policy law on protection from electro-magnetic pollution (n. 36 of February 22, 2001) and the implementation decree regarding power lines (Prime Minister's Decree of July 8, 2003). Finally, several urban planning and environmental cases, regarding the construction and operation of a few power plants and distribution lines, are pending.
In general, based on an analysis of such cases, Enel believes that the possibility of adverse decisions is remote. For a limited number of cases, however, it is not possible to exclude unfavorable outcomes. In addition to possible damages, the consequences of the latter could also include costs connected with modifying the plants, as well as the temporary unavailability of the latter. At present, such costs

cannot be objectively determined, and therefore they were not included in the determination of the "Provision for litigation, risks, and other charges".

Porto Tolle thermal power plant – Air pollution – Proceedings against Enel employees and former directors – Compensation for environmental damage

In a decision handed down on March 31, 2006, which concluded criminal proceedings begun in 2005, the Court of Adria found employees and former directors of Enel guilty of several incidents of air pollution caused by emissions from the Porto Tolle thermal power plant. Provisionally enforceable, the decision held the defendants and Enel jointly civilly liable for the payment of damages to multiple parties, both natural persons and local governments. Such damages were set at 367,000 euro for several parties, mostly private, while the quantification of the damages awarded to several local governments (the Veneto and Emilia Romagna regions, Rovigo province, and several municipalities) was postponed until a subsequent civil trial, although a "provisional award" of about 2.5 million euro in all was to be paid immediately.

Both the Company and the employees and former directors filed an appeal against the decision of the Court of Adria. If the decision in the criminal case is upheld, any civil proceedings initiated by the parties concerned to obtain full compensation for the harm suffered could expose Enel to the risk of further expenses, which cannot be quantified at present. If the appeal is upheld, the Company will be able to recoup all or part of the amounts already paid.

Judicial and extrajudicial cases connected with the blackout of September 28, 2003

With regard to the blackout of September 28, 2003, Enel Distribuzione has received numerous letters from its customers (mostly worded in the same way, according to models created by consumer Associations) concerning extrajudicial requests for automatic/lump-sum compensation under the Electricity Service Charters and resolutions of the Electricity and Gas Authority, amounting to 25.82 euro each, as well as further damages to be quantified by the customers for the purpose of possible legal action.

As far as the judicial requests are concerned, as of the end of 2008, there were about 120,000 cases (concentrated mainly in the regions of Calabria, Campania, and Basilicata) aimed at demanding the aforesaid automatic/lump-sum compensation. Enel Distribzione has challenged these claims with the following arguments. First of all, neither the Authority's resolutions nor the aforesaid Electricity Service Charters (whose reference legislation, moreover, has been repealed) provide for automatic/lump-sum compensation in case of an interruption of the supply, as, moreover, the aforesaid Authority specified in a press release. Second, both the manner and the intensity of the blackout on September 28, 2003 constituted an unforeseen and unforeseeable event, and consequently the companies of the Group are in no way liable, because the blackout was the consequence of exceptional events that were completely extraneous to said companies. As of the end of 2008, justices of the peace had issued more than 84,000 decisions, the majority of which were in favor of the plaintiff. The related charges could be partially recouped under existing insurance policies. Almost all of the decisions of the appellate courts have been in favor of Enel Distribuzione, based both on the lack of proof of the damage claimed and the recognition that the Company was extraneous to the event. The few decisions unfavorable to Enel Distribuzione have been appealed before the Court of Cassation. In consideration of the objections raised by the insurance companies,

in May 2008 Enel served a summons to the insurance company aimed at establishing the Company's right to reimbursement for the amounts paid as a result of the adverse decisions.

Litigation regarding rates

Enel is a party in a series of proceedings, initiated by companies that consume very large amounts of electricity, which challenge, entirely or partially, the legality of the orders with which first the Inter-ministerial Committee on Prices 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 potential liabilities is remote.

Contingent liabilities of the Endesa Group

There are three pending legal proceedings under way against Endesa Distribución Eléctrica which are likely to give rise to liabilities (concerning losses from a forest fire in Catalonia and claims arising from the failure to build an electrical plant in the Canary islands) totaling 44 million euro. In addition, the *Generalitat de Catalunya* fined the company 10 million euro for service interruptions in Barcelona on July 23, 2007. Endesa Distribución Eléctrica has appealed, thereby temporarily suspending the effects of the ruling.

All the litigation regarding Enel is available in the 2008 Annual Report on pages 250-257.

2. Organizational profile

Corporate
Enel SpA

Sales

Enel Servizio Elettrico
Enel Energia
Vallenergie

Generation and Energy Management

Enel Produzione
Enel Trade
Enel Trade Hungary
Enel Trade Romania
Nuove Energie
Hydro Dolomiti Enel
Enel Stoccaggi

Infrastructure and Networks

Enel Distribuzione
Enel Rete Gas
Enel Sole
Deval

Engineering and Innovation

Enel Produzione

Iberia and Latin America

Endesa

International

Slovenské elektrárne
Enel Maritza East 3
Enel Operations Bulgaria
Enel Distributie Muntenia
Enel Distributie Banat
Enel Distributie Dobrogea
Enel Energie Muntenia
Enel Energie
Enel Productie (formerly Global Power Investment)
Enel Romania
Enel Servicii Comune
RusEnergoSbyt
SeverEnergia
OGK-5
Enel France
Enelco
Marcinelle Energie

Renewable Energy

Enel Green Power
Enel.si
Enel Latin America
Americas Generation Corporation (1)
Inelec
Enel Unión Fenosa Renovables
Blu Line
Enel North America
Enel Green Power Bulgaria (formerly Enel Maritza East 4)
Enel Erelis
International Wind Power
Wind Parks of Thrace
International Wind Parks of Thrace
Hydro Constructional
International Wind Parks of Crete

Services and Other Activities

Enel Servizi
Sfera
Enelpower
Enel.NewHydro
Enel.Factor
Enel.Re

(1) Since October 30, 2008, Enel Panama and Enel Panama Holding (formerly Enel Fortuna) have been merged into Americas Generation Corporation.

As of December 31, 2008, employees numbered 75,981, an increase of 2,481 due essentially to the consolidation of foreign companies (+3,891 employees), which more than offset the balance of hires and terminations (-1,410).

In September 2008, the Group endowed itself with a new organizational structure, which provides for the creation of the "Renewable Energy" Division. This new Division joins the operating Divisions established with the organizational structure devised in December 2007 and operational as from January 1, 2008, which had added two new Divisions, "Iberia and Latin America" and "Engineering and Innovation", to the already existing "Sales", "Generation and Energy Management", "Infrastructure and Networks", and "International" Divisions and the "Parent Company" and "Services and Other Activities" Areas.

The Sales Division's mission is to operate in the market of end users of electricity and gas in Italy, developing an integrated package of products and services for the different customer segments and ensuring that the quality standards of the service are met.
The mission of the International Division is to support Enel's international growth strategy, consolidate the management and integration of business activities abroad (with the exception of the Spanish, Portuguese, and Latin American markets and the activities regarding renewable energy included in the Renewable Energy Division), and monitor opportunities for acquisitions that appear in the electricity and gas markets.
The Generation and Energy Management Division's mission is to produce electricity at a competitive cost, 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, so as to ensure that the metering systems are efficient and the quality standards of the technical service are met.
The Iberia and Latin America Division is responsible for the presence, coordination, and development of Enel's activities in the electricity and gas markets of Spain, Portugal, and Latin America, as well as for devising growth strategies for the regional markets concerned.
The Engineering and Innovation Division is charged with managing the engineering processes regarding the development and construction of generating plants for the Group, as well as with ensuring the achievement of the qualitative, time, and economic objectives assigned. It is also responsible for coordinating and integrating the Group's research activities and for ensuring the scouting, development, and leveraging of opportunities for innovation in all the Group's business areas, with special regard to the development of initiatives with great environmental significance.
The Renewable Energy Division's mission is to develop and manage the generation of electricity from renewable energy sources and to ensure its integration in the Group in accordance with Enel's strategies.
The activities of the operating Divisions are supported by the Parent Company and Services and Other Activities Areas, which aim to leverage Group synergy and optimize the management of the services that support the core business.

Focus on International Strategy

International Strategy

Looking at the history of our Company, it seems strange when you think that until only a few years ago Enel was practically a monopolist in Italy and was not present at all abroad. Today, instead, Enel produces slightly less than a third of the electricity consumed by Italians and has more production capacity abroad than in Italy, while half of our customers are in foreign countries, as are half of our employees. We are the second-largest European electricity group, with an installed capacity at the end of 2008 of 83.3 GW and 49.3 million customers in 22 countries, on 4 continents, and, thanks to the total consolidation of Endesa, we are set to become the largest private group in Latin America.

In a medium-term perspective and in an increasingly unified European energy market, our diversified international presence improves our ability to generate electricity at a competitive cost and with a reduced environmental impact.

Enel has thus attained an optimal scale for playing a leading role in an increasingly integrated and global energy market, with a well-balanced mix of regulated activities and generation capable of ensuring stable cash flows. In effect, in just a few years the success of this strategy has enabled Enel to achieve a scale sufficient to procure raw materials at competitive costs and efficiency factors enabling it to compete as a leader in the American and European markets. In spite of the asymmetry that still persists among the different countries, the latter is emerging thanks to the initiatives of the most important energy companies, which are expanding beyond national frontiers.

In the years ahead, the European energy market will have room for only a few vertically integrated companies with geographically and technologically well diversified production mixes. Our tender offer for Endesa was a friendly transaction counting on cooperation between two large European groups in order to be highly competitive in an increasingly interconnected market. The growth of our companies will create value and synergy, and bring long-term benefits to all our customers and shareholders. Size is important not only for competitiveness, but also because it enables us to allocate sufficient resources to research and technological innovation. Research and technological development can make a decisive contribution to the solution of an apparently impossible equation: producing energy in sufficient quantities and at a reasonable price, while fully respecting the environment.

We are working to consolidate a common platform of shared values: a concern for safety, above all, respect for the environment, and a strict code of ethics governing our relations with all our stakeholders (employees, suppliers, customers, shareholders, and the communities that host our business activities). We want to

be known as a "good citizen" in all the countries where we are present. This is the solid foundation on which we are disseminating the "Enel spirit" among all our people, including through direct exchanges of knowledge and experiences. We are aided in this task by the fact that producing and distributing electricity is a very special occupation, which requires the people who work in this field – wherever they are – to be aware that they are performing a task that is essential for the security and development of their country.

The Group will therefore concentrate on further consolidating and integrating the different companies that comprise it, with the objective of creating value thanks to the professional competence, the capabilities, and the operating synergy that characterize it, without neglecting to seek new opportunities in technological innovation and the organic growth of the areas and businesses in which it operates.

At the same time, Enel will continue its portfolio optimization initiatives aimed at strengthening the Group's financial position, which has been deeply influenced by the policy of international expansion pursued in the last few years.

We will also continue to develop plans for investment in research and development and in renewable energy sources, as well as to pursue technological excellence and dedicate attention to environmental issues.

The consolidation and integration of the international companies, portfolio optimization, and actions regarding growth and efficiency in the operating Divisions will also produce positive effects in 2009, and thus contribute to the improvement of the results of our Group, in spite of the persistent recession of the world economy.

Internal sharing and communication play an essential role. We are unifying our safety training programs and those aimed at involving all personnel in identifying and disseminating the best practices at all levels. We are equally dedicated to spreading the principles and practice of corporate social responsibility, using experiences of participation in the development – not only economic, but also cultural and social – of the countries where we have operations.

Our vision of the future can be summarized by seeing Enel as a great multinational with a strong presence in Italy and Spain and roots planted in fast-growing economies like those of Eastern Europe and the Americas, which aims for excellence through the use of innovative technologies and with unequaled commitment to the development of alternative energy sources.

This Enel is taking the Italian system – a system based on experience, technology, and quality – out into the world, integrating its own corporate's culture with other companies in Russia, Spain, the United States, Slovakia, and 17 other countries.

As we grow internationally, we take throughout the world Enel's culture of concern for the people who work with us and the communities that host our operations.

We are working to create a better world than the one our fathers left us.

As of December 31, 2008, the Ministry of the Economy and Finance held 21.1% of Enel's share capital, while Cassa Depositi e Prestiti held 10.1%, institutional investors 33.1%, and retail investors 35.7%.

SHAREHOLDERS

KPI	UM	2008	2007	2006	2008-2007	2008-2007 %	Companies concerned
Shareholders							
Composition shareholder base							
Institutional investors							
Ministry of the Economy	(%)	21.1	21.1	21.2	-	-	Enel SpA
Cassa Depositi e Prestiti	(%)	10.1	10.1	10.2	-	-0.5	Enel SpA
Institutional investors	(%)	33.1	34.3	32.9	-1.2	-3.5	Enel SpA
Retail shareholders	(%)	35.7	34.4	35.7	1.3	3.6	Enel SpA
Geographical breakdown of institutional investors							
Italy	(%)	15.1	19.9	22.5	-4.8	-24.0	Enel SpA
UK	(%)	23.2	21.3	25.6	1.9	8.9	Enel SpA
Rest of Europe	(%)	31.1	29.8	27.8	1.3	4.3	Enel SpA
North America	(%)	24.8	27.0	22.6	-2.2	-8.2	Enel SpA
Rest of the world	(%)	5.8	2.0	1.5	3.8	191.5	Enel SpA
Concentration index (Top 50)	(%)	21.5	21.7	33.2	-0.1	-0.7	Enel SpA
Investment style institutional investors							
GARP	(%)	35.8	23.1	25.6	12.7	55.2	Enel SpA
Growth	(%)	6.2	33.4	32.3	-27.2	-81.4	Enel SpA
Index	(%)	21.3	19.7	20.3	1.6	7.9	Enel SpA
Value	(%)	32.5	15.2	11.4	17.3	113.3	Enel SpA
Hedge	(%)	0.5	5.8	5.9	-5.3	-91.3	Enel SpA
Other	(%)	3.7	2.8	4.5	0.9	33.0	Enel SpA
Socially responsible investors							
Presence SRI funds	**(no.)**	**68** (1)	**45**	**47**	**23**	**51.1**	**Enel SpA**
Enel shares held by SRI funds	**(mil.)**	**361.3**	**388.1**	**342.3**	**-26.8**	**-6.9**	**Enel SpA**
Weight of SRI in institutional funds	**(%)**	**17.6**	**18.3**	**16.9**	**-0.7**	**-3.6**	**Enel SpA**
Geographical breakdown of shareholders							
Italy	(%)	1.2	9.3	12.7	-8.1	-87.0	Enel SpA
UK	(%)	2.6	36.0	43.9	-33.4	-92.8	Enel SpA
Rest of Europe	(%)	59.0	34.0	24.4	25.0	73.5	Enel SpA
North America	(%)	35.2	20.7	19.0	14.5	69.7	Enel SpA
Rest of the world	(%)	2.0	-	-	-	-	Enel SpA
Presence SRI in the top 10	**(no.)**	**1.0**	**2.0**	**1.0**	**-1.0**	**-50.0**	**Enel SpA**

(1) Data as of February 2009.

INCOME DATA

Millions of euro

	2008	2007 (1)
Revenue	61,184	43,688
Gross margin	14,318	9,840
Operating income	9,541	6,781
Group and third-party net income	6,034	4,131
Group net income	5,293	3,916
Group net income per share at the end of the year (euro)	0.86	0.63

(1) The data were adjusted, only for purposes of comparison, to take into account the effects of the completion as of December 31, 2008 of the purchase price allocation regarding the acquisition of Endesa, as well as the effects regarding the classification in "discontinued operations" of the results concerning gas distribution operations in Italy.

In 2008, **revenues** amounted to 61,184 million euro, an increase of 17,496 million euro (+40.0%) with respect to 2007. The growth is due mainly to increased revenues from abroad in consequence of the acquisitions finalized in the two periods under consideration and to the increase in revenues from sales and generation in Italy.

Amounting to 14,318 million euro, the **gross margin** increased by 4,478 million euro (+45.5%). This increase was due essentially to the general growth of all the operating Divisions, in particular that of the Iberia and Latin America Division, which reflects the positive effect of Endesa's different period of consolidation.

Operating income amounted to 9,541 million euro, an increase of 40.7% with respect to 6,781 million euro in 2007, which was due essentially to the results contributed by the acquisitions abroad, in addition to the growth of all the other operating Divisions.

Group net income for 2008 amounted to 5,293 million euro, an increase of 35.2% with respect to the 3,916 of the preceding year. This result reflects the good performance of operating management, which was partially offset by the increase in net financial expense, and the positive effects of the decrease in income tax. Specifically, the latter change includes both the net positive effects (amounting to 1,858 million euro) of the adjustment of the deferred tax in consequence of the adjustment of the differences between civil-law and fiscal values regarding several tangible assets, net of the expense of the related substitute tax provided for by the 2008 Budget Law, and the negative effects (amounting to 290 million euro) of the increase in the IRES rate (Legislative Decree n. 112/08) applied to companies that produce and sell electricity and gas.

OPERATING DATA

	Italy	Abroad	**Total**	Italy	Abroad	**Total**
		2008			2007	
Net energy produced by Enel (TWh)	96.3	156.9	**253.2**	94.2	59.3	**153.5**
Net efficient power (GW)	40.3	43.0	**83.3**	40.4	35.1	**75.5**
Energy transported on Enel's distribution network (TWh)	257.9	135.6	**393.5**	259.0	43.3	**302.3**
Energy sold by Enel (TWh) (1)	137.2	133.2	**270.4**	142.4	53.9	**196.3**
Number of end electricity customers (millions)	30.5	18.8	**49.3**	30.7	17.9	**48.6**
Gas sales to end customers (billions of m^3)	5.7	2.5	**8.2**	4.9	0.6	**5.5**
Gas transported (billions of m^3)	3.6	0.3	**3.9**	3.5	0.1	**3.6**
Employees at end of year (n.) (2)	40,327	35,654	**75,981**	41,746	31,754	**73,500**

(1) Excluding sales to dealers.
(2) Includes 1,413 employees regarding operations classified as "destined to be sold" (2,614 employees as of December 31, 2007).

In 2008, the **net energy produced by Enel** increased by 99.7 TWh (+65.0%) in consequence of both the larger quantity produced abroad (+97.6 TWh, including 76.1 TWh and 22.5 TWh deriving, respectively, from the different period of consolidation of Endesa and from the acquisition of OGK-5, net of the effects deriving from the deconsolidation of the Viesgo group) and increased production in Italy (+2.1 TWh).

The **energy transported on Enel's distribution network** amounted to 393.5 TWh, an increase of 91.2 TWh (+30.2%), which was essentially due to the increase in the quantity transported abroad (+92.3 TWh, including 91.4 TWh deriving from the different period of consolidation of Endesa).

The **energy sold by Enel** recorded an increase of 74.1 TWh (+37.7%), with total sales of 270.4 TWh to 49.3 million customers. The rise was essentially due to the

increase in the quantity sold abroad (+79.3 TWh, including 78.2 TWh deriving from the different period of consolidation of Endesa).
More detailed information on the Group's balance sheet and cash flows, the main changes in the composition of the Group, and the significant events of 2008 can be found on pages 27-37 of the Annual Report, which is available on Enel's institutional website in the Investor Relations section (http://www.enel.it/azienda/investor_relations).
Among the prizes and awards received in 2008, Enel received 182 million euro from the Electricity and Gas Authority as a bonus for the improvement in service continuity recorded in 2007.
Enel was awarded the Ruban d'Honneur for the 2009 edition of the European Business Awards – in the Award for Corporate Sustainability and Environmental Awareness Award categories – thanks in part to the most recent instrument created by the Company for communicating with stakeholders, as well as to the Safety Week observed in Italy, as in all the other countries where Enel is present. Because of its recent acquisitions abroad, Enel is increasingly assuming the features of an electricity and gas multinational.
Considered the "showcase" of the successes of the European economy, the prestigious European Business Awards are sponsored by organizations such as CMS, AXA, Grey EMEA, Siemens, Société Générale, and The Wall Street Journal Europe, and were instituted in 2006 to reward the excellence and innovation of companies of the 27 member states of the European Union that are deeply engaged in the pursuit of corporate objectives, at all levels, for economic, industrial, and environmental development.

EUSS - Electric Utilities Sector Supplement

Beginning in June 2006, and in cooperation with the Global Reporting Initiative (GRI), Enel has participated in a global, multi-stakeholder work group consisting of expert specialists from the electricity industry. Representatives of utilities from all over the world have participated in this group, along with industry analysts and rating firms, investors, and representatives of NGOs and labor unions. Session after session, indicator after indicator, and using a method with a consensus-seeking approach, the work group punctually developed the final version of the Sector Supplement. The first draft of the Sector Supplement regarding electricity utilities (EUSS) was published in January 2007. This was followed by a 90-day period of public debate, during which the work group received feedback from the participants who had been requested to express their opinion on the first draft of the sector indicators.
After the public debate was over, the work group examined the suggestions accepted and included them in the document, which was finalized and submitted to the GRI's Technical Advisory Committee (TAC). The result was a pilot version of the sector indicators. Subsequently, in 2008, another work group, in which Enel also participated, consisting of 25/30 stakeholder representatives, from both within and without the industry and equitably distributed geographically, further discussed and analyzed the EUSS indicators. At the end of this additional examination, the pilot version was developed into a draft of the final document, which – from October 2008 to January 2009 – was also publicly discussed. As for the preceding, pilot version, the work group met to finalize the public comments and submit the final text to the GRI's Technical Advisory Committee. In the first half of 2009, the latter approved the final version of the EUSS indicators, which can be consulted on the GRI website at the following address: http://www.globalreporting.org/ReportingFramework/SectorSupplements/ElectricUtilities/.
All the EUSS indicators of the GRI-G3 that Enel has voluntarily decided to report, beginning with this 2008 Sustainability Report, are shown below.
Enel played a proactive role in the process of conceiving, discussing, and approving these sector indicators, in order to make its corporate communication with the stakeholders concerned increasingly transparent and fair.

All the EU indicators page by page

EU1

Installed capacity, broken down by primary energy source and by regulatory regime.

ITALY

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Net efficient thermal power	**(MW)**	**24,862.3**	**25,005.2**	**25,116.8**	**-142.9**	**-0.6**	**Italy**
Coal	(MW)	5,574.9	4,958.7	4,938.7	616.2	12.4	Italy
CCGT	(MW)	5,945.7	5,961.7	5,384.6	-16.0	-0.3	Italy
Oil/gas	(MW)	11,216.6	12,082.7	12,793.9	-866.1	-7.2	Italy
Other	(MW)	2,125.1	2,002.1	1,999.6	123.0	6.1	Italy
Net efficient renewable power	**(MW)**	**15,460.7**	**15,390.7**	**15,357.9**	**70.0**	**0.5**	**Italy**
Hydro	(MW)	14,424.1	14,401.1	14,379.1	23.0	0.2	Italy
Including minihydro (<10 MW)	*(MW)*	*950.8*	*946.9*	*940.0*	*4.0*	*0.4*	*Italy*
Wind	(MW)	362.4	315.4	304.5	47.0	14.9	Italy
Geothermal	(MW)	670.7	670.7	670.7	-	-	Italy
Other	(MW)	3.6	3.6	3.6	-	-	Italy
Total net efficient power	**(MW)**	**40,323.0**	**40,395.9**	**40,474.7**	**-72.9**	**-0.2**	**Italy**

ABROAD

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Net efficient thermal power	**(MW)**	**23,364**	**15,559**	**3,740**	**7,805**	**50.2**	**Abroad**
Net efficient nuclear power	**(MW)**	**4,564**	**4,492**	**2,460**	**72**	**1.6**	**Abroad**
Net efficient renewable power	**(MW)**	**15,069**	**15,078**	**4,101**	**-9**	**-0.1**	**Abroad**
Hydro	(MW)	12,882	13,490	3,772	-608	-4.5	Abroad
Wind	(MW)	2,084	1,492	283	592	39.7	Abroad
Geothermal	(MW)	7	7	-	-	-	Abroad
Other (cogeneration, biomass, etc.)	(MW)	95	88	46	7	7.9	Abroad
Total net efficient power	**(MW)**	**42,996**	**35,128**	**10,301**	**7,868**	**22.4**	**Abroad**

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Generating plants (2)							
Total net efficient power	**(MW)**	**42,996**	**35,128**	-	**7,868**	**22.4**	**Abroad**
Iberia	(MW)	16,643	17,576	-	-933	-5.3	Abroad
France	(MW)	12	-	-	-	-	Abroad
Greece	(MW)	91	80	-	91.3	114.1	Abroad
Bulgaria	(MW)	602	581	-	21	3.6	Abroad
Slovakia	(MW)	5,705	5,633	-	72	1.3	Abroad
Russia	(MW)	8,183	-	-	-	-	Abroad
Other Europe	(MW)	96	11	-	85	744.1	Abroad
North America	(MW)	749	472	-	277	58.6	Abroad
Latin America	(MW)	10,915	10,775	-	140	1.3	Abroad
Total net production	**(TWh)**	**156.9**	**59.3**	-	**97.6**	**164.7**	**Abroad**
Iberia	(TWh)	61.2	19.9	-	41.4	208.2	Abroad
France	(TWh)	0.01	-	-	-	-	Abroad
Greece	(TWh)	0.2	0.1	-	0.2	312.9	Abroad
Bulgaria	(TWh)	3.7	3.5	-	0.3	7.3	Abroad
Slovakia	(TWh)	22.5	21.5	-	1.1	4.9	Abroad
Russia	(TWh)	22.5	-	-	-	-	Abroad
Other Europe	(TWh)	0.6	-	-	-	-	Abroad
North America	(TWh)	1.9	1.2	-	0.6	50.5	Abroad
Latin America	(TWh)	44.2	13.2	-	31.0	235.5	Abroad

(2) 2007 has been reclassified, with Endesa also included in the Group.

EU2

Net energy output broken down by primary energy source and by regulatory regime.

ITALY

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Net thermal production	**(TWh)**	**64.7**	**67.3**	**73.8**	**-2.6**	**-3.9**	**Italy**
Coal	(TWh)	29.4	28.6	27.9	0.8	2.7	Italy
CCGT	(TWh)	25.8	23.3	19.5	2.5	11.0	Italy
Oil/gas	(TWh)	8.7	15.1	26.0	-6.4	-42.4	Italy
Other	(TWh)	0.8	0.4	0.4	0.5	128.6	Italy
Net renewable production	**(TWh)**	**31.6**	**26.9**	**30.1**	**4.7**	**17.6**	**Italy**
Hydro	(TWh)	26.0	21.2	24.5	4.8	22.6	Italy
Including minihydro (<10 MW)	(TWh)	0.6	2.4	2.8	-1.8	-75.8	Italy
Wind	(TWh)	0.5	0.5	0.4	-	-1.3	Italy
Geothermal	(TWh)	5.2	5.2	5.2	-0.1	-1.0	Italy
Total net production	(TWh)	96.3	94.2	103.9	2.1	2.2	Italy

KPI	UM				%		Companies concerned
		2008	2007	2006	2008-2007	2008-2007	
Net thermal production	(TWh)	81.7	23.9	9.6	57.8	242.2	Abroad
Net nuclear production	(TWh)	32.9	18.2	10.7	14.8	81.3	Abroad
Net renewable production	(TWh)	42.3	17.2	7.2	25.0	145.2	Abroad
Hydro	(TWh)	38.3	15.8	6.0	22.5	142.4	Abroad
Wind	(TWh)	3.5	1.1	0.8	2.4	223.5	Abroad
Geothermal	(TWh)	0.04	0.04	-	-	-	Abroad
Other (cogeneration, biomass, etc.)	(TWh)	0.5	0.3	0.3	0.2	40.9	Abroad
Total net production	(TWh)	156.9	59.3	27.5	97.6	164.7	Abroad

KPI	UM				%		Companies concerned
		2008	2007	2006	2008-2007	2008-2007	
Thermal generating plants							
Coal plant yield	(%)	34.2	34.6	34.9	-0.4	-1.0	Italy
CCGT plant yield	(%)	52.6	52.5	52.7	0.1	0.3	Italy
Oil/gas plant yield	(%)	32.3	34.6	36.1	-2.3	-6.7	Italy
Lignite plant yield	(%)	29.0	-	-	-	-	Bulgaria
Lignite plant yield	(%)	28.3	-	-	-	-	Slovakia
Lignite plant yield	(%)	35.3	-	-	-	-	Endesa
Coal plant yield	(%)	28.9	-	-	-	-	Slovakia
Coal plant yield	(%)	35.9	-	-	-	-	Russia
Coal plant yield	(%)	36.4	-	-	-	-	Endesa
CCGT plant yield	(%)	51.1	-	-	-	-	Endesa
Oil/gas plant yield	(%)	35.5	-	-	-	-	Endesa

3. Report Parameters

Unless specified otherwise, the data and information contained in the 2008 Sustainability Report regard Enel SpA and the consolidated companies in the year ended December 31, 2008. For details regarding the companies, please refer to the 2008 Annual Report (from page 100 to page 128).
The reasons for any limitations of inclusion and information are connected with the scarce significance of the phenomenon or with the impossibility of collecting the data efficiently or according to satisfactory qualitative standards.
In particular, it should be noted that, because the information system procedures of Enel and Endesa do not completely correspond, several of Endesa's core GRI indicators, whose data have been consolidated for the first time in the present Sustainability Report, are not included, in order to publish this document in a timely and effective manner for our stakeholders. The core GRI indicators that do not consolidate the data regarding Endesa are: EC6 and EC7. Enel undertakes to do everything necessary to make the significant indicators of all the consolidated companies available promptly and effectively in the next Sustainability Report.
The number of consolidated companies grew in 2008 with respect to 2007, as reported in the 2008 Annual Report (from page 8 to page 19), and the Group is now present in 22 countries, on 4 continents. By "Parent Company" is meant Enel SpA, while "Group" and "Enel" refer to the group of companies controlled by Enel SpA.
Specifically, in 2008 the following significant changes took place in the international composition of the Group:

> Endesa: the company was consolidated for the entire year, while in 2007 the consolidation took place only from the last quarter;
> Russia: OGK-5 was consolidated at the end of May;
> Romania: Electrica Muntenia Sud (now Enel Distributie Muntenia and Enel Energie Muntenia) were consolidated at the beginning of June, 2008.

The changes had a significant impact on the economic, social, and environmental indicators. In effect, of the increase of 11,874 million euro of revenue from abroad, 10,079 million euro were due to the different period of contribution to the result by Endesa, 657 million euro regard the consolidation of OGK-5, and 295 million euro are for the consolidation of Electrica Muntenia Sud.

Information and further details may be requested from:

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CSR and Relations with Associations
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e-mail: csr@enel.it
www.enel.it/azienda/en/sostenibilita

With regard to employees, the change in the number of personnel with respect to December 31, 2007 is summarized in the following table.

Balance at December 31, 2007	**73,500**
Changes in the scope of consolidation:	
- OGK-5	4,285
- Electrica Muntenia Sud (now Enel Distributie Muntenia and Enel Energie Muntenia)	2,038
- Endesa (acquisitions) (1)	70
- Endesa Europa (1)	(1,417)
- Viesgo	(1,049)
- Other	(36)
	3,891
Hires	3,065
Terminations of employment	(4,475)
Employees at December 31, 2008 (2)	**75,981**

(1) Equal to 67.05% of the total workforce.
(2) Includes 1,413 in units classified as "Held for sale".

With regard to the environmental data, for example, the costs for CO_2 emissions in 2008 amounted to 138 million euro, an increase of 131 million euro with respect to the previous year. Of this change, 72 million euro are due to Endesa's different period of consolidation, while the remainder is essentially due to the increase in the average prices of procurement with respect to the previous year, the end of which coincided with the deadline of the first national allocation plans.

Every year since 2003, in conjunction with the Annual General Meeting of the Company's shareholders, Enel has published the Sustainability Report, which is submitted to the Internal Control Committee and the Board of Directors for their approval. This document was also checked and analyzed by the Auditing Department and subjected to a limited audit by KPMG, which can be found on page 259 of this document.
The Enel Group's Sustainability Report for the year ended December 31, 2008 was prepared according to the Sustainability Reporting Guidelines established in 2006 by the Global Reporting Initiative and in accordance with the principles of completeness, significance, responsiveness to satisfy the legitimate expectations of its stakeholder. In particular, the "Reporting to the stakeholders: Enel's commitment according to the AA1000 principles" section of this Report describes the procedures through which the Enel Group applies the AA1000 principles. The Enel Group is gradually adapting to the application of the new version of the AA1000 standard (2008).
This undertaking is embodied in dialogue, as explained in chapter 4, "Governance, Commitments, and Stakeholder Engagement", and in the Focus on "Stakeholder Strategy", where the Report highlights the initiatives and projects carried out in 2008 for the different stakeholder groups.
Finally, as far as completeness is concerned, as explained in chapter 5, "Management Approaches and Performance Indicators", the Group manages a consolidated system of sustainability performance indicators.
With regard to the establishment of its content, this year, for the second time, the Sustainability Report was prepared according to the Sustainability Reporting Guidelines issued in 2006 by the GRI - Global Reporting Initiative, and follows, where applicable, the GRI Boundary Protocol and the Indicator Protocols.
Furthermore, Enel decided to include, starting this year, several indicators of the

EUSS Electric Sector Supplement as part of the Profile of the Organization and the economic, environmental and product performance reporting.
The EUSS document was finalized and presented on April 15, 2009, and consequently its application is not obligatory as far as the present Report is concerned. The following KPI that were published in the 2007 Sustainability Report have not been included in the present one: EC5, EC9, LA11, HR3, HR8, HR9, PR2, PR4, and PR7. In effect, these are additional indicators of the GRI which, besides the fact that they are not considered in the determination of the A+ application level, are not significant with respect to Enel's specific situation.
The data were calculated precisely on the basis of the items recorded in the general accounts and Enel's other information systems.
Any changes in the comparative data with respect to those published in the 2007 Sustainability Report are identified and explained in the comments on the indicators.
Enel considers that it has achieved an A+ level of application.

4. Governance, Commitments and Stakeholder Engagement

Our Mission

Our mission at Enel is to generate and distribute value in the international energy market for the benefit of the needs of our customers, the investment of our shareholders, the competitiveness of the countries in which we do business, and the expectations of all the people who work with us. Enel operates in the service of communities, respecting the environment and the safety of people, and with a commitment to making the world a better place for future generations.

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

CORPORATE GOVERNANCE (1)

KPI	UM	2008	2007	2006	2008-2007	2008-2007 %	Companies concerned
Board of Directors							
Total Board members	(no.)	9	9	9	-	-	Enel SpA
Independent Directors on the Board	(no.)	5	7	7	-2	-28.6	Enel SpA
Directors designated by minority shareholders	(no.)	3	3	3	-	-	Enel SpA
Women on the Board	(no.)	-	-	-	-	-	Enel SpA
Board meetings	(no.)	17	21	16	-4	-19.0	Enel SpA
Internal dealing							
Shares owned by Board members and important persons	(,000)	1,168.8	622.5	303.0	546.3	87.8	Enel SpA

(1) The Chairman has an executive role, in that the system of powers in effect in the Company entrusts him with the task of participating in the formulation of the corporate strategies, in agreement with the Chief Executive Officer and the related powers assigned the latter by the Board of Directors being understood. However, the Chairman is not entrusted with any individual powers of management.

In assessing the independence of the non-executive Directors, the Board of Directors takes into account the cases that article 3 of the Self-regulation Code of Listed Companies (available online at http://www.borsaitaliana. it/chi-siamo/ufficio-stampa/comunicati-stampa/2006/codiceautodisciplina pdf.htm) considers as symptomatic of the absence of the requisites of independence. Such cases are therefore not assessed from a merely formal point of view, but rather one of substance, as the aforesaid Code recommends.

During 2008, the Board of Directors discussed:
> issues regarding corporate governance in 6 meetings;
> the compliance program pursuant to Legislative Decree n. 231/2001 in 2 meetings;
> issues regarding corporate social responsibility in 2 meetings.

Detailed information regarding governance (ownership structure, independent and non-executive directors, and the composition, role, and duties of committees) is contained in the 2008 Annual Report (www.enel.it/azienda/investor_relations) from page 273 to page 305.

Code of Ethics

Code of Ethics applies to Enel SpA and the companies controlled by it, both in Italy and abroad, and consequently is binding for the behavior of all the people who work therein.
This Code expresses the Group's ethical commitments and responsibilities in the conduct of its business, regulating and harmonizing corporate behavior according

to standards based on the utmost transparency and fairness towards all stakeholders. Specifically, the Code of Ethics comprises:

> general principles governing relations with stakeholders, which establish the reference values that guide the Group in carrying out its different activities. Among such principles, particular emphasis in put on: honesty, impartiality, confidentiality, enhancing our shareholders' investments, the value of human resources, the transparency and completeness of information, service quality, and protection of the environment;
> criteria of behavior towards each class of stakeholders, which provide the specific guidelines and rules that Enel officers and employees are obliged to follow in order to ensure compliance with the general principles and prevent the risk of unethical behavior;
> implementation mechanisms, which describe the control system devised to ensure observance of the Code of Ethics and its continual improvement.

Because four years had passed since the Code of Ethics was updated and the composition of the Enel Group had changed in that period, with many companies having been acquired abroad, in 2008 the Company set up a work group consisting of the Corporate Affairs Department, the Auditing Department, and the CSR and Relations with Associations Unit, which involved the process owners in revising the document.
The updating was considered necessary in consequence of the regulatory and organizational changes that had taken place, as well as to align and supplement it with the ethical codes of the most important international groups.

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 specific code of ethical principles regarding financial matters applicable in particular within the Company to the Chief Executive Officer and the heads of the "Finance" and "Administration, Planning, and Control" Departments. Consisting in a series of rules aimed at reasonably preventing any illegal action and promoting fair and transparent management, this code has not been applicable since March 2008, in consequence of the completion of the deregistration procedure (described in the first section of this document under "Structure of the share capital").

Compliance program pursuant to legislative decree n. 231 of June 8, 2001

In July 2002, the Board of Directors approved a compliance program in accordance with the requirements of legislative decree n. 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 or to the benefit of said companies. The content of such program is consistent with the guidelines on the subject established by industry associations and with the best practice in the United States, and represents another step towards strictness, transparency, and a sense of responsibility in both internal and external relations. At the same time, it offers shareholders adequate assurance of efficient and fair management.
The program in question comprises a "general part" (which describes, among other things, the content of legislative decree 231/2001, the objectives of the program and how it works, the duties of the internal control body responsible for

supervising the functioning and observance of the program and for seeing to its updating, and the related penalty regime) and separate "special parts" concerning the different kinds of crimes provided for by legislative decree 231/2001, which the program aims to prevent.

In 2006, the compliance program was completely revised. As proposed by the Internal Control Committee, the Board of Directors 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 decisions and the experience acquired in applying the program during the first year of implementing it, and approved additional "special parts" concerning crimes of terrorism and subversion of the democratic order, crimes against the individual, 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 regulations regarding the prevention of industrial accidents, workplace hygiene, and on-the-job health, which the most recent legislation includes among the crimes falling under the liability regulated by legislative decree 231/2001.

At that time, the Board of Directors also revised the composition of the body entrusted with overseeing the functioning and observance of said program, as well as its updating, making it collegial rather than monocratic, in accordance with the dominant practice of the leading listed companies and the trend of court decisions.

According to the regulations approved by the Board of Directors in May 2008, this body may consist of from three to five members, appointed by the Board itself. The members may come from either within the Group or from outside it, must have specific professional expertise and experience, and in any case must include the head of the Parent Company's Auditing Department. As proposed by the Control Committee, the Board of Directors then appointed the heads of the Corporate Affairs and Legal Departments – in addition to the head of the Auditing Department – to the control body, because of their specific professional expertise regarding the application of the program.

During 2008, the supervisory body oversaw the functioning and observance of the program, dedicating special attention to the subject of the prevention of on-the-job accidents and establishing to this end special guidelines specifying criteria for behavior. At the same time, the Group implemented special training projects for its employees on the content of the compliance program.

"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 membership in the Global Compact (an action program promoted by the U.N. in 2000) and the Partnership Against Corruption Initiative (promoted by the World Economic Forum of Davos in 2005).

The ZTC plan neither replaces nor overlaps with the Code of Ethics and the compliance program adopted pursuant to legislative decree 231/2001, but represents a more radical step regarding the subject of corruption and adopts a series of recommendations for implementing the principles established by Transparency International.

Commitments in external initiatives

The following are the most important international programs in which Enel partecipates.

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 2008, 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.

During the annual e8 summit, which was held at La Malbaie, in Canada, Enel's Chairman, Piero Gnudi, was appointed chairman for 2009-2010.

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 41 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 (SQ) 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.

Enel is also present in the most important industry associations.

> Aspen Institute Italy, a private, independent, politically non-partisan and non-profit international association dedicated to the discussion, investigation, and exchange of knowledge, information, and values. The aim of the organization is to make Italy's entrepreneurial, political, and cultural leaders more cosmopolitan and to promote free discussion among different cultures.
> The Centre for European Policy Studies (CEPS), the most important research center dedicated EU policies in every industry. Enel participates as a member and occasionally sponsors studies or meetings regarding issues of the electricity industry, innovation in the sector, and climate change. Enel is a member of several CEPS task forces: 1) CDM and flexibility mechanisms, 2) Article 82 of the E.U. Treaty and abuse of a dominant market position, 3) EU budget and climate change, and 4) Energy supply security in Europe.
> 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 bringing together more than 80 companies, in 18 European countries, that trade energy. Its aim is to improve the conditions in energy trading and to promote the development of the European wholesale market from the point of view of sustainability and liquidity.
> EU 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 undertakings regarding climate change through the presence of the member companies' highest managers.

Participation is strategic, because of the level of coordination it provides and the influence that the Presidency of the group, entrusted to his Royal Highness the Prince of Wales, exercises on the decisions of the EU. The study and working material collectively produced under the aegis of the University of Cambridge Program for Industry ensures that Enel is continually kept abreast of the most advanced conceptions and techniques of sustainability. Participation is thus strategic, and Enel participates actively in the proceedings.

> EURELECTRIC (Union of the Electricity Industry), an association of electricity companies. In addition to providing, since 2008, the Vice-President in the person of the Company's CEO, Fulvio Conti, Enel is present in 57 of the organization's committees, work groups, and task forces. The Company chairs one committee and two works groups, and participates widely in the association's projects and initiatives. The Company does not contribute financially to the organization and considers its participation to be of 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, promotes 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, the Company participates in the association's activities, sponsoring the opening meeting of the group of new member states of the European Union that produce nuclear energy. Given its return to the production of electricity from nuclear energy, Enel considers this participation strategic.

> GIIGNL (Groupe International des Importateurs de Gas Naturel Liquifié), 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 the purchase, importation, transportation, and re-gasification of LNG. 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 of the industry. Thus, the group's activities focus on facilitating transactions, diversifying contractual techniques, and developing positions to present to the international agencies.

> IAPB (The International Association of Business and Parliament), an association that brings together, in a transparent and ethical way, the corporate world and the members of the European Parliament. The association manages the European Business and Parliament Scheme (EBPS), which develops educational programs for the European Parliament's 732 members and officials. A member of the association since 2007, Enel will sponsor educational initiatives dedicated to keeping this particular public abreast of issues regarding renewable energy (specifically, geothermal, hydrogen, and photovoltaic) by organizing ad hoc sessions. This participation is considered strategic for increasing EU policy makers' awareness of Enel's commitment to technologies with a low CO_2 impact.

> ICC ITALY (Comitato Nazionale Italiano della Camera di Commercio Internazionale), 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 activities of all fifteen technical committees and numerous other work groups, the ICC provides opinions and suggestions regarding the issues of greatest interest to firms in the fields of foreign investment and industrial

policies. ICC Italy carries out its activity 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 on the various issues.

- The Kangaroo Group, an informal forum for discussion between European Parliament members and partners and stakeholders in society at large. The aim 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), a committee, created in 1992, that includes all the electricity producers in the Mediterranean area. It provides a place for discussion, reflection, and coordination among the countries in the area.
- OCIMF (Oil Companies International Marine Forum), a voluntary association that brings together the leading companies in the oil industry, both national and international, with the objective of promoting safety and avoiding pollution caused by the transportation of oil by sea.
- OME (Observatoire Méditérranéen de l'Énergie), a non-profit organization, of which Enel held the presidency from 2006 to june 2009. The OME became an independent association in 1991 at the request of numerous energy companies in the Mediterranean area. Its main aim is to promote cooperation among the most important energy companies in the Mediterranean area, and it is a research and information center regarding energy in the aforesaid area, as well as a place for reflection and a permanent forum where its members meet one another.
- RECS (Renewable Energy Certificate System), a 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 harmonized and commonly accepted European information system. The members are firms operating in the field of renewable energy in Europe, South Africa, the United States of America, and Canada. The RECS represents companies to national and EU government authorities, facilitating all kinds of activities aimed at achieving its objectives.
- SEAP (Society of European Affairs Professional), an association that includes the representatives of large European companies to the institutions of the EU, the European Commission and the European Parliament. The purpose of the organization is to pursue ethical and moral principles in providing information to institutional publics. Enel pays annual dues and is a member of the committee for dialogue with the European Commission, which follows the drafting of the directive on transparency in the work of corporate representatives and interest groups.
- WEC Italy (World Energy Council), a non-profit, non-governmental organization which is accredited at the UN. The mission of the WEC is to promote the peaceful and sustainable use of energy resources in favor of the peoples of all the nations in the world, fostering research and the exchange of knowledge regarding resources, technology, styles of consumption, and environmental aspects of the production and use of energy sources. It carries out its mission by publishing studies and reports, setting up work groups, organizing conferences, and exchanging 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.
- EPIA (European Photovoltaic Industry Association), a European organization,

with its headquarters in Brussels, which represents the interests of 95% of the photovoltaic industry to the most important EU institutions (Commission, Parliament, Council). The association is extremely active in both lobbying and fund raising (FP7). With over 200 members, it is foreseen that, in the short and medium term, it will become one of the most important associations in the field of renewable energy.

> Technological Platforms. Technological Platforms (37) are the entities created at the initiative of the European Commission (DG Research). Such Platforms comprise industry, research centers, and universities, as well as representatives of the governments of the 27 member states, and have different structural and operating characteristics. Generally speaking, all of them are places where different stakeholders meet according to the technological area covered by the Platform (e.g., photovoltaic energy, nanotechnologies, nuclear energy). The purpose of the Platforms is to define the gaps connected with the various technologies and consequently devise a shared position/strategy for developing/improving such technology. Enel participates in the following Platforms: photovoltaic, nuclear, smart grids, wind, zero emissions (mainly through CCS – Carbon Capture and Storage – technology), and hydrogen.

With regard to the associations and networks most closely engaged in promoting corporate social responsibility, since 2008, Enel is the only European industrial company elected to the board of CSR Europe, and, in Italy, is a member of Sodalitas, CSR Manager Network Italy, and ANIMA.
Enel is an Organizational Stakeholder in the GRI, participated in the GRI Working Group for the Electric Utilities Sector Supplement, and is a member of the GRI Working Group for Human Rights.

Stakeholder engagement

Enel considers its stakeholders to be the individuals, groups, and institutions whose contributions are required for the Company to carry out its mission, or who, in any case, have an interest at stake in its pursuit: specifically, people who make investments connected with Enel's business – first of all, Enel'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 does business, 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 for the purpose of overcoming prejudices and misalignments of information from the point of view 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.
The chapter dedicated to the Company's performance indicators contains an extensive Focus dedicated to the initiatives Enel has undertaken for stakeholders in Italy and in all the countries where the Group is present. (See also Focus on Stakeholder Strategy from page 173).

Furthermore, on the following pages there is a table that shows Enel's commitment to its stakeholders, according to the AccountAbility AA1000 principles.
As part of the overhaul of the Enel portal, the Sustainability Meter is also being updated. This instrument was created in 2008, but regarded Enel's 2007 Sustainability Report. The updating was made necessary by Enel's international expansion and the related issues of interest to our stakeholders. We decided not to report the results of the Sustainability Meter in this document, because they do not regard the current composition of the Group. However, the results of the Meter updated in 2009 will be reported.

ACCOUNTABILITY TO STAKEHOLDERS: ENEL'S COMMITMENT ACCORDING TO THE AA1000 PRINCIPLES

Completeness

In observing the principle of completeness, Enel facilitates the participation of its stakeholders in the formulation of responsible and strategic responses to the issues of sustainability, based on transparent, complete, and verifiable information.

COMMITMENT

Enel believes that engaging stakeholders is an essential element for establishing the Group's sustainability strategies.

To this end, Enel has developed a set of instruments and initiatives that are able to collect, analyze, and integrate the requests of the different interest groups with its own strategic choices, its operating and financial plans, and the investments carried out.

MANAGEMENT

The policies and procedures for interacting with stakeholders are based on the guidelines established by Enel Holding, in accordance with the principles of representativeness and the significance of their requests with respect to the Group's business.

The entire organization (Divisions, Departments, Units, Italian and foreign companies) is engaged daily in listening to and involving interest groups, while respecting the different social and cultural contexts of the 22 countries in which it has operations. In particular, the External Relations Department, the Personnel and Organization Department, the Accounting, Finance, and Control Department, the Sales Division, and the Procurement Department are active in engaging specific stakeholders, such as associations, institutions, employees and labor unions, investors and the financial community, customers, and suppliers.

Furthermore, within the Departments there are units that engage in timely discussions with the stakeholders concerned, such as, for example, the CSR and Relations with Associations Unit, the Industrial Relations Unit, the Safety Unit, the Internal Communication Unit, the Media Relations Unit, the Large-scale Infrastructure Projects Unit, the Local External and Confindustria Relations Unit, and the Investor Relations Unit.

The complexity of the Group's system of relations and the multiple contexts in which it functions led Enel to adopt an engagement management policy that is consistent with its commitment, but also flexible and capable of responding to the requests made by the single stakeholder categories.

INSTRUMENTS

Stakeholder engagement is managed through a number of instruments, which range from discussion with single groups and participation in special negotiations to the daily duties of listening to customers and employees and the use of ad hoc instruments for different categories of stakeholders. The stakeholders are chosen and engaged by the Divisions, Departments, Units, and Companies in the different countries in which the Group operates, relating to them according to the principles of representativeness and significance for Enel's strategic objectives. Furthermore, with the Sustainability Meter, an online questionnaire that is currently being updated, Enel has developed an instrument that allows even single voices to have their say.

STAKEHOLDERS	SIGNIFICANCE	RESPONSIVENESS
Stakeholders are all the individuals, groups of individuals, or organizations that influence, or are influenced by, the organization's business and its products, services, and related performances.	This refers to the significance of an issue for an organization and its stakeholders, or its influence on decisions, actions, and performances.	Responsiveness is the ability of an organization to respond to the issues raised by its stakeholders with regard to the former's performance. It materializes through decisions and concrete actions, as well as communication with its stakeholders.
Shareholders and providers of capital	The Investor Relations Unit manages relations with analysts and institutional investors, as well as with retail investors, using delicate procedures, through official meetings, road shows, and the website.	In 2008 alone, the Investor Relations Unit managed 608 requests for information by retail shareholders, in addition to 143 meetings with investors to respond to all their information needs.
Employees	In cooperation with the Industrial Relations and Safety units of all the Group companies, the Personnel and Organization Department periodically surveys the requests of employees through ad hoc meetings and climate analysis.	Among the many actions carried out after listening to the employees, we should mention the introduction of the new leadership model and the updating of the assessment and incentive systems. In 2008, employees and their families were deeply involved in the issue of safety.
Customers	Enel systematically surveys the satisfaction and requests of its customers through the traditional CRM instruments. The monthly results of the customer satisfaction survey, combined with the analysis of complaints, allow the Company to monitor how customers perceive the service. Enel has also developed an online instrument for settling disputes with electricity and gas customers, the first European utility to do so.	Surveys of customers' needs led to the consolidation of the online conciliation instrument and the "A Customer as a Friend" project, in addition to training to improve problem-solving skills and the revision of processes and activities considered unsatisfactory by customers. In addition, communication was made more direct and transparent, new services were introduced, and the Company started to monitor the behavior of sales channels.
Suppliers	These relations are managed by the Procurement and Tenders Unit. The occasions for listening occur mainly during the planning and holding of the training sessions that Enel organizes for its suppliers.	The identification of areas of interest for developing synergy between Enel and its suppliers led to the holding of training sessions as part of the Safety and Carbon Disclosure Project Supply Chain initiatives.
Institutions	Relations with institutions are managed at the local, national, and international level through the Group's Divisions, Departments, Units, and Companies, in accordance with the guidelines established by the External Relations Department. The significance is noted through institutional and ad hoc meetings.	The decisions made in agreement with institutions are formalized and implemented through specific protocols of understanding, agreements, and partnerships. An example of effective response is provided by the activity of the External Relations Department's Large-scale Infrastructure Projects Unit, which discusses with representatives of the local communities concerned by the construction of significant infrastructure.
Stakeholder organizations	The significance of engagement with associations of environmentalists, consumers, small and medium-sized businesses, and second-level representatives is assessed according to the principles of representativeness and the significance of the issues, as well as on the basis of the level of stability and continuity of the relationship with the organization concerned.	The results of listening materialize in agreements and partnerships to carry out joint projects with the many stakeholder organizations concerned, regarding the environment, culture, sports, and informing people about sustainable development.
Future generations	The requests that regard future generations are surveyed together with Italian and international associations and research institutes. Concern for future generations is part of Enel's mission.	In order to ensure future generations sustainable, economical, and accessible energy, Enel invests – in cooperation with the best Italian and international institutions and organizations – in the development of research and innovation in every field of its business, such as clean coal, CO_2 sequestration, the uses of hydrogen, and advanced solar energy.
Communities	Discussion with communities is organized according to the following criteria: communities near the Group's plants, countries in which the Group has operations, and areas where the Group intends to invest. The significant issues and the procedures for participating are established in accordance with the method of the public debate.	In order to respond to the requests expressed by local communities, Enel makes all the necessary capabilities and resources available, sometimes through philanthropic initiatives. The most important Italian and international initiatives are organized as part of the "Energia per" ("Energy for") program, with projects like Open Power Plants and Play Energy.

5. Management Approach and Performance Indicators

The CSR and Relations with Associations Unit of the Parent Company's External Relations Department cooperates with the Strategic Planning, Scenarios, and Markets Unit of the Administration, Planning, and Control Department in assisting the top management in setting sustainability priorities and objectives and establishing the guidelines that the Parent Company's departments, the Divisions, and the companies of the Enel Group are called on to follow in developing specific short- and medium-term action plans. In 2008, Enel issued a handbook regarding governance and the integration of the process of CSR planning, control, and reporting in the foreign companies of the Group.

The process of verifying objectives takes place through the collection and processing of accounting and extra-accounting data regarding specific key performance indicators (KPI) of sustainability. Elaboration of the sustainability KPI requires the involvement of both the Parent Company, on pan-Group issues, and the Divisions and companies of the Group, on the specific issues of their fields of operations. Specifically, the Company chooses the persons in the different departments and professional families who are in charge of collecting, checking, and processing the KPI concerned. The aggregation of the results takes place under the responsibility of the Strategic Planning, Scenarios, and Markets Unit, which is entrusted with coordinating the entire collection process and shares the qualitative parts and comments with the CSR and Relations with Associations Unit.

All the activities of the CSR and Relations with Associations Unit and the Strategic Planning, Scenarios, and Markets Unit are subjected to the evaluation, control, and approval of the Internal Control Committee, which was set up by the Board of Directors and, in 2008, consisted of Directors Augusto Fantozzi (who served as coordinator), Alessandro Luciano, and Francesco Valsecchi between January and June, while from the latter month until the end of the year, it was constituted by Directors Gianfranco Tosi (who served as coordinator), Lorenzo Cotogno, Renzo Costi, and Alessandro Luciano.

The Sustainability Report is approved by the Internal Control Committee and the Board of Directors of Enel SpA, and is presented during the Annual General Meeting.

Focus on
Intangibles

The Intangibility Project

Together with the Department of the Law and Economics of Productive Activities of the "La Sapienza" University of Rome, the Economics and Management Department of the "Guido Carli" Luiss Univesity, and KPMG*, in 2008 Enel started a project called "Intangibility", which aims to identify and quantify the intangible assets of the Enel Group.
The project provides for four stages:

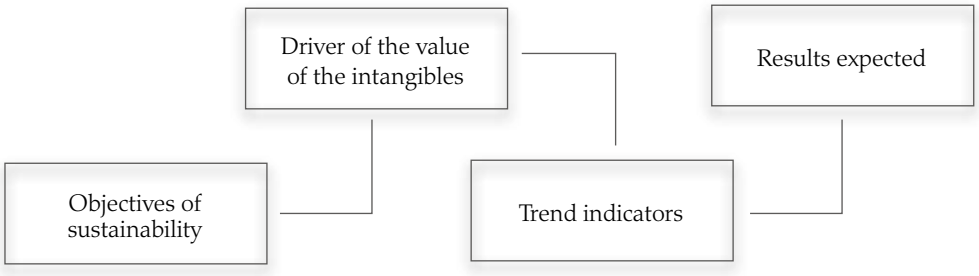
> **stage I**: identification of Enel's Intangible Assets and definition of the effects that implementation of its policies of corporate social responsibility has on them;
> **stage II**: identification of special KPI to quantify the Intangible Assets;
> **stage III**: calculation of the KPI indentified in the second stage;
> **stage IV**: identification of the interdependence between CSR actions and the Intangible Assets.

The study group concluded the first stage in the first months of 2009 and is starting the second one.

The objective of this note is to inform the reader about the implementation of the project and the results achieved so far.
The objectives are:
1) to identify the Group's Intangible Assets
2) to define the effect of the Company's CSR policies on the intangible assets identified, as shown in the following diagram.

* KPMG is participating in the work group because it must audit the results published in the 2008 Sustainability Report.

Intangi*bility*



As far as the first objective is concerned, the work group classified the Intangible Assets into the following three categories:

> Human Capital (including capabilities, knowledge, values);
> Structural Capital (including processes, innovations, know-how);
> Relational Capital (including reputation, customer satisfaction, relations with stakeholders).

This breakdown is based on the most important results achieved by the Company's position on the subject of intangible capital and takes into account its successful experiences in the energy industry, as well as, obviously, Enel's organizational assets and its CSR policy.

The second objective was attained through a preliminary analysis of the Group's CSR policies and its social and institutional initiatives. In effect, CSR devotes its attention first of all to learning about the expectations of its stakeholders (whether they are internal or external, primary or secondary) and to the creation of sustainable value, including through the networks of relations it has formed.
The actions of the Enel Group are directed at developing both Human Capital through special Human Resource (HR) policies and Relational Capital through stakeholder engagement and institutional seats, as well as structural capital through projects of operating and process excellence such as Zenith (see the comment in the chapter "Employment" on page 138).

Among the HR policies that increase the value of Human Capital, the following should be mentioned: training, listening, increasing internal knowledge (e.g., job rotation, missions abroad), the promotion of meritocracy (through periodic assessments, reviews of objectives, MBO), equal opportunity, and the fight against any kind of discrimination.
Involving and listening to stakeholders is essential for the constitution of networks of relationships that lead to the creation of value. The policies of the Enel Group are directed at continually listening to and meeting with stakeholders, be they associations, local communities, local authorities, or the most important national and international institutions. The purpose of such meetings is to increase the value of the Company's relational capital, create loyalty, and continuously monitor reputational risk.
Carrying out such initiatives also produces beneficial effects on structural capital, through the optimizing of processes (Zenith project), the continuous monitoring of corruption (Zero Tolerance Project), and increasing the Company's know-how, both horizontal and vertical.

Enel, KPMG, and the academic work group will be engaged in studying these questions until they achieve the final objective, which consists in the quantification, through KPI, of Enel's intangible value.

Performance Indicators

6,502

million euro of investment

61,184

million euro of revenue

- 77% of value of procurement contracts from local suppliers
- 34.4% investment in communities in Italy, according to the London Benchmarking Group

EC - Economic Performance Indicators

GRI-G3: Disclosure on Management Approach

Enel's economic performance aims to conserve and increase the value of the Company for all its stakeholders. To this end, we follow all the procedures necessary to carefully control operating and financial risks, and perform all the actions that enable us to maintain the Company's international ratings at the highest levels.

Enel's concern for the issues raised by corporate social responsibility is reflected in the composition of the Group's shareholders. According to the data as of February 2008, Enel's share capital showed 68 ethical funds, which held 17.6% of the shares owned by international investment funds. In particular, the geographical areas traditionally sensitive to the issues of Socially Responsible Investment (SRI) are well represented among Enel's shareholders. The strategy of the socially responsible investment funds requires them to know and assess how their money will be invested, so that they can choose to invest in companies whose performance is sustainable and thus exclude those whose actions do not respect, or may even damage, the environment and society. The growing interest of socially responsible investment funds in Enel highlights the progress the Company has made in the last ten years or so towards the highest standards of sustainability, as well as of the related reporting.

Enel is now the second largest European electricity group, with operations in 22 countries, on 4 continents. The acquisitions abroad, the consequent synergy, and the continual striving for operating excellence and efficiency in all our Divisions decisively contributed to the improvement of the results.

In effect, in 2008 Group revenues amounted to 61,184 million euro, with an increase of 17,496 million euro (+40.0%) with respect to 2007.

The increase was essentially due to the growth of revenues abroad in consequence of the acquisitions finalized in the two periods concerned and of sales and generating revenues in Italy.

As of December 31, 2008, investment amounted to 6,502 million euro (including the 895 million euro regarding "Discontinued Operations"), with an increase of 1,573 million euro with respect to 2007. This increase was essentially due to the investing activity of the "Iberia and Latin America" and "Renewable Energy" Divisions (amounting, respectively, to 1,127 million euro and 288 million euro).

The impact 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 meets the industry's highest qualitative standards.

The Company is also engaged in the fight against climate change, as demonstrated by the fact that for over ten years it has had a specific environmental policy, as well as by the creation at the end of 2008 of the Enel Green Power Division, which focuses on the development of renewable energy and has several projects that allow it to obtain CO_2 credits.

Within Enel, Endesa in particular is also engaged in the fight against climate change. Its 2008-2012 Strategic Sustainability Plan establishes the 5 key objectives in this regard:

> participate actively in the development of renewable energy;
> develop new technologies that lead to a decrease in CO_2 emissions;
> seize opportunities regarding energy efficiency and co-generation;
> complete development of the sustainable-transportation model based on electrical vehicles;
> develop a Clean Development Mechanism portfolio by 2020.

The development of new technologies, investment in renewable energy, and improvement of its environmental performance enable the Company to optimize its use of resources, benefit from incentive mechanisms, and 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 investments in the community, retained earnings, payments to the government and providers of capital.

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Value added by stakeholder category (2)							
Revenues	(mil. euro)	61,184	43,688	38,513	17,496	40.0	Enel
External costs	(mil. euro)	41,841	29,916	26,206	11,925	39.9	Enel
Proceeds/ (Expense) from commodity risk	(mil. euro)	-20	-36	-614	16	-44.4	Enel
Gross valued added continuing operations	(mil. euro)	19,323	13,736	11,693	5,587	40.7	Enel
Gross value added discontinued operations	(mil. euro)	240	179	263	61	34.1	Enel
Total gross value added	(mil. euro)	19,563	13,915	11,956	5,648	40.6	Enel
Shareholders	(mil. euro)	3,031	3,030	3,958	1	-	Enel
Providers of capital	(mil. euro)	3,162	873	651	2,289	262.2	Enel
Employees	(mil. euro)	4,049	3,263	3,210	786	24.1	Enel
Government	(mil. euro)	1,320	2,322	2,433	-1,002	-43.2	Enel
Enterprise system	(mil. euro)	8,001	4,427	1,704	3,574	80.7	Enel
Economic value generated							
Economic value generated directly:							
Revenues	(mil. euro)	61,184	43,688	38,513	17,496	40.0	Enel
Economic value distributed:							
Operating costs	(mil. euro)	41,861	29,952	26,820	11,909	39.8	Enel
Personnel and benefit costs	(mil. euro)	4,049	3,263	3,210	786	24.1	Enel
Payments to providers of capital	(mil. euro)	6,193	3,903	4,609	2,290	58.7	Enel
Payments to governments	(mil. euro)	1,320	2,322	2,433	-1,002	-43.2	Enel
Economic value discontinued operations	(mil. euro)	240	179	-	61	34.1	Enel
Economic value generated	**(mil. euro)**	**8,001**	**4,427**	**1,441**	**3,574**	**80.7**	**Enel**

(2) The 2007 data have been adjusted, for the sole purpose of comparison, to take into account the effects of the completion as of December 31, 2008 of the Purchase Price Allocation regarding the acquisition of Endesa, as well as the effects of the classification in "discontinued operations" of the results regarding gas distribution operations in Italy.

As of December 31, 2008, net income not distributed as dividends amounted to 6,827 million euro (see the "Statement of changes in equity" in the 2008 Annual Report).
As of December 31, 2007, it amounted to 5,942 million euro.
In 2008, the donations made to Enel Cuore Onlus, an association founded by Group companies (see the comment on the EC8 indicator on p. 67 of this document) to contribute concretely to social solidarity both in Italy and abroad, amounted to 31.3 million euro (6.53 million euro in 2007, 6.49 million euro in

2006), of which 25 million euro were earmarked for the Special Fund mentioned in article 81 of Legislative Decree 112/2008 (Social Card).

EC2

Financial implications and other risks and opportunities for the business of the organization deriving from climate change.

The management has examined the risks connected with climate change by estimating the costs of CO_2 and internalizing them in the production process by 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 hydro production;
- a rise in the cost of generation because of the need to improve the Company's general environmental performance, increase the energy efficiency of plants, and produce with a mix of sources that includes more renewable energy and with less specific emission of CO_2;
- regulatory risks (and opportunities) connected with the European Emissions Trading System (quantity of shares allocated free, flexibility of CO_2 credit sourcing) risks and opportunities stemming from the Clean Development Mechanism and Joint Implementation;
- regulatory risks connected with the requirement of acquiring Green Certificates either through production from renewable energy sources or in the market as part of the obligatory system for producers and importers of electricity produced from non-renewable sources;
- regulatory risks connected with the requirement of acquiring energy efficiency certificates either through initiatives to increase the efficiency of the end use of energy or in the organized market, as part of the obligatory system for distributors of electricity and gas.

The opportunity provided by the flexibility mechanisms for acquiring CO_2 credits exists in particular in the CDM and JI market. Enel is now a leading player in the global emissions market. In effect, a look at the primary market and a comparison of Enel's position with that of all the companies that participate in at least one CDM project lead to the conclusion that Enel is one of the world's leading companies.
However, the European and world markets are very competitive. In order to consolidate the position it has achieved, it is essential for Enel to maintain an authentic and effective dialogue with national authorities, so that even projects with a potentially greater environmental impact – such as those regarding the construction of hydro power plants – are approved quickly and in accordance with the rules in effect. (Further details and discussion regarding the activities carried out in this regard are available in "Climate Strategy" on page 91 of this Report.)
The recently incorporated company Enel Green Power is very active on this front, with investments in new projects for developing renewable energy sources, some of which can allow CO_2 credits to be obtained.
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 energy, and the improvement of its environmental performance enable the Company to optimize its use of resources, benefit from incentive mechanisms, and anticipate the demands of the market and stakeholders in general.

As far as the emission of greenhouse gases is concerned, Enel is implementing a comprehensive plan in the field of generation, which in Italy has already allowed it to exceed the goals of the voluntary agreement signed in 2000 with the Ministries of the Environment and of Industry, Trade and Crafts.
Thanks to a considerable commitment of resources, we have reduced the specific emissions of our thermal generating plants from 618 g of CO_2/kWh of net total production in 1990 to 462 g CO_2/kWh in 2008.

As far as Endesa is concerned, its 2008-2012 Strategic Sustainability Plan establishes five goals regarding climate change and 26 implementation programs to meet the global challenges of ensuring a secure and accessible supply of energy, as well as of adopting a new system of providing energy that is efficient and environment-friendly, with low emissions of CO_2.
The five objectives regard active participation in the development of renewable energy, new technological developments leading to lower emissions of CO_2, opportunities in the field of energy efficiency and cogeneration, a sustainable transportation model based on electrical vehicles, and the development of a list of CDM projects by 2020. The reduction of emissions through these projects is an essential part of Endesa's climate-change strategy.
In October 2008, Endesa launched a new company, Endesa Carbono, whose main objectives are to provide Endesa with the CERs/ERUs necessary to achieve its goals between 2008 and 2020, as well as to export new business opportunities to the emerging global carbon markets. The list of CDM projects in 14 countries (the company has offices all over the world) includes wind, geothermal, and hydro electricity, co-generation, water treatment, natural gas, and methane capture in coal mines.
Endesa's CDM list in 2008 contained 89 million CERs, with 78 million as ERPA and 11 million as Letters of Intention. This list corresponds to 46 projects, 37 in the form of ERPA and 9 of Letters of Intention. During 2008, 5 new CDM projects were registered, making a total of 19 projects registered as of the end of the year at the United Nations, which in turn issued 12 million emissions reduction credits in 2008. (The credits are recorded in the reports of Endesa Generación).
Endesa also participated in a number of carbon funds, including the World Bank's Carbon Fund for Clean Development, the Spanish Carbon Fund, the World Bank's Umbrella Carbon Fund, and the EBRD-EIB's Multilateral Carbon Credit Fund.

EC3
Coverage of benefit plan obligations.

A framework is being developed for harmonizing and making comparable or equivalent the social security schemes and supplementary pension funds in the places where Enel operates. The project will become operative once the international composition of the Group is stabilized.
In Italy, in addition to the obligatory system provided for by Italian law, there are two following supplementary defined-contribution pension funds:
> FOPEN, for employees in the electricity industry (90% membership);
> FONDENEL, for executives (100% membership).
In addition, Enel pays its employees various kinds of individual benefits connected with their termination-of-employment benefits, additional monthly salary payments when they reach a certain age or are entitled to pensions based on the number

of years they have worked, loyalty bonuses for length of service at the Company, supplementary health insurance and care, etc.
As of December 31, 2008, the liability recorded for the benefits owed at the termination of employment and other long-term benefits amounted to 1,621 million euro, while the liability regarding the benefits subsequent to employment under defined-benefit programs amounted to 1,289 million euro. (Further details are available on page 241 of the 2008 Annual Report.)

The pension plan for employees of the Endesa Group has 23,442 members, with a commitment of more than 2,359 million euro. In countries where it is obligatory, Endesa publishes its commitments for such plan. Total obligations amount to 4,427 million euro, of which 2,794 million euro represent pension plans and 1,488 million euro commitments for insurance policies for both active and inactive employees, while 145 million euro are related to labor regulations (*Expedientes de Regulación de Empleo*). Overall, Endesa has pension commitments with more than 62,000 active and retired people.

EC4

Significant public funds received.

KPI	UM					%	Companies concerned
		2008	2007	2006	2008-2007	2008-2007	
Grants							
Grants received during the year	**(mil. euro)**	**26.8**	**15.4**	**23.1**	**11.3**	**73.6**	**Italy**
Energy networks	(%)	88.3	77.8	75.6	10.5	13.5	Italy
R&D	(%)	6.2	5.3	3.8	0.9	16.9	Italy
Renewable energy	(%)	5.2	11.7	19.9	-6.5	-55.5	Italy
Other	(%)	0.3	5.1	0.7	-4.9	-94.4	Italy
Loans granted by the EIB and others							
Remaining debt regarding EIB and other loans	(mil. euro)	3,708.5	3,669.9	2,778.7	38.6	1.1	Enel
- Italy	(mil. euro)	2,719.4	2,951.1	2,778.7	-231.7	-7.9	Enel
- Abroad (Endesa, Slovakia)	(mil. euro)	989.0	718.7	n.d.	270.3	37.6	Enel
Energy networks	(%)	72.0	69.2	72.4	2.9	4.2	Enel
R&D	(%)	0.2	0.2	0.4	-0.1	-27.6	Enel
Renewable energy	(%)	16.7	17.7	10.8	-1.0	-5.7	Enel
Other	(%)	11.1	12.9	16.4	-1.8	-13.9	Enel
Projects in progress with EIB	(no.)	19	21	25	-2	-9.5	Enel

The shareholders of Enel SpA
are listed in the table on page 30
of this document.

MARKET PRESENCE

EC6

Policies, practices, and percentage of spending on local suppliers in the most significant places of operations.

Enel carries out its procurement procedures in compliance with the relevant laws in effect, according to which the award and execution of contracts for works, supplies, and services must take place in accordance with the well-known principles of publication, non-discrimination, transparency, and cost-effectiveness. Bids may be submitted by all companies in possession of the general and special requisites provided for in the related calls for tenders, regardless of their geographical location.
The contracts are awarded to the company that – according to the criteria of the lowest price or the most economically advantageous bid, as specified in the calls for tenders – presents the best bid.
With regard to most significant supply contracts (those amounting to more than 1,000,000 euro), in 2008, for the Enel companies in Italy about 77% of their value came from "local" suppliers and the remaining 23% from foreign suppliers The percentages were calculated considering "local" suppliers those that have their registered office or a branch in Italy, even if they belong to multinational groups and/or carry out related business activities abroad.
In order to achieve operating integration with its companies abroad, in 2008 Enel established policies which, while respecting local autonomy and laws, ensure that Enel's principles and values regarding procurement are put into practice.

With particular regard to Endesa, this company believes that it is important to integrate and promote the operating headquarters in the countries where it is present. The increase in the local response capability and human capital are among the strategic criteria applied by Endesa in selecting its suppliers.
The procurement data highlight Endesa's important contribution to local economies. The percentage is not available.

SUPPLIERS

KPI	UM					%	Companies concerned
		2008	2007	2006	2008-2007	2008-2007	
Supplier type							
Number of suppliers	(no.)	16,633	17,391	18,265	-758	-4.4	Italy
Supplier concentration (top 15)	(%)	32.1	29.2	25.7	2.9	9.9	Italy
Local suppliers with contracts >1 mil. euro	(no.)	509	560	494	-51	-9.1	Italy
Foreign suppliers with contracts >1 mil. euro	(no.)	45	57	54	-12	-21.1	Italy
Expense for local contractors with contracts >1 mil. euro	(mil. euro)	2,360.0	2,373.5	2,368.1	-13.5	-0.6	Italy
Expense for foreign suppliers with contracts >1 mil. euro	(mil. euro)	708.7	434.0	455.0	274.7	63.3	Italy
Concentration expense on local suppliers	(%)	77	85	84	-8	-9.4	Italy
Concentration expense on foreign suppliers	(%)	23	15	16	8	53.3	Italy
Management instruments							
Active qualifications	(no.)	2,449	2,406	2,784	43	1.8	Italy
Online tenders	(%)	91	90	91	1	1.1	Italy
Online procurement	(%)	82	88	91	-6	-6.8	Italy
Contracts awarded without tenders	(%)	41.7	37.7	27.5	4.0	10.6	Italy

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 hiring at all organizational levels. By "senior management" we mean 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 operating Divisions. Percentage not available.
In its 2008-2012 Strategic Sustainability Plan, Endesa included the strengthening and rooting of the Company's legitimacy in the areas where it carries out its activities.

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 aims and social objectives by distinguishing four main categories for Enel's commitment in communities: aims and social objectives by distinguishing four main categories for Enel's commitment in communities, which are shown in the following table.

KPI	UM					%	Companies concerned
		2008	2007	2006	2008-2007	2008-2007	
LBG approach							
Donations to social projects as % of EBT [23]							
Largesse	(mil. euro)	31.3	7.3	6.8	24.0	329.4	Italy
Investment in communities	(mil. euro)	24.4	18.3	19.5	6.1	33.4	Italy
Business initiatives with social impact	(mil. euro)	11.0	7.8	3.1	3.2	40.6	Italy
Socially sustainable business initiatives	(mil. euro)	0.1	0.2	0.2	-0.1	-71.2	Italy
Largesse + investment	(mil. euro)	66.8	33.6	29.6	33.2	98.7	Italy

(23) For 2007, also includes 2.6 million euro regarding Slovakia, ELA, and Romania.

Enel's philanthropic and charitable activities are entrusted mainly to Enel Cuore, a non-profit association founded by Enel SpA and some of its subsidiaries (Enel Distribuzione, Enel Produzione, Enel Trade, Enel Energia, Enel Sole, and Enel.si). Enel does not make donations in kind of electricity or gas, among other reasons because of regulatory restrictions. Exceptionally, services may be provided pro bono, while a plan to assist Company employees who do voluntary social work is under consideration.
In 2008, 31.3 million euro were donated to Enel Cuore, of which 25 million euro constituted largesse earmarked for the Special Fund mentioned in article 81 of Legislative Decree 112/2008 (Social Card).
For further details, see the comment regarding indicator SO1 on page 196 and "Commitment on Enel Cuore" on page 221 of this Report.

Endesa is not a member of Enel Cuore Onlus.
The following table shows Endesa's investment in "public utility".

ENDESA'S INVESTMENT IN SOCIAL AND GENERAL-INTEREST ACTIVITIES

KPI	**2008**	2007
Spain	21,955	24,872
Endesa Foundation	6,000	6,000
Actions through the Corporate Center	13,025	15,185
Actions through local brands	2,936	3,687
Latin America (1)	13,359	14,307
Total	**35,320**	**39,179**

(1) Does not include investment in rural electrification in Latin America.

EU3

Number of residential, industrial, institutional, and business customers.

ELECTRICITY MARKET ITALY

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Retail electricity customers	**(,000)**	**30,453.0**	**30,715.3**	**30,267.8**	**-262.3**	**-0.9**	**Italy**
Free-market customers (3)	(,000)	2,033.9	1,226.1	297.4	807.9	65.9	Italy
Mass-market customers	*(,000)*	*2,002.4*	*1,202.1*	*268.2*	*800.4*	*66.6*	*Italy*
Business customers (1)	*(,000)*	*31.5*	*24.0*	*29.2*	*7.5*	*31.2*	*Italy*
Regulated-market customers	(,000)	28,419.1	29,489.2	29,970.3	-1,070.1	-3.6	Italy

(1) Supplies to customers consuming more than 1 GWh a year.
(3) Includes dual energy customers.

ELECTRICITY MARKET ROMANIA

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Retail electricity customers	**(,000)**	**2,557**	**1,444**	**1,438**	**1,113**	**77.1**	**Romania**
Free-market customers	(,000)	1.43	0.76	0.73	1	88.6	Romania
Regulated-market customers	(,000)	2,556	1,443	1,437	1,112	77.1	Romania
Sales structure							
Agencies	(no.)	75	95	94	-20	-21.1	Romania
Indirect channel	(no.)	3	2	-	1	50.0	Romania

ELECTRICITY MARKET IBERIA

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Retail electricity customers	**(,000)**	**7,811**	**8,353**	**625**	**-542**	**-6.5**	**Iberia**
Free-market customers	(,000)	907	778	6	129	16.6	Iberia
Regulated-market customers	(,000)	6,904	7,575	619	-671	-8.9	Iberia

ELECTRICITY MARKET LATIN AMERICA

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Retail electricity customers	**(,000)**	**8,325**	**8,028**	**-**	**297**	**3.7**	**Latin America**
Free-market customers	(,000)	4.23	0.12	-	4.11	-	Latin America
Regulated-market customers	(,000)	8,321	8,028	-	293	3.7	Latin America

• 432 g/kWh_{eq}

net specific emissions

• 4.6 TWh

of RECS certificates issued and cancelled

• 88.2% ISO 14001 coverage

EN - Environmental Performance Indicators

GRI-G3: Disclosure on Management Approach

Enel's commitment on environmental issues has been demonstrated over the years by the constant improvement in the indicators that measure our performance. In Italy, investment and management practices have enabled us to abundantly exceed the objectives of the voluntary agreement we signed in 2000 with the Ministries of the Environment and of Industry.

Even while keeping in mind the stringent requirements of energy security and competitiveness, Enel continues its commitment on an international scale and has planned a differentiated range of actions.

A fundamental commitment regards the abatement of its emissions of CO_2, a greenhouse gas that is a typical product of combustion and therefore comes mainly from our thermal plants. The Group has adopted a differentiated policy against climate change (described in greater detail in the Focus on Climate Strategy on page 91), with initiatives aimed at reducing greenhouse gas emissions through the application of the most advanced technologies and practices throughout the Group's international operations.

Our commitment to reducing CO_2 was recently strengthened by the incorporation of Enel Green Power SpA in December 2008. This company is dedicated exclusively to the development and management of electricity generated from renewable energy sources both in Italy and abroad. With the exclusion of those owned by Endesa, Enel Green Power owns Enel's assets of wind, solar, geothermal, run-of-river hydro, and biomass generation, with over 500 plants in operation or under construction in Europe and the Americas. Enel Green Power is also engaged in harmonizing its plants as much as possible, while respecting the countries and local communities that host them.

With regard to the most innovative and promising techniques of carbon capture and sequestration, in a cooperation agreement with Eni, Enel has undertaken to implement a pilot project that will allow the entire process to be tried out. Experimentation of the capture phase will soon begin in Italy, at Enel's Brindisi plant. The increase in the energy efficiency of Enel's networks and plants is a further example of the dedication of our Company in seeking to conserve precious energy for the planet.

As far as emissions in general are concerned, in this phase of Enel's international expansion, however, it is advisable to distinguish between the performance of the thermal plants that generate only electricity (located mainly in Italy, Spain, Portugal, Bulgaria, and Latin America) and that of the thermal co-generation plants, which produce both electricity and heat (located mainly in Slovakia and Russia).

This distinction is useful not only for separating two different kinds of production, but especially for distinguishing power stations located in different geographical areas, with different traditions regarding technology, culture, society, politics and sensitivity to environmental issues. In addition, Enel has been present for only a short time in areas with co-generation plants.

The overall performance of the co-generation power plants is influenced mainly by the plants located in Russia, on which the Enel Group has not yet been able to make any improvements, because they have been managed by us only since the second half of 2008. However, work is already in progress on all the power plants.

As far as the non-cogeneration thermal plants are concerned, our performance improved with regard to:

> CO_2 emissions;
> SO_2 (sulfur dioxide) emissions;
> particulate emissions;
> specific consumption.

The overall increase of production from renewable sources should also be noted, as well as the percentage of total production the latter now constitutes and the CO_2 emissions avoided.

These positive results are the evident fruit of a strategy that is always attentively focused on our environmental performance.

Further details may be requested from:
Enel SpA - Affari Regolamentari e Corporate Strategy
Politiche Ambientali
Viale Regina Margherita 137
00198 Rome - Italy

RAW 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 most important indicators for assessing its respect and commitment with regard to the environment. However, in order to avoid coming to hasty conclusions, it is important to carefully examine both what kind of resource is in question and how it is used. In many processes regarding the treatment of gaseous or liquid waste, in effect, very large quantities of resources, which 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 to desulfurize flue gas and, therefore, the more of it is used, the more the company employs this treatment. And the same is true with regard to ammonia in the denitrification of flue gas and ferric chloride, hydrated limestone, polyelectrolyte, and resins in the treatment of water. Vice versa, the absence of these materials among those used must be considered a negative factor.

The consumables are used mainly in thermal and nuclear plants, as well as in geothermal drilling.
The most important materials and their most common uses are reported below, highlighting the ones whose use reflects greater environmental concern, because they are used as part of a treatment process:

> resins: used to produce, through ionic exchange, highly pure water used in 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 especially as a reagent in the denitrification of flue gas;
> **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 corrosion of the thermal exchange surfaces caused indirectly by the vanadium;
> sodium hypochlorite, chlorine dioxide, ferrous sulfate, and trisodium phosphate: occasionally added to the cooling water of steam thermal plants to avoid deposits and incrustations or protect the surfaces of the condensation tubes from corrosion;
> **lime, ferric chloride, and polyelectrolyte**: used mainly in the treatment of waste water, because of their neutralizing and/or flocculating power;
> **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 production process, among other things, caustic soda is added to the mud used in drilling wells;
> bentonite: a clay that constitutes the mud used in drilling geothermal wells;
> barite: used in particular cases to increase the weight of bentonite mud and

thus improve its effectiveness in drilling through mechanically unstable rock formations;

> geothermal cement: used for jointing the steel walls of new wells and sealing wells no longer used;

> the "other" expendables (anti-incrustation, de-incrustation, anti-foaming, and deoxydizing substances, detergents, antifreeze, carbon dioxide and hydrogen in cylinders, etc.) come, as do lubrication oil and dielectric oil, from power plants in general.

KPI	UM				%		Companies concerned
		2008	2007	2006	2008-2007	2008-2007	
Resources used in production							
Consumption of fossil fuel [8]							
Coal	(%)	49.2	45.9	39.7	3.2	7.0	Italy
Oil	(%)	9.8	11.9	21.9	-2.1	-18.0	Italy
Gas	(%)	40.1	41.5	37.7	-1.4	-3.3	Italy
Other (diesel, biomass, and waste for thermal production)	(%)	1.0	0.7	0.6	0.3	42.4	Italy
Geothermal fluid (total extracted)	**(,000 t)**	**50,172**	**50,478**	**49,929**	**-306**	**-0.6**	**Italy**
Geothermal fluid (net of reinjected fluid)	(,000 t)	29,855	30,364	32,985	-509	-1.7	Italy
Geothermal steam used to produce electricity	(,000 t)	43,931	44,215	43,937	-284	-0.6	Italy
Specific requirement for thermal production [9]	**(l/kWh)**	**0.61**	**0.57**	**0.54**	**0.04**	**6.8**	**Italy**
Water required for industrial use	**(mil. m^3)**	**39.0**	**38.3**	**39.9**	**0.6**	**1.6**	**Italy**
% of water recycled and reused	**(%)**	**5.4**	**3.9**	**6.1**	**1.5**	**38.8**	**Italy**
Expendables [10]	**(,000 t)**	**317.6**	**251.7**	**229.0**	**65.8**	**26.2**	**Italy**
Limestone	(,000 t)	249.9	192.4	169.6	57.5	29.9	Italy
Ammonia	(,000 t)	17.7	19.8	19.2	-2.1	-10.4	Italy
Caustic Soda	(,000 t)	16.8	15.6	13.5	1.2	7.6	Italy
Spent Lime	(,000 t)	8.2	10.1	9.1	-1.9	-18.6	Italy
Sulfuric/Hydrochloric acid	(,000 t)	4.3	4.6	5.0	-0.3	-6.0	Italy
Other	(,000 t)	20.7	9.3	12.7	11.4	122.3	Italy

(8) Includes the consumption of biomass and waste for thermal production, amounting to 0.1 Mtoe.
(9) The productions used in calculating specific consumption differ slightly (0.335 TWh) from the figures shown above, because the meters that recorded the data were positioned differently. The figure from the meters at the terminals was used in the specifications, while the management point of view considers the value of the meters that measure the electricity sold.
(10) Includes the diesel consumption of the Infrastructure and Networks Division's generating sets, amounting to 0.3 thousand tons.

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Resources used in production							
Fuel consumption							
Coal	(%)	59.7	93.6	91.6	-33.9	-36,2	Abroad (3)
Oil	(%)	0.8	1.9	2.8	-1.2	-59,3	Abroad (3)
Gas	(%)	38.5	1.7	2.9	36.8	-	Abroad (3)
Other (diesel, biomass, and waste for thermal production)	(%)	0.9	2.8	2.7	-1.8	-65,6	Abroad (3)
Water consumption (4)							
Specific requirement for thermal production (5)	**(l/kWh)**	**2.5**	**5.7**	**4.3**	**-3.2**	**-56,3**	**Abroad (3)**
Specific requirement for nuclear production (6)	**(l/kWh)**	**3.2**	**3.2**	-	-	-	**Abroad (3)**
Water required for industrial use (5) (6)	**(mil. m^3)**	**126.2**	**97.5**	**31.4**	**28.6**	**29,4**	**Abroad (3)**
from rivers	(mil. m^3)	119.6	89.4	23.4	30.2	33,8	Abroad (3)
from wells	(mil. m^3)	0.2	2.5	3.4	-2.3	-91,5	Abroad (3)
from aqueducts	(mil. m^3)	1.7	0.9	1.0	0.8	86,3	Abroad (3)
Total withdrawal of internal water	*(mil. m^3)*	*121.5*	*92.9*	*27.8*	*28.6*	*30,8*	*Abroad (3)*
from the sea, used as is	(mil. m^3)	-	-	-	-	-	Abroad (3)
from the sea, desalinated	(mil. m^3)	-	-	-	-	-	Abroad (3)
from waste water (used in plants)	(mil. m^3)	4.7	4.7	3.6	-	0,2	Abroad (3)
% of water recycled and reused	**(%)**	**3.7**	**4.8**	**11.4**	**-1.1**	**-22,6**	**Abroad (3)**
Expendables							
Expendables	**(,000 t)**	**518.9**	**352.7**	**173.6**	**166.2**	**47.1**	**Abroad (3)**
Limestone	(,000 t)	484.9	321.7	165.3	163.3	50,8	Abroad (3)
Ammonia	(,000 t)	1.5	2.4	-	-0.9	-37,2	Abroad (3)
Caustic soda	(,000 t)	2.2	2.0	1.1	0.2	9,8	Abroad (3)
Spent lime	(,000 t)	23.9	16.2	0.4	7.7	47,4	Abroad (3)
Sulfuric/Hydrochloric acid	(,000 t)	3.9	3.6	2.2	0.3	7,6	Abroad (3)
Other	(,000 t)	2.5	6.9	4.6	-4.4	-63,5	Abroad (3)

(3) Includes Slovakia, Bulgaria, and Russia.
(4) In 2006, does not include Slovenské elektrárne.
(5) For Russia, the annual values reproportioned for the 7 months of control were considered.
(6) The values do not include the EBO V1 nuclear plant (410 MW), which was carved out.

KPI	UM	2008	2007	2006	2008-2007	2008-2007 %	Companies concerned
Resources used in production							
Fuel consumption							
Coal	(%)	51.5	-	-	-	-	Endesa
Oil	(%)	15.4	-	-	-	-	Endesa
Gas	(%)	32.8	-	-	-	-	Endesa
Other (diesel, biomass, and waste for thermal production)	(%)	0.02	-	-	-	-	Endesa
Water consumption							
Specific requirement for thermal production	**(l/kWh)**	**0.81**	-	-	-	-	**Endesa**
Specific requirement for nuclear production	**(l/kWh)**	**49.8**	-	-	-	-	**Endesa**
Water required for industrial use	**(mil. m^3)**	**913.2**	-	-	-	-	**Endesa**
from rivers	(mil. m^3)	903.6	-	-	-	-	Endesa
from wells	(mil. m^3)	3.2	-	-	-	-	Endesa
from aqueducts	(mil. m^3)	1.6	-	-	-	-	Endesa
Total withdrawal of internal water	*(mil. m^3)*	*908.4*	-	-	-	-	*Endesa*
from the sea, used as is	(mil. m^3)	3.0	-	-	-	-	Endesa
from the sea, desalinated	(mil. m^3)	1.8	-	-	-	-	Endesa
from waste water (used in plants)	(mil. m^3)	0.01	-	-	-	-	Endesa
% of water recycled and reused	**(%)**	**0.001**	-	-	-	-	**Endesa**
Expendables							
Expendables	**(.000 t)**	**430.0**	-	-	-	-	**Endesa**
Limestone	(.000 t)	402.2	-	-	-	-	Endesa
Ammonia	(.000 t)	0.9	-	-	-	-	Endesa
Caustic soda	(.000 t)	2.2	-	-	-	-	Endesa
Spent lime	(.000 t)	4.3	-	-	-	-	Endesa
Sulfuric/Hydrochloric acid	(.000 t)	4.1	-	-	-	-	Endesa
Other	(.000 t)	16.3	-	-	-	-	Endesa

EN2

Percentage of materials used that are recycled input materials.

As part of a project to coordinate its Environmental Management Systems and extend them to the office activities carried out in all the Group companies, Enel introduced "Green Procurement" procedures in order to establish several categories of eco-compatible goods and services.

For some time now, the use of recycled paper has been widespread throughout the Company, with remarkable progress in the last few years. Other resources were recycled in the industrial operations carried out by the Group in 2008:

> a total of 90.0 tons of oil purified of PCB and recycled;

> use of 22,546 tons of fuel obtained from waste (thermal plant at Fusina in Venice province, Italy) and the use of 450,900 tons of organic waste (thermal plant at St. Félicien in Canada);

> multiple use of industrial water in all thermal and nuclear plants, which is unquantifiable, but with considerable advantages in terms of the overall conservation of water;
> about 7 million m^3 of water treated and recycled. This quantity does not include the water recycled at the Fusina power station in Venice province, Italy, which uses for closed-cycle cooling 2.3 million m^3 of water from the plant for treating urban and industrial water run by Vesta, a local municipality-owned firm.

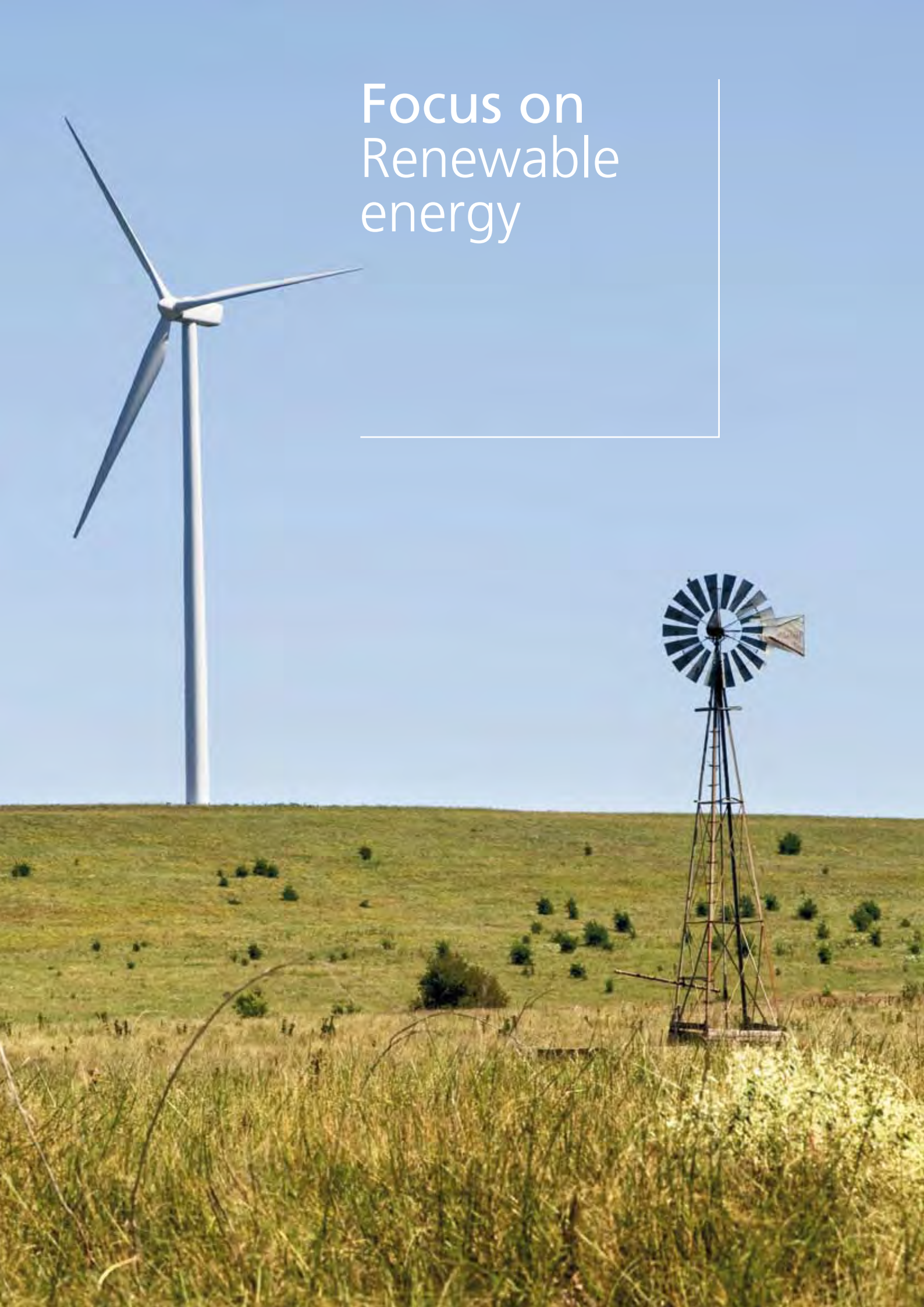
As part of Green Procurement, several categories of goods and services have been identified, for which the following tender specifications regarding recycling have been established:

> stationery and printed matter: use of A4 and A3 paper with a natural surface, of which at least 75% is made with 100%-recycled fibers, and use of packing materials that are recyclable or, in any case, are not made of halogenated synthetic materials;
> cleaning: the containers used must be reusable;
> 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 products 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: the packaging materials must be produced by a system for recycling packaging materials. The supplier must take away all the materials in which the installed device was packaged and ensure that they will be recycled and reused;
> paper and envelopes for bills: compliance with the "Europallet standard" for the pallets used in handling the materials is required, providing for their reutilization through checks of the loading and unloading registers;
> demolitions of industrial plants: recycling of the materials demolished and of non-metallic materials is required;
> demolitions of civil buildings: recycling of the materials demolished and of non-metallic materials, such as PVC, PEAD, PP, and all the other recyclable 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.

Focus on Renewable energy



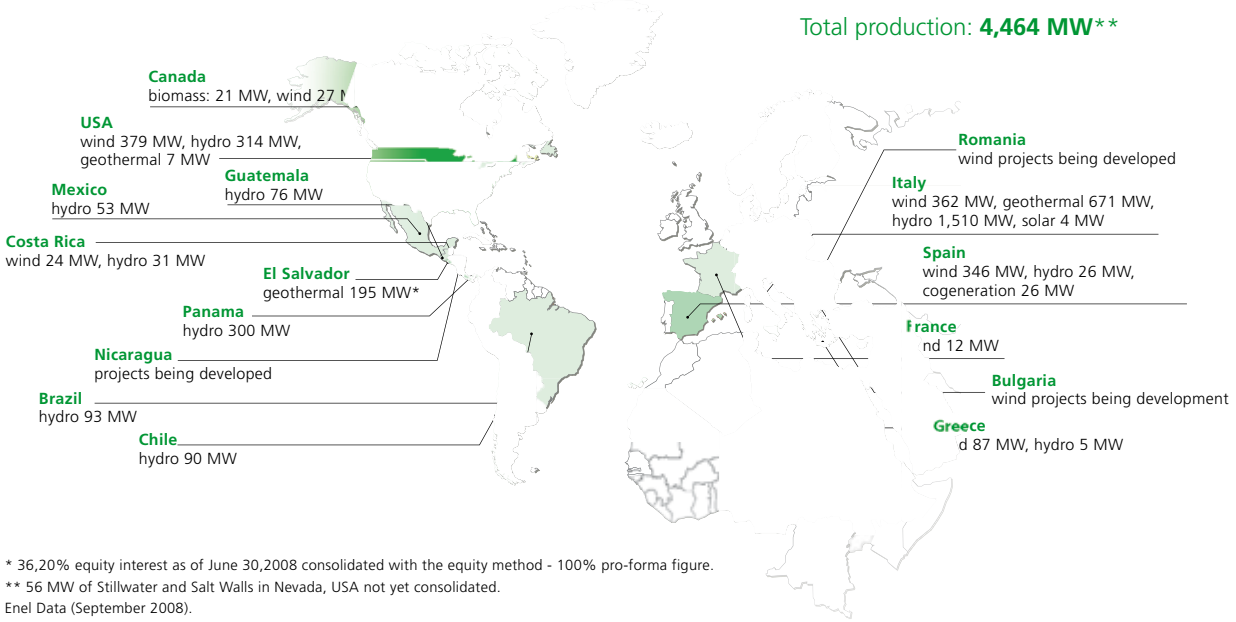
Enel Green Power

Established in December 2008, Enel Green Power is an Enel Group company dedicated to the development and management of electricity generation from renewable energy sources at the international level. The company has operations in Europe and in the Americas.

The world leader in the field, it produces 17.2 TWh, covering the consumption of about 6,500,000 families, and thus avoiding CO_2 emissions amounting to 13 million tons every year. Its installed capacity from wind, solar, geothermal, run-of-river hydro, and biomass energy is about 4,500 MW, and it has over 500 plants in operation or under construction throughout the world.

With its commitment, the company contributes to sustainable development. The renewable energy sources are an important instrument for promoting the sustainability of the production system, thanks to the security of the energy supply and the protection of the environment in a resource and market context with very high potential.

Its objective is to grow, increasing its installed power substantially and optimizing its technology/country mix from the viewpoint of creating value by leveraging the capabilities that Enel has always had in this field.

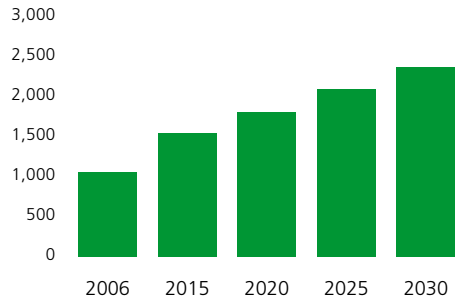


* 36,20% equity interest as of June 30,2008 consolidated with the equity method - 100% pro-forma figure.
** 56 MW of Stillwater and Salt Walls in Nevada, USA not yet consolidated.
Enel Data (September 2008).

The value of renewable energy sources in the world

The sun, wind, water, and the heat of the earth are inexhaustible and environment-friendly energy sources.
The current energy situation is characterized by the rapid growth of energy consumption and great concern for the issues connected with climate change.
In effect, experts forecast that between 2006 and 2030 the demand for energy and emissions of greenhouse gases – considered the main cause of climate change – will both increase by 46% [(1)].
In a complex situation connected with our strong dependence on fossil fuels, renewable energy sources constitute a sustainable long-term response which enables us to appreciably reduce our greenhouse gas emissions, develop local and decentralized energy sources, stimulate industries with a high technological content, and reduce our dependence on imported energy.
The role that these sources can play in creating a sustainable and competitive future has been understood and approved by both European and global institutions, with dedicated investment programs and incentives for their development.
The growth forecasts regarding this market worldwide are enormous, with the installed capacity increasing from 1,054 GW in 2006 to 2,396 GW in 2030 [(2)], and high rates of growth especially in the wind and solar fields.

World capacity renewable sources (GW)



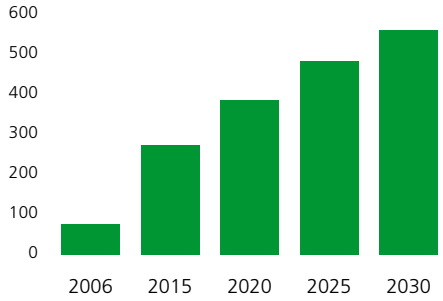
(1) Source: World Energy Outlook 2008, IEA.
(2) WEO 2008 forecasts - IEA.

Technologies

Wind

Wind energy has grown exceptionally in the last few years and it is estimated that it will continue to grow at an average annual rate of about 9% for the next twenty years.

World wind capacity (GW)



In 2008, worldwide wind power exceeded 100,000 installed MW, over half of which was in the European Union.
Enel Green Power participates substantially in this growth, both in Italy and abroad. In Italy, its total installed power is 362 MW, while abroad its presence is significant and growing fast, with 445 MW in Spain, Greece, and France, 406 MW in North America (USA and Canada), and 24 MW in Latin America.
Much attention is also given to technological innovation, with studies on off-shore power plants and the reduction of all impacts that wind farms can have on the landscape.
Enel Green Power intends to select high-value projects in countries with the greatest growth potential, in order to substantially increase its total installed wind capacity.

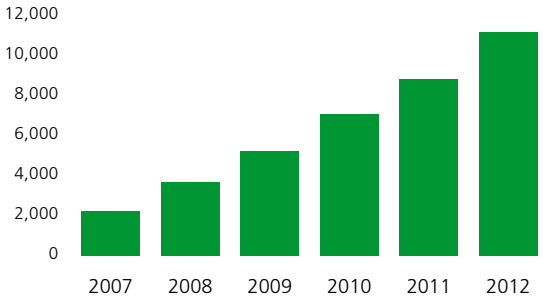
Solar

Solar energy is the most widespread source of all. It is available everywhere, and in quantities that are abundantly larger than energy requirements. Enel has been present in the solar field ever since the first technological and market developments, with particular regard to photovoltaic solar.
The global trend forecast in this field is strong, with a more than 26% average annual rate of growth in the next four years [(3)].
Along with Enel.si, Enel Green Power has inherited Enel's great tradition in this segment, and intends to play a leading role in the global market, with regard to the development of both know-how and the market.
In this sense, the company believes it is important to establish technological partnerships and develop innovative models, such as, for example, franchising, which in Italy has led to the rapid growth of distributed generation in both the retail and business markets. In this field, the company can count on a network of over 400 franchisees all over Italy.

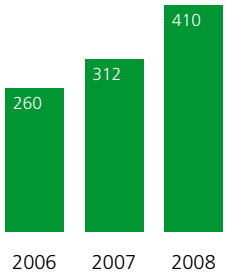
(3) European Photovoltaic Industry Association, Global Market outlook until 2012.

Enel Green Power is also very attentive to technological innovation and experimentation with thermodynamic solar. In effect, as part of its Archimedes Project it is constructing a 5 MW solar plant consisting of 576 parabolic mirrors at Priolo Gargallo in Sicily.
In its research center, which is also in Sicily, in Catania, the company is experimenting with concentration solar in cooperation with Sharp, which has always been one of the world leaders in the photovoltaic field.

PV market trend (MW)



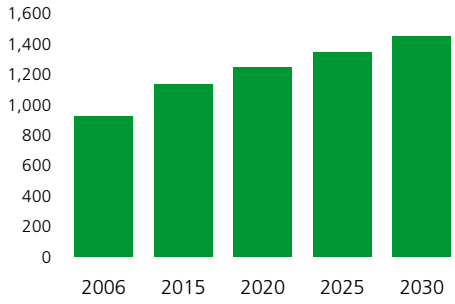
Enel.si stores (no.)



Hydro

Hydroelectric energy is the oldest and most exploited renewable energy source. In effect, it covers an important share of the demand for primary energy: more than 6% worldwide, but with much larger peaks in several regions.
The average annual rate of growth in the next twenty years is estimated at 2%. Since there is already a considerable installed base, the consequent impact will be large in absolute terms.

World hydro capacity (GW)



On the strength of its long tradition – in effect, the first hydro installations go back to the early twentieth century – Enel Green Power manages more than 380 mini-plants, with an installed capacity of over 1,510 MW in Italy and 988 MW in the rest of the world.
The countries in which Enel Green Power is present with this technology are: Italy, Spain, the USA, Mexico, Guatemala, Costa Rica, Panama, Chile, and Brazil.
Enel Green Power's objective is to increase its presence in countries with high potential and to select high-value projects that occupy as yet undeveloped spaces.

Geothermal

The development of geothermal energy constitutes an important, but underexploited resource for optimizing the production mix from the point of view of growth.
The worldwide installed capacity is about 9 GW, with estimates that forecast an average annual growth rate of over 4% and an installed base of 25 GW in 2030.
With an installed capacity of 678 MW(4), Enel Green Power is one of the world leaders in this technology and can count on decades of experience at the service of an important plan of development on an international scale.

It was in Italy that this source was first exploited for industrial purposes. The first plant in the world was installed in 1913 at Larderello, in Tuscany, and now has over 500 wells and a production of more than 5 TWh a year.
Enel Green Power operates in the geothermal field in Italy, the USA, Chile, and El Salvador, with plants in operation, under construction, and at the exploratory stage.
Its long experience in the field also supports the company's leadership with regard to innovation. In addition to the direct steam or flash technology of which Larderello is an example, the company is also doing research on low-entalpy techniques, which allow geothermal resources that would otherwise not be economically viable to be exploited. An example of this is the use of the binary cycle, which makes lower-temperature thermal sources exploitable, as in the case of the plants at Stillwater and Salt Walls in Nevada (USA).
The company is also experimenting with dry rocks, which allow thermal sources without steam to be used.

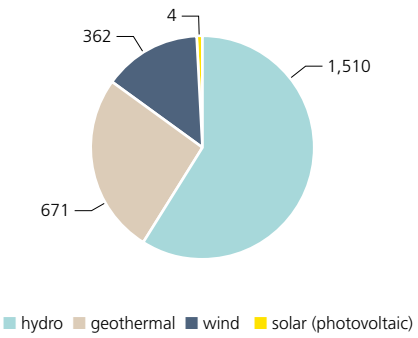
(4) 56 MW at Stillwater and Salt Walls in Nevada (USA) are not consolidated yet.

Enel Green Power in the world

Italy

Italy ranks fourth among European countries in terms of its use of renewable energy sources in the generation of electricity. Such resources constitute 15% of the generation mix, and the objective is to significantly increase this share [5].
The market is growing fast, especially for wind and solar.
With an installed capacity in Italy of more than 2,500 MW, Enel Green Power is the leader in three of the four technologies – geothermal, hydro, and solar – and aims to greatly increase such capacity in the coming years. The object must be achieved by consolidating its leadership in several technologies and developing its presence in others, especially in the solar and wind fields.

Enel installed capacity (MW)



Enel's long tradition in hydro technologies should be noted, with about 289 run-of-river installations all over Italy and a total installed capacity of 1,510 MW.

This kind of plant is characterized by the fact that its construction and organization have scarce impact on the environment. It can be managed even by small communities and integrated in a multiple and balanced use of the resource that is water.
Enel Green Power also has 32 geothermal plants, located in Tuscany. These plants have an installed capacity of about 671 MW and can produce over 5 billion KWh a year.
Developed and perfected in the Larderello area, in Pisa province, made-in-Italy geothermal technology is now exported by the company all over the world.
Wind is the source that has grown the most in the last decade, with Enel Green Power participating significantly in this process.
Starting with the first Italian wind farm, built by Enel in 1984 at Alta Nurra, in Sardinia, the company currently manages 27 plants with a total of 362 MW.

With regard to solar, Enel Green Power starts from Italy as a center of expertise in this field, thanks to the experience acquired with Enel.si's franchising model, its research center in Catania, and the more than 65 MW installed for itself and for others.
At this time, Italy is one of the fastest growing markets for photovoltaic solar, thanks to the combined presence of high irradiation, high incentives, and favorable economic and social conditions.

(5) Source: WEO 2008.

Enel Green Power aims to be the driving force for this source by increasing its installed base and providing incentives for the development of all its applications, with a presence in the entire value chain, including through strategic partnerships with global technological leaders in the field.

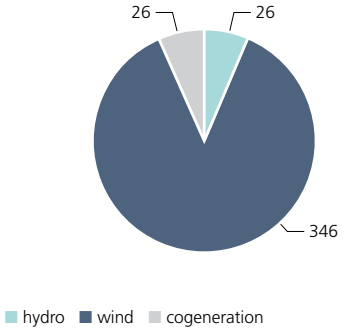
Europe

Europe is the leading region in the world in terms of the exploitation of renewable energy sources, especially wind.
Enel Green Power is present in Spain, Greece, France, Romania, and Bulgaria, with 502 MW of installed capacity and major projects at the development stage.

Spain

Operates in Iberia through Enel Unión Fenosa Renovables (EUFER), in which Enel Green Power and EUFER each have a 50% equity stake.
With its home office in Madrid, EUFER produces electricity from renewable energy sources in Spain and Portugal.
With an installed capacity of 398 MW(6), the company has a generation mix based mainly on wind with 30 plants, followed by mini-hydro with 5 plants and cogeneration with 8 plants.
The company's investment plan is focused on significantly increasing the installed capacity with projects located all over Iberia, which include thermodynamic solar, photovoltaic, and wind.

Spain (MW)



France

With its headquarters in Lyon, currently has an installed capacity of 12 MW of wind energy in France. Its objective is to increase this capacity in 2009 with three wind farms under construction in the Vallée de l'Arce, Beauséjour, and la Vallière areas and in 2010 with another plant at Haut de Conge.
The company's strategy is to develop considerably its presence in on-shore wind, while continuing to examine possible investments in photovoltaic, too.

(6) 398 MW correspond to 50% of Enel's equity stake in EUFER.

Greece

With its headquarters in Athens, it is present in Greece as the country's third largest producer of electricity from renewable energy sources. It has an installed capacity of 92 MW and wind farms throughout the country.
Enel Green Power has also signed an agreement to construct wind plants with an installed capacity of 1,400 MW in the next few years.

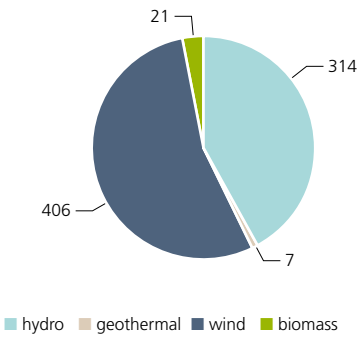
Eastern Europe

New wind projects are being developed in Romania and Bulgaria. The company recently acquired a 39 MW wind farm in the latter country.

USA

Enel Green Power is present in the United States and Canada with Enel North America, a company with headquarters in Andover, Massachusetts that develops and manages wind, geothermal, hydro, and biomass plants.
The first acquisition dates from 2000, and now produces more than 1.4 TWh, enough electricity to satisfy the needs of about 140,000 American families.
With more than 70 plants and an installed capacity of 748 MW, Enel North American is present in 20 states in the US and in three Canadian provinces, and is one of the few companies with a diversified plant portfolio that includes four technologies.
The company's objective is to grow in a market with very high potential, selecting resource-rich states with high consumption and the most significant projects from the point of view of technology and value maximization, especially in the geothermal, wind, and solar fields.
Focusing on technological innovation, in Churchill County, Nevada, Enel North America completed two new geothermal plants using binary technology with an installed capacity of 65 MW, which can satisfy the requirements of about 40,000 families and avoid the emission of more than 300,000 tons a year of CO_2.
In October 2008, the company also inaugurated Smoky Hills, in Kansas, Enel's largest wind farm, with an installed capacity of 250 MW. The plants can produce enough electricity to satisfy the demand of 85,000 families and will avoid the emission of about 750,000 tons of CO_2 a year.

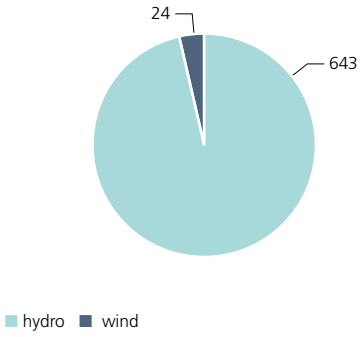
North America - Enel installed capacity Enel (MW)



Central and South America

With headquarters in San José, Costa Rica, Enel Green Power is present in Central and South America. It manages and is developing 30 plants in Mexico, Costa Rica, Guatemala, Nicaragua, Panama, El Salvador, Chile, and Brazil.
With its different technologies, which range from hydro and wind to geothermal, the company has maintained a high profile in the regional market, with over 667 MW of capacity and minority equity stakes in 195 MW more.
Hydro is currently the main focus of investment in the area by Enel Green Power, with more than 30 plants in 6 countries and a total installed capacity of 643 MW.
In particular, Enel Latin America is present in Panama through its subsidiary Enel Fortuna, with a 300 MW hydro plant – the second largest civil work in the country after the Canal – which generates 23% of the country's electricity.
Thanks to Italy's century long experience with geothermal energy, Enel Green Power is exploring and developing new opportunities in this field. In particular, two projects in the north of Chile at the stage of deep exploration show a potential of more than 100 MW.

Central and South America - Enel installed capacity (MW)



ENERGY

EN3

Direct energy consumption by primary energy source.

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

Consumption measured in the office activities carried out for internal services (mainly heating and cafeteria), which amounted to 3,067 toe (tons of oil equivalent) and for transportation, which amounted to 18,450 toe.

KPI	UM					%	Companies concerned
		2008	2007	2006	2008-2007	2008-2007	
Consumption of fossil fuels [8]							
Coal	(mil. t)	11.7	11.4	10.8	0.3	3.0	Italy
Oil	(mil. t)	1.4	1.8	3.6	-0.4	-21.5	Italy
Gas	(bil. m^3)	6.7	7.2	7.3	-0.6	-8.0	Italy
Diesel	(,000 t)	93.3	69.9	79.1	23.4	33.5	Italy
Biomass and waste for thermal production	(,000 t)	138.6	97.5	32.9	41.1	42.1	Italy
Total fuel consumption [8]	**(Mtoe)**	**14.1**	**14.8**	**16.4**	**-0.7**	**-4.8**	**Italy**

(8) Includes the consumption of biomass and waste for thermal production, amounting to 0.1 Mtoe.

KPI	UM					%	Companies concerned
		2008	2007	2006	2008-2007	2008-2007	
Consumption of fossil fuels							
Coal	(mil. t)	17.2	11.8	11.7	5.4	45.5	Abroad [3]
Oil	(mil. t)	0.07	0.07	0.10	-	-	Abroad [3]
Gas	(bil. m^3)	3.91	0.06	0.11	3.85	-	Abroad [3]
Diesel	(,000 t)	1.6	1.6	2.0	-	-3.2	Abroad [3]
Biomass and waste for thermal production	(,000 t)	0.4	0.4	0.4	-	-12.6	Abroad [3]
Total fuel consumption	**(Mtoe)**	**8.21**	**3.31**	**3.46**	**4.90**	**148.0**	**Abroad [3]**

(3) Includes Slovakia, Bulgaria, and Russia.

KPI	UM					%	Companies concerned
		2008	2007	2006	2008-2007	2008-2007	
Consumption of fossil fuels							
Coal	(mil. t)	9.7	-	-	-	-	Endesa
Oil	(mil. t)	1.5	-	-	-	-	Endesa
Gas	(bil. m^3)	3.5	-	-	-	-	Endesa
Diesel	(,000 t)	1.6	-	-	-	-	Endesa
Biomass and waste for thermal production	(,000 t)	60.4	-	-	-	-	Endesa
Total fuel consumption	**(Mtoe)**	**9.4**	-	-	-	-	**Endesa**

EU11

Average generation efficiency of thermal plants by energy source and by regulatory regime.

KPI	UM	2008	2007	2006	2008-2007	2008-2007 %	Companies concerned
Thermal plants							
Plant yield, coal	(%)	34.2	34.6	34.9	-0.4	-1.0	Italy
Plant yield, CCGT	(%)	52.6	52.5	52.7	0.1	0.3	Italy
Plant yield, oil/gas	(%)	32.3	34.6	36.1	-2.3	-6.7	Italy
Yield, lignite plants	(%)	29.0	-	-	-	-	Bulgaria
Yield, lignite plants	(%)	28.3	-	-	-	-	Slovakia
Yield, lignite plants	(%)	35.3	-	-	-	-	Endesa
Yield, coal plants	(%)	28.9	-	-	-	-	Slovakia
Yield, coal plants	(%)	35.9	-	-	-	-	Russia
Yield, coal plants	(%)	36.4	-	-	-	-	Endesa
Yield, CCGT plants	(%)	51.1	-	-	-	-	Endesa
Yield, oil/gas plants	(%)	35.5	-	-	-	-	Endesa

EN4

Indirect energy consumption by primary energy source.

The electricity purchased for offices in Italy amounted to 126.601 GWh, which is equal to 86 ktoe [(1)].

The electricity used in the storage and handling of fuel oil and gas distribution amounted to 4.3 GWh.

The electricity used to operate electric power distribution networks in 2008 amounted to 423 GWh.

In Brazil, Enel also monitors the consumption of the settlements of plant personnel located outside the area of the plant, which otherwise would not be considered, amounting to 1.96 GJ.

(1) Considering that the plants yield an average 2,200 kcal/kWh, that 1 toe = 107 kcal, and that network losses amount to 5.9 % (Italy 2006)

EN5

Energy saved through conservation and efficiency improvements.

In 2008, Enel achieved considerable results regarding energy saving with the conclusion of the program for improving its generating plants in Italy, which provided for the transformation of 6,000 MW of simple-cycle, oil- and gas-fired plants with an average yield of 38% into combined-cycle, gas-fired plants with an average yield of 55%, as well as through actions to increase efficiency in the end uses of energy.

The average net specific consumption of Enel's thermal plants in Italy decreased from 2,223 kcal/kWh in 2007 to about 2,184 kcal/kWh in 2008; that is, by about 39 kcal/kWh. Considering that the total production of the Italian thermal plants was 64 GWh in 2008, the energy saved amounted to about 2.5 Tcal (Tera calories), corresponding to about 10.5 TJ (Tera Joule).

In Bulgaria, at Maritza, the refurbishment of the plant was undertaken to increase its energy and environmental efficiency. The results of this initiative (expressed in specific heat) was 69 kcal/kWh generated (3.080 in 2004 and 3.011 in 2008), amounting to 2.2% of primary energy per unit produced. Comparing the situation before (2004) and after (2008) the refurbishment, the efficiency improvement is remarkable, considering the functioning of two desulfurization plants. The energy consumption of the desulfurizers is significant, and is included in the consumption of the auxiliary equipment. This consumption became considerably higher in 2008 because the second desox was put into operation. The increase of efficiency covered the increase in auxiliary consumption and led to further saving of primary energy per unit produced. The efficiency of the new units is markedly higher than the previous ones and ensures a higher availability of the plants for production, which indirectly also contributes to the saving of primary energy.
In Slovakia, an efficiency plan obtained a 7% increase in the power of the two nuclear units at Mochovce and one unit at Bohunice.

In assessing Enel's energy efficiency with regard to plants in Italy, it must be kept in mind that:
> the Company has no cogeneration plants at all in Italy (in most cases, because of infrastructure limitations, i.e., the lack of local networks for the distribution of heat) and therefore its efficiency cannot be directly compared with that of competitors that have cogeneration plants;
> the presence of plants for treating flue gas and waste water lowers the overall efficiency by several percentage points, because they are constantly in operation, and this condition creates a competitive disadvantage with respect to other companies that do not use such treatment plants.

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 objectives of energy efficiency, with reductions of the consumption of 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, 2006, and 2007 specific obligations, Enel Distribuzione, Deval, and Enel Rete Gas delivered to the Electricity and Gas Authority, respectively, 96,399, 187,372, and 385,218 energy efficiency certificates, achieving 100% of the objective assigned.
With regard to Enel's specific obligations for 2008, amounting to 1,170,558 toe of primary energy, concerning both the electricity and gas industries, the Company carried out direct initiatives and acquired energy efficiency certificates from other companies on both the bilateral market (direct negotiation) and the organized market (indirect initiatives).

As part of the program aimed at fulfilling the obligations for 2008, the following direct initiatives were carried out, partly in cooperation with the energy service companies of the Enel Group, Enel.si and Enel Sole:
> "Consume Intelligently: Low Consumption, High Efficiency", with the distribution of about 11 million compact fluorescent light bulbs, which last eight times longer and consume 80% less than traditional incandescent ones, and about 3 million water economizers, which allow up to a 60% saving of hot water;
> initiatives connected with energy saving regarding public lighting.

EN6

Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.

RECS (Renewable Energy Certificate System) certificates prove that electricity was produced from renewable energy sources. An RECS certificate is equivalent to 1 MWh of consumption 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 2008, Enel proposed to business, residential, and high-consumption customers in Italy a "green" offer called Pure Energy. The contract offers the possibility of support for the customer in obtaining permission to use the "100% Green Energy" logo together with Enel's. The offer also provides for 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 customers who purchase Pure Energy may use stickers that make their commitment to environmental sustainability visible, for example to their own customers, recalling the commercial advertising of the offer. For 2008, RECS certificates amounting to 4.6 TWh were issued and cancelled.
For residential customers, Enel proposes the time-differentiated Pure Energy rate, which provides an incentive to use electrical appliances during times when demand is lower, thus limiting the use of power plants with a higher specific consumption, which are typically used for daily demand peaks.

As a distributor of electricity, Enel pursues the Italian quantitative objectives regarding the increase of the energy efficiency of the end uses of energy. (Also see the comment on indicator EN5 on page 88.)
For large customers, Group buildings, and network customers (such as 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 can be suggested to the customer; that is, an energy plan that assesses not only the technical, but also the economic feasibility of the actions proposed.
The sales activity carried out in Italy, Romania, and Russia, as well as that of the Iberia and Latin America Division, provides for time-differentiated rates steer consumption towards the nighttime. This leads to increased overall efficiency in the electricity industry and reduces waste and impacts with regard to the environment.

One of the most important innovations of 2008 was the launch of the e-light offer, which combines economic advantageousness for customers with defense of the environment. In effect, in subscribing to this offer, customers pay a price for the energy component that is fixed for two years, with all the advantages of online management of their contractual relationship with the Company and of billing. Customers receive a bi-monthly electronic bill for a fixed sum. The use of paper is eliminated, avoiding needless emissions of CO_2 and customers are enabled to easily plan their energy expense. All the contractual transactions can be managed online, so customers do not have to go to an office or make a phone call, and can choose the time that best suits their needs. The e-light offer was also channeled on both the free electricity market and the gas market, and was also proposed in a time-differentiated version, which allows a further saving when customers concentrate their consumption at certain times of day. Everyone who subscribed was also offered the possibility of choosing the "green" option, thanks to which they can have electricity compensated by RECS certificates and support production from renewable sources such as water, the sun, wind, and heat from the earth.

Focus on Climate Strategy

Climate change and Enel's response

The fight against climate change is a priority at the planetary level, and Europe has decided to fully accept the challenge and to play a leading role. Enel is ready to make its own contribution and is in the forefront at the national, European, and global levels.

The 14th Conference of the Parties to the Frame Convention of the United Nations on Climate Change, which took place in Poznan in December 2008, was a step forward, albeit not decisive, in the global negotiation process to decide climate-change strategies after the Kyoto Protocol, that is, after 2012. The negotiations focused mainly on technical and procedural questions, but there were also political results, with the continuation of the discussion among industrialized, emerging, and less developed countries. In this regard, the "Poznan strategic program for technological transfer" of the Global Environment Facility (GEF) was adopted. The objective of the program is to increase investment in technologies for mitigating emissions and adapting to climate changes in less developed countries. Enel participated in the conference, consolidating its visibility as a leading player on many fronts. In a number of side events, the Company presented its vision of long-term policies to oppose climate change, what it has done with regard to Clean Development Mechanism projects, the integration of carbon markets at the global level, and its initiatives on carbon capture and sequestration.

Regardless of the outcome of the international negotiations, the Climate and Energy Package agreed on in December 2008 by the European Parliament and Commission provides for extremely ambitious goals: to reduce greenhouse gas emissions by 20% with respect to 1990 and to cover 20% of the end uses of energy by renewable sources. Enel is ready to accept the challenge and has mobilized numerous resources and people in both the Parent Company and the operating Divisions.

Enel's commitment

Enel acknowledges its responsibilities and is constantly engaged in improving its environmental performance, while at the same time paying the utmost attention to the needs of energy security and competitiveness.

Our commitment is demonstrated by the fact that for more than ten years our 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 carrying out an investment plan in the field of generation that, in Italy, has already

enabled the Company to exceed the goals of the voluntary agreement signed with the Ministries of the Environment and of Industry, Trade and Crafts in 2000. Thanks to a considerable commitment of resources, we have reduced our specific emissions of CO_2 from 618 g/kWh in 1990 to 462 g/kWh in 2008.

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 that can reduce greenhouse-gas emissions. As a leader in our industry, we believe that the fight against climate changes is essential not only for the protection of the planet, but also, and above all, for the Company's competitiveness.
Enel's strategy for opposing climate change is based on five fundamental points:

- investment in the best thermoelectric technologies available (e.g., high efficiency coal-fired plants with reduced CO_2 emissions and combined-cycle gas turbine plants);
- development of sources with zero emissions, such as renewable and nuclear energy;
- increased energy efficiency;
- research, development and demonstration of CO_2 capture and sequestration and innovative technologies in the field of renewable energy;
- global commitment to reduce CO_2 emissions through the dissemination of projects and best practices in Eastern Europe and less developed countries, including the use of mechanisms such as Joint Implementation and the Clean Development Mechanism introduced by the Kyoto Protocol.

Investment in renewable energy sources

On December 1, 2008, Enel Green Power, an Enel Group company, was born (see the Focus on Renewable Energy on page 77). Enel Green Power runs all of Enel's wind, solar, geothermal, run-of-river hydro, and biomass operations, with more than 500 plants in operation or under construction in Europe and the Americas.
A business that is integrated at the international level, with considerably more than 4,000 MW of installed capacity, the company is Italy's largest producer, as well as Europe's largest in terms of production capacity.
Enel Green Power's priority is to increase its current production capacity, with the intention of doubling it in the next few years, through projects not only in Italy, but also abroad. In the United States, for example, the company is already developing about 1,000 MW of new wind plants, as well as geothermal projects with about 150 MW of installed capacity.
Enel Green Power is also attentive to the local communities where the plants are

located, defending the value of landscapes and contributing the social needs of such communities in order to ensure the utmost harmony between the plants and the surrounding environment.

The return of nuclear power

As far as its strategy for developing nuclear power is concerned, as provided for by the Memorandum of Understanding it signed with EdF in February 2009, Enel plans to cooperate with the French company on the construction of third-generation EPR power plants in Italy as well. A second Memorandum, on the other hand, consolidated Enel's presence in France. After its 12.5% equity stake in the Flamanville EPR reactor, Enel obtained the same interest in the construction of another third-generation plant, at Penly, which is also in Normandy.

Increased energy efficiency

Enel is constantly increasing the energy efficiency of its production plants and networks.

A further example of the Company's commitment is the project dedicated to "smart grids", which, thanks to innovative technologies, foster the spread of cutting-edge distributed-generation systems and the efficient use of energy by consumers.

An innovative technology: CCS

Enel is a pioneer in Italy with regard to the most promising carbon-capture-and-sequestration (CCS) techniques. In 2008, the Company signed an agreement with Eni to cooperate on a pilot project that will allow the entire process to be tried out. The first phase – the capture of CO_2 – will take place at the Brindisi power plant.

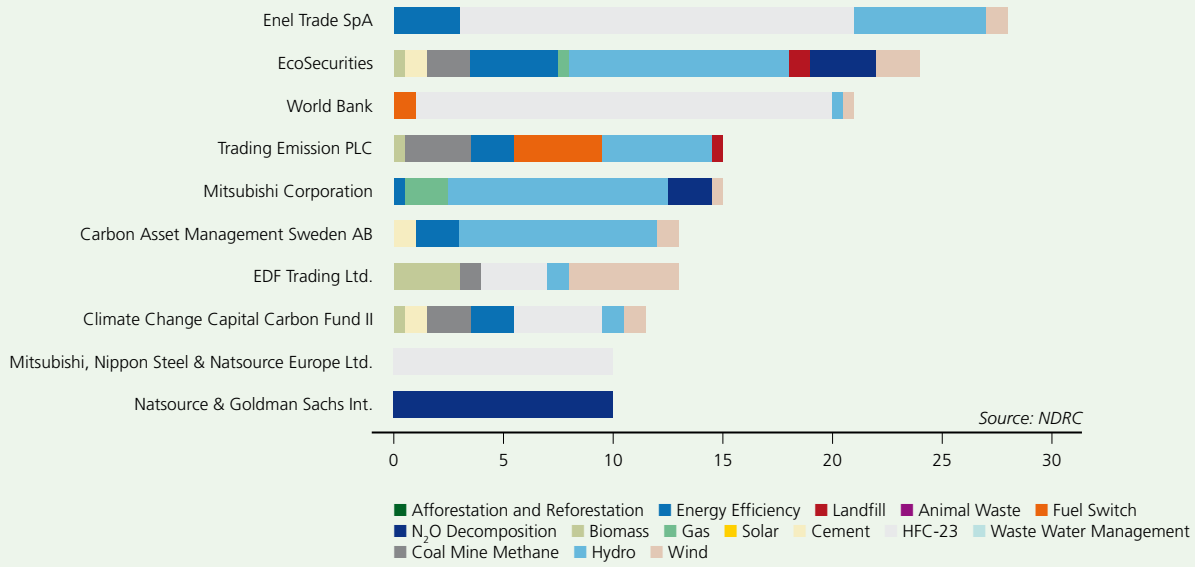
The agreement also provides for Enel and Eni to carry out a detailed feasibility study regarding the construction of a large integrated demonstration plant for the Porto Tolle power station. This project is a candidate for the European Flagship Programme, a program co-financed by the European Union.

Clean Development Mechanism and Joint Implementation

The Kyoto Protocol acknowledged the worldwide nature of the problem of climate change and introduced flexible mechanisms that enable governments and private firms to achieve the reduction goals assigned them through transactions in less efficient areas, where the cost of achieving the environmental benefit can be minimized.
In particular, the implementation of projects for abating greenhouse gases in less developed countries (LDCs) – which do not have reduction goals between 2008 and 2012 – allows reductions to be obtained and technologies to be transferred in regions that are not concerned by the quantitative commitments of Kyoto. These projects are called Clean Development Mechanism (CDM) Projects and generate Certified Emission Reductions (CERs).
If they are carried out in other countries – typically transition economies of the former Soviet bloc – such projects are called Joint Implementation (JI) Projects and generate Emission Reduction Units (ERUs).
Enel has been involved in these kinds of projects for reducing greenhouse-gas emissions since as early as 2004, with particular regard to CDM ones. JI projects are just beginning to start up. Such projects enable the Group to optimize the costs connected with the emission-reduction targets imposed by the European Union's Emissions Trading System (EUETS); in this way, Enel facilitates technological transfer and sustainable development at the global level.
Project scouting has concerned mainly LDCs, especially China, India, and South America, areas in which, because of the high abatement potential, it was immediately evident that it would be advantageous to repeat experiences and generate large economies of learning and scale.
In China, where most of the projects currently in Enel's portfolio are located, a key role in achieving the results was played by the Sino-Italian Cooperation Program (SICP). This program was initiated as early as 1999 by the Italian Ministry of the Environment and the State Environmental Protection Administration (SEPA) and other main Chinese institutions, with the objective of promoting the sustainable development of China by leveraging the technologies provided by Italian companies with operations in the fields of energy and the protection of the environment.
The SICP has been active in China for about ten years and has offered Enel the possibility of leveraging the networking achieved in all the preceding years of activity, thus enabling the Group to promptly make contact with local institutions, quickly identifying the most effective contacts, and to receive proposals for participating in the development of interesting project opportunities.
The portfolio of projects for abating greenhouse gases that Enel has assembled so far – with regard only to those for which contracts have already been signed – has the potential to reduce greenhouse-gas emissions by more than 120 million tons of CO_2 equivalent between 2008 and 2020.
It is reasonable to assume that not all the potential will materialize. In effect, in addition to the performance risk associated with carrying out any project, it should be noted that some of the projects have not yet completed the approval process and others are still being developed and will be implemented in the next few years.
From 2006 to December 2008, Enel's contribution to the abatement of emissions amounted to the certification of about 13 million tons of CO_2 equivalent from CDM projects.
To summarize very succinctly, Enel's portfolio contains 65 projects. Only 13 of these of these are in operation and have completed the approval process, but they will generate 73% of the estimated volume of emissions.
The work done directly by Enel in assembling and managing its project portfolio goes from scouting for project opportunities, negotiating the related contracts for their acquisition, and supervising the entire approval process to overseeing the implementation of the projects, verifying the emissions avoided and the issue of the related CERs, and monitoring the performance of all the projects.
About 65% of the expected reduction will be generated by systems for the abatement of HFC-23, a gas that is a byproduct of the production HCFC-22, which is used mainly in the refrigeration industry.
The remainder will come from the development of projects for generating electricity from renewable energy sources, mainly regarding hydro, energy efficiency, and wind.
In several cases, such as the projects regarding HCFC-22 plants, Enel pre-financed the purchase and installation of the abatement technology, thus facilitating their implementation, which otherwise would have encountered difficulties, because of the scarce financial capacity of small and/or just established counterparties.
In other cases, as has happened in Central America, in addition to acquiring the emission permits generated by the

project, Enel is also a developer and actively participates in the implementation of the project.
In yet others, Enel purchases the emission permits generated by the projects, and long-term acquisition contracts are an essential condition for the implementation of the projects.
Many of the initiatives have been developed bilaterally. However, with the objective of diversifying the risk associated with the implementation and performance of the single projects, Enel has also invested in two carbon funds (the Italian Carbon Fund, managed by the World Bank, and a private fund). The contribution of permits – both CERs and ERUs – expected from the two funds amounts to just over 6 million tons of CO_2 equivalent in the period 2008-2017.
Enel is now a leading player in the global emissions market.

Top buyers in terms of yearly volume of CERs
Projects approved by the National Development and Reform Commission of China (million euro)



Details regarding all the projects in which Enel appears as a project participant are available on the UNFCCC site at: http://cdm.unfccc.int/Projects.

Even before Enel acquired control of Endesa, the latter was participating in CDM/JI projects as part of its strategy of emissions reduction.
In October, Endesa set up Endesa Carbono, with two main objectives: to acquire CERs/ERUs in order to achieve the objectives of the 2008/2012 National Allocation Plan and to explore new opportunities in the emergent CO_2 markets worldwide.
With offices in Europe, the United States, Latin America, and Asia, Endesa Carbono currently has projects in Argentina, Bolivia, Chile, Colombia, Costa Rica, Ecuador, Guatemala, Honduras, Mexico, Nicaragua, Peru, South Africa, the Philippines, and China. Its portfolio includes CDM projects regarding, among other things, wind, geothermal, hydro, cogeneration, clinker and cement, and the capture of methane gas in coal mines.
At the end of 2008, Endesa had a portfolio of 46 CDM projects, amounting to an estimated total of 89 million tons of CO_2. Four projects managed to complete the registration process at the U.N. bodies concerned, bringing the number of projects registered by Endesa up to 19. The registered projects led to the issue of 12 million tons of CO_2 credits in 2008.
Endesa participates in several Carbon Funds, including, the Clean Development Fund, the Fundo Español de Carbono, and the Umbrella Carbon Fund of the World Bank, as well as the Multilateral Carbon Credit Fund of the European Bank for Reconstruction and Economic Development (EBRD) and the European Investment Bank (EIB).

Dialogue with decision-makers

With the experience and knowledge of a leading international company, Enel has the ambition and know-how to provide support for political decision makers in establishing a stable and predictable regulatory framework that could facilitate as rapid and effective a transition as possible to a low-emissions economy. Enel plans to offer decision- and opinion-makers analytical instruments for delineating a broad picture of the prospects for reducing emissions, which can enable them to choose appropriate policies for concentrating resources on the most effective actions from the cost/benefit point of view. In our opinion, in order to obtain this result, it is indispensable for public officials and business leaders to cooperate. If they do not, firms and consumers risk having to face excessive and unnecessary costs.

Enel's eleven points for a new global policy on energy and climate change

A. Global approach

1. Involvement of the largest possible number of industries and countries (in particular, the USA and emergent economies).
2. Creation of a link among regional emissions trading mechanisms through the CDM.
3. Transitional measures to facilitate the involvement of less developed countries:
   a. Technology transfer (including through the CDM).
   b. Adaptation funds.

B. Long-term objectives

4. A clear and stable process for achieving emission reduction objectives.
5. Possibility of optimizing costs and ensuring the utmost effectiveness of actions.
6. Possibility of planning investment, towards a low-carbon economy.

C. Involvement of the private sector

7. Creation of a clear, stable, and long-term legislative and regulatory framework.
8. Financial incentives to facilitate private initiative.
9. Market mechanisms that make commitment on climate change an economic opportunity:
   a. The CO_2 market must be liquid, accessible, transparent, global, and without distortions.
   b. Although there is room for improvement, flexible mechanisms like the CDM and JI are important instruments for promoting the global market.
   c. Appropriate market mechanisms must also be promoted in the fields of renewable energy (Green Certificates, and Guarantees of Origin) and energy efficiency (White Certificates).

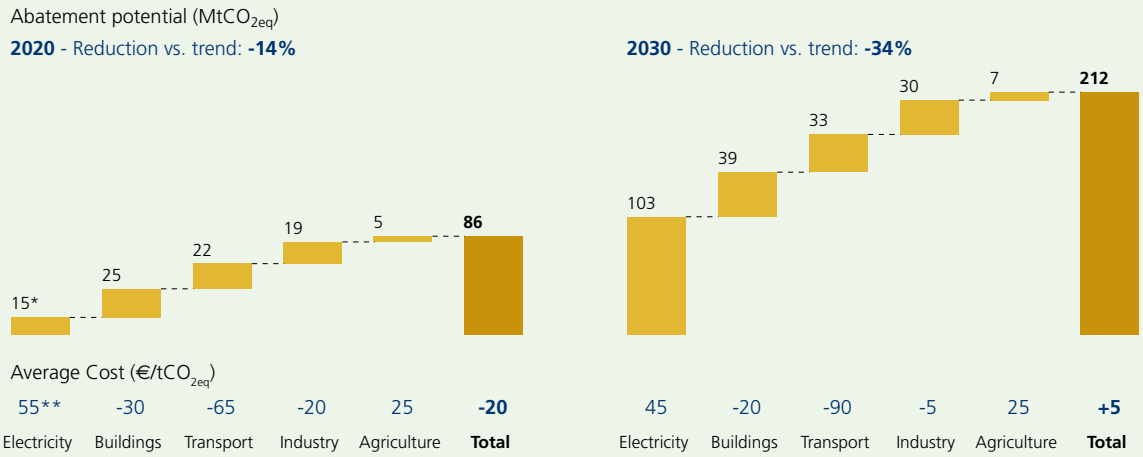
D. Technological development

10. This is necessary, especially with regard to renewable energy, energy efficiency, nuclear energy, and CCS
11. Provide for accessory measures such as:
   a. Public financing.
   b. Simplification of red tape (for example, procedures for obtaining permits).
   c. Careful application of intellectual property rights.
   d. Agreements among regulatory bodies for sharing know-how and information.

The Cost Curve of Abating Greenhouse-Gas Emissions in Italy

In January 2009, there was a public presentation of the study on the Cost Curve of Abating Greenhouse-Gas Emissions in Italy developed jointly by Enel and McKinsey. Adapting to the situation in Italy the method already developed in a similar study at the global level, this study offers a rigorous and neutral analysis of the opportunities for reducing greenhouse gas emissions and the related costs.
Thanks to their concreteness, the results of the study will be very useful for focusing policies on technologies with the lowest cost and highest potential for abating emissions.
The study shows how it is possible to reduce emissions in Italy by 13% in 2020 and by 35% in 2030 with respect to the business-as-usual (BAU) scenarios. Such reduction requires the prompt implementation of numerous initiatives in all the economic sectors of the economy, through the use of technologies that are already mature or will be available within a few years.
Most of the reduction by 2020 is connected with buildings and transportation, thanks to a significant acceleration of energy-efficiency measures, which constitute all of 40% of the opportunities for reduction and mainly have a negative cost; that is, they result in an energy saving that is greater than the cost of implementation.
The electricity industry, instead, is decisive for the reduction by 2030 (103 million tons of CO_2 equivalent, -59% with respect to BAU), thanks to the development of nuclear production and CCS (Carbon Capture and Storage) devices, which are unlikely to be achieved before 2020.

Abatement potential and unit costs in the various sectors by 2020 and 2030:



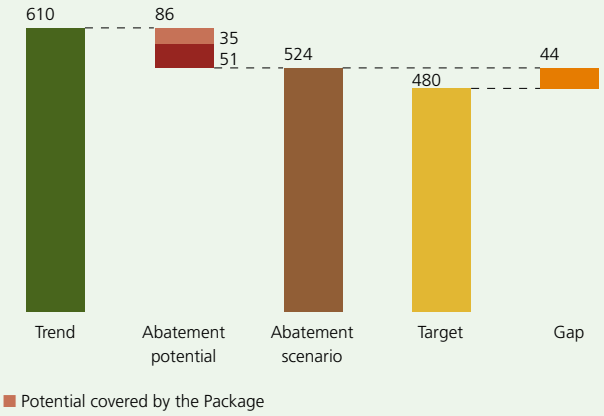
* 9 without nuclear; ** 100 without nuclear

The main levers for reducing emissions in the electricity sector are:

1. Reduction of the demand for energy (-11 Mt in 2020, -15 Mt in 2030), thanks to energy efficiency, mainly in construction and industry.
2. The return to nuclear energy. The new generation of nuclear energy entails a lifetime cost that is less than that of conventional production. Therefore, it constitutes an opportunity to reduce emissions at a potentially "negative" cost. Because a nuclear power plant, between the authorization procedure and its actual construction, requires about ten years, there cannot be any significant potential for abatement by 2020. However, the reduction of emissions could reach 25 million tons in 2030, if four 1,600-MW nuclear plants, and thus a total of 6,400MW, are constructed, which alone would cover 25% of Italy's electricity consumption.
3. The large-scale introduction of CCS, a new technology currently being tested in several experimental plants in Europe, which should contribute to reduce greenhouse-gas emissions by 51 Mt by 2030 and thus constitutes half of the sector's entire abatement potential. The estimated cost ranges from 55 to 65 €/tCO_2. Such costs are high, but competitive with respect to those of other, marginal methods, and in the commercially mature phase after 2030 could fall to between 30 and 45 €/tCO_2.
4. Increased production from renewable energy sources, especially biomass, but also solar, on-shore wind, and hydro energy.

It is important to emphasize that, in spite of the use of all the levers available, the objectives set for 2020 by the EU Climate-Energy Package cannot be achieved without a significant use of market mechanisms, such as the CDM.

The Italian emission reduction potential by 2020 lies below the Package targets ($MtCO_{2eq}$)



Enel is active in a number of forums where policies on climate change (see also the comment regarding the Group's commitments in external initiatives on pages 44-48 of this document) are developed. This occurs through participation in initiatives such as those of the IETA (International Emissions Trading Association), Eurelectric (the association of European electricity companies), and the e8.

The e8 group consists of ten leading companies in the electricity industry whose registered office is in countries that are part of the G8. The mission of the group is to promote the sustainable development of the electricity industry at the global level, through, among other things, demonstration projects and initiatives for transferring know-how to less developed countries and those with emergent economies, with specific regard to the funding and application of low-CO_2-emission technologies. Enel's Chairman, Piero Gnudi, holds the chairmanship of the e8 for 2009-2010.

Enel also participates in the 3C (Combat Climate Change) initiative (http://www.combatclimatechange.org), which comprises 55 companies that intend to promote the integration of issues regarding the climate in global trade and the global market, through a benchmark framework that is to be in operation by 2013. The 3C initiative was started in January 2007 with the release of a statement urging the global community and all its representatives to join forces with economic leaders to formulate a common vision of a sustainable society with low emissions. The initiative is characterized in particular by its global membership, with companies from different industries and regions. Among the basic principles promoted by 3C is, first of all, the adoption of a long-term global approach to the solution of the problem of climate change. This approach should be developed through the use of market mechanisms and the establishment of a global price of CO_2, which would contribute to the recognition that there is an opportunity,

and no longer only a cost, in the adoption of the technologies and best practices for reducing emissions.
However, 3C recognizes that market mechanisms are not always able to produce good results, for example, in the residential and transportation sectors. Governments should supplement the price mechanism by establishing minimum requirements of energy and emission efficiency for these sectors. In general, they should also provide financial or other kinds of support for the most promising new technologies, in order to lay out a rapid and economically feasible path from development to marketing.

3C's recommendations for policy-makers

In October 2008, 3C published a series of recommendations for policy-makers on 3 issues of particular importance for facilitating the contribution of firms to the fight against climate change. The recommendations can be briefly summarized as follows:

Support for technological development:
> The most promising existing technologies should be recognized at the global level and receive appropriate support for their marketing.
> Institutional guidelines should direct consumer choice towards the best technologies.
> In addition to investing, the entrepreneurial community can be a partner for public agencies in Research and Development.

Energy efficiency:
> It is necessary to guide the awareness and demand of consumers towards products that save energy.
> Financial incentives help make products and projects for improving energy efficiency immediately profitable.
> It is necessary to promote market instruments for energy efficiency through political actions and commercial programs.

CO_2 market:
> A new global framework should have worldwide CO_2 trading as its objective and should support the gradual harmonization of the markets in the short term.
> The impact of flexible mechanisms should be enhanced by simplifying their administration and making it more professional.
> The public bodies that supervise CO_2 markets should ensure transparency, neutrality, and the availability of information.

Not only CO_2

Enel considers the environment, the fight against climate change, and sustainable growth strategic factors in the operation and development of its business and decisive for consolidating its leadership in energy markets.

The Enel Group's environmental policy is based on three fundamental principles: protection of the environment, improvement of environmental and product-quality standards, and the creation of value for its shareholders.

With its international expansion, Enel is making a great effort to integrate different technological, cultural, social, and legislative experiences and backgrounds. The sharing of know-how and best practices in fields such as clean coal, geothermal energy, and the application of electronic meters to promote energy efficiency entail environmental benefits and is improving Enel's ability to serve millions of customers and the communities in which it operates, while respecting the environment.

Enel is gradually extending its environmental management systems to all the Group's operations. These systems are certified according to international standards, are coordinated, harmonized, and audited at the Group level, and involve the Company's personnel and suppliers.

In 2008, the implementation of these policies enabled the Company to confirm the positive trend of its environmental performance.

The concreteness of Enel's commitment to the environment is demonstrated in particular by the improvements in countries where performances before the acquisitions were inferior to the Enel benchmarks.

In Bulgaria, for example, in the last five years Enel has achieved a considerable reduction of the main polluting emissions: about 90% for sulfur oxides, about 80% for particulate, and about 30% for nitrogen oxides in the last four years. In Romania, since 2005 the percentage of cable power lines has increased from about 25% to 50%, thus reducing the environmental impact of the distribution network.

In Italy, too, since 2004, CO_2 emissions of thermal power generation have decreased by almost 20 million tons (about 30%), those of sulfur oxides by more than 60%, those of particulate by over 50%, and those of nitrogen oxides by more than 40%. Emissions of hydrogen sulfide from geothermal generation have also decreased by more than 40%. In 2008, recycling of special waste was close to 90% and cabled power lines exceeded 70% of the entire distribution network.

EN7

Initiatives to indirect energy consumption and reductions achieved.

During 2008, Enel continued its project for extending the ISO 14001 certifiable environmental management systems to the activities carried out in its offices, which in Italy alone involve about 1,200 buildings and about 20,000 people. The management system was applied to six large buildings. The results were extremely satisfying, showing potential for reducing the consumption of energy (electricity, fuel for the cafeteria and heating) by between 8% and 10%, which can be partly exploited through Energy Efficiency Certificates.
Mobility management policies are implemented as part of the extension of the management systems, as well as actions aimed at optimizing the use of the Company's car fleet, through both sound management and courses on safe driving with less environmental impact. The Iberia and Latin America Division also started a similar project to extend environmental management systems to its office buildings, with encouraging results in terms of improving their performance.
As far as the Group's buildings are concerned, Enel also began internal energy auditing, in order to facilitate the achievement of the maximum energy efficiency.
See also the comment on the EN6 indicator on page 90.
In 2008, through the installation of low-consumption fluorescent light bulbs in its offices in Panama and presence sensors in common areas, the Renewables Divison obtained an energy saving of 51,840 kJ. Other initiatives aimed at saving energy were undertaken for vehicle management and involved driving lessons for all employees, featuring the "Smith driving techniques". In addition, the vehicles are used only when strictly necessary, and mobility management policies with incentives for saving on trips are regularly implemented. For this reason, the employees who work at the plant, 87 persons in all, are transported from their homes to the workplace and vice versa by two buses provided by the company.

WATER

EN8

Total water withdrawal, by source.

An assessment of the Company's performance for this specific indicator must consider that part of the consumption of industrial water is due to its use in treating flue gas, such as desulfurization and the reduction of NO_x emissions through the abatement of the temperature with the injection of hydrogen peroxide in the combustion chamber (gas turbine and combined cycles). Naturally, companies that do not have these treatment systems consume less water.
To reduce its water consumption, Enel installed several systems for crystallizing waste water and recycling the distillation. Part of the desulfurization water, on the other hand, is sea water.
Furthermore, some of the water consumed comes from the reuse of the waste water in the production cycle or from water purified by municipality-owned companies, as in the case in Italy of the Fusina power station in Venice province.

KPI	UM	2008	2007	2006	2008-2007	2008-2007 %	Companies concerned
Water consumption							
Specific requirement for thermal production [9]	(l/kWh)	0.61	0.57	0.54	0.04	6.8	Italy
Water required for industrial use	(mil. m^3)	39.0	38.3	39.9	0.6	1.6	Italy
from rivers	(mil. m^3)	8.1	9.4	9.4	-1.3	-14.0	Italy
from wells	(mil. m^3)	6.6	3.6	3.9	3.0	82.1	Italy
from aqueducts	(mil. m^3)	6.5	5.5	4.8	1.0	17.7	Italy
Total withdrawal of internal water	*(mil. m^3)*	*21.1*	*18.5*	*18.1*	*2.6*	*14.2*	*Italy*
from the sea, used as is	(mil. m^3)	10.0	11.9	12.2	-1.9	-16.0	Italy
from the sea, desalinated	(mil. m^3)	5.9	6.4	7.2	-0.5	-8.3	Italy
from waste water (used in plants)	(mil. m^3)	2.1	1.5	2.5	0.6	41.1	Italy
% of water recycled and reused	(%)	5.4	3.9	6.1	1.5	38.8	Italy

(9) The productions used in calculating specific consumption differ slightly (0.335 TWh) from the figures shown above, because the meters that recorded the data were positioned differently. The figure from the meters at the terminals was used in the specifications, while the management point of view considers the value of the meters that measure the electricity sold.

KPI	UM	2008	2007	2006	2008-2007	2008-2007 %	Companies concerned
Water consumption [4]							
Specific requirement for thermal production [5]	(l/kWh)	2.5	5.7	4.3	-3.2	-56.3	Abroad [3]
Specific requirement for nuclear production [6]	(l/kWh)	3.2	3.2	-	-	-	Abroad [3]
Water required for industrial use [5] [6]	(mil. m^3)	126.2	97.5	31.4	28.6	29.4	Abroad [3]
from rivers	(mil. m^3)	119.6	89.4	23.4	30.2	33.8	Abroad [3]
from wells	(mil. m^3)	0.2	2.5	3.4	-2.3	-91.5	Abroad [3]
from aqueducts	(mil. m^3)	1.7	0.9	1.0	0.8	86.3	Abroad [3]
Tota withdrawal of internal water	*(mil. m^3)*	*121.5*	*92.9*	*27.8*	*28.6*	*30.8*	*Abroad [3]*
from the sea, used as is	(mil. m^3)	-	-	-	-	-	Abroad [3]
From the sea, desalinated	(mil. m^3)	-	-	-	-	-	Abroad [3]
from waste water (used in plants)	(mil. m^3)	4.7	4.7	3.6	0.0	0.2	Abroad [3]
% of water recycled and reused	(%)	3.7	4.8	11.4	-1.1	-22.6	Abroad [3]

(3) Includes Slovakia, Bulgaria, and Russia.
(4) 2006 does not include Slovenské elektrárne.
(5) For Russia, the annual values reproportioned for the 7 months of control were considered.
(6) The values do not include the EBO V1 nuclear plant (410 MW), which was carved out.

KPI	UM	2008	2007	2006	2008-2007	2008-2007 %	Companies concerned
Water consumption							
Specific requirement for thermal production	(l/kWh)	0.81	-	-	-	-	Endesa
Specific requirement for nuclear production	(l/kWh)	49.8	-	-	-	-	Endesa
Water required for industrial use	(mil. m^3)	913.2	-	-	-	-	Endesa
from rivers	(mil. m^3)	903.6	-	-	-	-	Endesa
from wells	(mil. m^3)	3.2	-	-	-	-	Endesa
from aqueducts	(mil. m^3)	1.6	-	-	-	-	Endesa
Tota withdrawal of internal water	*(mil. m^3)*	*908.4*	-	-	-	-	*Endesa*
from the sea, used as is	(mil. m^3)	3.0	-	-	-	-	Endesa
from the sea, desalinated	(mil. m^3)	1.8	-	-	-	-	Endesa
from waste water (used in plants)	(mil. m^3)	0.01	-	-	-	-	Endesa
% of water recycled and reused	(%)	0.001	-	-	-	-	Endesa

EN9

Water sources significantly affected by withdrawal of water.

The water used in the hydro production of electricity does not undergo qualitative changes and the use of water is made compatible with multiple uses that must and can be made upstream and downstream from the generating plant.
In both run-of-river plants and those with reservoirs, as well as in pumping plants, the water used for hydroelectric production flows through the main equipment, the turbine, and is entirely returned, unchanged, to the river downstream.
The Company has identified all the hundreds of waterways in the world that are affected by the Enel Group's hydro operations. In Italy, about 540 hydro plants on 73 rivers are involved.
In some cases, thermal and nuclear plants may use water for cooling in open cycles, i.e., through a constant strong flow from an adjacent waterway, which is entirely returned without any chemical changes.
Geothermal operations use water, but much less of it, to prepare the drilling mud.
Detailed information has been collected in Enel's environmental reporting data base and will be published soon at http://www.enel.it/attivita/ambiente/, the page of the corporate website dedicated to the environment. In particular, the information regards all the waterways from which the water that is withdrawn for cooling and/or to which it is returned constitutes more than 5% of the average annual rate of flow.

EN10

Percentage and total volume of water recycled and reused.

About 7 million m^3 of waste water is recycled after treatment. This figure does not include the 2,3 m^3 of water that is reused at the Fusina power station in Venice in Italy for closed-cycle cooling. This water, amounting to about 2.3 million cubic meters, comes from the plant for treating urban and industrial water run by Vesta, a local municipality-owned company.

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Water required for industrial use	**(mil. m^3)**	39.0	**38.3**	**39.9**	**0.6**	**1.6**	**Italy**
from waste water (used in plants)	(mil. m^3)	2.1	1.5	2.5	0.6	41.1	Italy
% of water recycled and reused	**(%)**	5.4	**3.9**	**6.1**	**1.5**	**38.8**	**Italy**

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Water required for industrial use [5] [6]	**(mil. m^3)**	126.2	**97.5**	**31.4**	**28.6**	**29.4**	**Abroad** [3]
from waste water (used in plants)	(mil. m^3)	4.7	4.7	3.6	0.0	0.2	Abroad [3]
% of water recycled and reused	**(%)**	3.7	**4.8**	**11.4**	**-1.1**	**-22.6**	**Abroad** [3]

(3) Includes Slovakia, Bulgaria, and Russia.
(5) For Russia, the annual values reproportioned for the 7 months of control were considered.
(6) The values do not include the EBO V1 nuclear plant (410 MW), which was carved out.

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Water required for industrial use	**(mil. m^3)**	913.2	-	-	-	-	**Endesa**
From waste water (used in plants)	(mil. m^3)	0.01	-	-	-	-	Endesa
% of water recycled and reused	**(%)**	0.001	-	-	-	-	**Endesa**

BIODIVERSITY

Projects for the conservation of biodiversity

It is thanks to biodiversity that nature is able to provide us with food, water, and resources for our daily life.
Aware of the risk that the constant loss of species entails for the conservation of natural processes, Enel considers biodiversity a universal heritage and the commitment to conserving it becomes a priority.
With the patronage of the Italian Ministry of the Environment's Department for the Protection of Nature, and in cooperation with the NGOs, local governments, and parks involved, Enel celebrates World Biodiversity Day by promoting projects in Italy and abroad. The objective is to make Enel's presence in local environments a way to support the in situ conservation of ecosystems and natural habitats.
This commitment is part of the actions undertaken for Countdown 2010, an initiative promoted by the World Conservation Union (WCU) to make politicians and the public more aware of the need to implement concrete measures to stop the loss of biodiversity by 2010.

Environmental watch

(The conservation of biodiversity in the Sila Grande Special Protection Area)

Italy is very rich in terms of biodiversity. In effect, its forested surface covers about 8,675,000 hectares. This precious wooded heritage is often threatened by many factors. Deterioration, pollution, illegal business activities, intensive exploitation of the environment, and the plague of forest fires destroy habitats and landscapes, increasing the risk of hydrogeological upheaval and endangering local economies that count on environmental tourism. Instituted in 2004, the Sila National Park is one of the most uncontaminated environments in southern Italy. Its forested surface is the most extensive in the South of Italy and hosts extremely valuable animal and plant species, many of which are protected by Italian and international law.

The project

With Enel's support, a three-month project was started up which is aimed at the conservation of the biodiversity of the Sila Grande Special Protection Area.
Actions will be carried out to make the local communities aware of the importance of conserving this particular habitat, of the dangers by which it is threatened, and of the more general issues of biodiversity conservation.
Specifically, the actions will be carried out by Legambiente volunteers in the Sila Grande Special Protection Area and will regard the following points:

> instruction and communication on the laws and regulations in force;
> cooperation with the park, local institutions, and the national Forest Corps;
> watchfulness and inspections in the vulnerable areas;
> census and monitoring of the environment;
> sighting and reporting forest fires;
> investigation of the extent to which the regulations in force are applied;
> reporting illegal activities to the competent authorities;
> information and awareness campaigns.

The Peregrine Hawk

(High Tatra Mountains National Park)

This species is very widespread in Spain (1,650 pairs) and numerous in Great Britain (1,280 pairs), where the greatest nest density (8.5 pairs/100 km^2) is found. There are about 6,000 pairs in Europe.

The essential characteristic of the peregrine hawk is its adaptability to natural circumstances and its great ability to change its habits. In effect, the peregrine hawk can either migrate or stay where it is, according to the atmospheric conditions and, especially, the availability of food.

It is the most dynamic bird of prey, carrying out impressively swift attacks that are characteristically vertical. In spite of this animal's dominant nature and the fact that since 1993 its number has increased, there are many, and partuclarly invasive, factors that threaten its existence.

The reduction of the biotype suitable for its nesting – caused by inappropriate forest works, as well as by sports, outdoor recreational activities, and an increase in the number of tourists in the places populated by this species – constitutes a great risk for these birds, which do not build nests, but depend on rocky areas with niches and cavities.

Other threats are constituted by high-voltage power lines, which can injure or kill peregrine hawks, and people who kill them or steal eggs from their nests.

The project

The Enel Group's Slovenské elektrárne has several hydro power plants in the vicinity of the High Tatra Mountains. In cooperation with the National Park there, it has initiated a series of actions aimed at protecting the species from the anthropic and natural factors that threaten it.

The following actions have been planned as part of the project:

> periodical and differentiated monitoring of the population;
> patroling, checking and repairing nests;
> securing unstable nests and creating new nesting opportunities in the areas concerned;
> analysis of the kind of food the peregrine hawk eats. Analysis of food remains can show the condition of the areas where it hunts and the food sources on which the presence of the species depends;
> monitoring the movements of the exemplars observed, using telemetrics;
> providing appropriate equipment in terms of materials and technical instruments for monitoring and carrying out actions;
> implementation of educational activities to provide information to different recipient groups (lectures, discussions, etc.).

Operation White Stork

(Project for restocking in the Parco Lombardo della Valle del Ticino in southwest Lombardia)

The white stork is doubtless one of the animal species that humans know best and have idealized the most. In effect, it is part of a long series of myths and legends associated with the subjects of birth, life, filial piety, and marital faithfulness.

It is now an endangered species throughout the world. In Italy, it became extinct in the sixteenth century, for reasons that are still not completely clear, but are probably connected with gradual environmental transformations and the fact that people constantly removed chicks from their nests in order to eat them.

In the second half of the twentieth century, the white stork began to return, slowly but constantly, especially in the western part of the Po Valley.

The project

The restocking in the Parco Lombardo della Valle del Ticino is one of the operative stages of the project to conserve the white stork in Lombardia, an important initiative conducted by Legambiente.
Located at the Centro Cascina Venara in Zerbolò, in Pavia province, the release site has been active since the spring of 2000 and has already involved more than 100 white storks, including several tens of young ones born of pairs settled in nature.
The result of cooperation between Enel and the Parco Lombardo della Valle del Ticino, the project applies the release method developed and successfully tested during previous experiments.
These techniques tie the birds to the release site and induce them not to migrate, thus limiting the dispersion of the freed animals, and consequently the high mortality rate found in nature. Furthermore, because the white stork is a gregarious species even during the period in which it reproduces, such circumstances raise the probabillty that some wild animals will stop to nest, thus increasing the local population.

Scientific research and protection of the environment

(Fortuna Forest Reserve Management)

The Fortuna Forest Reserve Management at the Enel Fortuna hydro power plant in Panama is an extraordinary example, and the only one of its kind, of a partnership for sustainability among a government, a community, and enterprises.
Covering 19,500 hectares, the Fortuna Forest Riserve includes primary and secondary forest, and is a virgin territory, with a high degree of biodiversity, in spite of its condition as an inhabited area.
Therefore, the area is considered one of the most important of the World Biosphere Reserve and part of the Mesoamerican Biological Corridor. In this context, Enel Fortuna works for the protection of the environment, the integrity of the reserve, and the promotion of sustainable development together with the communities in the vicinity, transforming the area into one of the most protected in the country.
For Enel Fortuna, scientific research has always had a key role in planning actions to protect the environment. In promoting and protecting water basins, Enel Fortuna cooperates with a number of non-governmental organizations and scientific research institutions (the Smithsonian Tropical Research Institute, the Panamanian Conservancy Association, the National Panama Audubon Society, the Universidad Tecnológica de Panamá, etc.). The company promotes research through the development of appropriate infrastructure and services. The researchers spend long periods of time at the installations, transforming the reserve into a "living laboratory", which hosts scientists and scholars from all over the world. In 2007, the Enel Fortuna Research Center hosted 241 scientists and university students from the area or from universities abroad (the University of Illinois, Göttingen University, and St. Edward's University, to mention a few).

The project

With the objective of protecting the environment, conserving the integrity of the Reserve, and promoting sustainable development, Enel Fortuna has developed an environmental management plan, which includes:

> the continuous monitoring of the water by the Enel Fortuna Water Laboratory;
> the measurement of the ecological flow and the monitoring of inflows, oils, and lubricants, as well as of the stability of slopes and the microclimate of forests;
> the Health&Prevention Program aimed at the examination and reduction of occupational risks, which creates safe conditions for the company's employees, customers, visitors, and the environment in general;
> a complete educational program for the community, with continual visits to the different villages;
> advisory programs for independent farmers and organized groups;
> annual drawing and wall painting competitions and monthly debates at the regional schools, as well as projects for the creation of school vegetable gardens.

Preservation of the deer

(Appennino Lucano Val d'Agri Lagonegrese National Park - Sasso di Castalda Deer Oasis Potenza)

The deer is a large ungulate that lives mainly in open wooded environments. In Italy, it is found especially in broad-leaved forests and mixed forests that alternate with clearings and pastures. In the winter, it also lives in coniferous forests and areas with evergreen vegetation.
It feeds on grass, leaves, sprouts, bark, beech-nuts, and cultivated products.
Until not many decades ago, it was present in the southern Apennines, but – because of incessant and indiscriminate hunting, as well as the continual erosion of its habitat by humans – it became completely extinct, with a consequent impact on the ecosystems where it formerly lived.
In addition to the direct benefits for biodiversity, its reintroduction could be extremely useful for the entire biological chain. In effect, these large herbivores are essential for the diet of wolves. Thus their spread could help those who farm and raise livestock on marginal and mountainous land, who see the attacks of wolves on their animals as one of the biggest issues between humans and wild fauna.

The project

In the southern Apennines, one of the places that has distinguished itself in reintroducing the deer, is the faunogeographical area for deers at Sasso di Castalda, in Potenza province, which hosts 8 of them, and is used for educational purposes by Legambiente's Environmental Education Center. This is the background of the cooperation between Enel and the Apennine National Park in Basilicata, which has led to an annual project with the following objectives:
> improve our knowledge of this species;
> carry out a study to assess the environmental suitability of the deer in the northern part of the Apennine National Park in Basilicata-Val d'Agri-Lagonegrese, aimed at examining the feasibility of a reintroduction project;
> carry out actions to make the local community more aware of the deer, promoting knowledge of what is being done to preserve the species, the threats to which it is exposed, and the more general issues of maintaining biodiversity.

The storks of Romania

(The Danube Delta)

Characterized by an extremely high level of biodiversity, the delta of the Danube has been made a Biosphere Reserve. This area is amazing because of the high density of rare species, several of which are by now completely absent in other areas of Europe.

Among the different species that live there, the white stork stands out. This is the only large bird that nests near inhabitated areas. Their number has seriously decreased in the last few years, and consequently many countries have adopted measures to prevent the complete extinction of the species.

Romania is one of the countries that are most involved in the protection of these birds. The storks that populate Romania live mainly in wetlands and along rivers. Currently, about 80-90% of the storks' nests are built on power poles, which constitute the greatest danger for the species. The most serious threat is electrocution. In effect, short circuits kill the birds and destroy their nests.

Located in southeast Romania, the operations of Enel Distributie Dobrogea concern an area that is very important from the environmental point of view. Since 2006, together with the Danube Delta Biosphere Association, the company has taken a series of measures to protect the Romanian part of the Danube delta.

The project

The company's efforts appear in large investments to equip overhead medium-voltage power lines with devices that protect the birds against electrocution. These measures consist in:

> putting up protective devices;
> putting up artificial nests;
> special insulation for cable;
> replacement of overhead cables with underground ones.

With this project, Enel Distributie Dobrogea makes a significant contribution to the protection of the area of the Danube's delta that is compatible with industrial development and the quality of its electricity service.

Butterfly sanctuary

(The island of Elba – National Park of the Tuscan Archipelago)

Even though they occupy a relatively modest portion of the world's surface, island areas contain an enormous fraction of global biodiversity. In effect, island populations can be so distinctive with respect to continental ones as to form new species that are found exclusively on one or more islands (endemisms).

Thanks to their great flying capability, which enables them to easily fly over long stretches of sea, butterflies are considered to be among the best of all creatures as colonizers of island environments.

In particular, as shown by recent studies, in terms of its number of endemisms and the wealth and rarity of the species present, the island of Elba must be considered the most important of Italy's smaller islands. Indeed, Elba possesses the highest percentage of endemic species, surpassing even the Canary Islands, Sardinia, Corsica, and all the Greek islands. The island's butterflies are especially worthy of interest and protection.

Most of the Tuscan archipelago is a national park, which ensures a good level of protection for the butterflies that live there. However, such a fauna deserves to be valued even more and protected in a specific way. Actions and spontaneous changes perceived as "improvements" do not always constitute advantages

for butterflies.
For example, the reforestation, natural or artificial, of open areas of secondary origin are viewed as positive, but often turn out to be devastating for the populations of butterflies, which generally need open and sunny spaces.

The project

A butterfly sanctuary dedicated expressly to their protection, their continual monitoring, and the dissemination of knowledge about this faunistic heritage is thus a unique and decisive opportunity to protect the butterflies of the Tuscan archipelago.
With Enel's support, this need has led to the birth of the "Butterfly Sanctuary of the Tuscan Archipelago" project.
The main activities of the project are divided into two stages:

> learn about in order to protect. A study will be carried out to assess the presence and size of the populations of the different species of butterflies with regard to their microenvironments. These data will provide the basis for understanding the frequency of each species of butterfly with regard to the different micro-habitats;
> inform to in order to protect. The second objective of the project is to enable tourists and local residents to recognize these animals and take an interest in their presence on the island. Posters placed along the trail inside the butterfly sanctuary will help visitors to recognize the different species. These posters will not only explain how to recognize the butterflies, but will also contain specific information on their biology and their value as part of the preservation of biodiversity.

The sanctuary will be named after Ornella Casnati, a recently deceased naturalist and photographer, who conceived the project.

Migratory routes

(Safe migration on the route of the central Mediterranean)

From time immemorial, birds have migrated between Africa and Eurasia. Known as the Palearctic-African migration system, this system is heavily conditioned by the Mediterranean Sea, the Black Sea, and the Caspian Sea, which constitute a real barrier for many species. The routes of the different migratory species are characterized by myriad migratory strategies, which have been influenced and finely calibrated by selective pressures. In the last few years, rapid environmental changes brought about, directly or indirectly, by humans have intensified.
Such changes have caused great damage to the natural habits of the migratory species, making it necessary for humans to take action to preserve them. However, the implementation of strategies to preserve migratory birds cannot be based on generalizations, and thus it is necessary to study the phenomenon in depth and in detail.

The project

This is the background of the cooperation between Enel and the Italian Association for the Protection of Birds (LIPU) on a project dedicated to studying, monitoring, and subsequently protecting these species through preservation activities.
The project is organized in successive stages:

> to improve our knowledge of the migration of the birds along the Italian peninsula and in the central Mediterranean. The main objective is to establish

the temporal and spatial migratory flow of the birds during the spring and fall in the key sites of the central Mediterranean;
> to describe for each species the salient features of its migratory strategy with regard to weather conditions, the cicadian cycle, and other significant environmental patterns;
> to mitigate poaching, one of the factors with the greatest impact;
> to keep a watch on the key sites for migration in order to prevent the migrants from being shot or captured. Such sites include the Strait of Messina, Panarea, Marettimo, and Pantelleria;
> to develop a system for monitoring the passage of flocks of birds in order to improve our ability to predict the migratory flows.

Our ability to foresee such flows and learn about the migratory habits of the protected species should enable us to organize more effective actions against poaching on the Strait of Messina, especially on the Calabrian side, which is still one of the areas of Italy most tormented by this phenomenon.

Marine biodiversity "illuminated"

(The mysterious world of the "living light bulbs")

In 1878 the light bulb was invented by Thomas Edison, and in 1800 Alessandro Volta developed the voltaic battery, the precursor of the electric battery. But are we sure that someone else didn't think of these things before they did? Millions and millions of years before these inventions of human ingenuity, nature supplied many creatures sources of light with batteries incorporated.
Bioluminescence, that is, the organic production of light, enables myriad marine organisms – from microscopic plancton to the monkfish, squid, and jellyfish – to generate light in order to lure or dazzle, hide or attract attention, eat or avoid being eaten, move around in the darkness of the depths, and even communicate.
Alongside this mysterious world of the "living light bulbs" there is also the one of animals that since time immemorial have been able to produce electricity: from the torpedo rays of the Mediterranean to the electric eels of the Red Sea and their sweet-water "cousins" in South America, which can emit 600-volt discharges.
It was precisely the cue provided by all these electricity-emitting marine organisms that led Marevivo to conceive "Marine biodiversity illuminated", a project carried out in cooperation with Enel to disseminate to the broadest possible public the significance of energy in nature, and in particular of the wealth of biodiversity that the sea contains and the importance of preserving it.

The project

Through the "Marine biodiversity illuminated" project, Marevivo takes on the issue of biodiversity with a new and original interpretation of energy in marine environments, taking as its starting point particular organisms such as the *Noctiluca scintillans* alga, which is responsible for the phenomenon known as the "sea in love", or the *Aequorea victoria* jellyfish, which produces a fluorescent light currently being studied in order to use it as an instrument for diagnosing tumors at an early stage.
The project provides for the undertaking of a series of initiatives of communication and information aimed at focusing attention on several organisms that may be small in size, but play an important role in the environment. Knowledge of them may lead to greater awareness of the necessity of protecting the sea and its resources.

The initiative will be launched with the publication of a pamphlet on the mysterious world of the marine organisms that emit light and generate electricity, explaining how their particular organs work, how such energy is produced, what its significance is in the different species, and what its potential use in medicine is.

EN11

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

The following tables show Enel's sites (wind and thermal) located in, adjacent to, or bordering on protected areas (national, regional, sites of EU importance, special protection areas, oases, etc.).
Detailed information has been collected in Enel SpA's environmental reporting database and will be published soon on the Company's website at http://www.enel.it/attivita/ambiente/.

EU13

The biodiversity of offset habitats compared to the biodiversity of the affected areas.

The actions provided for in the areas of Enel's power plants that are included in the Sites of National Interest established by specific decrees of the Italian Ministry of the Environment regard the characterization, securing, rehabilitation, and restoration of such areas.
All the projects currently in progress are still at the stage of characterization or planning.
Once the project has been completed, an assessment will be made of the biodiversity before and after the work.
The same considerations regard the area around the former lignite mine at Santa Barbara, in Arezzo province. So far, the project has received a positive Regional Environmental Impact Assessment.

EN12

Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.

Enel's current operations do not cause negative impacts on biodiversity in protected areas, as confirmed by terrestrial, fluvial, and marine bio-monitoring in a number of production sites. See also the comment on the EN13 indicator on page 113.
Throughout the Group, Enel is implementing environmental management systems that, among other important things, also consider effects on biodiversity. Furthermore, environmental impact studies provide for specific studies on the protection of the landscape, the natural environment, and biodiversity.
Enel's operations do not threaten the species at risk of extinction specified on the Red List of the International Union for Conservation of Nature and Natural Resources (IUCN).
Enel has undertaken important actions to conserve the biodiversity of wild birds. The creation of a network of wetlands, consisting of artificial reservoirs – part of which have already been concerned by protective actions – has been scientifically acknowledged as an essential link for the protection of migrating birds and the conservation of a number of species, some of which are of great value and at risk of extinction.
Another positive impact is produced by fish stocking. 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 page 116).

Conservation of biodiversity is a well-established practice at Endesa, too. The

Environmental Policy, which was approved and published in 2008, emphasizes the principle of "conserving the natural environment surrounding its installations by protecting the flora, the fauna, and the natural habitats." Programs and actions regarding this issue have been established and been integrated in the 2008-2012 Strategic Sustainability Plan. Furthermore, Endesa has been engaged at the international level in research regarding the *Dreissena polymorpha*, an invasive exotic species that is present in a number of Spanish waterways.

EN13

Habitats protected or restored.

The legislation in effect in the different places in which the Group operates regulates the procedures for studying the surface and underground earth to assess possible contamination of sites in areas declared to be of national interest, through chemical, physical, and historical research.

In the event a site owned by Enel proves to be contaminated, Italian law requires that a decontamination program be developed.

With regard to the actions in progress in the areas of Enel's power plants in Italy that are located in the Sites of National Interest established by specific decrees of the Ministry of the Environment, the Company is continuing the actions to characterize, secure, rehabilitate, and restore the environment of the areas.

Specifically, the actions in progress in Italy are:

> preparation of the plan for characterizing the Assemini (Cagliari province) and Giugliano (Naples province) power plants;
> completion of the characterization of the soil and aquifers for the Piombino (Livorno province), Maddaloni (Caserta provinces), and Brindisi Sud power stations;
> execution of work to secure the aquifer at the La Spezia, Fusina (Venice province), Porto Marghera (Venice province), Sulcis (Carbonia-Iglesias province), Livorno, and Porto Scuso (Carbonia-Iglesias province) power stations in consequence of the results of the characterization study;
> completion of the planning of the environmental rehabilitation and restoration work for the Fusina (Venice province), Porto Marghera, Sulcis, Livorno, and Porto Scuso power stations;
> environmental rehabilitation of the Priolo Gargallo (Siracusa province) and Augusta (Siracusa province) power stations.

In addition, Enel has received the favorable opinion of the regional government – which was sent to the ministry of the Environment – regarding the project for the environmental reclamation of the Santa Barbara mine in the municipalities of Cavriglia (Arezzo province) and Figline Valdarno (Florence province). The reclamation project provides for the repair of the catchment network, the creation of two lakes, reforestation, and the restoration of the main roads, as well as work to integrate the area with the existing landscape. Over the years, Enel has increasingly invested in this mining area to restore the environment through geo-morphological modeling and the reforestation of the areas with native arboreal species. By now, a large area has re-naturalized and re-colonized by animal species that are typical of Tuscan woods.

In Russia, too, Enel completed the restoration of a large area located near the Reftinskaya GRES plant in the Urals, which is now owned by OGK-5. The project was awarded a prize as "*Best Environmental Project of the Year*" established by the Ministry of Natural Resources and the Environment

of the Russian Federation to promote and reward the best scientific and industrial solutions in the field of safety and environmental impact reduction. The project consists in the reforestation of the area used to dump ashes, a total of 370 hectares which, beginning in 1997, have been gradually reforested.

EN14

Strategies, current actions, and future plans for managing impacts on biodiversity.

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

> In their assessment of the important aspects, the environmental management systems also consider effects on biodiversity. Most of Enel's production sites in Italy, Slovenské Elektrárne's generating plants, several plants of Enel Latin America, some of EUFER's plants, and the electricity network of the Infrastructure and Networks Division Italy, as well as the electricity network of two of the three Romanian distribution companies, are ISO 14001 certified, while some of the production plants in Italy are EMAS registered. The Group's environmental policy provides for a gradual extension of the environmental management systems to all of Enel's operations, in order to achieve the objective of 100% certification and the Group certificate through coordination and harmonization of the environmental management systems by the Parent Company's Regulation and Environment unit.

> Environmental Impact assessments on all sectors, as well as on biodiversity, are carried out whenever Enel plans to construct or substantially transform a generating plant or an electricity or gas transportation system. The Environmental Impact Assessment is extended to the entire connected infrastructure.

> As far as thermal generation is concerned, in land areas bordering on large plants within a radius of about 20 km, bio-monitoring is carried out through measurements made over time regarding the phyto-pathological condition of bio-indicator species (for example, tree or lichen species), 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.), the analysis of which over time allows the effects of the fallout of pollutants on the soil to be examined. Terrestrial bio-monitoring campaigns are currently in progress at the following thermal sites, where the plants are being transformed:
  - Torrevaldaliga Nord (Rome province);
  - Termini Imerese (Palermo province);
  - Santa Barbara (Arezzo province);
  - La Casella (Piacenza province).

> Bio-monitoring is also carried out in the bodies of water affected by thermal production 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 investigation 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 thermal plants.

> In 2008, there were thermal monitoring campaigns in all the power plants in Italy. Biological monitoring campaigns were also carried out in the following power plants:
  – Torrevaldaliga Nord (Civitavecchia);
  – Bastardo (Perugia);
  – Porto Corsini (Ravenna);
  – Montalto di Castro (Viterbo).

The bio-monitoring (terrestrial and marine) campaigns carried out so far show that operation of the plants essentially has no influence on biodiversity or on the land and water eco-systems.

> In the specific case of hydro production, Enel keeps an eye on the aquatic eco-systems, ensuring the presence of local species through periodic stocking campaigns. For further details, see also the comment on the EN15 indicator on page 116.

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Environmental certification							
ISO certified organizations	(no.)	30	30	28	-	-	Italy
EMAS registered organizations	(no.)	21	19	16	2	10.5	Italy
Degree of EMAS certification coverage (1)	(%)	52.4	51.4	48.5	1.0	1.9	Italy
Degree of ISO 14001 coverage (1)	(%)	89.6	88.6	83.8	1.0	1.1	Italy

(1) The values for 2007 and 2008 differ from those published in the 2007 Sustainability Report, because from this year the values regard net efficient power and not installed nominal power.

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Environmental certification							
Degree of ISO 14001 coverage (1)	(%)	60.4	68.5	64.5	-8.1	-11.8	Abroad

(1) In 2007, does not include Endesa and Russia.

EN15

Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.

The WWF's Red Book 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, the Company has recently focused its actions to increase fish species on stocking those that in specific areas are on the IUCN's Red List.
In particular, in northern Italy stocking is done with the marble trout, which is considered an endangered species, and the grayling, which is considered a vulnerable one.
Enel protects all the bird species that characterize wetlands by creating an extensive network of the latter. In Abruzzo, for example the dipper has started to nest again along the Sagittario River.
In Romania, Enel fosters 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.

EMISSIONS, EFFLUENTS, AND WASTE

The first plant in the world to run on hydrogen is in Italy. It will rise in the area of Enel's 'Andrea Palladio' power plant at Fusina, in Venice province. The hydrogen-fired, combined-cycle plant will have an installed capacity of 12 MW, plus 4 MW from the existing coal-fired plant's use of the hot gas produced by the hydrogen-fired turbine, with a total electricity yield of 43%.
The energy produced, amounting to about 60 million kilowatt-hours a year, will be enough to satisfy the requirements of 20,000 families, avoiding the emission of more than 17,000 tons of sulfur dioxide into the air.
The innovative Fusina power plant is one of the projects of Hydrogen Park, a consortium created in 2003 at the initiative of the Unione Industriali of Venice, with the support of the Veneto Region and the Ministry of the Environment, for the purpose of promoting the development and application of hydrogen technologies in the transportation and generation industries.
One of the strong points of the project is its integration with an industrial area and a power station that already exist. The industrial conglomeration and the commitment of the companies that belong to Hydrogen Park will create a real district endowed with the infrastructure and expertise indispensable for the development of a hydrogen-based system.
Integration with the Fusina thermal power station will also make it possible to reduce production costs, thanks to the exploitation of the infrastructure necessary for installing a plant for the production and use of hydrogen generated as a by-product of the operation of the adjacent petrochemical plant in Marghera.
From 2009, the hydrogen will be transferred to the new power plant via a pipeline 4 kilometers long. The hydrogen will burn, driving a turbine for the direct production of electricity, and the heat of the exhaust gas from the turbine will also be used to produce steam which, in turn, will turn another turbine at the nearby coal-fired power plant. The development of the future uses of the hydrogen produced by the gasification of coal will be completed with the process of carbon dioxide capture and sequestration.

EN16

Total direct and indirect greenhouse gas emissions by weight.

CO_2 is a typical product of combustion and, as such, it comes almost entirely from our thermal plants, constituting 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.

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 air 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 the difference between the weight of the SF_6 actually present at the beginning and the 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.

Like the aforesaid small quantity of CO_2, **CH_4** comes from the leakage of natural gas from the distribution network. Thus the quantity is calculated according to the leakage, taking into account the methane content of the natural gas and its density.

As far as "**minor**" **pollutants** (for example, metals) are concerned, Enel carried out extensive campaigns to measure their concentrations in the flue gas produced by its thermal plants – using different kinds of fuel and 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 has operations.

In accordance with the criteria established by the IPCC Guidelines, the CO_2 emissions connected with the portion of thermal production obtained with solid biomass and the biodegradable part 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 is, with an overall balance of zero.

On the other hand, CO_2 emissions from the combustion of the non-biodegradable portion of the aforesaid CDR (containing fossil carbon) are shown.

The emissions total does not include the indirect emissions caused by the consumption of energy (electricity, heat, and steam), because they are absolutely negligible within the total emissions produced by the Company's operations.

The emissions produced by the consumption of fuel for heating and transportation, amounting in 2008 to about 100,000 tons, must be added to these values.

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Greenhouse gas emissions							
Greenhouse gas specific emissions (9)	(g/kWh)	691	694	699	-4	-0.5	Italy
Emissions (11)	(mil. t)	44.4	46.8	51.6	-2.3	-5.0	Italy
Emissions avoided (12)	(mil. t)	18.4	14.9	16.6	3.4	23.0	Italy
Other greenhouse gas emissions (SF_6)	(,000 kg)	4.9	4.8	4.3	0.1	1.3	Italy
Other production cycles (CH_4)	(,000 t)	15.5	14.8	15.9	0.7	4.4	Italy
Other production cycles (CO_2) (13)	(,000 t)	10.5	10.6	11.0	-0.2	-1.6	Italy

(9) The productions used in calculating specific consumption differ slightly (0.335 TWh) from the figures shown above, because the meters that recorded the data were positioned differently. The figure from the meters at the terminals was used in the specifications, while the management point of view considers the value of the meters that measure the electricity sold.
(11) The figure also includes the emissions (amounting to 0.011 mil. t) of uncertified plants, or ones that are not subject to the Emission Trading Directive.
(12) Calculated considering managerial productions.
(13) CO_2 from other production cycles regarding only the gas network.

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Greenhouse gas emissions Slovakia							
Greenhouse gas specific emissions	(g/kWh)	1,338	1,314	-	24	1.8	Slovakia
Emissions	(mil. t)	4.1	4.1	-	-	-	Slovakia
Greenhouse gas emissions Bulgaria							
Greenhouse gas specific emissions	(g/kWh)	1,389	1,385	1,422	3.5	0.3	Bulgaria
Emissions	(mil. t)	5.2	4.8	4.4	0.4	7.5	Bulgaria
Greenhouse gas emissions Russia							
Greenhouse gas specific emissions	(g/kWh)	674	-	-	-	-	Russia
Emissions	(mil. t)	19.1	-	-	-	-	Russia

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Greenhouse gas emissions							
Greenhouse gas specific emissions	(g/kWh)	708	-	-	-	-	Endesa
Emissions	(mil. t)	36.5	-	-	-	-	Endesa

EN17

Other relevant indirect greenhouse gas emissions by weight.

Enel is focusing its attention on the assessment of emissions that occur upstream from the production process and stem from the supply of goods and services, with particular regard to the most important operations, such as the extraction and transportation of the fuels used, as well as the emissions connected with the production of several raw materials. In addition to following the IPCC and WRI guidelines, at the beginning of 2009 Enel joined the initiative of the Carbon Disclosure Project (CDP) to jointly assess the emissions of an increasingly large number of suppliers (up to a maximum of 500). The CDP is an independent, not-for-profit organization, which has one of the largest databases in the world regarding information on climate change. Enel has been providing data on greenhouse gases to the CDP for a number of years through its responses to an extremely technical and complex questionnaire.
This information is made available every year to investors, purchasing groups, governments, and international institutions that can benefit from disclosure of the data. Since its inception in 2000, the CDP has been the benchmark for methods of disseminating data regarding emissions of greenhouse gases and making information on climate change available to the global market.
Through its participation in this project – which in three years will involve a large number of suppliers – Enel intends to map the emissions of greenhouse gases by processes both upstream and downstream from its operations in order to compare

the data with the typical performance of each operation and consequently start a process of gradual reduction of such impacts.
This pioneering project involves a small number of the world's leading companies in all industries. For further information, consult the CDP website.

"The Carbon Disclosure Project (CDP) is delighted that Enel SpA has joined the Supply Chain Project and will be engaging with its key suppliers on their GHG emissions and carbon management strategies. The project will enable Enel S.p.A. to understand the level of carbon risk, impact, and influence in the supply chain.
CDP is delighted to expand the scope of the Supply Chain Project by welcoming the first Italian member company."

Paul Dickinson, *CEO, Carbon Disclosure Project*

EN18

Initiatives to reduce greenhouse gas emissions and reductions achieved.

In July 2000, Enel signed a voluntary agreement in Italy regarding the reduction of greenhouse gases with the Ministry of the Environment and the Ministry of Industry, Commerce, and Crafts. 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 2008 a result of 462 g/kWh produced by its Italian generating plants. In absolute terms, supposing that Enel were to produce the same quantity of electricity as in 2008 with the specific emission of 1990, it can be seen that the emissions avoided [(1)] amounted to 10 million tons. The specific emissions of the entire Group amounted to 432 g/kWh, demonstrating that Enel's commitment on this front has gone beyond Italy's borders with regard to the agreement in 2000 mentioned above.
Furthermore, in 2008 Enel achieved reductions of CO_2 through actions aimed at decreasing its consumption in end uses of energy, as reported in the EN5 indicator on page 88. The Mtoe saved and thus the emissions avoided will be available on the deadline day for delivering the efficiency certificates to the Electricity and Gas Authority: May 31, 2009.
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 comment on the EC2 indicator on page 63. With regard to the project portfolio constructed so far by Enel, the reduction of emissions expected amounts to 120 million tons 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 provided for 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 calculated in the assessment of the specific emission of the whole 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

(1) The quantity of CO_2 emitted was determined using the difference between the emissions calculated using specific emissions of 618g/kWh and 462g/kWh, respectively, with respect to the 64,163 million kWh of thermal electricity produced in Italy in 2008.

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, in 2008, 90 million tons of CO_2 emissions were avoided.

EN19

Emissions of ozone-depleting substances by weight.

Enel does not use ozone-depleting substances in its industrial operations.

Thanks to the extension of its environmental management systems to the Group's buildings, Enel initiated a plan for replacing Freon R22 in all its air-conditioning systems, because the substance is considered ozone-depleting. EC regulation 2037/200 on the use of hydrofluorocarbons allows this substance to be used until 2010. However, Enel intends to replace Freon R22 before the deadline established by the law.

EN20

NO_x, SO_2 and other significant air emissions by type and weight.

The significant atmospheric pollutants emitted by Enel's activities, and in particular by the thermal production of electricity, are sulfur oxides, 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 periodic campaigns to measure their concentration in the flue gas produced by its thermal plants – 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 laws in force. Moreover, there is a reference book containing statistics regarding about 8 years of the emissions data recorded at 40 thermal power plants.

Separate considerations must be made with regard to the gases present in geothermal steam, which are not condensable and therefore escape into the air 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, the emissions of this gas wind up being lower than the natural ones that would have been present in any case in the environment in the absence of the geothermal plants.

In any case, the specific emissions measured in the different locales 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 its companies in those countries.

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Polluting emissions [9]							
Net specific emissions of SO_2	(g/kWh)	0.54	0.67	0.93	-0.13	-20.1	Italy
Net specific emissions of NO_X	(g/kWh)	0.49	0.52	0.58	-0.03	-5.6	Italy
Net specific emissions of H_2S	(g/kWh)	2.53	3.09	4.00	-0.57	-18.3	Italy
Specific emissions of particulate	(g/kWh)	0.024	0.024	0.029	-0.001	-3.1	Italy

(9) The productions used in calculating specific consumption differ slightly (0.335 TWh) from the figures shown above, because the meters that recorded the data were positioned differently. The figure from the meters at the terminals was used in the specifications, while the management point of view considers the value of the meters that measure the electricity sold.

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Polluting emissions Slovakia							
Net specific emissions of SO_2	(g/kWh)	11.8	10.6	-	1.2	10.9	Slovakia
Net specific emissions of NO_X	(g/kWh)	0.3	2.1	-	-0.2	-10.6	Slovakia
Net specific emissions of particulate	(g/kWh)	0.2	0.2	-	-0.03	-14.3	Slovakia
Polluting emissions Bulgaria							
Net specific emissions of SO_2	(g/kWh)	7.7	28.8	62.5	-21.1	-73.4	Bulgaria
Net specific emissions of NO_X	(g/kWh)	1.3	1.6	2.3	-0.3	-18.1	Bulgaria
Net specific emissions of particulate	(g/kWh)	0.22	0.45	1.08	-0.23	-50.9	Bulgaria
Polluting emissions Russia (5)							
Net specific emissions of SO_2	(g/kWh)	2.8	-	-	-	-	Russia
Net specific emissions of NO_X	(g/kWh)	1.7	-	-	-	-	Russia
Net specific emissions of particulate	(g/kWh)	3.3	-	-	-	-	Russia

(5)) For Russia, the annual values reproportioned for the 7 months of control were considered.

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Polluting emissions							
Net specific emissions of SO_2	(g/kWh)	1.7	-	-	-	-	Endesa
Net specific emissions of NO_X	(g/kWh)	2.2	-	-	-	-	Endesa
Net specific emissions of particulate	(g/kWh)	0.09	-	-	-	-	Endesa

EN21

Total water discharged, by quality and destination.

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 the 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 sludge, which is then managed as waste.

Several thermal power plants, which use large quantities of ammonia to treat flue gas in their denox systems, may be equipped with towers that strip the ammonia from the water.

In assessing 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). The quantities discharged are thus proportionately higher than in equivalent plants not equipped with abatement systems.

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Emissions into water							
COD (Chemical Oxygen Demand)	(t)	260.0	352.0	381.0	-92.0	-26.1	Italy
BOD (Biochemical Oxygen Demand)	(t)	67.0	81.6	83.5	-14.6	-17.9	Italy
Nitrogen	(t)	60.5	118.2	86.9	-57.7	-48.8	Italy
Heavy metals	(t)	2.3	4.2	2.7	-1.9	-44.7	Italy
Phosphorus	(t)	7.3	8.3	9.3	-1.0	-12.5	Italy
Waste water (quantity discharged)	**(mil. m^3)**	**10.2**	**13.7**	**13.3**	**-3.5**	**-25.4**	**Italy**
from thermal production	(mil. m^3)	10.2	13.7	13.2	-3.5	-25.4	Italy
from storing and moving fuel oil	(mil. m^3)	0.03	0.03	0.07	-	3.3	Italy

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Emissions into water							
Waste water (quantity discharged) [4]	**(mil. m^3)**	**43.0**	**27.4**	**7.0**	**15.6**	**56.7**	**Abroad** [3]
from thermal production	(mil. m^3)	34.8	20.1	7.0	14.7	73.1	Abroad [3]
from nuclear production	(mil. m^3)	8.1	7.3	-	0.8	11.6	Abroad [3]

(3) Includes Slovakia, Bulgaria, and Russia.
(4) 2006 does not include Slovenské electrárne.

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Emissions into water							
Waste water (quantity discharged)	**(mil. m^3)**	**472.1**	-	-	-	-	**Endesa**
from thermal production	(mil. m^3)	249.0	-	-	-	-	Endesa
from nuclear production	(mil. m^3)	223.0	-	-	-	-	Endesa

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. In assessing the quantities, it must be kept in mind, however, that the more efficient the systems for treating gaseous and liquid waste are, the more waste is produced. Specifically, the quantity of ashes and gypsum (used in treating gaseous waste) and sludge (used in the treatment of liquid waste) should be considered an indicator of the effectiveness of the Company's environmental management.

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Waste management							
Waste produced	(,000 t)	1,966	1,801	1.580	165	9.2	Italy
Hazardous special waste produced	(,000 t)	34.1	38.4	37.5	-4.4	-11.4	Italy
Waste recycled	(%)	86.1	83.7	88.0	2.3	2.8	Italy
Disposals of asbestos	(t)	3,688.8	4,737.4	2,077.4	-1,048.6	-22.1	Italy

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Waste management							
Waste produced	(,000 t)	5,727	3,399	3,062	2,328	68.5	Abroad (3)
Hazardous special waste produced (7)	(,000 t)	4.2	14.2	8.5	-10.0	-70.2	Abroad (3)
Waste recycled	(%)	6.5	26.4	24.4	-19.9	-75.6	Abroad (3)
Low-/medium-activity liquid radioactive waste	(,000 m^3)	0.12	0.12	0.16	-	-2.9	Abroad (3)
Low-/medium-activity solid radioactive waste	(t)	39.4	37.9	44.6	1.5	4.0	Abroad (3)
High-activity solid radioactive waste	(t)	0.04	0.11	0.90	-0.1	-65.3	Abroad (3)

(3) Includes Slovakia, Bulgaria, and Russia.
(7) The changes from year to year in this kind of waste is not connected with the quantity of electricity produced.

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Waste management							
Waste produced	(,000 t)	3,291	-	-	-	-	Endesa
Hazardous special waste produced	(,000 t)	35.1	-	-	-	-	Endesa
Waste recycled	(%)	33.8	-	-	-	-	Endesa
Low-/medium-activity liquid radioactive waste	(,000 m^3)	1.25	-	-	-	-	Endesa
Low-/medium-activity solid radioactive waste	(ton)	97.2	-	-	-	-	Endesa

EN23

Total number and volume of significant spills.

In all the countries where it has operations, 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 and underground water, and surface water. The last one, in particular, is used in monitoring this kind of aspect of the GRI.
In 2008, a total of 20 critical situations occurred, regarding exclusively the area of soil and underground water, and therefore spills. It is important to note that these critical situations, emphasized by public and private initiatives, do not always turn out to actually be critical environmental situations once they have been duly investigated and monitored.

In 2008, Enel introduced a systematic method for monitoring spills of hazardous substances in water, the soil, subsoil, and the underground. The results have been extremely positive. The environmental management systems also provide for simulations of events of this kind, enabling the Company to train the personnel involved, which is thus able to respond promptly to the environmental emergency.

EN24

Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VII, and percentage of transported waste shipped internationally.

The total weight of the hazardous waste transported by Enel to be recycled or disposed of amounted to the quantity of the single kinds produced during the year, except for the quantities that remained temporarily in authorized storage facilities located at the sites where the waste was produced. The entire quantity was treated by companies specialized in the field of waste.
For further details, see the comment on the EN22 indicator on page 122.

EN25

Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organization's discharges of water and runoff.

In its constant monitoring of the impacts caused in the areas affected by its operations, Enel pays considerable attention to the quality and quantity of the discharges of water. In response to the requirements of the GRI regarding this aspect, the Company identified all the bodies of water affected by the Group's hydro operations, in Italy and abroad. Enel's hydro operations concern hundreds of waterways. In Italy alone there are about 540 hydro plants on 73 rivers.
With the discharge of cooling water, thermal and nuclear plants can affect the body of water from which such water is withdrawn and to which it is returned at a slightly higher temperature.
Detailed information is collected in the database of Enel SpA's Environmental Reporting unit. Specifically, information is collected on all the waterways from which water is withdrawn for cooling and/or to which such water is returned if the percentage is more than 5% of the annual flow rate. This information will soon be available online at http://www.enel.it/attivita/ambiente/, the section of Enel's website dedicated to the environment.
For further details, see also the comments on the EN 9, EN11 and EN12 indicators.

PRODUCTS AND SERVICES

EN26

Initiatives to mitigate the environmental impacts of products and services and degree of impact mitigation.

Enel continues to strengthen its commitment to the development of renewable energy sources, research, and technological innovation through the establishment of divisions specialized in such fields. In effect, renewable sources, research, and innovation are considered strategic objectives for achieving leadership in the global energy market. In 2007, the Engineering and Innovation Division was set up to focus on research, innovation, and the design and construction of plants. The new Division dedicated to renewable energy and the parent company of this business area (Enel Green Power) were set up in December 2008.
(For further details, see the Focus on Renewable Energy on page 77).
Through the adoption of environmental management systems (ISO 14001 certified and EMAS registered), applied to the industrial operations of the production process (production and distribution of electricity and gas distribution), as well as to the activities carried out in buildings (real estate management and office work), Enel undertakes all possible initiatives to mitigate environmental impacts. Most of Enel's production sites in Italy, Slovenské elektrárne's plants, several of Enel Latin America's plants, many of EUFER's plants, many of Endesa's operations, and the electricity network of the Infrastructure and Networks Division Italy, as

well as the electricity network of two of the three Romanian distribution companies are ISO 14001 certified, while some of the Italian production plants are EMAS registered. Enel is gradually extending ISO 14001 certification to all the Group's operations, in line with the Group's environmental policy and the coordination of the environmental management systems carried out by the Parent Company's Regulation and Environment unit.

As part of the project, Enel has adopted systematic "Green Procurement" procedures, in order to identify categories of goods and services classifiable as eco-compatible. Suppliers are qualified by means of an environmental questionnaire that enables Enel to understand the extent of their quality, occupational safety, and environmental management systems, as well as if they possess certifications regarding both their products and their operations (ISO 14001, EMAS, Ecolabel, uncertified voluntary systems, verifiable internal procedures, etc.)

EN27

Percentage of products sold and their packaging materials that are reclaimed by category.

Given the nature of the services supplied by Enel (electricity and gas), the subject of this indicator regards exclusively the production, reclamation, reuse, and recycling of the materials used during the entire production process.
Enel has introduced the possibility for its customers to receive an electronic bill instead of a paper one, thus reducing the use of paper and the consequent production of waste.
Thanks to its certified environmental management, the Company pays special attention to the management of packaging (paper, glass, plastic, wood, metals, etc.) and the consumables used in all the Group's operations.

COMPLIANCE

EN28

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

As of December 31, 2008, Enel was involved in 327 legal proceedings, most of which (about 80%) regarded electricity distribution. In its distribution business in Italy, Enel Distribuzione is summoned to various civil and administrative proceedings in which – often with urgent procedures, as precautionary measures – people who live near the power grid request that parts of the same be moved or operated in a different way, on the basis of the alleged harmfulness of the lines, even though the latter were installed in compliance with the relevant regulations in force. In several cases, compensation has been requested for harm to health supposedly caused by exposure to electromagnetic fields. The outcome of such proceedings is usually favorable to the Company. (See also the comment in the "Litigation" section on page 20 of this Report).

We also report litigation concerning the electromagnetic fields of the medium- and low-voltage substations placed inside buildings, which, however, always observe the limits provided for by Italian law. In this regard, two recent decisions confirmed that observance of the specific regulations in force ensures the protection of health.

There are three legal proceedings in progress against Endesa Distribución Eléctrica which could entail liability for damages stemming from forest fires in Catalonia.

As far as generating operations in Italy are concerned, the most important litigation in progress regards environmental issues in a broad sense, but in any case connected with the construction, conversion, or operation of plants. The proceedings in progress could generate negative effects that at present cannot be foreseen and thus were not included in determining the "Provision for litigation and other risks".

An examination of most of the proceedings connected with the construction and operation of several production plants and distribution lines leads to the conclusion that, in general, negative outcomes are remote. However, for a limited number of proceedings unfavorable outcomes cannot be excluded, with the consequences consisting not only in the possible payment of damages, but also in expenses incurred in connection with changes in plants and the temporary unavailability of the latter. In any case, such unfavorable outcomes would not compromise the operation of the aforesaid plants.

The most important proceedings that were pending as of December 31, 2008, are:

> Porto Tolle power plant in Rovigo province. With its decision of March 31, 2006, the Court of Adria pronounced employees and former directors of Enel Produzione SpA guilty of several incidents of air pollution. About 2.5 milllion euro have already been paid as interim compensation, and the decision has been appealed.

> Hydro power plants in the Piave River basin. Several employees of Enel Produzione SpA who had already been charged with environmental damage were sentenced by the Court of Belluno to a year of imprisonment – with conditional suspension of the punishment, and debarment from public offices for one year – for having failed, totally or partially, to release enough water to ensure the minimum outflow required by law. The decision also included the payment of interim coimpensation amounting to one million euro to the Ministry of the Environment, with the definitive compensation to be settled after a separate proceeding. On June 26, 2008, an appeal against the decision was filed with the Court of Appeal of Venice.

> Decontamination of the site of the Augusta power plant in Siracusa province. In 2006 and at the beginning of 2007, Enel Produzione SpA petitioned the Regional Administrative Court of Sicily (TAR) several times to annul the decisions of a number of service conferences and the Ministry of the Environment ordering the company to clean up sea sediment in the roads of Augusta. Enel Produzione SpA believes that it has no responsibility, and that none has ever been proven, in the environmental pollution observed, and that there is no causal connection between its operations at the Augusta thermal power plant and the polluting agents present in the marine sediment. With its first-degree decision, issued on January 24, 2008, the TAR of Catania upheld Enel Produzione SpA's claim and annulled the contested orders. The municipalities of Augusta and Melilli have appealed this decision, but have not requested that the decision be suspended.

> In Spain, in 2008 Endesa was involved in a proceeding because of alleged infractions regarding the release of radioactive particles by its Ascó I power

plant. The proceeding is still in progress and therefore no penalty has yet been imposed.

> In Russia, OGK 5 has a proceeding in progress as a result of inspections carried out at the KGRES, NGRES, and SGRES plants regarding the protection of water and biological resources. Orders have been issued for all three plants, and KGRES has been fined for insufficient protection of fish.

During 2008, Enel was fined a total of 71,000 euro:

> 5,000 euro in Russia, for failure to install devices to protect fish at the water intakes of the cooling circuits in thermal power plants.

> 66,000 euro in Bulgaria, including 15,000 euro for failure to observe the limits regarding the discharge of waste water and for water leakage from the ash transportation system and 51,000 euro for failure to observe operations regulations.

See also the comment in the "Litigation" section, beginning from page 20 of this Report.

TRANSPORTATION

It is called e-mobility Italy, and it is the largest joint experiment in the world regarding electric transportation. The project is being carried out by Enel and Smart, the youngest and most innovative brand of the Daimler-Mercedes automobile group. The pilot project wll take place in Rome, Milan, and Pisa, with Daimler providing 100 Smarts that run exclusively on electric current, and Enel developing and building the infrastructure necessary to serve 400 "smart" recharge stations designed according to customers' needs in order to make the service easy to use, safe, efficient, and advantageous.

This is a great opportunity for Enel. On the one hand, it allows the Company to test an innovative technology, and on the other to verify new market possibilities. Above all, the e-mobility Italy project will allow the Company to understand the everyday practical questions involved, such as recharging in a real urban situation. There will be an assessment of the different needs of customers in public places, at home, and at work, as well as of the two ways of recharging: the quick way (four hours) and the complete one (eight hours).

The batteries will be latest-generation lithium ion ones, which ensure excellent performance. The electric power provided by Enel for recharging the cars will be certified by the RECS (Renewable Energy Certificate System).

The recharge stations are called "smart" because they have to be able to communicate with the cars, recognizing the customer, understanding how much power should be supplied, and – thanks to a connection via the Internet – telling cars where the nearest recharge station is located.

The most important environmental advantage of e-mobility at both the local and the system-Italy levels is that in the cities and other places where these cars are used, all emissions – carbon dioxide, benzene, sulfur dioxide, and particulate – will be reduced to zero.

EN29

Significant environmental impacts of transporting products and other goods and materials used for the organization's operations, and transporting members of the workforce.

The impacts caused by the transportation of products and other goods can be broken down as follows:

> the impact produced by the transportation of electricity (power lines);
> the impact produced by the transportation of gas (pipelines) and other fuels (pipelines and the transportation of coal by sea);
> 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 three main kinds (excluding specific cases, such as, for example, crossing waterways):

1. 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, both because this cable is less visible than are three separate ones and because it can be used to cross 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 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 power lines. The cable index of power lines is one of the indicators of the impact of the transportation of electricity.
2. 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 and oil pipelines can be broken down into two main kinds (excluding specific cases, such as, for example, crossing waterways):

1. Impact on eco-systems.
   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.
2. Efficiency of the network in transportation.
   Leaks of gas during the transportation of the same in the pipeline networks are determined according to 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 closed 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. As far as its vehicle fleet is concerned, the impact generated regards polluting air emissions. With regard to the CO_2 produced by Enel's Italian fleet in 2008, see the comment on the EN16 indicator on page 117.
As far as other pollutants are concerned, Enel has tried to attenuate the impact produced by converting its entire automobile fleet to Euro-4 certified vehicles.

KPI	UM					%	Companies concerned
		2008	2007	2006	2008-2007	2008-2007	
Impact on landscape/environment							
Length of power lines	**(km)**	**1,112,155**	**1,104,980**	**1,096,300**	**7,175**	**0.6**	**Italy**
Total LV lines	(km)	752,789	747,406	740,979	5,383	0.7	Italy
Total MV lines	(km)	340,427	338,644	336,517	1,783	0.5	Italy
Total HV lines	(km)	18,939	18,930	18,804	9	-	Italy
LV/MV cable index	**(%)**	**71.3**	**70.6**	**70.2**	**0.7**	**1.0**	**Italy**
LV cable index	**(%)**	**84.8**	**84.1**	**83.7**	**0.8**	**0.9**	**Italy**
MV cable index	**(%)**	**41.4**	**40.9**	**40.4**	**0.5**	**1.2**	**Italy**

KPI	UM					%	Companies concerned
		2008	2007	2006	2008-2007	2008-2007	
Impact on landscape/environment							
Length of power lines	**(km)**	**90,240**	**53,228**	**52,972**	**37,012**	**69.5**	**Romania**
Total LV lines	(km)	47,559	25,591	25,513	21,969	85.8	Romania
Total MV lines	(km)	37,591	23,523	23,347	14,068	59.8	Romania
Total HV lines	(km)	5.090	4.114	4.112	976	23.7	Romania
LV/MV cable index	**(%)**	**45.8**	**29.1**	**28.0**	**16.8**	**57.7**	**Romania**
LV cable index	**(%)**	**53.3**	**40.2**	**38.4**	**13.0**	**32.4**	**Romania**
MV cable index	**(%)**	**36.4**	**16.9**	**16.6**	**19.5**	**115.4**	**Romania**

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Impact on landscape/environment							
Length of power lines	**(km)**	**383,541**	-	-	-	-	**Endesa**
Total LV lines	(km)	196,503	-	-	-	-	Endesa
Total MV lines	(km)	165,119	-	-	-	-	Endesa
Totale HV lines	(km)	21,919	-	-	-	-	Endesa
LV/MV cable index	**(%)**	**39.3**	-	-	-	-	**Endesa**
LV cable index	**(%)**	**56.0**	-	-	-	-	**Endesa**
MV cable index	**(%)**	**19.4**	-	-	-	-	**Endesa**

Safety, an essential culture in the nuclear industry

On September 24, 2008, a seminar on Nuclear Safety Culture was held at the office of the World Association of Nuclear Operators (WANO) in Paris. The occasion was organized for the personnel of the Nuclear Technical Area of the Engineering and Innovation Division who are currently seconded to EdF for engineering tasks connected with the construction of Flamanville 3 (1,600 MWe), in which Enel is the partner of the French energy giant.
Organized in cooperation with the WANO Paris Center, the meeting on September 24 followed the one held on September 10 of the same year at Mochovce for the ATN personnel seconded at Slovenské elektrárne and engaged in the project for completing units 3 and 4 (440 MWe each) of the Slovak power plant.
Both occasions were part of Enel's membership in the WANO, as well as of a larger corporate program aimed at promoting and developing the safety culture at all stages of nuclear production. In effect, the concept of Nuclear Safety Culture is usually associated with the operation of nuclear plants, a field in which, for the time being, Enel is involved only indirectly, through Slovenské elektrárne and Endesa. This culture actually constitutes a prerequisite for all the operating stages of the nuclear process: from the design, construction, commissioning, operation, and maintenance of plants all the way to their dismantlement and the management of radioactive waste.
The Nuclear Technical Area already participates, with different degrees of responsibility, in actual operating activities in different European nuclear organizations (SE, EdF, WANO, IAEA, etc.), and it is therefore essential to immediately and continually consolidate and improve the Nuclear Safety Culture. Without the latter, even if it fully complies with and applies the strictest international regulations, no company can carry out any nuclear operation completely successfully.
Therefore, study meetings such as those in Paris and Mochovce constitute concrete occasions for examining the criteria of the Nuclear Safety Culture, with regard to both International Guidelines (e.g., WANO, IAEA, etc.) and case studies concerning the stages of designing, building, and operating nuclear plants.
Initiatives such as these demonstrate how determined Enel is to become a benchmark in the field of nuclear safety right from the initial stages of its return to the industry. As evidence of how deeply this commitment is felt and how it is put into practice, all sessions of the project are introduced personally by the Head of the Engineering and Innovation Division, Livio Vido. The third session is scheduled to take place in Rome at the end of October and will be dedicated to the remaining personnel of the home office of the Nuclear Technical Area and the ones who are seconded at EdF for Operation & Maintenance.

Enel in the WANO

In 2006, Enel rejoined the World Association of Nuclear Operators (WANO). This was a return, because the Company had already been one of the founding members of the Association (1989) and remained in it until 1999, when the management of Italy's nuclear power plants was taken over by Sogin, the public agency entrusted with managing the decommissioning of the plants.

All the operators of nuclear plants in the world are members of the WANO, and are grouped in four centers: Atlanta (for the United States, Canada, and Romania), Paris (for Western Europe, Brazil, China, and Argentina), Moscow (for Russia and Eastern Europe), and Tokyo (for Asia). The activities of the individual regional centers are supervised at the world level by a single coordination center located in London.

Through the WANO, nuclear operators can learn from and cooperate with each other in order to lift the performance of each operator to the level of the best. The pursuit of excellence in the operation of nuclear assets is completely in step with Enel's policy and was the inspiring principle of its request to join the WANO. Furthermore, the participation of our Company reflects the recognition of the positive contribution that it can bring to this prestigious association.

In particular, the WANO allows Enel to have access to the experience and knowledge of all the members, and to use a vast range of services:

> analysis of the management systems and the organizational, technical, and operating aspects of nuclear generating plants with regard to their safety and reliability;
> access to guidelines and suggestions for the continual improvement of plant safety standards;
> the possibility of having technical assistance for any plant problems;
> access to a complete training program for management and personnel.

The Bohunice and Mochovce nuclear power plants

The total installed capacity of the nuclear plants in Slovakia is 1,820 MW. The nuclear fluid is uranium dioxide (UO_2 enriched in the U-235 isotope) up to a percentage of 3.82%.

Bohunice V2	
Installed capacity	880 (2x440) MW
Number of units	2
Fuel	enriched uranium
Reactor type	WWER 440 / V213
In commercial operation since	1984, 1985

Mochovce	
Installed capacity	940 (2x470) MW
Number of units	2
Fuel	enriched uranium
Reactor type	WWER 440 / V213
Year commissioned	1998, 2000

The V2 nuclear plant is part of the Bohunice nuclear complex in the Malé Karpaty and Povazskì Inovec mountains, in the northern part of the Podunajskà Valley, between the cities of Trnava and Piestany. Power is generated here by two 440MW units, which have been producing commercially since 1984 and 1985. The reactors are second-generation WWER 440-213 pressurized-water ones.
The power plant can supply district heating for the city of Trnava.

One WWER 440 unit with an annual production of about 3,000 GWh of electricity produces approximately 50 tons of nuclear waste with low and medium radioactivity (RaO) and 10 tons of spent fuel. The RaO are conditioned to reduce their volume, treated with a process of cementation and bituminization, and stored in the Mochovce storage site for waste with low and medium radioactivity. The spent fuel is stored for a period of about 50 years in the fuel "swimming pool" at Bohunice. Unlike plants that run on fossil fuels, the nuclear plant does not emit any gas that could cause the greenhouse effect.

CO_2 emissions: 0 grams

The Mochovce nuclear power plant is located between the cities of Nitra and Levice in southern Slovakia. It comprises 4 units, with WWER 440/V213 pressurized-water reactors producing about 440 MWe each. Unit 1 has been supplying electricity to the grid since the summer of 1998 and unit 2 since the end of 1999. Each unit generates about 3,200 MWh of electricity a year, which covers about 10% of Slovakia's electricity demand.

With regard to operating safety, the Mochovce NPP power plant is one of the best in the world according to the WANO performance indicators.

The technology used at Mochovce 1 and 2 is based on a few basic points: a solid structure, low power per unit, and a large volume of water in the cooling circuits, which ensure a large operating flow for the power plant, with an ample margin for adjustments by the personnel.
All of this is behind the plant's excellent performance in preventing accidents, and consequently its high level of safety.

Mochovce 3 – 4

In November 2008, Slovenske elektrárne officially started working again on the construction of the third and fourth units of the Mochovce nuclear power plant.

The structure of Mochovce 3-4 is based on a tried-and-true technology, PWR - Pressurized Water Reactor, and incorporates the most recent updates and the progress that has been made regarding safety.

The renovated structure of the plant adopts or even exceeds the strictest and most up-to-date international safety standards, and is comparable to the most recent generation of nuclear reactors currently sold in Europe.

An independent safety board consisting of six recognized international safety experts reviewed the structure, ensuring the application of the international standards and best practices. The plant earned the board's approval, in addition to that of the National Nuclear Regulatory Authority.

In July 2008, the European Commission issued a positive opinion on the completion of Mochovce 3-4, recommending that the structure of the plant include the necessary additions to make it resistant to a small-scale airplane crash.

The Slovak Regulatory Authority included the European Commission's recommendation as an additional requirement for the construction of the two units. Slovenské elektrárne is currently implementing the required changes in the structure in order to comply with the new obligations.

Emissions of CO_2= 0 grams

Key numbers of the Mochovce project

> The Mochovce unit 3 will go into commercial operation in 2012, and unit 4 in 2013.
> Each unit will produce 440 MWe.
> About 3,500 people will work at the site during the peak of construction work.
> 230-250 other people will operate the plant.

GENERAL

EN30

Total environmental protection expenditures and investments by type.

As far as Enel's operations in Italy are concerned, in 2006 environmental expenses were recorded according to a new classification system based on the Eurostat/Istat criteria, which is explained in detail in the 2005 Environmental Report. In 2007, Enel started to extend the system gradually to the Enel companies abroad, and in 2008 it was put into operation at Endesa, Muntenia Sud, and OGK-5.
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 reason that determines them (provisions of the law, an agreement with local authorities, a corporate decision, etc.). These criteria exclude expenses incurred to limit the use of natural resources, as well as those for activities that, even though they have a favorable impact on the environment, are made to pursue other, more important aims, such as workplace hygiene and safety. The term "expense" is always understood in an algebraic sense, and thus might also be revenue, as in some cases of the delivery of waste to be reclaimed.
The Generation and Energy Management Division (GEM) Italy has established a procedure for recording environmental costs. This is a structured method that links environmental magnitudes to economic ones, while taking into account the inability of general and industrial accounting to respond precisely to the new criteria. It became necessary to define and standardize the single environmental costs and single environmental revenues, and to adjust several mechanisms of the Industrial Accounting System in order to classify such economic magnitudes in the recording structures of industrial accounting.
The gradual introduction of Green Procurement was started up with the intention of:

> identifying additional categories of expense;
> codifying such categories in the computerized accounting systems;
> adopting standard procedures for recording environmental costs in all the Group companies, as has already been done for GEM.

For years, the Iberia and Latin America Division, which was set up with the assets of Endesa, has used a procedure for classifying and recording environmental expense which is homogenous with the one used by Enel, even though it does not completely follow the Eurostat criteria.

KPI	UM				%		Companies concerned
		2008	2007	2006	2008-2007	2008-2007	
Environmental expenditure	**(mil. euro)**	**376**	**432**	**679**	**-56**	**-12.9**	**Italy**
Total current expenditure [3]	(mil. euro)	259	279	560	-20	-7.1	Italy
Total environmental investment [4]	(mil. euro)	117	153	119	-36	-23.6	Italy

(3) In 2006, because of the gas emergency, more fuel oil (low-sulfur) was used, with a consequent increase in the related expense.
(4) Since 2007 also includes the investment in research and development for environmental protection.

-33.5%

accident frequency index in 2008

40,327

employees in Italy

35,654

employees abroad

LA - Labor Practices and Decent Work Performance Indicators

GRI-G3: Disclosure on Management Approach

As part of the consolidation of Enel's international operations, 2008 saw the conclusion of the talks for the constitution of a European Corporate Committee coordinated by the two federations of European unions, the European Federation of Public Service Unions and the European Mine, Chemical and Energy Workers' Federation.

Considerable attention was given to the subject of occupational safety. The Safety Walks were extended to all 22 countries where Enel now has operations and culminated in the celebration of the last week of November as Safety Week. (See the "Occupational Health and Safety" insert on page 147).

Endesa dedicated 17 days to occupational health and safety in Spain, Chile, Colombia, Brazil, Peru, and Argentina, with the participation of 553 executives.

Enel's accident frequency index fell from about 9.46 in 2004 to 8.16 in 2005, 6.38 in 2006, 5.47 in 2007 (after INAIL rejections - preceding 5.53), and 3.68, including Endesa (and excluding Endesa Portugal and other minor Endesa companies) in 2008, with a reduction of about 61% in five years. (In Italy alone, the index fell from 9.53 in 2004 to 8.7 in 2005, 7.59 in 2006, 6.59 in 2007, and 5.33 in 2008). In 2008, excluding Endesa, the frequency index was 3.91. The seriousness index, on the other hand, fell from about 0.30 in 2004 to 0.27 in 2005, 0.26 in 2006, 0.22 in 2007, and 0.15 in 2008, including Endesa (but excluding Endesa Portugal and other minor Endesa companies), with a decrease of about 50% in five years. (In Italy alone, the index was at 0.31 in 2004, 0.28 in 2005, 0.30 in 2006, 0.26 in 2007, and 0.21 in 2008). Excluding Endesa, in 2008 the seriousness index was 0.16.

Carried out at the end of 2008, the corporate-climate study involved about 53,000 people in 14 countries (Brazil, Bulgaria, Canada, Chile, Costa Rica, El Salvador, France, Greece, Guatemala, Italy, Nicaragua, Romania, Slovakia, and the United States).

The new study was based on greater organizational depth, involving more than 630 distinct corporate units, in order to allow the conception and implementation of broad, cross-cutting action plans, as well as responses to local specificities.

Training activities increased in 2008, both in absolute values and in terms of training per person. In particular, the highlights of 2008 were:

> the roll-out of the JET (Junior Enel Training) International project;
> initiatives in support of the dissemination of the leadership model, of which the most important were the SEEDS (Self Empowerment & Development Strategy) project and the first edition of the Leadership For Energy Executive Program, as well as support for the integration and development of the companies abroad through technical training programs aimed at the creation of a group of local instructors.

Employee training is a fundamental issue for Endesa, which pursues the development of its employees and teams in its mission, its values, and its policies, just as it does the development of the workers employed by third parties.

As far as Equal Opportunity is concerned, in the last few years the National Committee on Equal Opportunity has acted with international partners to identify good practices regarding Equality and Diversity, as part of the European Social Dialogue.

In line with the increasing internationalization of Enel, the Committee has supplemented these experiences with an International Project on Equality and Diversity in order to study the Enel companies in Italy, Romania, Bulgaria, and Slovakia from the organizational and social points of view.

Endesa has an Equality Plan that embodies the determination of the company and the social representatives to ensure the actual application of the principle of equal opportunity for men and women through the implementation of measures that balance the personal, family, and work lives of employees.

EMPLOYMENT

Zenith, the Group's project on operating excellence, aims to create a shared culture in all the countries where Enel is present, its Divisions, and the Parent Company's departments.
This is the new mindset which will inspire and guide everyone who works in the Group, in whatever role, and will enable Enel to achieve its objective of becoming an absolute benchmark of operating excellence in the electricity and gas industry.
In 2008, Zenith was the reference point for the development of excellence throughout Enel and increasingly involved the Company's personnel, both through initiatives developed by the individual Divisions and in ways that cut across Division lines, through the dedicated spaces in the channels of corporate communication.
The project is based on the principle of continual improvement and involves all the Areas and all the countries where the Group has operations. It was born of Enel's will to maintain its position of leadership in Italy and to consolidate the one it is achieving abroad. To meet this challenge, the Company has decided to leverage the capabilities and the experiences of success and growth that it has acquired so far. The strategic objective is to improve the Company's operating efficiency, in both production and services.
As a number of cases at the international level demonstrate, in the market, a company that is more efficient has an edge over its competitors. Zenith is the answer in a competitive situation that is increasingly aggressive and global. It is the way to disseminate the ability to stand out, by making continual improvement the main objective of the near future.
The project also includes actions directed at identifying, motivating, and promoting the people responsible for successful initiatives and the best contributions made to the program, involving both the top management and the individual employee, and offering significant opportunities to those who make the initiatives successful.
For several years there have been a number of projects dedicated to operational excellence, which have different names and specific objectives according to the area concerned. The best known are Pegasus in the Infrastructure and Networks area, Quasar in the GEM area, and Prometheus in the ICT area.
Zenith represents the theme that is common to all these projects. It inspires them and makes their objectives of the pursuit of excellence and continual improvement its own.
During 2008, a number of indicators pointed to the fact that Enel employees were attentive to and participating in Zenith.
First of all, there was the commitment shown by the Program Managers in introducing the Zenith principles to employees. Among other things, this was evident during specific occasions of direct contact: the launch of the Division competitions, the carrying out of the Road Shows dedicated to Zenith, the international project meetings, etc.
The result was remarkable, with more than 2,000 people in Italy and abroad participating in events dedicated to the themes of continual improvement.
The tangible demonstration that people were deeply involved in the development of excellence was seen above all in the several thousand suggestions that were made for improving processes and operations. Many of these have already been put into practice and applied successfully. This shows the importance and the

quality of of the contributions received and the increasing consistency of behavior and attitudes with the Zenith culture of excellence.
The people at Enel also expressed their receptiveness and attention to Zenith through their positive reactions to the communication initiatives. Two sites dedicated to Zenith were developed on the Company's intranet: Zenith Portal, the single reference portal for all web sections dedicated to the various projects for improvement, and Zenith World, a bilingual (Italian-English) web community developed to inform and involve as many people as possible in the issues of excellence. The more than 20,000 visits to the Zenith Portal since July, 2008 are evidence of a comforting level of participation.

LA1

Total workforce by employment type, employment contract, and region.

As of December 31, 2008, the Enel Group had 75,981 employees, including Endesa (17,827 employees in Spain, Portugal, and Latin America).
The increase in personnel in 2008 was due essentially to the acquisition of companies abroad.

NUMBER AND COMPOSITION OF PERSONNEL (1/2)

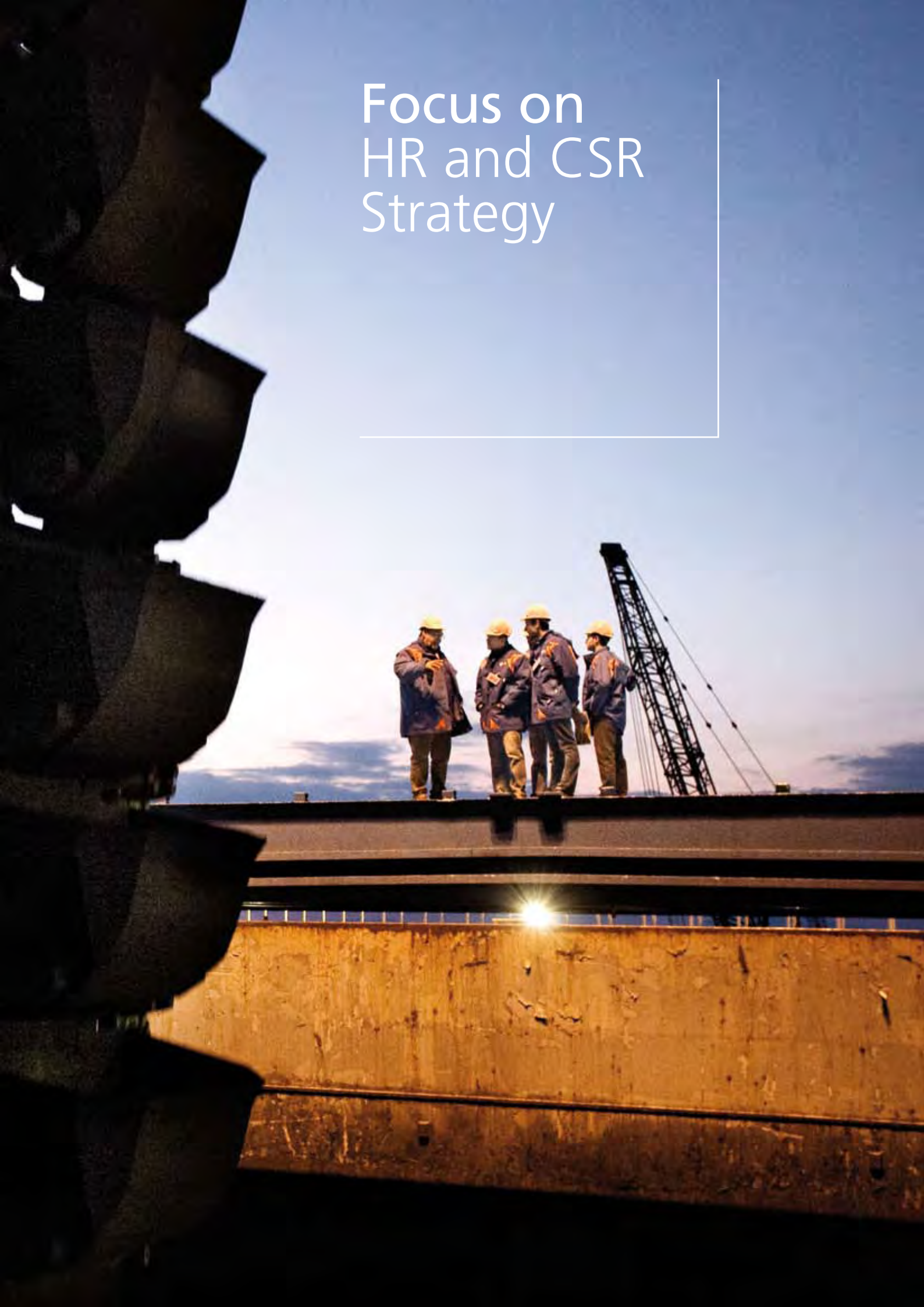
KPI	UM					%	Companies concerned
		2008	2007	2005	2008-2007	2008-2007	
Number							
Personnel							
Total personnel	(no.)	75,981	73,500	58,548	2,481	3.4	Enel
Hours worked	(mil.h)	150.0	93.0	95.8	57.0	61.3	Enel (1)
Breakdown by geographical area and region (1)							
Italy	**(no.)**	**40,327**	**41,746**	**44,687**	**-1,419**	**-3.4**	**Enel**
Valle d'Aosta	(no.)	177	180	191	-3	-1.7	Enel
Piedmont	(no.)	2,748	2,915	3,228	-167	-5.7	Enel
Lombardy	(no.)	4,641	4,829	5,158	-188	-3.9	Enel
Trentino Alto Adige	(no.)	364	371	394	-7	-1.9	Enel
Veneto	(no.)	3,309	3,452	3,702	-143	-4.1	Enel
Friuli Venezia Giulia	(no.)	466	491	571	-25	-5.1	Enel
Liguria	(no.)	1,155	1,210	1,260	-55	-4.5	Enel
Emilia Romagna	(no.)	2,069	2,159	2,420	-90	-4.2	Enel
Tuscany	(no.)	3,708	3,847	4,207	-139	-3.6	Enel
Marches	(no.)	733	764	827	-31	-4.1	Enel
Umbria	(no.)	753	767	882	-14	-1.8	Enel
Latium	(no.)	6,169	6,147	5,677	22	0.4	Enel
Abruzzo	(no.)	914	951	1,074	-37	-3.9	Enel
Molise	(no.)	277	294	341	-17	-5.8	Enel
Campania	(no.)	3,050	3,246	3,684	-196	-6.0	Enel
Apulia	(no.)	2,462	2,546	2,772	-84	-3.3	Enel
Basilicata	(no.)	474	502	605	-28	-5.6	Enel
Calabria	(no.)	1,433	1,487	1,677	-54	-3.6	Enel
Sicily	(no.)	3,382	3,619	3,928	-237	-6.5	Enel
Sardinia	(no.)	1,695	1,817	1,992	-122	-6.7	Enel
Branches of Italian companies abroad	(no.)	348	152	97	196	128.9	Enel

(1) Excluding Endesa Portugal and other minor companies, branches, EUFER, France, Belgium, and Severenergia (a 40%-consolidated company).

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Breakdown by geographical area and region [2]							
Abroad:	**(no.)**	**35,654**	**31,754**	**13,861**	**3,900**	**12.3**	**Enel**
Iberia	(no.)	9,257	9,595	1,057	-338	-3.5	Enel
France	(no.)	48	22	13	26	118.2	Enel
Greece	(no.)	35	26	-	9	34.6	Enel
Romania	(no.)	5,205	3,459	3,607	1,746	50.5	Enel
Bulgaria	(no.)	733	815	898	-82	-10.1	Enel
Slovakia	(no.)	5,962	6,408	7,338	-446	-7.0	Enel
Russia	(no.)	4,950	573	430	4,377	763.9	Enel
North America	(no.)	267	224	195	43	19.2	Enel
South America	(no.)	9,059	8,564	323	495	5.8	Enel
ENDESA (other in Europe)	(no.)	-	2,068	-	2,068	100.0	Enel
Branches abroad [2]	(no.)	138	-	-	138		Enel
Composition							
Breakdown by professional status							
Executives	(no.)	1,139	1,069	691	70	6.5	Enel
Supervisors	(no.)	7,490	6,569	4,900	921	14.0	Enel
White-collar workers	(no.)	43,529	43,602	30,540	-73	-0.2	Enel
Blue-collar workers	(no.)	23,823	22,260	22,417	1,563	7.0	Enel
Executives	(%)	1.5	1.5	1.2	-	3.1	Enel
Supervisors	(%)	9.9	8.9	8.4	1	10.3	Enel
White-collar workers	(%)	57.3	59.3	52.2	-2	-3.4	Enel
Blue-collar workers	(%)	31.4	30.3	38.3	1	3.5	Enel
Relations and procedures of flexible employment							
Fixed-term contracts							
Fixed-term contracts	(no.)	21	27	31	-6	-22.2	Italy
Starter/training contracts	(no.)	545	453	448	92	20.3	Italy
Total fixed-term contracts	**(no.)**	**566**	**480**	**479**	**86**	**17.9**	**Italy**
Fixed-term contracts as % of total	(%)	1.4	1.2	1.1	0.23	19.9	Italy
Permanent contracts	(no.)	39,761	41,114	44,111	-787	-1.9	Italy
Permanent contracts as % of total	(%)	98.6	98.8	98.9	-0.2	-0.2	Italy
Fixed-term contracts							
Fixed-term contractss	(no.)	4,728	477	nd	4,251.00	891.2	Abroad [5]
Fixed-term contracts as % of total	(%)	14.5	4.2	nd	10.30	244.9	Abroad [5]
Permanent contracts	(no.)	27,983	10,870	nd	17,113.00	157.4	Abroad [5]
Permanent contracts as % of total	(%)	85.5	95.8	nd	-10.30	-10.7	Abroad [5]
Part-time employment	**(%)**	**2.4**	**2.5**	**2.3**	**-0.1**	**-2.1**	**Italy**
Full-time contracts	(no.)	39,354	40,569	43,557	-1,215	-3.0	Italy
Part-time contracts	(no.)	973	1,025	1,033	-52	-5.1	Italy
Part-time employment	**(%)**	**0.6**	**0.5**	**n.a.**	**0.1**	**30.9**	**Abroad [6]**
Full-time contracts	(no.)	26.465	11,294	n.a.	15.171	134.3	Abroad [6]
Part-time contracts	(no.)	171	52	n.a.	119	228.8	Abroad [6]
Overtime	**(%)**	**6.1**	**5.3**	**5.4**	**0.7**	**13.2**	**Italy**
Overtime	**(%)**	**3.1**	**3.3**	**n.a.**	**-0.2**	**-6.2**	**Abroad [7]**

(2) In 2007 and 2006, foreign branches were classified as companies in Italy.
(5) Excluding in 2008 France, Greece, branches, Severenergia (Russia), Endesa Portugal, Argentina, and minor companies; in 2007and 2006 Endesa, Russia, France, Greece, and branches.
(6) Excluding in 2008 France, branches, Severenergia (Russia), and, with regard to Endesa, including only Endesa Spain; in 2007 and 2006 excluding Endesa, Russia, France, Greece, and branches.
(7) Excluding in 2008 France, branches, Severenergia (Russia) and Endesa; in 2007 and 2006 Endesa, Russia, France, Greece, and branches.

Focus on HR and CSR Strategy



Work is an inevitable part of human existence, and today, more than ever, it cannot be seen merely as a way to earn a living or as a simple "right". As an instrument of self-realization and personal growth, it also incorporates other important aspects of life, such as satisfaction, responsibility, and social relations.
People also want to apply their intelligence, so work is almost an end in itself, a pleasure, an instinct. For companies, and especially personnel departments, acknowledging this means conceiving policies and systems for managing people that are increasingly attentive to the intangible aspects of organizational life.
If it is true that the best places to work are not the ones where you earn the most, the Company's actions must be directed at creating a work environment based on results: one that is capable of liberating energy and creativity and of allowing individual and collective specificities to be expressed.

This means creating a culture in which we are less "employees" and more individuals, Enel citizens who can combine their growth prospects with the development of the Company in a framework of overall sustainability.
In Enel this aspiration can be translated into concrete strategies and action plans at Enel.
First of all, a strong propensity to **listen is necessary**. The periodic climate study provides us with the temperature of our organization. It reveals signs of possible turbulence, but also gives us glimpses of calm weather, on the basis of which we can plan future actions.
In the second place, by paying constant attention to the issue of **safety** (which for Enel means "zero accidents"), not only with regard to Enel personnel, but to everyone who comes into contact with the Company. The next step is to extend the concept of workplace health from an absence of accidents, illness, or discomfort to one of mental, physical, and social **well-being**.

The dissemination of **multiculturalism** and the development of **global capabilities** are definitely other important questions on which the Company should work in the immediate future in order to support Enel's process of internationalization through recruiting and training programs aimed at increasing the presence of international talent. Consequently, the objectives the Company intends to achieve by 2012 are: to increase the non-Italian recent university graduates we hire to 20% of the total and have them spend the first months working in Italy; to have 20% of our managers with at least 2 years of international experience; and to strengthen formal relations with the 10 best European universities and the 2 best universities in non-European countries where Enel is present.
This also entails facing increasingly frequent issues of **diversity** in a broad sense, in order to ensure fair treatment and make the best use of all the specific capabilities the Company needs to compete in the global market.

In the background, Enel confirms its commitment to the dissemination of **behavior** that is consistent with its corporate **values** and the **leadership** model the Company adopted, for which constant dialogue with people and the structured processes of internal communication remain the instruments of choice. Occasions for listening and reflecting, safety and well-being, and multiculturalism and diversity are thus the key words that Enel's Personnel Department places at the center of its activity, with the objective of preserving its corporate values and linking its history and its corporate culture with its new multinational dimension. In the process, the Company must not forget the contribution that may derive from these actions for the systems of the countries in which Enel is present in terms of social impacts and consequences for employment in a phase when the economic and financial situation risks influencing the growth prospects of all the players involved.

LA2

Total number and rate of employee turnover by age group, gender, and region.

KPI	UM				%		Companies concerned
		2008	2007	2006	2008-2007	2008-2007	
Changes in number							
New hires [8]	**(no.)**	**3,065**	**2,362**	**1,015**	**703**	**29.8**	**Enel**
Terminations	**(no.)**	**4,475**	**6,381**	**3,384**	**-1,906**	**-29.9**	**Enel**
Italy	(no.)	2,193	3,895	2,520	-1,702	-43.7	Italy
Abroad [8]	(no.)	2,282	2,486	864	-204	-8.2	Abroad
Women	(no.)	275	474	270	-199	-42.0	Italy
Men	(no.)	1,918	3,421	2,250	-1,503	-43.9	Italy
Women	(%)	12.5	12.2	10.7	0.4	3.0	Italy
Men	(%)	87.5	87.8	89.3	-0.4	-0.4	Italy
< 30 years old	(no.)	35	36	33	-1	-2.8	Italy
30-50 years old	(no.)	112	184	156	-72	-39.1	Italy
> 50 years old	(no.)	2,046	3,675	2,331	-1,629	-44.3	Italy
< 30 years old	(%)	1.6	0.9	1.3	1	72.7	Italy
30-50 years old	(%)	5.1	4.7	6.2	0.4	8.1	Italy
> 50 years old	(%)	93.3	94.4	92.5	-1.1	-1.1	Italy
Turnover rate							
Italy	(%)	5.4	9.3	5.7	-3.9	-41.7	Italy
Abroad [8]	(%)	6.4	7.8	6.2	-1.4	-18.2	Abroad

(8) The 2007 figure has been changed with respect to last year's Report, because it includes Endesa data.

As of December 31, 2008, there were 496 people with trainee contracts.

LA3

Benefits provided for full-time employees that are not provided to temporary or part-time employees, by major operations.

For all subsidiaries not headquartered in Italy, Enel is considering a reporting system that will make the data regarding benefits comparable. In Italy, employment is characterized by the institution of an authentic system of "internal welfare". For personnel employed under 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 established by an agreement between Enel and the workers' unions and is charged exclusively to the companies whose workers are ARCA members. The criterion for determining the amount of 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 unrecognized association founded 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 established by

an agreement between the member companies and the representatives of the executives' union.
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 assist members and their survivors individually. Supplementary health care is managed by the FISDE, while similar services for executives are entrusted to the ASEM.
The FISDE, the supplementary health-care fund for employees, is managed by an equal number of company and union representatives. It is also funded by the companies whose employees are FISDE members and the amount 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 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 0.6% of the total.

Endesa offers its employees a long series of social benefits, in addition to those that are obligatory by law, including aid to students, loans, life insurance, and health care, of which pays 100% of the cost.

INDUSTRIAL RELATIONS

As part of the consolidation of Enel's international dimension, in 2008 the Company concluded the talks for the constitution of the European Corporate Committee under the coordination of two European federations: the European Federation of Public Service Unions and the European Mine, Chemical and Energy Workers' Federation.
In effect, the Agreement on the Enel ECC, a body for informing and consulting Group workers in the EU countries, was signed.
The institution of the ECC, and the beginning of its activity – which is scheduled for 2009, after the approval of the 2008 Financial Statements – are important for the definition of Enel's multinational character from the industrial relations point of view. In effect, this is the first time the information and consultation of the workers has been regulated at the transnational level.
The ECC's activity will begin in early 2009, when it will meet with the management of the Group after the approval of the 2008 Financial Statements and the 2009 Half-year Report to be informed of the economic and financial situation, the investment plans, and a series of other matters regulated by the Agreement, including the Group's international strategy and the Sustainability Plan.
The organization of the institutional meetings and the training activities regulated by the Agreement will involve the management and Enel's HR departments in the countries concerned.
Corporate social responsibility was discussed again in 2008 with the Italian labor unions, and a specific Protocol on the subject was signed by the industry federations.

LA4

Percentage of employees covered by collective bargaining agreements.

EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS BY COUNTRY

KPI	UM					%	Companies concerned
		2008	2007	2006	2008-2007	2008-2007	
Employees covered by collective agreements/Italy	(%)	100	100	100	-	-	Italy
Employees covered by collective agreements/ENA	(%)	8	10	n.a.	-2	-16.1	ENA
Employees covered by collective agreements/ELA	(%)	24	50	n.a.	-26	-51.4	ELA
Employees covered by collective agreements/EUFER	(%)	100	100	n.a.	-	-	EUFER
Employees covered by collective agreements/Romania	(%)	99	99	n.a.	-	-	Romania
Employees covered by collective agreements/Bulgaria	(%)	92	92	n.a.	1	0.8	Bulgaria
Employees covered by collective agreements/Slovakia	(%)	100	95	n.a.	5	5.0	Slovakia
Employees covered by collective agreements/Russia	(%)	89	n.a.	n.a.	-	-	Russia
Employees covered by collective agreements/Endesa*	(%)	77	n.a.	n.a.	-	-	Endesa

* Weighted average regarding the total number of Endesa employees by country. In Spain, 92% of the employees are covered, in Argentina 64%, in Chile 49%, in Brazil 81%, in Peru 79%, and in Colombia 42%.

LA5

Minimum notice period(s) regarding operational changes, including whether it is specified in collective agreements.

According to the regulations established by the EU and adopted by the member states regarding transfers of companies, plants, or parts of companies or plants to a new entrepreneur following a contractual transfer or a merger, the transferor and the transferee are obliged to inform the representatives of the workers concerned "in time".

According to Italian law (article 47, law 428/1990), this means at least 25 days in advance.

In Italy, in case of significant organizational changes, the Industrial Relations Protocol, which was signed by the most representative trade unions, provides for a preliminary discussion with the workers' representatives to take place within three months.

Enel has undertaken to provide the parties, before the discussions begin, with the entire documentation available in order to ensure that the workers' representatives have a complete picture of the project on which to base their proposals.

OCCUPATIONAL HEALTH AND SAFETY

Safety

For an international group like Enel, whose mission statement specifies its commitment to ensure a better world to future generations, safety is a fundamental value and a subject regarding corporate social responsibility.
The value of occupational health and safety has always been part of Enel's culture, as confirmed by a historical record of awareness of and constant attention to the problem. In 2008, the Company's top management was again involved, including Fulvio Conti, Chief Executive Officer and General Manager, emphasizing everyone's commitment to what has become one of the main objectives of the Company: "ZERO ACCIDENTS".
In 2008, the Enel Group continued the revision of its system of occupational health and safety management system in all its Divisions and companies, with the aim of expanding its structures and rationalizing its processes by defining roles, tasks, and responsibilities and establishing operating and managerial procedures.
In Italy, the functional line of authority and the persons charged with applying the regulations in force (employer and executive) are specified for each Productive Unit. Likewise, in each one there is a Prevention and Protection Service, with a designated head, and, if necessary, a doctor responsible for medical supervision regarding the risks involved.
As in previous years, in 2008 significant training was dedicated to occupational hygiene, health, and safety.
Over 864,000 total hours of training – almost twice as many as in the preceding year, and more than 15 hours per employee* – testify that constant training constitutes the essential step towards a sound culture of safety.
The Company designed the training program for the Workers' Safety Representatives, who were designated and elected on December 9 and 10. In effect, the "worker" component and the representatives are fundamental and equal elements of the "safety system". An irreplaceable channel of communication, participation, and involvement for all employees, the role is intended to be participatory, proactive, and propositional.
Including Endesa (but excluding Endesa Portugal and other minor companies of the Endesa Group), and considering also the 44 million euro for the personnel dedicated to safety, the total amount spent on safety was over 88 million euro, amounting to about 1,243 euro per employee.
During 2008, many and different kinds of initiatives and events took place that were connected with occupational health and safety.
Among the most important ones, mention should be made of the "Safety First for Everyone" summit held on September which launched the Integrated Nine Point Safety Improvement Plan. A representative of the top management is involved in the implementation of each point, which highlights the importance that the Company attributes to the Plan and its results. The nine points of the project, which is still in progress, concern: the culture of safety; contracting firms; communication regarding safety; reaction to events; safety training; planning, measurement, and objectives; structural prevention in the workplace; organization; and experience sharing. Another important event was the "International Safety Week", which took place from November 24 to 30. This was a highly symbolic initiative, the aim of which was to increase everyone's awareness and sense of responsibility with regard to the principle of "everyone for safety" – a principle testifying that, even in the presence of different cultures, languages, and work situations and procedures, there is only one, uniform way of considering safety: the Enel way.
Day one was followed simultaneously in all the countries where Enel is present, and was opened by Fulvio Conti, who explained that it was "a week to think about safety and undertake together the development of moral efficiency. Because creating a healthy and safe workplace requires widespread and conscious participation." Held in the Enel Auditorium in Rome, the event was attended by the Company's top management and leading representatives of government institutions, industry, and science, including Minister Maurizio Sacconi, members of the Chamber of Deputies Stefano Saglia and Cesare Damiano, and Samy Gattegno from Confindustria.

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* Excluding Enel executives, Endesa, companies consolidated with the proportional method, and Viesgo, which left the Group on June 30, 2008.

During the International Safety Week, throughout the Group about 250 events were organized to increase employee awareness of the subject, promote the adoption of responsible and proactive behavior, foster the involvement of everyone at all levels and in all corporate areas, foster the sharing of experiences and best practices, and promote discussion on the subject with institutions, authorities, and the unions.
Among the initiatives of the week, which saw the direct involvement of the top management, were the safety walks, a series of tours of workplaces aimed at promoting the preventive aspects of safety. The first of such walks was the one taken by CEO Fulvio Conti in the middle of September at the Sredneuralskaya GRES power plant in Russia, one of OGK-5's plants in the Urals.
Other important events regarded the steering committees, the safety communities, and the safety days, as well as a whole series of initiatives dedicated to training and information, which used communication (posters, stickers, cartoons, manuals, and videos) as a fundamental instrument for creating a widespread and deep culture of safety. Among these, mention should be made of "Safety 24/7", "Route to Safety"," Safety Flash", "Safety in Your Pocket", "Accident Blackboards", "Safety Together", the Safe Driving Manual, and "Safety is Life".
In addition, in 2008 Enel promoted an important innovative initiative, which extended the concept of the culture of safety beyond the workplace to the environments of everyday life and the family, in particular to the children of its employees. This initiative reflects the awareness that a proper education regarding safety starts from an early age and that the children themselves can help remind their parents to observe the rules and act in a safe manner. The Company involved the children of employees in Italy, Romania, Slovakia, Bulgaria, Russia, Brazil, Costa Rica, El Salvador, Guatemala, Nicaragua, Chile, and Panama in educational activities and competitions on safety through projects such as "We Are Energy" and "Family Safety Days".
The "Enel kids" who presented the 100 best projects were rewarded with a summer stay in Italy, where, with the help of the Cinecittà film and television school, they produced several commercials promoting the culture of safety.
Finally, following the coming into force of law 123/07 on occupational health and safety, which was confirmed by article 300 of Legislative Decree 81/08 (extension of the administrative liability of legal persons mentioned in Legislative Decree 231/01 to the crimes of manslaughter and grievous bodily harm without malice aforethought committed in violation of regulations on occupational hygiene and safety), on February 27, 2008, the Board of Directors of Enel SpA resolved to adopt special part F, regarding the new crimes, as part of the 231/01 compliance program in effect at Enel since 2002.

LA6

Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs.

In all Enel subsidiaries abroad, there is an ad hoc group of workers and specialists dedicated to safety issues regarding both prevention and inspections. In Italy, the Company has numerous formal committees created in accordance with specific agreements with the representatives of its workers:

> Enel Distribuzione's Worker Safety and Health Committee, which represents 35% of the Group's workers;
> the Infrastructure and Networks Division's Joint Committee on Worker Training, which represents 38% of the Group's workers;
> the Generation and Energy Management Division's Joint Committee, which represents 14% of the Group's workers;
> the Safety Committee of the construction site at Torrevaldaliga Nord, near Civitavecchia in Rome province, which represents about 3,300 workers, amounting to 100% of the area (with 130 Enel employees, including 21 who are dedicated full-time to occupational safety);
> the Committee pursuant to article 35 of Legislative Decree 81/08, attended by the Employer (or a representative thereof), the Head of the Prevention and Protection Service, the Competent Doctor, and the Workers' Safety Representative, which must meet at least once a year and represents 100% of the companies in Italy that apply Legislative Decree 81/08, which adopts the EU directives.

LA7

Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.

The following figures regard 71,568 workers in 2008. The population considered does not include the executives and other employees of Endesa Portugal and other minor Endesa companies, the companies that were consolidated with the proportional method, and Viesgo, which left the Group on June 30, 2008. Data regarding workers of contracting companies who are employed in work environments managed by Enel are not available. Insignificant cases are not included in the recorded data.
The calculation of the days lost because of injuries regards solar days and begins on the day after the accident occurred.

The data by region:

> Total Enel Group, including Endesa (excluding Endesa Portugal and other minor companies of the Endesa Group): 0.736;
> Total Enel Group, excluding Endesa: 0.782 (1.105 in 2007 and 1.27 in 2006);
> Americas Enel + Endesa Latin America: 0.490;
> Americas Enel, excluding Endesa Latin America: 0.559 (1.123 in 2007 and 2.28 in 2006);
> Europe without Italy: 0.080 (0.324 in 2007 and 0.37 in 2006);
> Italy: 1.069 (1.332 in 2007 and 1.52 in 2006).

The days lost because of accidents ratio breaks down as follows in 2008:

> Total Enel Group, including Endesa (excluding Endesa Portugal and other minor companies of the Endesa Group): 30.02;
> Total Enel Group, excluding Endesa: 31.94 (43.79 in 2007 and 51.54 in 2006);
> Americas Enel, including Endesa Latin America: 7.634;
> Americas Enel, excluding Endesa Latin America: 5.864 (15.085 in 2007 and 42.17 in 2006);
> Europe without Italy: 6.943 (18.46 in 2007 and 20.24 in 2006);

> Italy: 42.53 (51.81 in 2007 and 60.41 in 2006).

The absenteeism rate (AR) regarding Italy, 8,843, is considerably lower than in the preceding years (10,146 in 2007 and 10,078 in 2006). The rate is based on the ratio of the number of days of absence from work – excluding leaves for vacations, family reasons, study, and maternity/paternity – to the total number of days at work, multiplied by 200,000.

There was one fatal occupational accident, an automobile accident that occurred in Italy in November.

The data reported regard 2008 and were calculated, as they were the year before, 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 on page 227 on the Sustainability Report of the year concerned.

Enel's accident frequency index fell from about 9.46 in 2004 to 8.16 in 2005, 6.38 in 2006, 5.47 in 2007 (after INAIL rejections – preceding 5.53), and, including Endesa (but excluding Endesa Portugal and other minor companies of the Endesa Group), 3.68 in 2008, with a reduction of about 61% in five year. (In Italy alone, the index fell from 9.53 in 2004 to 8.7 in 2005, 7.59 in 2006, 6.59 in 2007, and 5.33 in 2008). In 2008, excluding Endesa, the frequency index was 3.91.

The seriousness index, on the other hand, fell from about 0.30 in 2004 to 0.27 in 2005, 0.26 in 2006, 0.22 in 2007, and, including Endesa, (but excluding Endesa Portugal and other minor companies of the Endesa Group), 0.15 in 2008, with a decrease of about 50% in five years. (In Italy alone, the index was at 0.31 in 2004, 0.28 in 2005, 0.30 in 2006, 0.26 in 2007, and 0.21 in 2008.) In 2008, excluding Endesa, the seriousness index was 0.16.

As far as workers of contractor firms during the execution of works on behalf of Enel are concerned, the data trend of improvement in the values recorded in the preceding years was inverted. With respect to the 38 cases in 2004, 19 cases in 2005, 22 cases in 2006, and 15 cases in 2007, in effect, 31 cases in 2008, including 9 fatal and 22 serious, were recorded. This result clearly does not correspond to Enel's culture, which pursues the goal of zero accidents, not only for its own employees, but also for those of its contractor firms. In this regard, we are working to improve our company qualification system, as well as on better and more effective actions regarding management, inspection, and control (e.g., vendor rating, fines and other penalties, information, etc.).

As far as Endesa is concerned, during the execution of works on its behalf by workers of contractor firms, 7 fatal and 26 serious accidents occurred. The serious accidents were not included in the Group total for two reasons:

1) this is the first year Endesa has been consolidated;
2) the criteria used by Endesa to classify accidents as "serious" are different from those used by Enel.

The occupational disease rate (ODR) is not available at this time. However, a common process that will allow the figure to be calculated at the Group level beginning in 2009 is being devised.

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Serious and fatal employee on-the-job accidents (17)							
Employee on-the-job accidents	(no.)	48	12	18	36	300.0	Enel
Fatal accidents (18)	(no.)	1	1	1	0	0.0	Enel
Serious accidents	(no.)	12	11	17	1	9.1	Enel *
Serious accidents	(no.)	35	-	-	-	-	Endesa
Frequency index	(no.)	3.7	5.5	6.4	-1.9	-33.5	Enel
Lost-Time Injuries Frequency Rate	(i)	0.736	1.105	1.270	-0.37	-33.4	Enel
Accidents seriousness index	(no.)	0.15	0.22	0.26	-0.07	-32.9	Enel
Lost Day Rate	(i)	30.02	43.79	51.54	-13.77	-31.4	Enel
Safety expenditure per employee	(Euro)	1,243	1,044	929	199	19.1	Enel
Health inspections (19)	(no.)	56,652	22,581	23,103	34,071	150.9	Enel
On-the-job accidents of contractor firms and third parties							
On-the-job accidents of contractor firms	(no.)	31	15	22	16	106.7	Enel *
On-the-job accidents of contractor firms (20)	(no.)	33	-	-	-	-	Endesa
Accidents of third parties	(no.)	90	88	94	2	2.3	Enel *

* Excluding Endesa.

(17) 2008 includes Endesa, with the exclusion of Endesa Portugal and other minor companies. It does not include Viesgo, which left the Group in June 2008.
(18) Does not include a fatal accident due to natural causes.
(19) For Russia, includes tests of blood alcohol performed daily on a sample of people.
(20) Endesa classifies as "serious accidents" that entail an absence from work of at least 180 days.

The statistics do not include a death for natural causes in Endesa Spain.

LA8

Education, training, counseling, prevention, and risk control programs in place to assist workforce members, their families, or community members regarding serious illnesses.

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 trade unions in March 1997 as a fund for Enel personnel.
There are essentially three areas in which the Fund assists its members:

> direct and indirect reimbursement of members for health services supplementing those provided by the National Health Service;
> assistance to members who are disabled or have serious problems constituting a social emergency (such as, for example, drug addiction, alcoholism, maladjustment);
> preventive medicine iniziatives.

With regard to preventive medicine, the main initiatives of the FISDE were the campaign for the prevention of tumors through an agreement with the LILT (the Italian Association for the Fight against Tumors) and the campaign for the prevention of cardiovascular disease in accordance with an agreement with the ANMCO (the National Association of Hospital Cardiologists).
As an alternative to participating in the prevention programs established with the LILT and the ANMCO, FISDE members may use the services available in 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 provides a variety of services to individuals, membership services and activities for disabled people enrolled in the Fund for the Disabled.

The "services to individuals" aim to improve the quality of life of the individuals concerned, including through a more satisfactory integration in the various social systems to which they belong, such as, for example, schools and workplaces.
The purpose of the financial contributions is to supplement the family's purchasing power with regard to social services and health care, as well as equipment that will improve the quality of life of the disabled person.
The membership services and activities are cultural, recreational, and sports initiatives chosen by the Board of Directors and addressed to the entire community of those enrolled. Among the activities in question, particular mention should be made of the training courses addressed to the parents of disabled young people.
The protocol regarding activities 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		■		■		■		■

The Enel workers who are potentially exposed to particular risks are:
> those who enter or work on sites with sources of "ionizing radiation" risk;
> those who work in power plants with a high risk of accidents, as defined in Italy by Legislative Decree 334/99 ("Seveso Bis") and other laws on the subject which implement EU regulations or international standards;
> in general, those who work in operating areas of production or distribution.

Enel continued the strong process of aligning its companies in Italy and those abroad, both from the organizational point of view and with regard to activities concerning occupational health and safety, through the application of the Health & Safety Policy, which is aimed at the preventive assessment of the sources in work environments, and the Integration Handbook. This process takes into account the existing local conditions and the regulations in force.
The new Health & Safety Policy, which highlights the Group's policy with respect to safety issues, is scheduled to go into effect in 2009.
Through the safety survey, Enel is currently developing a comparative framework to ensure uniformity, comparability, or equivalence for all regions concerning the Group.
A further extension of the operative phases begun in 2008 is planned for 2009.
Under the company's Preventive Plan in Spain and Portugal, Endesa's occupational medicine staff carried out more than 100,000 health-related actions, which focused on health, prevention, check-ups, health care, and examinations as part of a number of action plans for stress, muscular disturbances, cardiovascular disease, diets, nicotine poisoning, alcoholism, sedentariness, and occupational disabilities (temporary and permanent), as well as workers' social well-being.

In addition, a new assessment was carried out of the risks of the coal-fired, type-A, -B, and -C, combined-cycle, and hydraulic power plants. In Latin America, Endesa continued its programs for managing workers' risks, as well as inspections regarding health risks such as lighting and electro-magnetic waves. It also increased psychological assessments regarding psycho-social risks.

With regard to training on occupational health and safety, 2008 saw the continuation of the international *Jornadas de Seguridad y Salud Laboral* (Occupational Safety and Health Days), with a total of 17 sessions in Spain, Chile, Colombia, Brazil, Peru, and Argentina, which were attended by 553 executives. As part of the Preventive Plan for Spain and Portugal, in 2008 Endesa promoted 4 Awareness Days, in which 480 executives and team heads participated, and several courses involving a total of more than 150,000 hours of training dedicated to prevention and health, which amounted to 28.1% of the total number of hours of training carried out in the year.

In Latin America, most of the health and safety training is carried out as part of the companies' respective management programs.

LA9

Health and safety topics covered in formal agreements with trade unions.

Enel* also has agreements with the labor unions regarding aspects of occupational health and safety:

> the 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 EU Directives where applicable.

The agreements regulate matters such as:

> individual protection systems (DPI);
> management-worker health and safety committees;
> education, information, and training;
> complaints;
> the right to refuse unsafe tasks;
> the right to periodical inspections (The safety representatives of the workers – the RLS – may carry out inspections of workplaces in accordance with the provisions of article 50 of Legislative Decree 81/08).

There are also global agreements on:

> conformance with ILO standards;
> equal-representation bodies for resolving particular problems;
> commitment regarding performance objectives and standards.

Of particular importance in 2008 was the agreement of November 5, which established the procedures for the company-wide election of the workers' safety representatives (RSU/RSL), which was held on November 9 and 10.
With regard to the RLS, a temporary agreement (subsequently extended in July until December 31) had been signed in January, which temporarily entrusted the regional union Offices with the related duties.

* Companies in Italy.

TRAINING AND EDUCATION

LA10
Average hours of training per year per employee by employee category.

In 2008, training activities increased both in absolute values and in terms of training per employee.
In particular, the highlights of 2008 were:

1. The roll-out of the JET (Junior Enel Training) International project. In effect, as part of the initiatives aimed at fostering the internationalization of the Company and the integration of young people, the program of integrating recent university graduates was revised from an international point of view. After the first pilot edition at the end of 2007, during 2008 nine editions of the project took place, which involved more than 300 young people from all the companies of the Enel Group, both in Italy and abroad, in a three-week program. Conducted by a team of certified instructors from Enel University, assisted by Enel managers, the JET International project aims to foster the development of an international and multicultural identity, study the culture of the Group and its business in depth, and understand the dynamics that characterize a company that is firmly dedicated to the market, organizational excellence, and the creation of value for all its stakeholders.
2. Initiatives to support the dissemination of the leadership model, especially:
   – the SEEDS (Self Empowerment & Development Strategy) project, a three-day program dedicated to the areas that the Management Review indicated as needing improvement, which involved more than 800 supervisors of the Enel Group. The course was divided into three sections, each one with a special focus: "Company", "People", and "Action". The selection of the people who participated in the course and their assignment to a specific section was made by Enel's HR Department in cooperation with the resources' heads on the basis of the results of the latest Group Management Review;
   – the first edition of the Leadership For Energy Executives Program, an intensive one-week course for a select group of executives from all the companies of the Enel Group, which was held in Boston in partnership with the Harvard Business School.
3. Support for the integration and development of the companies abroad through a technical training program aimed at the dissemination of the Company's best practices and the creation of a group of local instructors. The following are just a few examples. In July, the training of the instructors of the Maritza East III power plant (Bulgaria) was completed. In the fall – after a period of working with Enel University instructors – they will give the courses on operation and maintenance for the plant's personnel. In addition, through training for navigators and all the personnel of the plants, Enel University supported the dissemination of lean methods in the Vojany (Slovakia) and Fortuna (Panama) power stations. At the lignite-fired Maritza III power station, in order to make technical training more effective, the Company started to develop a training simulator, for which all the process models were completed in 2008. The automation models and consequently the simulator are scheduled to be completed by the end of June 2009.
4. The provision of language instruction was made more effective and efficient by the revision of the overall process, the use of a dedicated technological platform, and the development of instructional material.

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Average number of employees by process area							
Sales *	(no.)	4,530	4,928	5,488	-398	-8.1	Italy
Generation and Energy Management **	(no.)	9,035	9,443	9,633	-408	-4.3	Italy
Infrastructure and Networks ***	(no.)	20,957	23,750	25,389	-2,792	-11.8	Italy
Parent Company, Services, and other activities	(no.)	5,165	5,092	5,148	73	1.4	Italy
Total	**(no.)**	**39,688**	**43,212**	**45,658**	**-3,524**	**-8.2**	**Italy**
Total hours dedicated to training by process area							
Sales *	(,000 h)	137.0	113.6	117.1	23.4	20.6	Italy
Generation and Energy Management **	(,000 h)	350.4	420.7	290.3	-70.3	-16.7	Italy
Infrastructur and Networks ***	(,000 h)	527.8	308.4	564.2	219.4	71.1	Italy
Parent Company, Services, and other activities	(,000 h)	167.9	253.4	106.1	-85.4	-33.7	Italy
Total	**(,000 h)**	**1,183.2**	**1,096.1**	**1,077.7**	**87.1**	**7.9**	**Italy**
Average number annual hours of training per employee							
Sales *	(h/person)	30.24	23.04	21.34	7.20	31.2	Italy
Generation and Energy Management **	(h/person)	38.78	44.55	30.14	-5.77	-13.0	Italy
Infrastructure and Networks	(h/person)	25.19	12.99	22.22	12.20	93.9	Italy
Parent Company, Services, and other activities	(h/person)	32.51	49.76	20.60	-17.25	-34.7	Italy

* Includes Enel.si, which on December 1, 2008 became part of the Renewable Energy Division.
** From 2008, also includes the Engineering and Innovation and Renewable Energy Divisions, which in 2007 were part of the Generation and Energy Management Division.
*** Excluding Gas Network 2008.

With regard to Endesa, 43.6 hours of training per employee (classroom and distance) were carried out in Spain, 16.49 hours in Argentina, 24.65 hours in Chile, 9.65 hours in Brazil, 26.57 hours in Peru, and 48.3 hours in Colombia. Data are not available by employee category, but by activity and corporate area.
Personal development is carried out by the Personal Leadership and Expert Leadership teams.
There are also feedback processes, 360° reviews, and coaching processes.

LA12

Percentage of employees receiving regular performance and career development reviews.

In 2008, much effort was dedicated to implementing the new **Assessment** and **Talent Management** systems conceived and designed in 2007. The second corporate **Climate Study** was also designed and carried out.
The scope of all these initiatives was international.

Assessment

The new assessment system started with the Leadership Model, which contains the kind of behavior that is expected at the various corporate levels and according to which the different employee segments are measured: "operating", "professional", "resource managers", "management", and "top management". In this way, the assessment is more transparent and explicit, and thus fairer and

more meritocratic. The system also provides for a direct connection between reviews and compensation for employees with managerial incentives (MBO).
The new assessment system combines differentiated instruments in an organic model:

> *360° feedback* for the 1st and 2nd lines;
> *performance review* for managers, supervisors and, when the system is fully implemented, all white-collar employees (in 2008 more than 4,000 employees of the Sales Division were involved in a pilot project);
> *online assessment* for recent university graduates after two years of employment.

Talent Management

In 2008, the Company started up its new Talent Management system and identified the first pools of talent, for whom specific actions of development and training were carried out, including:

> *360° feedback;*
> *coaching and mentoring;*
> *the Leadership for Energy Executives Program,* a training project designed and carried out in partnership with the Harvard Business School.

Climate Study

In December 2008, after two years and a revision of its design, the second Corporate Climate Study was carried out.
The survey involved about 53,000 people in 14 countries (Brazil, Bulgaria, Canada, Chile, Costa Rica, El Salvador, France, Greece, Guatemala, Italy, Nicaragua, Romania, Slovakia, and the United States).
The new study had more organizational depth. In effect, the new survey was based on more than 630 distinct organizational units in order to allow the conception and carrying out cross-cutting action plans with a broad scope, as well as responses to local specificities.

KPI	UM				%		Companies concerned
		2008	2007	2006	2008-2007	2008-2007	
Employees assessed Italy (12)	(%)	20.6	2.5	9.0	18.1	721.3	Italy
Employees assessed abroad	(%)	24.5	15.8	nd	8.8	55.8	Abroad (13)

(12) Formerly biennial, the assessment campaigns have become annual. 2007 was the transition year.
(13) In 2008, excluding Endesa and Severenergia. 2007 includes: ELA, ENA, EUFER, Romania, Bulgaria, and Slovakia.

DIVERSITY AND EQUAL OPPORTUNITY

Consisting of both corporate and union representatives, the National Equal Opportunity Committee has been in function at Enel since 1989, playing an active role in promoting the value of diversity and putting into practice the principle of non-discrimination, which the Company's Code of Ethics clearly expresses.
Ever since its creation, the Committee has been engaged in different areas of resource management with the intention of ensuring that due attention is paid to equal opportunity in the areas of communication, training, leadership development, and the search for a better balance between work life and private life.
In the last few years, the Committee has acted in cooperation with international partners to identify the best practices regarding Equality and Diversity as part of the European Social Dialogue.
In line with the increasing internationalization of Enel, the Committee has supplemented these experiences with an international project on Equality and Diversity in order to explore the situations of the Enel companies in Italy, Romania, Bulgaria, and Slovakia from the organizational and social points of view. Along with the recording of quantitative data, the project used a qualitative questionnaire focused on two broad areas: on the one hand, both corporate and national regulations, and on the other, corporate policies regarding selection, personnel development and management, the balance between work and life, and the instruments supporting non-discrimination.
Elaborated and shared by the Committee with the Personnel Department during 2008, the results show a positive situation with regard to the regulations adopted in the four countries concerned by the study.
In effect, the national laws show concern for the subject of Equal Opportunity at the level of their constitutions, fundamental rights, and labor codes and regulations, as well as specific ordinary laws. In line with this reference framework at the national level, each company of the Enel Group has contractual clauses that are explicitly dedicated to equal opportunity, the support of families, labor market regulation, and maternity/paternity rights.
As far as the other focus (corporate policies) is concerned, the study recorded a number of initiatives in the different countries in support of equality and diversity. Particularly significant among these are the ones regarding the implementation of gender balance, internal communication, and participation in external projects supporting the development of female leadership.
The study also noted the commitment of the individual companies to ensuring equality of access, because they do not believe that some tasks should be performed by women rather than by men.
Overall, with regard to women in all the countries involved in the study, periodical statistics show a trend of increasing employment among the younger age groups, a higher level of education, and a larger number of women in positions of responsibility.
In accordance with these trends, personnel management policy cannot fail to be increasingly attentive to the promotion of the value of equality and diversity.

LA13

Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.

The Board of Directors of Enel SpA consists entirely of men.
There is one woman on the Board of Directors of Endesa.

Detailed information on the corporate governance system is available in the Annual Report, which can be found in the Investor Relations section of the institutional website (www.enel.com/azienda/investor_relations).

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Age							
Average	(years)	45.8	43.3	45.8	2.5	5.8	Enel (4)
Under 35	(%)	18.4	14.6	13.8	3.8	26.0	Enel (4)
From 35 to 44	(%)	27.7	27.7	27.6	-	-	Enel (4)
From 45 to 54	(%)	40.1	45.0	45.8	-4.9	-10.9	Enel (4)
From 55 to 59	(%)	12.2	11.8	11.9	0.4	3.6	Enel (4)
Over 60	(%)	1.5	0.9	0.9	0.68	79.7	Enel (4)
Years at Enel							
Average	(years)	18.9	19.1	21.6	-0.2	-1.0	Enel (4)
Less than 10	(%)	26.2	18.2	18.8	8.0	43.9	Enel (4)
From 10 to 19	(%)	24.0	27.0	27.2	-3.0	-11.2	Enel (4)
From 20 to 29	(%)	31.2	33.7	31.0	-2.5	-7.3	Enel (4)
From 30 to 34	(%)	14.5	19.8	21.2	-5.3	-27.0	Enel (4)
More than 35	(%)	4.1	1.3	1.8	2.9	222.8	Enel (4)

(4) 2008: excluding France, branches, Severenergia (Russia), and Endesa Portugal and minor companies. 2007: excluding Endesa, Russia, France, Greece, Viesgo, and branches. 2006: excluding Russia, France, and branches.

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Equal Opportunity							
Female employees	**(no.)**	**14,593**	**8,721**	**9,330**	**5,872**	**67.3**	**Enel** (3)
Executives	(no.)	624	69	75	555	804.9	Enel (3)
Supervisors	(no.)	1,650	834	828	817	98.0	Enel (3)
White-collar workers	(no.)	8,492	7,092	7,620	1,400	19.7	Enel (3)
Blue-collar workers	(no.)	3,826	726	807	3,100	427.0	Enel (3)
% of employees who are women	**(%)**	**21.8**	**16.5**	**15.9**	**5.3**	**32.4**	**Enel** (3)
Female supervisors and executives	**(%)**	**38.0**	**17.6**	**16.2**	**20.5**	**116.6**	**Enel** (14)
Pay of female employees	**(%)**	**87.1**	**88.3**	**89.4**	**-1.2**	**-1.4**	**Italy**
Disabled							
Disabled employees/protected categories	**(no.)**	**2,315**	**2,387**	**2,645**	**-72**	**-3,0**	**Italy**

(3) 2008: excluding France, branches, Severenergia (Russia), and, with regard to Endesa, including only Endesa Spain. 2007: excluding Endesa, Russia, France, Greece, Viesgo, and branches. 2006: excluding Russia, France, and branches.
(14) 2008: excluding France, branches, Severenergia (Russia), and Endesa. 2007: excluding Endesa, Russia, France, Greece, Viesgo, and branches. 2006: excluding Russia, France, and branches.

LA14

Ratio of basic salary of men to women by employee category.

In Enel, the collective contract in effect establishes that, within the same category, women and men must receive the same compensation (basic salary).

KPI	UM				%		Companies concerned
		2008	2007	2006	2008-2007	2008-2007	
Ratio of gross annual salary women/men (average)							
Executives	(%)	82.5	84.8	86.0	-2.2	-2.7	Italy
Supervisors	(%)	92.8	92.4	91.4	0.4	0.4	Italy
White-collar workers	(%)	91.6	91.2	91.2	0.4	0.4	Italy
Blue-collar workers	(%)	86.0	90.7	91.7	-4.7	-5.1	Italy
Ratio of gross annual salary women/men (average)	(%)	88.9	-	-	88.9	-	Abroad (11)

(11) Excluding France, branches, Severenergia (Russia), Endesa, ELA, EUFER, and Greece.

11,000

staff, 17 telesellers, 2,000 telephone operators

13

violations of the Code of Ethics

0

cases of discrimination

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 physical and moral integrity of its employees, working conditions that respect individual dignity, and work environments that are safe and salubrious, and does not tolerate demands or threats aimed at inducing people to act against the law or the aforesaid Code of Ethics or to act in ways that offend any individual's moral and personal 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.
A special unit of Enel SpA's Auditing Department is entrusted with the task of auditing the application of and compliance with the Code of Ethics through the analysis and assessment of the ethical-risk control processes, as well as with the task of analyzing reports of violations and assessing the related risks.
The management of reports of alleged violation of the ethics of behavior and corporate fraud is regulated by a specific policy emphasizing:

> the behavior of whoever holds a position as the head or, in any case, coordinator of resources must be an example, providing leadership and guidance in accordance with the guidelines of the Code of Ethics and the Zero Tolerance of Corruption Plan;
> the obligation to promptly bring every violation of the Code of Ethics and the other reference regulations, even when only suspected, to the attention of Enel SpA's Auditing Department, so that the latter can investigate it;
> the guarantee of absolute confidentiality regarding the identity of the whistleblower, as well as the latter's immunity from reprisals, illicit pressures, embarrassment, and discrimination of any kind;
> the availability of a specially provided channel for both signed and anonymous reports from stakeholders and anyone else who intends to report an alleged violation of the corporate Code of Ethics.

Because four years had passed since the Code of Ethics was updated and the composition of the Enel Group had changed in that period, with many companies having been acquired abroad, in 2008 the Company set up a work group consisting of the Corporate Affairs Department, the Auditing Department, and the CSR and Relations with Associations Unit, which involved the process owners in revising the document.
The updating was considered necessary in consequence of the regulatory and organizational changes that had taken place, as well as to align and supplement it with the ethical codes of the most important international groups.
In 2008, excluding Endesa, in Enel 13 violations of the Code of Ethics were ascertained out of a total of 60 reports, and were distributed as follows, according to the process concerned:

> Human resource management: 6;
> Network connection, operation, and maintenance: 4;
> Qualification vendor rating: 2;
> Material and logistics management: 1.

In 2008 in Endesa, 13 violations of the Code of Ethics were ascertained out of 73 reports.

ETHICAL AUDITING

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Implementation of the Code of Ethics							
Total reports received	**(no.)**	**60**	**87**	**85**	**-27**	**-31.0**	**Enel***
Shareholders	(no.)	10	2	-	8	400.0	Enel*
Customers	(no.)	7	38	30	-31	-81.6	Enel*
Employees	(no.)	27	36	32	-9	-25.0	Enel*
Public at large	(no.)	3	3	14	-	-	Enel*
Suppliers	(no.)	13	8	9	5	62.5	Enel*
Total violations of the Code of Ethics	**(no.)**	**13**	**16**	**28**	**-3**	**-18.8**	**Enel***
Actions taken for violations of the Code of Ethics	**(no.)**	**13**	**16**	**n.a.**	**-3**	**-18.8**	**Enel***
For corruption	(no.)	-	-	n.a.	-	-	Enel*
For discrimination (mobbing)	(no.)	-	1	n.a.	-1	-100.0	Enel*
For inappropriate use of corporate resources/ instruments	(no.)	1	1	n.a.	-	-	Enel*
For other reasons	(no.)	12	14	n.a.	-2	-14.3	Enel*
Dismissals	(no.)	-	1	n.a.	-1	-100.0	Enel*

* Excluding Endesa.

The following table shows the reports received in the Endesa Group, classified by stakeholder injured.

ETHICAL AUDITING ENDESA

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Implementation of the Code of Ethics							
Total reports received	**(no.)**	**73**	**-**	**-**	**-**	**-**	**Endesa**
Shareholders	(no.)	29	-	-	-	-	Endesa
Providers of capital	(no.)	-	-	-	-	-	Endesa
Customers	(no.)	11	-	-	-	-	Endesa
Employees	(no.)	20	-	-	-	-	Endesa
Public at large	(no.)	-	-	-	-	-	Endesa
Suppliers	(no.)	10	-	-	-	-	Endesa
Other	(no.)	3	-	-	-	-	Endesa
Total violations of the Code of Ethics	**(no.)**	**13**	**-**	**-**	**-**	**-**	**Endesa**
Actions taken for violations of the Code of Ethics	**(no.)**	**13**	**-**	**-**	**-**	**-**	**Endesa**
For corruption	(no.)	-	-	-	-	-	Endesa
For discrimination (mobbing)	(no.)	-	-	-	-	-	Endesa
For inappropriate use of corporate resources/ instruments	(no.)	-	-	-	-	-	Endesa
For other reasons	(no.)	13	-	-	-	-	Endesa
Dismissals	(no.)	5	-	-	-	-	Endesa

INVESTMENT AND PROCUREMENT PRACTICES

The teleselling channel stands out among Enel Energia's different sales channels, which are aimed at developing the idea of the liberalization of the electricity and gas market in Italy. In 2008, it provided itself with a network of important external contact centers, to both respond to potential customers who call Enel Energia for information on the offers in the Free Market and to contact by phone consumers, including those who live in places that are hard to reach through other channels, but are nevertheless interested in learning about the possibilities of saving on energy that exist in the Free Market.

The contact centers that currently have a contractual relationship with Enel Energia were carefully selected from the leading ones in Italy.

These are the numbers and strong points of the channel:

> There are 17 telesellers, with more than 11,000 workers.
> All centers are connected to Enel Energia on a single centralized technological platform owned by the company, which allows the work activities to be monitored and directed by the company in real time.
> Enel Energia – which in 2008 became the first company in Italy to have this sales channel – can enter into contracts directly on the phone through voice ordering.
> More than 2,000 telephone operators are dedicated to the Enel Energia account.
> The only company in Italy to do so, Enel Energia requires its partners to permanently hire their workers, even for outbound activities. This ensures better working conditions and higher general quality.
> The telesellers connected with Enel Energia are very attentive to the "corporate climate". They have set up facilities and activities that show sensitivity and concern for their employees. In particular, in 2008 gyms, nurseries, and kindergartens were set up in the vicinity of the contact centers, and agreements were made regarding easy terms for credit cards, the purchase of personal computers, etc.

Enel Energia's telesellers also stand out because of their social sensitivity. Among other things, we should mention the "Bullying... let's defeat it together" project, in which SAI srl is involved in cooperation with the Magna Carta Cultural Foundation. Star athletes visit Italian schools to speak against this serious phenomenon. The initiative also provides for a competition for junior and senior high school students and the constitution of a permanent Center for monitoring bullying.

HR1

Percentage and total number of significant investment agreements that include clauses on human rights or that have undergone human rights screening.

All agreements regarding partnerships or acquisitions include specific clauses concerning the acknowledgment and acceptance of Enel's Code of Ethics, which includes commitments with regard to the observance of the laws and provisions that regulate employment relations, the observance of laws and regulations for the protection and preservation of the environment, and observance of the laws for the protection of workers.
First-level Enel managers have been explicitly urged not to enter into cooperation agreements or to investigate the possibility of partnerships, acquisitions, or mergers if they have not ascertained 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.
These clauses are also included in supply and service agreements with third parties based in less developed countries or in countries with specific areas of risk.
Furthermore, supply and service contracts generally require the observance of laws, regulations, and obligatory provisions established by the relevant authorities concerning the activities carried out, the materials used, employment contracts, and on-the-job health and safety.
Finally, the Code of Ethics – which expresses the Company's commitments and ethical responsibilities in the conduct of its operations, and is based on specific principles of respect for and defense of the individual – is applied in all subsidiaries.
In effect, during their first meeting after the acquisition, the related Boards of Directors are required to adopt the Code of Ethics and the Zero Tolerance of Corruption Plan with a special resolution. (For further details, see page 43 of this Report.)

As far as Endesa is concerned, in December 2008 the new regulations governing the procurement of products, works, and services was approved. These regulations apply throughout the Group, with exceptions for the particular previous procedures in Spain and Latin America. They represent a simplification of processes and are appropriate for Endesa's circumstances and new commitments, such as Law 31/07 and the CSR principles, as well as its membership in the Global Compact.
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HR2

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

All contracts, regardless of their value or 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 its workers, and in general to comply with regulations regarding on-the-job health, safety, and hygiene, as well as wage, pension, and insurance obligations.
Since 2002, suppliers that carry out all or part of their activities in "countries at risk" are required to accept specific ethical clauses regarding human rights (prohibition of child and forced labor, freedom of association and union activity, prohibition of discrimination, obligations concerning safety and environmental protection) at the tender stage and/or when contracts are signed.
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.

In 2008, Enel drew up and disseminated throughout the Company a series of clauses to include in contracts entered into with both Italian and foreign suppliers

to ensure that the principles provided for in the Code of Ethics and the 231/01 compliance program are applied.
When contracts are entered into with Italian suppliers, Enel also provides for the possibility of verifying and monitoring what the supplier states.
In contracts with foreign suppliers, the clauses are included after the local laws have been examined.

As far as Latin America is concerned, particularly significant is the case of Endesa Chile, which assessed contracting firms for the third year in a row. Out of 111 such firms assessed according to nine factors, the regulations regarding labor were implemented by 89.7%, the environment by 86.6%, safety by 85.1%, and personnel treatment by 83.8%.
In 2008, furthermore, also in Chile, the process of ISO 9001, ISO 14001, and OHSAS 18001 certification of the integrated management systems begun in 2007 was completed, with co-funding for the Pymes companies, which provide a number of services for Endesa. Of this group, eight companies obtained certification, while in 2008 the process was started by seven contracting firms.
The fact that 100% of Endesa Chile's generating plants are OHSAS 18001 certified sets a standard according to which contractors must provide an annual program of prevention, which includes a program for qualification in this regard.

NON-DISCRIMINATION

HR4
Total number of incidents of discrimination, and actions taken.

There were no incidents in the period concerned (2006, 2007, 2008).

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-EU 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.
As a rule, all procurement contracts contain an explicit clause regarding the seller's obligation to observe the laws protecting the rights of workers.
The following are examples of clauses included in contracts.

Employees

"You undertake to apply to the personnel charged with executing the order conditions with regard to regulations and wages that are not inferior to those contained in the collective bargaining agreements in force at the time when and in the place where the activities are carried out, as well as to duly meet your obligations regarding social security, insurance, and anything 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 occupational categories concerned."

Union freedom

"You must ensure workers – without distinction and without prior authorization – the right 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 abuse against them. Furthermore, you must not discriminate them on the basis of their race, age, gender, sexual preferences, religion, nationality, social or ethnic origins, disability, union membership, or political affiliation."

No significant risks of this kind were reported in Endesa.

CHILD LABOR

HR6
Operations identified as having significant risks for incidents of child labor, and measures taken to contribute to the elimination of child labor.

See the preceding comment concerning the identification of operations "at risk".
As a rule, all procurement contracts contain an explicit clause regarding the seller's obligation to specifically observe laws protecting workers' rights.
The following is an example of the clause included in such contracts.

Child labor

"You undertake to not employ in the process of your operations, either directly or indirectly, any person younger than the minimum age established by the legislation in force in the country in which the operations 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 documents containing the personal data of all your employees who are less than 18 years old."

Endesa expressly condemns child labor and forced labor through its Code of Conduct. It extends this commitment to its suppliers, and checks that all its contracting companies comply with the legislation in force in the countries where it has operations.

FORCED LABOR

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

See the comment on HR 5 on page 166 concerning the identification of operations "at risk".
As a rule, all procurement contracts include an explicit clause regarding the seller's obligation to specifically observe the laws protecting workers' rights.
The following is an example of the clause included in such contracts.

Forced labor

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

Endesa expressly condemns child labor and forced labor through its Code of Conduct. It extends this commitment to its suppliers, and checks that all its contracting companies comply with the legislation in force in the countries where it has operations.

BAYAN

On August 12, 2008, Enel Investment Holding (EIH) acquired 10% of the share capital (amounting to 333,333,500 shares) of PT Bayan Resources ("Bayan") during the IPO of the company's shares on the Indonesian stock market, following an agreement entered into with Bayan and its shareholders. The total consideration of the transaction amounted to about 138 million euro.

The shares acquired by EIH are subject to a lock-up period of 18 months from the date on which the IPO was closed.
Bayan is the eighth-largest coal-producing group in Indonesia in terms of the quantity produced in 2007, with integrated operations of extraction, processing, and logistics. One of Bayan's five largest customers in terms of revenue in 2007, Enel also entered into an agreement with the same company providing for the supply of a defined quantity of coal until December 2019.

The companies also entered into agreements on corporate governance, which, in addition to regulating their relations as partners, include a reference to principles of corporate social responsibility.

800

meetings with stakeholder associations

61

power plants opened to the public

- 94,000 visitors to plants
- 440,000 students involved in "PlayEnergy"

SO - Social Performance Indicators

GRI-G3: Disclosure on Management Approach

Listening to the different components of an increasingly complex and varied society is 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 2008 the External Relations Department reorganized itself in order to increase the Company's ability to discuss with the protagonists who, both nationally and locally, can contribute to planning growth that is compatible with the interests of society and local communities. (See also the Focus on Stakeholder Strategy on page 173.)

Enel's presence in 22 countries, on 4 continents, has entailed the need of a process of integration, while respecting local customs. In order to do this, the Company has tried to export its best practices, including those regarding cultural initiatives and sponsorship.

The External Relations Department was reorganized accordingly. Teamwork among the Department's different Units has harmonized the procedures for discussing the requests of different stakeholders. In particular, the Company set up the Large-scale Infrastructure Projects Unit for the purpose of developing and carrying out Enel's strategic large-scale projects within a mega-community.
The task of the Institutional Affairs Unit is to represent Enel's interests and positions to Italian and EU institutions, and to coordinate the management of the impacts on the public and the latter's consent with regard to corporate projects and operations. In particular, the Unit monitors regulations under consideration that could entail a significant impact on the Company's operations at both the national and the EU level, and, with the assistance of the relevant departments, prepares proposals for amending legislative acts, which serve to make the Company's positions known to all the parties involved.

The consent of the local communities involved is increasingly decisive for the success of the Company's strategic projects. Therefore, discussion with local institutions is entrusted to a specific Local External Relations and Confindustria Unit. Its activity provides for involving stakeholders in the construction of enduring quality relationships 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 allow it to provide complete and transparent information on questions that are important for the construction of a dialogue. As part of our concern for sustainability, relations with associations, as well as Italian and international groups, representing stakeholders are coordinated by the CSR and Relations with Associations Unit, which discusses systematically with associations representing consumers, environmentalists, small and medium-sized firms, and local governments.
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 agreed on with the aforesaid associations.
Among the issues discussed during meetings with associations in the different areas concerned were: the liberalization of the electricity market, the enhancement of the role of research and innovation, the preservation of biodiversity, the fuel mix and the potential of bio-fuels, energy efficiency and the development of renewable energy sources, the conciliation and extrajudicial settlement of disputes, and the enhancement of urban areas.
An additional example of relations with communities, and especially with future generations, are the Enel Historical Archives, which were inaugurated in Naples in 2008 and comprise not only a very large legacy of documents – more than 13,000 linear meters of documents from 1,270 companies, several of which were doing business as long

ago as the late nineteenth century – but also a repository of ones that have considerable historical interest.
Relations with local communities are also maintained through "Energiaper" ("Energyfor"), a container of projects in six areas: culture, music, science, environment, education, and sports. Enel keeps up these relations in three ways: by actively participating in the life of local communities, by promoting new cultural and social initiatives that provide opportunities for the latter to grow, and by 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 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 its social aims by distinguishing four main categories for breaking down its engagement in local communities: largesse, investment in communities, business initiatives with social impact, and socially sustainable initiatives.
With regard to the fight against corruption, Enel was the first Italian company to adopt a compliance program pursuant to Legislative Decree 231/2001, and since June 2006 has also has a specific Zero Tolerance of Corruption Plan.

Endesa has permanent channels for closely observing both the evolution of the expectations of its stakeholders and the actions taken by the Company to satisfy such expectations.
An extensive study was carried out in order to determine the 2008-2012 Strategic Sustainability Plan, including an in-depth analysis of surveys, reports of press coverage, positioning studies, and public surveys in the countries where Endesa has operations.

Focus on Stakeholder strategy

Stakeholder strategy

In an increasingly complex and volatile competitive situation, characterized by a serious crisis of confidence in markets, Enel believes the creation of value must be based on open and transparent discussion with the communities in which it lives and has operations, in both Italy and the rest of the world. This systematic and broad approach is a truly key factor of success, contributing to the Company's penetration of new markets, accompanying Enel's international expansion, and facilitating its legitimization and the creation of consent with regard to the Company's projects and operations.

In 2008, in particular the External Relations Department consolidated its ability to discuss with the different interest groups involved for various reasons by Enel's industrial strategy. The aim is to bring the Company's interests and those of society into line with each other, in a perspective of sustainable growth. In particular, the Department's Units worked closely together in order to coordinate their responses to the expectations of different stakeholders. (For further details, see also the "Accountability to stakeholders" on page 50 of this Report).

In general, the offices of the Departments entrusted with handling relations with specific stakeholders constantly promote meetings and other occasions for exchanging information with the protagonists of the economic and social worlds, in accordance with the perspective of stakeholder engagement, proactively listening to their requests and trying to overcome any information gaps.

Enel considers its stakeholders to be those categories of individuals, groups, or institutions whose contribution is required for the Company to accomplish its mission, or that in any case have an interest at stake in its pursuit. Specifically, stakeholders are those who make investments connected with Enel's operations, first of all the shareholders and then employees, customers, suppliers, and business partners. In a broader sense, stakeholders are also all those individuals or groups, as well as the organizations and institutions that represent them, whose interests are influenced by the direct or indirect effects of Enel's operations, including local and national communities in which Enel conducts these operations, environmental associations, future generations, etc.

This Focus aims to highlight the activities carried out with several "families" of stakeholders, in Italy and abroad, that do not appear in the performance indicator reporting.

Customer satisfaction is measured with the traditional instruments, through specific market surveys conducted by product, service, and sales channel used, as well as through the annual brand equity survey, which assesses the value of the "Enel" brand as perceived by public opinion.

The "Un cliente per amico" ("A customer for a friend") project, which innovates the relationship between the Company and its customers, should be noted. Thanks to this initiative, every employee has the possibility of personally following a customer for an entire year and becoming the latter's privileged contact. The customer turns to the employee assigned to describe their experiences in their relations with the Company or to request help in resolving problems. The employee notes all the contacts in a special "electronic logbook", indicating suggestions, the customer's problems, and his or her own sensations with regard to them. At the end of the period, the customer expresses his or her opinion regarding the initiative and the employee.
So far, more than 3,000 customers, in both the electricity and the gas markets, have been selected and paired with their "tutors". They have been very satisfied with, and even enthusiastic about, the project, and consider it highly innovative.

In 2008, Enel also supported its relationship with local communities and its institutional commitment through "Energiaper", a program that contains projects dedicated to culture, music, science, the environment, education, and sports.
For years, "Energiaper" has been enlivening its relations with its different stakeholders in three main ways: active participation in the life of local communities, promotion of cultural and social initiatives that provide opportunities for such communities to grow, and opening its facilities and plants to the public, transforming its industrial assets into "glass houses" for families and customers.
"Energiaper" supports and develops integrated communication projects, including ones in partnership with public and private institutions and with organizations engaged in the development of local communities.
In 2008, Enel promoted more than 50 projects, which brought music, art, culture, science, and sports to the countries in which the Company is present.
The following are some of the most important initiatives.
Enel Contemporanea. Enel consolidated its presence in the world of contemporary art with the second edition of the project, involvement in a new community (Venice, after Rome), and a challenging theme: the unexplored energy of Time in its different forms, from play and the imagination to anticipation. The three artists who interpreted time – assume vivid astro focus, A12, and Jeffrey Inaba – proposed original installations in the ruins of Largo Argentina in Rome, during the Architecture Biennale in Venice, and again in Rome at the Policlinico Umberto I. There were more than 1,500 visitors at each inauguration.
Again with regard to art, as part of the Enel series "Ten Great Exhibitions", from October to February the Vittoriano hosted an exhibition dedicated to Picasso: 50

masterpieces displayed in 6 sections. The Company's commitment to the promotion of painting also crossed Italy's frontiers with the exhibition of Correggio's *Danae* at the Hermitage in Saint Petersburg.

The "Festivaletteratura" in Mantua hosted "Scintille" again in 2008, with 22 brief talks, 27 speakers, about 3,000 people in attendance to gather ideas and stimuli.

"Energiaper" also means the promotion of great music. Concerts by young musicians and events organized in cooperation with prestigious musical institutions such as the Auditorium Parco della Musica in Rome, the Accademia Nazionale di Santa Cecilia, and the Teatro alla Scala become occasions for meeting local communities.

The protagonist in 2008 was Enel's partnership with Jovanotti for the tour that in May and June took him to 30 cities in Italy. Thanks to Enel, in cooperation with AzzeroCO$_2$, the emissions of carbon dioxide caused by energy consumption, production of CDs, the paper used for advertising material, and the transportation of the staff and the audience were offset by the planting of trees in urban areas and the distribution of low-consumption light bulbs.

2008 also saw the fifth edition of Energia in Gioco/PlayEnergy, the project that Enel dedicates to students and teachers so that they can learn about energy and how to use it more rationally. This edition involved more than 440,000 students from 7,000 schools in Italy, Slovakia, Romania, Bulgaria, Chile, Guatemala, and Costa Rica. All of 50,000 students visited Enel plants and over 100,000 participated in the competition, demonstrating their knowledge about energy and science, as well as their ability with regard to designing more sustainable cities and neighborhoods. The initiative took place under the aegis of Ján Figel, the member of the European Commission who is responsible for Education, Training, Culture, and Youth.

Science as a platform for the exchange of views and discussion with stakeholders and the public at large is another component of the "Energiaper" project. Oxygen, Enel's scientific magazine, is included in this component as a concrete instrument for achieving an ambitious objective: to discuss science in way that is rigorous, but not elitist, clear but not banal. With four issues a year, and more than 100 pages and 5,000 copies an 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 constitute other important occasions for arousing interest in scientific issues and evaluating their social, economic, and environmental implications.

Finally, the "Energiaper" program supported sports and their positive values, from fairness and playing by the rules to dedication and healthy competition. One of our main partnerships in 2008 was with the Association of Tennis Professionals, which from February to November saw Enel present in the association's tournaments in Chile, Russia, Romania, Slovakia, and Spain. With the sponsorship of the Italian Swimming Federation and two of the leading Italian swimmers, Federica Pellegrini and Luca Marin, Enel promoted sports and charity initiatives,

with the world championships in Rome coming up in 2009. And for the first time, Enel entered the world of motors and supported one of the symbols of Italy throughout the world, Ducati, in the MotoGP. Finally, there were beach soccer, basketball, and our partnership with the Olympic Stadium in Rome for the matches of AS Roma and SS Lazio.
"Energiaper's" support for culture, music, educations, science, and sports featured a common theme: the **environment**. All the projects dedicated ad hoc instruments in support of the environment and initiatives were planned with the public to protect and enhance areas of great natural interest around power plants through the Nature and Local Environments program. There are more than 200 **Energy and Nature Trails**, which every year attract about 50,000 hikers and bikers. In 2008, Enel also sponsored the sixth edition of **Open Power Plants**, once again making the historical, environmental, and technological heritage of the Company's power plants available to the public. Sixty-one plants – including for the first time ones in Bulgaria, Slovakia, and Russia – hosted more than 150 cultural, musical, and sports events, which attracted 94,000 visitors.

Relations with associations, which are becoming more and more influential in a society where information is increasingly decentralized, are handled by the CSR and Relations with Associations Unit, which discusses systematically with associations representing consumers, environmentalists, small and medium-sized 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 with the consent of the aforesaid associations.
Among the subjects discussed during meetings with the associations of the different groups concerned were the enhancement of the role of innovation and research, Enel's international expansion, the defense of biodiversity, the fuel mix and the potential of bio-fuels, energy efficiency and the development of renewable energy sources, the conciliation and extrajudicial settlement of disputes, and the enhancement of urban communities.
As far as the specific activity regarding the **Alternative Dispute Resolution** between Enel and the consumer associations of the CNCU, in 2008 the training stage was concluded for both the representatives of the associations and the Enel personnel. This stage was preparatory with regard to the Procedure being put into effect throughout Italy.
The training project was carried out by Enel in cooperation with the Consumer's Forum, and was approved and supported by the Electricity and Gas Authority (AEEG). As part of this activity, all the local representatives of the 17 consumer associations of the CNCU were trained to use the online application. Twenty-eight courses lasting two days were held in Enel's computer-equipped classrooms in 10 Italian cities.The personnel of the AEEG's Consumers and Service Quality Department held specific modules regarding the new regulatory situation with the complete liberalization of the energy industry and the regulation of conciliation.

At the end of the program, 560 local representatives of the consumer associations and 140 conciliators – 120 from the associations and 20 from Enel's Sales Division – were qualified to use the procedure.
At the same time, the Code established in 2006 for the experimental phase of the Procedure, which had been implemented only in Piemonte, was revised. This activity will allow conciliation to be extended throughout Italy in 2009, to the benefit of all Enel customers, with regard to both the more regulated service and the free market of electricity and gas.

With regard to activities connected with local communities, Enel also participates in the **Festa Nazionale della PiccolaGrandeItalia** (National LittleGreatItaly Celebration), promoted by the environmental association Legambiente, with initiatives on energy efficiency. The Company distributed 150,000 water economizers through **Voler Bene all'Italia** (Loving Italy), a festive day dedicated to 1,500 small municipalities.
In 2008, in cooperation with **Cittadinanzattiva**, **Legambiente**, the **Movimento Difesa del Cittadino**, and the **Unione Nazionale Consumatori**, Enel and Enel.si also sponsored the second edition of the **Sun Days**, a project that promotes the culture of energy efficiency and the use of renewable energy sources. In the 10 Italian cities (Milan, Turin, Genoa, Bologna, Florence, Perugia, Rome, Naples, Palermo, and Siracusa) where the initiative took place, low-consumption light bulbs and water-economizer kits were distributed, in addition to two practical guides on the intelligent use of energy and on renewable energy, such as photovoltaic and thermal solar.
During 2008, Enel participated in **My Future**, a project created by Vodafone in cooperation with Legambiente to promote responsible business and the protection of the environment, which produces clean energy through the regeneration of old cell phones. The first action was "Your cell phone still has a lot of energy", a campaign to collect and regenerate old cell phones, which contributed to the construction of photovoltaic systems in Italian schools. Everyone could participate in collecting phones and accessories, not only in Vodafone stores, but also during the recycling tour of Italy, which made ten stops and distributed low-consumption light bulbs contributed by Enel.si.
The **Sustainability Meter** is currently being reorganized. Available online on Enel's website, this instrument measures the degree of agreement or disagreement expressed by stakeholders with regard to the Company's strategies. With the Sustainability Meter, you can check how distant your vision of sustainability is from the Company's. Created in 2007, this instrument involves the public at large in a permanent discussion and represents Enel's innovative approach to corporate social responsibility.
In 2008, Enel cooperated with the **AIL** in 3,500 Italian squares, combining a contribution to research on leukemia, lymphomas, and myeloma with the intelligent use of energy. When people bought an AIL Easter egg, they received two complimentary low-consumption light bulbs provided by Enel.si, as well as a flyer

containing useful advice on energy conservation. During this initiative, Enel.si distributed a total of 1,600,000 light bulbs, which, compared to traditional incandescent bulbs, allowed consumers to conserve 106 million kilowatt hours, thus avoiding the emission of 62,000 tons of CO_2 (carbon dioxide), the gas that is considered to be mainly responsible for climate change.

Enel is a member of the **Consumers' Forum**, an independent association whose membership includes the most important consumer associations, research centers, and numerous industrial and service companies and their respective associations. The Consumer's Forum is a place where members discuss and reflect together in order to facilitate learning about each other and overcome the difficulties in communication between consumer associations and firms. Discussion between these different worlds is made possible by the evolution and increasing maturity of both of them. Evidence of this development is the cooperation and commitment of the firms and consumer associations in their search for quality in products and services, as well as in the procedures for settling disputes, as such the online one created by Enel, the first European utility to do so. The Consumer's Forum works to create discussion groups, as well as research and training centers for growth, and promotes and disseminates a culture of responsible consumption. Its ultimate goal is to promote together changes in consumerist policies aimed at improving the quality of people's lives.

In cooperation with several environmentalist organizations as well as local governments and parks both in Italy and abroad, and under the aegis of the Ministry of the Environment, since 2007 Enel has celebrated the "**World Biodiversity Day**", turning its presence in local communities into an opportunity to support the conservation of local eco-systems and natural habitats. This commitment is part of the activities carried out through Countdown 2010, an initiative promoted by the IUCN (World Conservation Union) with the aim of making politicians and the public aware of the necessity of taking concrete actions to stop the loss of biodiversity by the end of 2010.

Enel is committed to the production of electricity from wind, and for years has been discussing with the WWF, Legambiente, Lipu, and Greenpeace at **Qual buon vento**, a permanent work group for the development of wind energy, which promotes the idea of shared planning. In particular, the group has discussed both general topics and questions regarding single plants, as well as the prospects of offshore development. The aim is to strengthen relations with local communities and consolidate the approval regarding the Company's development plan.

As the second-largest energy company in Europe in terms of installed capacity, Enel makes energy efficiency one of its values and puts it into practice through a number of initiatives. An example is the workshop held in 2008 in Brussels called "**Energy efficiency and small and medium-sized firms**", which was dedicated to representatives of such firms in three countries (Slovakia, Bulgaria, and Romania) where Enel is a leading player, with Slovenské elektrárne, Enel Maritza East 3, Enel Distributie Banat, Enel Distributie Dobrogea, Enel Energie, Electrica Muntenia Sud, and other Romanian companies.

In order to initiate for the first time a discussion at the EU level with the Small, and Medium sized Enterprizes, the event was organized in cooperation with the UEAPME, the European Association of Craft, Small, and Medium-sized Enterprises, which represents more than 12 million firms and comprises 87 national industry associations.

In establishing its History Archives, which were inaugurated on September 24, 2008, Enel was concerned to preserve and hand down the "historical memory" of the Italian electricity industry, which had contributed to laying the foundations of Italy's economic development and modernization. It did so not only to comply with certain legal obligations, but also in the conviction that the historical reconstruction of the vicissitudes that, through different paths and components, marked the transformation of Italy into an advanced society with the evolution of the electricity industry and the energy system can contribute to the development of an important resource like an appropriate culture of innovation and work, and offer precious cues regarding the choices that the country will have to make in this area.
The Enel History Archives hold much of the long history of the electricity industry in Italy, containing as it does the documentation of 1,270 electricity companies that merged into Enel following their nationalization in December 1962, as well as the documentation of Enel both when it was a government company and after its privatization. These documents make it possible to follow Italy's and Enel's economic and social growth, from the first steps at the end of the nineteenth century and the commitment to the complete electrification of the country in the 1960s up to the new challenges in an era of competition and the globalization of markets.
The "Enel History Archives" project is entrusted to the CSR and Relations with Associations Unit of the External Relations Department. In effect, Enel believes that one of the objectives of all responsible companies is to preserve and enhance their cultural heritage and make it available to scholars, in order to foster sustainable economic and social development and as a commitment to future generations.

In November 1992, the government's Archives Office for Lazio proclaimed Enel's documentation "of remarkable historical interest", recognizing "Enel's documents as a source of singular value and extraordinary interest for the history of electricity and for Italian and international economic history from the beginning of the last century on".
Conscious of the value and interest that this historical documentation has for the scholarly and national community, and in order to optimize the management of its archival heritage and, at the same time, make it possible for others to consult it, in 2006 Enel started up the project called "Enel History Archives", which provided for the collection of all the historical material in a single place, so as to constitute "organic" archives on the history of the Italian electricity industry.
As the seat, the Company chose a building at via Ponte dei Granili 24 in Naples, which was suitable for housing Enel's cultural heritage. The implementation

of the project, including the renovation of the building and the transfer of the documentation, was scheduled to take about two years, and was completed at the end of November 2007.
The remarkably extensive archives contain more than 13,000 linear meters of documents, about 100,000 photographs, thousands of technical drawings, hundreds of finds and film clips, and thousands of specialist books and magazines. The documentary series consist of administrative documents, correspondence, manuscripts, and technical drawings. There is also a large heritage of books from the specialist libraries of the archives in the eight compartments into which Enel was divided when it was a government company.
This heritage of documents and books lends itself to different kinds of studies and research, not only technical, but also from the point of view of social and economic history. The photographic material deserves special attention. Removed from a strictly occupational context, it tells of, and objectively documents, not only the working life at the Company, but also the sociable occasions.
In order to bring all this documentary material together and to make it easier to consult, the Company is having it catalogued in computerized files organized according to uniform criteria. When the computerized inventory has been completed, it will be possible to use a general catalogue that can show, systematically and in real time, all the archival collections managed by a dedicated corporate unit.
The same model will be proposed to the foreign companies of the Enel Group for carrying out similar projects.
With its History Archives, Enel intends to provide an open cultural center, an indispensable reference point for Italian industrial culture. It is also meant to be a meeting place connecting the Company and the outside world which is easy for scholars to access and consult. In effect, together with Enel's photography and film archives, the inventory of the collections can be consulted online at www.enelikon.it. Enel is convinced that a shared memory can be a precious instrument of the growth for our country.

The fourth edition of the "We are energy" competition, which is dedicated to the children of Enel employees, saw for the first time the participation of Bulgaria, Romania, Slovakia, Russia, and Brazil, in addition to Italy. The project was also extended with national competitions to the single countries of Latin America in which Enel has operations.
About 2,000 youngsters from all over the Enel world signed up to participate. They were asked to conceive a campaign to make people aware of the subject of safety at home, on the street, at work, and in daily life in general, taking their cue from the safety book "Safety is Life", of which they received a copy.
In effect, safety is a core value for Enel, and "We are Energy" is one of the many initiatives included in a larger project regarding safety awareness, "Everyone for Safety", which aims to achieve the goal of "zero accidents".
The winners in all the countries involved in "We are energy" were awarded the

prize of a two-week stay in Italy, where – with the help of experts from Cinecittà's International Film School – the 100 youngsters, between 9 and 16 years old, shot 8 film clips on safety, which Enel then used in its campaign.
"We are energy" achieved its objective of contributing to the promotion of intercultural exchange and integration among the countries where Enel has operations.

The following is a brief overview of some of the most important stakeholder engagement initiatives in the countries where Enel is present.

Russia

In 2008, Enel extended the Open Power Plants project to Russia. About 4,000 visitors participated in the three days of festivities at the OGK-5 plants. In Russia as well, the successful formula that has always distinguished this project provided for guided tours of the "energy factories", together with numerous kinds of entertainment, with special attention for the youngest guests. This is the recipe of a family day at the power plant, which for the very first time in Russia opened its doors for such a large public. There was also great enthusiasm on the part of the heads of the plants, who expressed their appreciation of the launch in their country of an initiative already so well known and highly regarded in Italy, one which for the first time in Russia brought the world of energy and its "factories" closer to the communities where the plants are located. Guided by experts, the families followed the "energy trail" inside the plants in order to learn how the latter work and understand the technologies used. In addition to the tours, a lot of the initiative was dedicated to going deeper into the content, through the distribution of material expressly conceived for the Open Power Plants in Russia and dedicated to the OGK-5 plants. Numerous other activities were also organized for the occasion in cooperation with the local community and the employees of the power plant. In effect, music and sports provided the framework for the entertainment, with the involvement of local music groups and the setting up of facilities for playing soccer, basketball, and volleyball. In 2008, Enel also launched its "PlayEnergy" project in Russia.
Enel's continuing aim is to establish a relationship with young people, parents, and teachers by telling about issues that not only have a decisive geo-political importance at present, but show up in many ways in people's everyday lives. This communication initiative uses schools as a privileged channel and over the years, because of its credibility and substantial character, has positioned Enel as Italy's most important reference for investigating in schools questions connected with energy. Because of its varied content, this project will also allow Enel to discuss with different groups in Russia, thus satisfying different communication needs:
> young students;

> families;
> teachers and heads of schools;
> government institutions at the national level;
> local authorities in the communities near the plants;
> non-governmental organizations.

In 2008, among other things, in accordance with the Enel Group's international diversification strategy, the Italian version of the "*Energia in Gioco*" project and the international "*Young Energy*" one merged under the name of "*PlayEnergy*". This is a signal of integration to the countries in which Enel is present, because the project also symbolically integrates experiences regarding pedagogy and communication, while maintaining their individual particularity. With PlayEnergy, young people and their teachers had an additional opportunity to "train" for global, worldwide challenges, to get used to living in a world without frontiers, and to discuss different views of the world.
For the first year, Enel involved the schools in the areas adjacent to the OGK-5 power plants, providing for four regional and one national award ceremonies. The plants' experts were available to welcome the classes of students and participate directly in some of the lessons on energy issues, which took place in the schools. The local press conferences involved representatives of local institutions, as well as ones from associations, and experts in the field of energy. The project contributed to strengthening the relations between the OGK-5 power plants and local authorities, favoring the visibility of the initiative for the entire local population.

With its project for reforesting the area used as an ash dump at its Reftinskaya GRES plant, OGK-5 was a winner in one of the categories of the Best Environmental Project of the Year award that the Ministry of Natural Resources and the Environment established this year to promote and reward the best scientific and industrial solutions in the field of safety and environmental impact reduction.
The project that won OGK-5 this recognition consists in the reforestation of the area used to dump the ashes from the first unit of the Reftinskaya coal-fired plant, Russia's largest power generating plant running on solid fuel.
For the first time in Russia, at this power plant in the Urals a project has been carried out to rehabilitate industrial land occupied by the collection of the ashes from the generating process. Since 1997, a total of 440 hectares have been gradually reforested.
The program of environmental rehabilitation was developed by specialists from the power plant in cooperation with botanists from the Urals branch of the Russian Academy of Science, the Sukholozhskiy Forestry Enterprise, and the Institute of Plant and Animal Ecology. The development of the project, in which the UralTeploElectroProjekt Institute also participated, involved the application of both results of experiments on methods of reforestation to reduce particulate and results of other important scientific studies.
The reforestation of the area enabled Enel to definitively resolve the problem

of the dispersion of particulate in the air – the so-called phenomenon of "ash beaches" – while ensuring the re-growth of vegetation on the land occupied by the dump. The planting of different species of trees and other, smaller plants, such as the sowing of graminaceous plants and perennial farinaceous grasses, improved the micro-climate and decreased the wind pressure in the adjacent areas. In addition, Reftinskaya GRES constantly monitors the environmental impact of the disposal of the ashes, and the results of several studies show that immediately after the completion of the project the concentration of particulate in the area was already below the limits imposed by Russian law.
The agricultural, economic, and social importance of the project is more than obvious. The rotation of crops can be practiced once again on land that was formerly not productive, the relief of the terrain is more "noble", and the problem of how to ensure the ecological safety of the city in the vicinity of the power plant and other inhabited places nearby has been resolved.

Slovakia

Enel's consolidated presence in Slovakia is demonstrated by the numerous initiatives contained in the **Energy for the Country project**, which reflects the Company's commitment to social and environmental responsibility. The project comprises five kinds of initiatives: Energy for sports, Energy for culture, Energy for education, Energy for the environment, and Energy for society.
In the summer of 2008, Slovenské elektrárne launched the second edition of Open Power Plants at five plants in Slovakia.
About 5,000 visitors participated in this edition, which was inaugurated at the end of May at the Liptovská Mara pumping hydro power station on Slovakia's largest river and then moved on to Vojani, Novaky Mochovce, and Bohunice.
The plants threw open their doors to the residents of the nearby towns and the families of employees to allow them to discover the world of electricity production, as well as to entertain them. In addition to sports, there were musical events with special performances by young stars of Slovak television.
Slovenské elektrárne is very attentive to the social and economic sustainability of the areas surrounding its plants, and constantly invests in the improvement of communities in a number of areas of Slovakia.
The following are several of the main actions taken in 2008:

- equipping pedestrians and bikers with reflecting accessories to improve their visibility;
- summer camps for children from socially disadvantaged environments;
- support for the Slovak Blind and Partially Sighted Union;
- social projects connected with the Christmas festivities;
- support for sports activities for the blind and deaf;
- support for selected local schools;
- financial donations to hospitals, rehabilitation centers, and medical centers;
- contribution to a foundation to assist severely disabled children with their

hospital stays and rehabilitation;

In all, the Company contributed to more than 150 projects.

Slovenské elektrárne also keeps up active discussions with the organizations and associations of the cities and villages in the vicinity of its nuclear plants.

Company representatives meet regularly with the administrative boards and general meetings of such associations in the region of Mochovce and Bohunice.

In order to promote the exchange of information and increase the transparency of the Company's operations, in 2005 the Civic Information Committee (CIC) was founded in Mochovce.

The committee consists of 13 representatives of the levels of local government and provides for at least two meetings a year between the academic world and the nuclear plant's management for the purpose of exchanging information regarding the latest events at the plant.

In the wake of the positive experiences of Mochovce's CIC, in 2007 a similar committee was set up in Bohunice, thanks to the initiative of municipal associations, the nuclear plant, JaviS (a nuclear power and decommissioning company), and Slovenské elektrárne. Twelve of the sixteen members were chosen by local self-government entities, while each of the nuclear power companies has two representatives.

In 2008, the information center of the Lovské Bohunice nuclear power plant was visited by 7,500 people and the one in Mochovce by about 8,500.

For the second consecutive year, "PlayEnergy", an educational and training project for students in elementary and junior high schools, involved hundreds of Slovak schools all over the country and almost 9,000 students. The local award ceremonies involved representatives of local institutions, as well as associations and experts in the energy field.

It aims to increase awareness of the importance and scarcity of energy sources, while at the same time arousing the interest of young people in the issues connected with energy, at both the national and the international level.

The initiative also aims to support creative and inventive thinking among young people, enabling them to express their ideas regarding the world of energy.

The 2008 edition of this initiative saw the participation of a total of 425 schools (331 elementary schools and 144 junior high schools) all over Slovakia, the highest percentage of all the participating countries.

Together with the Bratislava Institute of Technology, Slovenské elektrárne initiated an extensive project aimed at supporting technical and scientific education in Slovakia through a series of agreements with universities.

The project provides for three macro areas of action: the creation, for the first time ever in the country, of a post-graduate training course connected with the energy industry; the creation of pedagogical material for higher technical schools; and the organization of orientation sessions dedicated to students in their last year of secondary school, with specialists who tell the future graduates about the occupational world of energy.

In particular, during the academic year the project started up a program of

interdisciplinary studies at the Institute focusing on issues of the energy industry, which also provides for internships at Enel plants in Slovakia. In order to further support the development of technicians and scientists in the country, the promoting partners also launched a national prize and a series of scholarships/internships to reward the best undergraduate and master's theses.
As far as students in higher technical institutes are concerned, on the other hand, the objective is to supplement the current curriculum with specific information about energy and to promote knowledge of the different kinds of expertise and professional figures in the industry through a series of encounters that supplement the information contained in textbooks with the on-the-job experiences presented by people who work in the industry.
In 2008, Slovenské elektrárne developed partnerships with several Slovak national parks as an integral part of its environmental strategy, supporting biodiversity and the use of energy from renewable sources.
Among the first initiatives aimed at protecting the environment was the project started in 2007 in cooperation with the Slovak National Park of the High Tatra Mountains, which concerned the preservation of two threatened animal species: the chamois and the marmot of the Tatras.
The State Authority for the Protection of Nature prepared a number of projects for protecting both species. In 2008, in addition to the projects for protecting the marmot and the chamois, Slovenské elektràrne supported the project for protecting the Tatra falcon.
The project was implemented in cooperation with the Technical University of Zvolen and the Slovak Museum for Nature Protection and Speleology in Liptovský Mikuláš. Slovenske elektrárne provided for additional financial support for threatened species through a contribution to the production of an educational film on the Tatra marmot.
The Company is a partner of several important cultural institutions (the Ministry of Culture of the Slovak Republic, the Slovak Natural Museum, the Slovak National Theater, the National Community Center, etc.) and supports a number of both local and national cultural initiatives.
The most important cultural event supported in 2008 was the "Golden Violin" concert of classical music at the Castle.
Other significant cultural events supported by the Company:

> Jazz Days in Bratislava, Žilina, and Košice;
> the Bojnice Fable Festival – the most important festival of its kind in Europe;
> Tintoretto, "Christ and the Adulteress" – an exhibition of the work of the Italian painter;
> Oliviero Toscani, Months of Photography – an exhibition of the Italian photographer;
> "Italian Nights";
> Kremnické gagy – a humor and satire festival;
> New Year's Day, Bratislava 2008.

In particular, the Slovak Minister of Culture attended the inauguration of the exhibition of Tintoretto's masterpiece, which was displayed for the first time in

the country, at the Gallery of the City of Bratislava.
The Company supported important national sports events in 2008, including the Tatra Bank Open tennis tournament and the ATP men's tennis tournament. Slovenské Elektrárne is the official partner of the Slovak Paralympic Committee, the Slovak Tennis Association, and the Slovak Bicycle Tour.
As part of the "Io sono l'Azienda" ("I am the Company") project, in 2008 the Company created internal communication material to translate the corporate business language, adapting it to the language of its stakeholders and using a simple Q&A list.
Based on the principle that "every stakeholder is an ambassador of ours", the position paper was thus turned into textual documents, which were duly updated, distributed on the corporate intranet, and used for external activities: seminars, conferences, and all potential occasions for contact with external stakeholders.

Bulgaria

For five years Enel has supported communities in Bulgaria, dedicating attention to the environment, health, education, culture, and sports. In 2008, the Company earmarked more than 600,000 euro for these projects.
In 2008, the second edition of Open Power Plant was dedicated to the families of employees. The event was also a more informal way to celebrate Enel's five years of presence in Bulgaria and highlight the renovation of the Company's Maritza East 3 power station, which made it the first lignite-fired plant in southeastern Europe fully compliant with the EU's environmental regulations.

> Enel Maritza East 3 and the municipality of Galabovo signed a three-year agreement on initiatives to support local communities, which will enable the Company to identify and select projects regarding the environment, education, and health to support.
> Thanksgiving dinner: for the second year, Enel Maritza East 3 participated in and supported the Thanksgiving dinner organized by the American Chamber of Commerce in Bulgaria, which provides for charity initiatives.
> Christmas charity bazaar: together with other Italian companies in Bulgaria, Enel Maritza East 3 participates in a charity bazaar with a small donation to support a Christmas initiative for the less well-to-do.
> Enel Maritza East 3 sponsored a Puppet show for children from 5 orphanages in Stara Zagora.
> Sponsorship of the Radevo soccer team and renovation of the Obruchishte Stadium.
> Sponsorship, in cooperation with the Rotary Club, of a concert of the famous Bulgarian singer Mustafa Chaushev.

Romania

By now, Enel has a presence consolidated by five years in the Romanian market and from the beginning has always been involved in the life of the community. The social, educational, and cultural projects carried out by Enel in Romania constitute an important testimony to the Company's effort to follow and put into practice the principles of corporate social responsibility.

As far as social activities are concerned, in 2008 Enel supported a number of initiatives, both national and regional.

At the regional level, through its support for two Teledon campaigns, carried out by the two most important television companies in Costanta – Neptun TV and Costanta TV – Enel helped children suffering from cancer in the two largest hospitals in the Dobrogea region.

At the national level, in addition to the initiatives carried out by Enel Cuore, Enel was the main sponsor of the "Stop Cancer" campaign promoted by the Scheherazade Foundation, whose objectives are to disseminate awareness of the importance of early diagnosis, and at the same time raise the funds necessary for the children in the cancer wards of the Marie Curie Hospital and the Fundeni Hospital in Bucharest.

Enel donated the lighting of the Christmas tree at the Marie Curie, the most important children's hospital in Romania, and organized a party for the children and their families. With its clowns and other performers, the party was an entertaining occasion much appreciated by the youngsters, who also received gifts.

As part of a series of agreements with the Bucharest University of Science and Technology, and again with the objective of supporting the development of the community within which it carries out its operations, Enel began a partnership with the Academy of Economic Studies and the University itself. The Company financially supports:

> a number of post-graduate programs;
> 20 private scholarships;
> several internships at the subsidiaries of Enel SpA.

We should also mention the funding of two programs of scientific research, at two prestigious universities, on subjects connected with the environment and renewable energy sources.

Enel also conceived and supported the second edition of "Young Energy", a program addressed to students all over the world. The Company introduced this educational program in about 280 elementary, junior high, and senior high schools in Bucharest, Banat, and Dobrogea, with the participation of about 20,000 students. The objective was to inform them and increase their awareness of issues connected with energy.

Enel's involvement in the following projects supporting culture was also significant in 2008:

> sponsorship of the concert held at the Atheneul Roman in Bucarest by Dan Grigore, the most famous Romanian pianist. The funds raised were donated to

the Principesa Margareta Foundation, which helps disabled children and orphans;
> sponsorship of the most important classical music festival in Romania in 2008, "SoNoRo", which took place in Bucarest, Timisoara, and Cluj, and featured the most important Romanian and foreign musicians in original settings: churches, museums, old mansions, etc.;
> the exhibition at the National Art Museum of Bucharest of Antonello da Messina's *Portrait of a Man*, a masterpiece that was shown for the first time in Romania;
> for the second year in a row, sponsorship of the "Sleepless Nights" in Bucharest, a series of artistic events and other cultural events, such as concerts, museums open at night, artistic lighting, urban art, etc.;
> sponsorship of the "Proms of delight", a series of classical music. The money raised was donated to several institutions for orphans;
> with the patronage of the Italian Embassy in Bucharest, organization of a concert by a string quartet from the Accademia Nazionale di Santa Cecilia;
> finally, sponsorship of the National Light Music Festival at Mamaia, a famous seaside resort in the Dobrogea area. Every year, the festival presents young musicians, providing a springboard for their career.

Furthermore, through its participation in a number of conferences and seminars on energy efficiency, Enel undertook to increase awareness of the efficient and rational use of resources. The most important of these were:
> the Energy Efficiency Forum in Bucharest;
> Foren – a biennial forum on energy, organized by the WEC;
> Wind Energy in Romania;
> Romania Green Business. A conference where Enel received a prize for the development of renewable energy sources, namely the wind projects undertaken in Dobrogea.

Sports constitute another important commitment for Enel.
As part of its sponsorship of the ATP International Tennis Tournament in Bucharest, the Company organized a spectacular exhibition between Ilie Nastase and André Leconte, which was televised live. At the end of the match, the two great tennis players played against kids from the most important tennis school in Romania.
Enel is attentive not only to its external stakeholders, but also its employees.
As an example of this concern, we should note the project for welcoming the employees of Muntenia Sud, the company acquired in 2008, which involved:
> a welcoming event in which 1,000 employees, almost 70% of the total, participated;
> the distribution to all employees of a brochure presenting Enel;
> for the first three months, the publication of a special newsletter focused on the main projects carried out at Muntenia;
> a welcome letter from the CEO, which was distributed to all employees;
> in cooperation with HR, a workshop on integration and support for the change in management.

Another important project was "Safety Week", which was observed by all the Company's employees in Romania, whose purpose was to increase awareness

of and involvement with issues of safety, with the objective of achieving "zero accidents".
People were involved through workshops, videoconferences, the distribution of leaflets, etc.
As a further example of Enel's concern for its employees, we should note "We are Energy", a project dedicated to the children of employees, which was carried out in the main countries in which the Company is present. The objective of the project was to involve the kids in understanding the importance of safety. The 20 Romanian winners of the competition were rewarded with a two-week stay in Italy, where they learned cinematographic techniques and were the authentic protagonists of film clips on the subject of safety.

Greece

In 2008, Enel published a document on its CCGT (Combined Cycle Gas Turbine) project in the Livadia area to explain its corporate identity and introduce the CCGT technology, highlighting its benefits and the positive fallout of the construction of the plant for the entire local population.
The Company also made a 3D film on the project, including its technical and engineering aspects.
Proposed by the Italian Ambassador to the Republic of Greece, Gianpaolo Scarante, the exhibition "Myth, the Sacred, and Women from Titian to Pietro da Cortona" took place on the occasion of the state visit paid by the President of the Republic, Giorgio Napolitano, to Greece in September 2008 and was inaugurated by President Napolitano himself at the Museum of Cycladic Art in Athens.
Conceived as an ideal backdrop for the President's visit, the exhibition displayed to the Greek public several fundamental developments of Italian art in the 16th and 17th centuries through Titian's painting, from the autograph works of the great Venetian artist to the reflections on Venetian painting by Annibale Carracci.

France

The following are a few of the main stakeholder engagement initiatives carried out in 2008 by Enel Erelis, a renewable-energy company based in Lyons, which is now a subsidiary of Enel Green Power involved in the design and construction of wind farms.
The event "Open Power Stations" involves meetings with local communities, environmental and animalist association, local authorities, and the local press, sometimes with tours of wind farms that are under construction or already in operation. The purpose is to present, discuss, and agree on wind farm projects, including during the authorization procedure. The initiatives concerned the following projects:

> Lamaids, Saint Martinie, and Quinssaines project (Allier);
> CC3F project (Haute-Marne);
> Côteau du Blaiseron project (Champagne-Ardenne).

A post-plant-inauguration "Open Doors" day should also be mentioned. This was a tour of the wind farm in operation at Coat Conval (Finistère) just a few months after it was started up, to find out the level of satisfaction of the local community. Erelis also participated in SIREME 2008, the most important French show dedicated to renewable energy.

Iberia and Latin America

For Endesa, stakeholder engagement is a fundamental policy. In effect, the integration of stakeholders' expectations constitutes an essential part of Endesa's sustainability strategy, which is based on "7 commitments for sustainable development". These commitments focus on the questions that create trust in the public. In other words, Endesa undertakes to satisfy the expectations of its stakeholders.

These commitments regard our customers, our employees, our investors, the environment, governance and transparency, technology and innovation, and, finally, society.

In order to achieve the integration of its stakeholders' expectations, Endesa has developed a wide-ranging mix of communication channels, with the aim of keeping up a flowing and continual dialogue with the different interest groups. During the process of preparing and implementing its 2008-2012 Strategic Sustainability Plan, the Company held ad hoc meetings with its most important stakeholders. In effect, Endesa identified its most significant stakeholders and their related expectations and then created a map structured on two axes: the strategic importance of the stakeholders with regard to the Company's strategic objectives and the estimated confidence of the single stakeholder groups with regard to the Company's performance in the areas that are sensitive for them.

The strategy of stakeholder engagement entails the regular identification of interest groups, their related priorities and expectations, the undertaking of specific actions to meet those expectations, and, finally, appropriate reporting of the progress of the actions undertaken.

This activity will be further expanded in the next five years. In effect, one of the main features of the Strategic Sustainability Plan is the identification of the two most important challenges of the coming five-year period.

The right response to these challenges will be essential for Endesa's medium-term success: fighting climate change and strengthening the Company's process of putting down local roots, for which it is essential to develop a strong strategy of stakeholder engagement.

The identification of the stakeholders and their related priorities is the result of a combined analysis based on Endesa's internal perception and the point of view of external experts from the academy, the professional world, associations, and

the specialized media in the countries where the Company is present. Together with the strategic importance of the stakeholders, such analysis constitutes an element that can help Endesa achieve its strategic objectives.

The investigation aimed at the identification of the stakeholders is both extensive and in-depth, entailing a wide variety of instruments and different time periods. An extensive study was carried out in order to determine the 2008-2012 Strategic Sustainability Plan, including an in-depth analysis of surveys, reports of press coverage, positioning studies, and public opinion surveys in the countries where Endesa has operations.

No less important is the fact that Endesa has permanent channels for closely observing both the evolution of the expectations of its stakeholders and the actions undertaken by the Company to satisfy such expectations.

This extensive range of actions is described in detail in the Sustainability Report, including, among other things: an office dedicated to shareholders; public presentations for analysts; direct lines for employees; meetings with the senior management; work groups with suppliers; an extensive network of offices to appropriately channel customer requests; call centers in operation 24/7; internet channels for customer relations; an external conciliator/civic advocate in all the countries where Endesa is present; an advisory board in every local community, consisting of representatives of the local society and economy; an independently and externally managed ethical channel; media contacts; a "green" mail box; and so forth.

Furthermore, a specific study on the different questions of stakeholder engagement is conducted annually, in order to determine both the significant issues to include in the Sustainability Report and the actions to undertake or expand during the following year.

All this information is essential for the Company to determine its strategic planning and to plan from year to year the actions aimed at responding appropriately to the expectations of its stakeholders.

The results are measured on a constant basis. In addition, actions are taken to correct any deviations from the appropriate achievement of stakeholder expectations.

Enel Latin America sponsored a tour of *Rigoletto*, conducted by Bruno Dastoli, in Panama, El Salvador, and Guatemala, in order to disseminate Italian culture in the countries where it has operations.

The second edition of "Young Energy" took place in Guatemala, Chile, and Costa Rica. A delegation from a school near Calama, in the desert region of Chile, attended the award ceremony of the international competition in Rome.

Hydro Aysén

During the Annual General Meeting of Enel held on June 11, 2008, in the part dedicated to discussion by the shareholders, the **Fondazione Culturale Responsabilità Etica**, in the person of its president, spoke.
He talked, among other things, about several "potential critical problems for the Company from the financial and environmental point of view" regarding the project of Hydro Aysén (a company in which Endesa has an equity stake), which – according to the shareholder – "like all large dams, was not respectful of the environment".
During the same meeting, Enel SpA's Chief Executive Officer gave a detailed and exhaustive response, as the shareholder himself stated in the part of the proceedings dedicated to replies, in which he confirmed the soundness of the project, especially with regard to Chile's particular energy situation. It should be noted that the project Endesa intends to carry out has a capacity of 2,750 megawatts, provides for an 80% reduction of the surface covered by the reservoir, and is 36% less invasive from the environmental point of view than the previous project.
Subsequently, as part of the continuous "open dialogue with every stakeholder", which is a fundamental principle at Enel, as well as an integral part of its corporate social responsibility, representatives of the Company (from the CSR unit, Investor Relations, and the Corporate Affairs Department) got together with the aforesaid president of the Fondazione Culturale Responsabilità Etica and two representatives of the CBRM (Campagna per la Riforma della Banca Mondiale) at Enel's headquarters in Rome to discuss in detail what had been brought up at the meeting – clarifying key points and numerical data regarding the issue in question – as well as to urge them to continue their proactive participation in the discussion of matters of public interest and stakeholder engagement.
At the same time, Enel's International Institutional Affairs unit got in touch with vicar general of Aysén, the representative of the local communities concerned by the project, who was received for an exchange of ideas on questions regarding the use of water in Patagonia.
After these meetings had taken place, the units involved conveyed the requests of the two associations and a report of the discussion with the Chilean episcopacy to the Company's top management.

United States

Smoky Hills, Enel's largest wind farm, with an installed capacity of 250 MW, was inaugurated in 2008 in the presence of the governor of Kansas and the CEO of Enel North America and with unprecedented participation by the local community. About 600 people attended the official opening.

At Boston's Logan Airport, Italian firms with an environmentally sustainable approach to business and a connection with Massachusetts set up the "Green Italy in Massachusetts" exhibition.

The event provided the Enel brand with its first important occasion for visibility in the American market. The exhibition lasted more than five months.

The opening ceremony was held in the presence of the Italian consul in Boston, who had promoted and organized the event, the Italian ambassador to the United States and the governor of Massachusetts.

The Enel stand focused on the theme of "Innovation for the Environment", with a presentation of projects such as "Diamante" and"Archimede", the Company's research on CCS technologies, and its achievements in the field of renewable energy in the USA.

Enel North American carried out an internal competition on the subject of safety involving all its employees, which aimed to increase awareness of the priority of safety in acting and working. The competition was held in connection with Enel's sponsorship of Ducati. In effect, the prize for two employees was a trip to Indianapolis to see the MotoGP.

COMMUNITY

Understanding of the aspects of social risk is a decisive variable for corporate strategy, especially in the context of the construction of large-scale energy infrastructure. The related problems that emerged led the Company to propose an innovative and proactive model for approaching and managing the mega-community, based on transparency and the involvement of stakeholders, in accordance with the best international practices. Enel recognized the necessity of performing an analysis of its strategy, organization, operations, communication, and positioning, aimed at the governance of the "Megacommunity" and based on its relations with, and its proactive and transparent management of, its stakeholders.

This is the context of the activity, within the External Relations Department, of the Large-scale Infrastructure Projects (LIP) Unit, which was instituted in 2007 and is expressly dedicated to the operating management of the Megacommunity for the development and construction of Enel's large-scale strategic projects.

In 2008, this unit consolidated its activity in the operating management of the numerous interest groups involved in the construction of large-scale infrastructure. Its activities focus mainly on the management of relations with the relevant national and local authorities and on the dissemination and highlighting of studies and analyses regarding the impact on the environment, health, and local communities of Enel's operations, from the point of view of both corporate social responsibility and the social costs of failure to construct the infrastructure.

The unit has developed a close relationship with local interest groups, including the representatives of the business world, such as local small and medium-sized firms and industry associations (agricultural cooperatives, associations of fishermen, etc.). It coordinated the management of the Megacommunity through the formation of a specific team consisting of all the internal departments involved in carrying out the project, in addition to representatives of the unit itself. This approach allowed the unit to coordinate the activities of the different corporate areas in both External Relations and the Generation and Energy Management and Engineering and Innovation Divisions in order to provide extensive and transparent information on the projects, strengthen relations with the different stakeholders, and promote the corporate image.

Enel also completed a decision support system, which enables all the people in the Company involved to access the information, which is organized by interest group, so as to ensure both the appropriate degree of confidentiality of sensitive data and the dissemination of the information available to the stakeholders concerned.

In the last few years, Enel has acquired companies in areas of the world that are characterized by very complex laws, which in some respects differ from Italian law. In addition to observing the local regulations in force, the Company is constantly committed to disseminating best practices in order to increase concern for the environment as much as possible, mitigate impacts, and enhance any positive effects. In most cases, relations with local communities are solid and reciprocally valued. And often Enel is urged by such communities to continue investing in the sites where operations it is closing down are located instead of abandoning them.

SO1

Nature, scope, and effectiveness of any programs and practices that assess and manage the impacts of operations and communities, including entering, operating and exiting.

In 2008, the External Relations Department and its Large-scale Infrastructure Projects Unit consolidated relations with residents and local governments of the areas where Company's plants are located by expanding the initiatives addressed to the communities.

The activities concerned mainly three large-scale infrastructure projects in Italy: the conversion to coal of the Torrevaldaliga Nord (Civitavecchia) and Porto Tolle (Rovigo) power plants and the construction of the Porto Empedocle (Agrigento) re-gasification plant.

In the Civitavecchia area, the LIP Unit carried out actions of promotion and coordination addressed to both institutional and private local interest groups to support the completion of the Torrevaldaliga Nord project. To this end, it continued its activity of informing public opinion, local authorities, etc., of the strategic value and the economic and social benefits of the new energy infrastructure in order to increase and maintain the level of approval through relations with institutions and the media, the promotion of conferences and meetings with the public, targeted sponsorships of cultural and sports events, activities to inform schools, and newsletters for the residents of Civitavecchia. Particular attention was paid to the subject of environmental monitoring and the protection of the environment, with the promotion of activities that will be carried out in cooperation with the local agricultural world.

In the Porto Tolle area, the activity was carried out by informing public opinion, local governments, and other interest groups, highlighting the strategic value and the economic and social benefits of the new energy infrastructure, as well as the environmental protection of the area in order to foster social acceptance of the project and the authorization to construct the plant. To this end, tours and meetings with the different interest groups (small and medium-sized businesses, representatives of the worlds of fishing and agriculture, etc.) were organized, including ones at the Torrevaldaliga Nord plant, the so-called "twin" of Porto Tolle.

In the Porto Empedocle area, where the re-gasification project is located, the authorization procedure is in the last stage, and the LIP Unit carried out an intense activity of communication and information at the local level aimed at obtaining social acceptance and approval of the project.

As far as relations with associations representing stakeholder groups are concerned, in 2008, 800 meetings were organized (work groups, restricted and public workshops, one-to-one), and fifty subjects were discussed. The meetings were held with associations representing the four stakeholder groups concerned: environmentalists, consumers, small and medium-sized businesses, and local governments.

ASSOCIATIONS, INSTITUTIONS, AND THE MEDIA

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Extent of relations							
Meetings with associations	(no.)	800	750	680	50	6.7	Enel *
Issues discussed with associations	(no.)	50	50	45	-	-	Enel *

* Excluding Endesa.
** Estimated value.

KPI	UM	2008	2007	2006	2008-2007	2008-2007 %	Companies concerned
LBG approach							
Donations to social purposes as % of EBT (23)							
Largesse	(mil. euro)	31.3	7.3	6.8	24.0	329.4	Italy
Investment in communities	(mil. euro)	24.4	18.3	19.5	6.1	33.4	Italy
Business initiatives with social impact	(mil. euro)	11.0	7.8	3.1	3.2	40.6	Italy
Socially sustainable business initiatives	(mil. euro)	0.1	0.2	0.2	-0.1	-71.2	Italy
Largesse + investment	(mil. euro)	67.8	33.6	29.6	34.1	101.5	Italy

(23) For 2007, also includes 2.6 million euro regarding Slovakia, ELA, and Romania.

For further details, see the Focus on Stakeholder Strategy on page 173.

Environmental impact studies and environmental impact assessments are performed according to the requirements and provisions of the law when new plants and infrastructure are constructed. In all the activities carried out, with particular regard to industrial activities, there is a transparent and retraceable procedure for collecting data (systems for monitoring emissions and networks for monitoring air quality), which are partly managed directly by local communities or the control bodies concerned.

During the phase of operation, local authorities are constantly on the alert for potential sources of impact, with particular regard to discharges, emissions, and waste.

In order to assess the effectiveness of the activity proposed, environmental impact studies always compare the possible alternatives and identify all the technical stratagems aimed at reducing the foreseeable impacts.

As part of the procedure for authorizing works, moreover, agreements are made with the local authorities and communities regarding technical measures to improve the existing environment, which can act as compensation for any residual impacts if it is not technically possible to further mitigate the latter.

Endesa has internal procedures regarding environmental impact studies and environmental impact assessment (EIA/SIA), which are fundamental for all the employees of the Company and of contractors who participate in such processes as provided for by the law. As far as environmental impact is concerned, Endesa has developed and implemented environmental management systems, which include specific internal procedures regarding operations and maintenance for all generation, distribution, and transportation operations, including JV projects like the Garraf biogas plant. All the generation and distribution projects developed by Endesa entail a legal obligation to carry out an environmental impact assessment (EIA), both in Spain and in Latin America.

CORRUPTION

In accordance with the principles declared and assumed in its Code of Ethics, in 2002 Enel became the first Italian company to provide itself with a structural 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 government. This system – the compliance program pursuant to Legislative Decree 231/2001 – was established keeping in mind the prescriptions of said decree, which adapted Italian law to the international agreements on the protection of financial interests and the fight against corruption.
Again with regard to the fight against corruption, 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 said organization with regard to bribes, facilitations, contributions, sponsorships, giveaways, and procurement processes.

SO2

Percentage and number of business units monitored for risks connected with corruption.

100%* in the period concerned: 2006, 2007, 2008.
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 to implement the Plan is entrusted to the Auditing Department, which performs its duties in all Enel companies and has as its objective to provide possible suggestions aimed at improving the internal control system.
The results of the assessments made by the Auditing Department are summarized in the Analysis of the Risk Factors for the Enel Group (which is updated annually) and the Annual Report on the Internal Control System provided for by the compliance program pursuant to Legislative Decree 231/2001.
Endesa condemns and combats any kind of corruption through its Code of Conduct, extending its commitment to its suppliers and ensuring that all its contracting companies comply with the laws in force in the countries where it operates. In December 2008, it approved the new regulations governing the procurement of products, works, and services, which establish a simplification of the processes and adapt them to Endesa's situation and new commitments, such as Law 31/07 and the CSR principles, together with its membership in the Global Compact. In putting into practice the principles of the Global Compact, Endesa carried out an analysis of its practices in all the markets where it is present in order to determine the risks regarding corruption.

* Excluding Endesa.

SO3

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

As of the end of 2008, 18,880 people had received distance training on the Company's anti-corruption policies and procedures (77.9% of the managers and 43.4% of other employees). In calculating this index, we took into consideration training for Enel personnel in Italy carried out during the last few years regarding the Code of Ethics, corporate social responsibility, and the compliance program pursuant to Legislative Decree 231/2001.

The online course on 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 Plan, which came into force in 2006, is in the process of being applied in all the Enel companies abroad.

With regard to competition and the related unfair practices to avoid, a specific distance training course has been made available to all Enel employees. Using practical cases as examples, the course explains the rules of behavior that must be followed in relations with competitors, customers, and suppliers, and also provides for multiple-choice questions to test what has been learned.

Furthermore, the continual training addressed to our call center operators provides for specific anti-trust units, which explain how to behave and the practices constituting unfair competition to avoid in their relations with the people with whom they are in contact. Finally, as far as classroom training on CSR, the Code of Ethics, the 231/2001 compliance program, corruption, etc. in 2008 is concerned, 318 employees received specific training on said compliance program: 215 as part of the "Legislative Decree 231/01 and the compliance program adopted by Enel" project and 103 as part of the "Processes" unit of the mini-master's course on Procurement.

As far as Endesa is concerned, training for all employees on the Company's anti-corruption policies and procedures was one of the standards established in the project for adopting the principles of the Global Compact. The Company has also indentified where it is necessary to extend employee training on these policies.

SO4

Actions undertaken in response to cases of corruption.

During the period concerned (2006, 2007, 2008), a single case of corruption in the Group was ascertained, in the area of procurement processes. With regard to this incident, Enel imposed the penalties provided for by the Company's disciplinary code on the personnel involved and suspended the counterparty's supplier qualification.

In 2005, Endesa created for all its stakeholders a channel through which they can report violations of the codes of conduct established by the Company. Managed by third parties in order to ensure discretion and anonymity for those reporting incidents, the online channel includes a toll-free number stakeholders can call. Furthermore, the channel is available in all the languages of the countries in which the Company has operations. With regard to disciplinary actions, the Company uses fraud indicators and implements continual follow-ups and reporting in accordance with the code. Furthermore, all the reports sent via the ethical channel are investigated by the Auditing Committee. In order to ensure that the complaints received via the ethical channel are appropriately examined, Endesa has a Corporate Auditing Department, which reports to the Board of Directors through said Auditing Committee, which centralizes and channels the complaints. The complaints made through other channels are also sent to the Corporate Auditing Department in accordance with Endesa's internal procedures.

POLITICAL CONTRIBUTIONS

SO5

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

During 2008, the Institutional Affairs Unit presented amendments to a number of bills and government regulations, such as, for example: the "energy" bill, the "anti-recession" decree law, several bills regarding administrative simplification, and the ministerial decree on renewable energy sources. The Unit also presented amendments to the budgetary measures proposed during the summer, as well as observations concerning legislative decrees adopting EU directives. Finally, the Unit prepared position papers regarding nuclear energy, carbon capture and storage, and the climate-and-energy package aimed at supporting the Company's position with the institutions concerned.

In 2008, the European Institutional Affairs Office in Brussels was involved in preparing a number of dossiers of the utmost legislative significance.

Both the Third Liberalization Package regarding the electricity and gas markets and the Climate-and-Energy Package were subjected to strategic analysis and monitored as central to Enel's relations with the most important EU institutions involved in the European legislative process.

Extraordinarily important in particular was the Climate-and-Energy Package, which included directives on renewable energy, the Emission Trading Scheme (ETS), and Carbon Capture and Storage (CCS).

With regard to CCS, we should also note the office's work concerning the resolution presented in the European Parliament by the German deputy Ehler, which recognized the important principle of the geographical diversification within the European Union of the experimentation of the technology in question.

Finally, relations with EU institutions also concerned the Second Strategic Energy Review, the revision of the IPPC (Integrated Pollution Prevention and Control) directive, and the proposed new EU directive on nuclear safety.

In 2008, the Company also took strong action to coordinate its representatives in Eurelectric, the association of European electricity companies, partly in conjunction with Fulvio Conti's designation as the vice-president of the association. During the year, Enel also assumed the chairmanship of the industry's social dialogue committee.

One of the most important dossiers in 2008 regarded the adoption of the European Commission's recommendation pursuant to articles 41 and 43 of the Euratom Treaty, which was necessary to complete units 3 and 4 of the nuclear power plant at Mochovce, Slovakia.

As far as Endesa is concerned, given its size and importance, it is frequently asked – along with other social agents, and either individually or through the associations to which it belongs – to participate in the development of public policies by contributing its views as an expert on the subject in question.

SO6

Total financial and in-kind contributions to political parties, politicians, and related institutions by country.

Article 3.26 of Enel's new Code of Ethics, which has been in force since April 2009 and reflects the new international composition of the Group, regulates the Company's financial relations with parties, labor unions, and associations, prescribing that:

"Neither in Italy nor abroad shall Enel finance parties, their representatives, or their candidates, 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 that are in charge of managing such relations".

Contributions to political parties are explicitly regulated by item 2.2 of the Zero Tolerance of Corruption Plan: "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.

See the next comment.

COMPLIANCE

SO8

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

In 2008, the Antitrust and EU Regulations Unit started up a new antitrust compliance project, whose aim was to make all those who act in the name and on behalf of Enel aware of the importance of observing the antitrust regulations, particularly in light of the new consumer protection regulations introduced by legislative decrees no. 145 and no. 146 of 2007.
The program entailed the revision of all the corporate processes and the relevant documents, with particular regard to the actions of employees who are in direct contact with end customers.
The antitrust compliance project was also extended to the Group companies with operations abroad. During 2008, after Slovenské elektrárne the project was started up in Romania and will be completed there in 2009.

Electricity and Gas Authority (AEEG) proceedings in progress

Resolution n. 237/06 (Failure to read meter)

With its resolution n. 237/06, the AEEG initiated a formal investigation (subsequently renewed by resolution n. 314/07) of Enel Distribuzione regarding a possible administrative fine for having failed to fulfill its obligation to try at least once a year to read the meter of customers with up to 30 kW of committed power, as provided for by resolution n. 200/99. During the investigation, Enel demonstrated to the AEEG with documented evidence that it had fulfilled all the commitments assumed in favor of end customers to eliminate or attenuate the consequences of the violations charged, including the return of the interest on arrears for the installments of the adjustments that took place between 2004 and 2007 and – at the request of customers – no-interest installment payment of adjustment bills in 2008. With its resolution VIS 22/09, the AEEG – partly in consideration of the effects produced in favor of end customers by the aforesaid initiatives – fined Enel Distribuzione 2 million euro. In accordance with prior agreements, this fine will be charged to Enel Servizio Elettrico.

Resolution n. 300/07

With its resolution n. 300/07, the Electricity and Gas Authority initiated formal investigations of 7 distributors and 36 dealers, including Enel Energia Spa, charging them with not properly applying the regulations regarding the adjustment coefficient for the volume consumed by end customers with respect to the physical conditions of providing the service (temperature and altitude), which is applied in determining the distribution and supply rates (coefficient M). The AEEG also ordered the companies under investigation to apply – in the next bill and for all places – the coefficient M in the values set by the Authority itself. In particular, the coefficient M is applied by companies selling to end customers equipped with volumetric meters for measuring low-pressure gas that do not have correctors and belong to a class below G40. The charges against Enel Energia involved two places served with a very small number of customers: Pontremoli (3 customers) and Lavagno (9 customers). The investigation confirmed the charges, and with its resolution VIS 50/08 the Authority ordered Enel Energia Spa to pay a fine of 25,823 euro (the minimum amount applicable). This sum has already been paid.

Resolution VIS 12/08

With its resolution VIS n. 12/08, the AEEG initiated a formal investigation of Enel Distribuzione regarding its delays in connecting generating plants to the network. The investigation was initiated following the conclusion, with resolution VIS n. 8/08, of the investigation regarding the connection to the network of generating plants by the distribution companies, which revealed – on the basis of reports by industry firms and associations – delays by Enel Distribuzione in providing estimates and in executing work to connect new generating plants. The conclusion of the investigation, which was initially scheduled for October 2008, was extended in order to allow the distribution companies concerned to demonstrate the commitments assumed and the initiatives deserving recognition undertaken. In view of the publication of the findings of the investigation, Enel is providing documented evidence of the initiatives undertaken to make the connection service more efficient.

State of the proceedings against Enel initiated by the Antitrust Authority

Proceeding for dominant position abuse

A/410

> On October 2, 2008, the Antitrust authority initiated a proceeding for dominant position abuse against Enel Distribuzione, Enel Servizio Elettrico, and Enel SpA.
> The authority charges the two Group companies, which were providers of the "safeguard service" between July 2007 and April 2008, with having obstructed the entry of a competitor (Exergia) in this market. According to Exergia, the information provided by the Enel companies was wrong, incomplete, and, in several cases, tardy, and such omissions hindered its operations in the market, causing it to suffer significant financial losses.
> Enel Distribuzione, Enel Servizio Elettrico, and Enel SpA have presented pledges in order to close the proceeding early, without verification of the infraction.
> In the event the Authority does not accept the pledges proposed, the proceeding is scheduled to be over by October 31, 2009.

Proceedings for unfair business practices

PS/91

> On February 28, 2008, the Antitrust Authority started proceeding PS/91 for unfair business practices against four companies of the Group: Enel SpA, Enel Energia, Enel Servizio Elettrico, and Enel Distribuzione.
> The proceed was started following reports from consumers who complained that they had been supplied unrequested electricity and gas in the free market and in relation to an advertising campaign that was misleading because it was not sufficiently clear regarding the distinction between the more regulated market and the free market.
> On September 4, 2008, the Antitrust Authority fined Enel Energia SpA and Enel SpA 1,100,000 euro and 100,000 euro, respectively.
> Enel Energia has appealed the final order before the Lazio TAR.

PS/1

> On March 18, 2008, the Antitrust Authority initiated a proceeding for unfair business practices against Enel Energia and eight other companies in the industry (including ENI, Acea, and A2A).
> Specifically, the Authority charged Enel Energia with:
  – with regard to the special offers called "Energia Sicura", "EnergiaPura Casa", "EnergiaPura Bioraria", and "EnergiaSicura Gas", which are disseminated throughout Italy via the press, television, radio, and the Internet, an inaccurate reference to the notion of a fixed price, specifying what was meant by the cost of electricity and the cost of gas only in a note and using much smaller letters than those used in the main claim;
  – with regard to the claims used in the special offer called "EnergiaPura Bioraria", the failure to make the features of the offer explicit, and in particular the higher costs that can derive from the consumption of energy during the daytime.
> Enel Energia and Eni were fined 250,000 euro and 260,000 euro, respectively, partly in consideration of their economic size.
> Enel Energia is assessing the possibility of appealing the final order.

PS/1092

> On June 26, 2008, the Antitrust Authority started proceeding PS/1092 for unfair business practices against Enel SpA, Enel Energia, and Enel Servizio Elettrico.
> The Authority charged Enel Servizio Elettrico with raising the minimum charge, which was 25 euro last year, to 40 euro, postponing its billing of the consumption amounting to less than such sum to the following two-month period and thus concentrating the payment regarding four months of consumption in one time.
> On October 23, the Authority issued its final decision without fining the companies.

PS/1554

> On June 19, 2008, the Antitrust Authority initiated a proceeding for unfair business practices against **E**nel SpA, Enel Energia, and Enel Servizio Elettrico.
> The behavior with which Enel Servizio Elettrico S.p.A. and Enel Energia were charged consists in having delivered their electricity bills late with respect to the payment deadline stated on them and having demanded that customers pay interest on the arrears deriving from late payments. The Authority considers that this practice can regard the free market as well as the more regulated one.
> On October 16, 2008, the Authority fined Enel Servizio Elettrico and Enel Energia for unfair business practices 210,000 euro and 225,000 euro, respectively.
> The Companies fined have presented appeals against the Authority's order to the Lazio T.A.R.

PS/491

> On August 29, 2008, the Antitrust Authority notified that it was starting a proceeding for unfair business practices against Enel Energia.
> Specifically, the Authority charged the company with:
  – failure to read meters;
  – issuing inaccurate and exorbitant estimated bills regarding the consumption

of electricity, even when such consumption had been recorded by an electronic meter or reported after a do-it-yourself reading;
  – failure to check the amount actually consumed;
  – demanding advance payment for inexistent consumption, without specifying how such sums would be returned.
> The final decision is expected shortly.

PS/1874

> On August 11, 2008, the Antitrust Authority notified that it had started a proceeding for unfair business practices against Enel Energia.
> Specifically, the Authority charged the aforesaid company with:
  – failure to read and check meters;
  – issuing inaccurate and exorbitant estimated bills regarding the consumption of gas, on the basis of unspecified criteria;
  – unjustified increases in consumption with respect to the customers' standard consumption;
  – demanding advance payment for inexistent consumption, without specifying how such sums would be returned and the possible payment of the same in installments.
> On December 3, 2008, the Authority fined Enel Energia 90,000 euro.
> Enel Energia has decided to appeal the final order before the Lazio TAR.

IP/49

> On December 23, 2008, the Antitrust Authority started a proceeding for noncompliance with an order against Enel Energia.
> The Authority charges the company with having repeated some of the actions for which it had already been fined in connection with proceeding PS/91 (see above).
> Specifically, in the period November-December 2008 the Authority received 22 reports from consumers protesting against the activation of unrequested supplies, including several by telephone.
> The proceeding is expected to be concluded by May 16, 2009, and, in the event the infractions are confirmed, the Authority could fine the company between 10,000 and 150,000 euro.

As far as Endesa is concerned, the following proceedings are in progress:

> In 2002 EdF International submitted a request for arbitration at the International Court of Arbitration of the International Chamber of Commerce against Endesa Internacional (now Endesa Latinoamérica), Repsol and YPF. The request regards payment from Endesa of 256 million US dollars (plus interest) and from Repsol-YPF of 69 million US dollars (plus interest). The request was contested by Endesa Latinoamérica, Repsol and YPF, which submitted counterclaims for 58 million US dollars (Endesa Latinoamérica) and 14 million US dollars (YPF). The dispute originated with the sale to the French group of the equity investments held by Endesa Latinoamérica and YPF in the Argentine companies Easa and Edelnor. On October 22, 2007, the court ruled that Endesa Latinoamérica should pay about 100 million US dollars (plus interest); both parties have appealed the ruling. In April 2008, Endesa Latinoamérica and YPF obtained a ruling from the ordinary Argentine courts suspending the effects of EdF's claim.
> There are three pending legal proceedings under way against Endesa Distribución Eléctrica which are likely to give rise to liabilities (concerning losses

from a forest fire in Catalonia and claims arising from the failure to build on electrical plant in the Canary islands) totaling 44 million euro. In addition, the *Generalitat de Catalunya* fined the company 10 million euro for service interruptions in Barcelona on July 23, 2007. Endesa Distribución Eléctrica has appealed, thereby temporarily suspending the effects of the ruling.

- The *Intervención General de la Administración del Estado* has objected to a number of subsidies received by Endesa. If the objections are sustained by the competent authorities, the company could be required to repay 37 million euro.
- Although the Brazilian subsidiary of Endesa, Ampla Energía e Servicios SA (Ampla), was ruled to be exempt from the "social security funding contribution" (Cofins), a tax on revenues from electricity sales, in 1997 the Brazilian government sought to void the previous ruling in order to obtain 155 million euro (at current exchange rates). In addition, in 2005 the Brazilian tax authorities notified Ampla of an assessment for 207 million euro following an appeal regarding the non-applicability of the tax exemption for interest received by subscribers of a fixed-rate bond issued by Ampla in 1998. On December 6, 2007, Ampla was successful in the second of the administrative appeals, but the Brazilian authorities may still appeal to the *Consejo Superior de Recursos Fiscales*.
- In 2006 the Brazilian tax authorities challenged the rate classification and tax regime adopted by Endesa Fortaleza on the import of certain goods. The ruling in the initial trial, in which the authorities requested 38 million euro (at current exchange rates), was in favor of Endesa Fortaleza.
- On July 30, 2007, Iberdrola requested an indemnity of about 144 million euro from Endesa for alleged non-pecuniary damage and loss of prestige following the suspension of the public tender offer initiated by Gas Natural and the agreement between Gas Natural and Iberdrola concerning the division between those companies of the assets acquired by Endesa.
- On May 8, 2008, the court issued its ruling in Endesa's appeal against the sentence of the *Audiencia Nacional* voiding the ordinance of October 29, 2002 governing transition costs to competition for 2001. The court ruled against Endesa, upholding the decision of the *Audiencia Nacional*. The ruling is not expected to have a significant impact on the company's earnings.
- On September 18, 2008, the Ministry of Industry, Tourism and Trade issued a resolution in which it undertook to initiate a disciplinary proceeding against Endesa Generación for the release of radioactive particles at the Asco I nuclear power plant. The alleged violations (four major, two minor), defined by Law 25/1964, carry total penalties estimated at between 9 million euro and 23 million euro.
- The National Energy Commission has initiated an infraction proceeding against Endesa Generación for alleged anticompetitive practices regarding the rules governing the electricity generation market, as the company had ceased generation between November 12 and 17, 2008. The maximum fine is 6 million euro.
- As regards the property tax for 2008, tax authorities conducted a new appraisal of real estate with special features (including generation plants and ports owned by Endesa Generación). The appraisals were examined by Endesa Generación, which appealed them to the competent authorities. Payments made so far amount to a total of 33 million euro, of which 15 million euro has been challenged by Endesa.

- 32

million electronic meters installed,
12.7 million remote transactions,
210 million remote readings

- +9%

sensitivity to ethical issues perceived
in the Enel brand

- 3,000 telephone interviews in Italy

PR - Product Responsibility Performance Indicators

GRI-G3: Disclosure on Management Approach

Managing and serving its customers in the best possible way, anticipating their needs by providing innovative services that observe the rules of the market, while respecting privacy and the quality of the environment: for Enel, this means, first of all, facilitating customer access to the Company in every possible way, by strengthening our bent for relations and our traditional presence at the community level with branch offices, technical capability, and fruitful discussion.

More than a year after the electricity market was liberalized also for families, and in the face of continual fluctuations in the cost of fuels, Enel is still resolutely going forward with its stable price for the energy component and its green policy of not using paper, in order to reduce its CO_2 emissions, by launching its new range of e-light offers handled entirely online. The advantages for customers are increasing: the offer of a price for e-light that is stable for two years. It does not follow the fluctuations recorded by the rate, but stays at its launch value with regard to the energy component.

Moreover, for the first time in Italy, there is also an online offer for the time-differentiated version and for the supply of gas to families. All customers with a remote-read electronic meter can take advantage of the time-differentiated e-light offer.

Customers can also freely choose to make a further contribution to the protection of the environment. With only two euro, they can receive electricity certified by the RECS, an international certification system set up to finance the development of renewable energy sources.

In addition to the corporate website, all the other contact channels have also been developed: the toll-free number – 800 900 860 – at which operators respond from 8 am to 10 pm from Monday through Friday and from 8 am to 2 pm on Saturday (March 2007), as well as the many PuntoEnel and Enel.si contact points, where expert personnel is at the disposal of whoever wishes to become an Enel electricity and gas customer.

As part of the Company's continual improvement of customer satisfaction, "Un Cliente per Amico" ("A Customer as a Friend") was launched in 2008. For a year, this innovative project will allow more than 3,000 electricity customers to count on a one-to-one, completely dedicated corporate consultant. For the first time, there will be a personal consultant in the Sales Division, with a first and last name, as well as a telephone number, to whom customers can turn for help in case there are problems or requests regarding their supply, and with whom they can discuss ideas and suggestions regarding the products and services supplied. In effect, after its liberalization, the energy market has seen a continual growth of competition, languages, and especially new customer needs. It is essential for Enel to understand these needs in order to create a corporate culture that is increasingly attentive to customers and their satisfaction.

In spite of the general trend of lack of consumer confidence, which began in 2001, the GfK Eurisko report entitled "Enel and the questions of the citizen-consumer" shows that people still want to be involved as partners and co-protagonists in business transactions. What they want, the study explains, is efficiency, rapidity, and a light touch in the planning/execution of their personal paths of exploration and choice when acquiring goods and services.

This consolidated attitude allows GfK Eurisko to tell Enel that its strategy of making the customer its focus is the right one. Enel is called on to interpret and respond to the demand and expectations of the context more than any other brand in the energy market. Our Company's undisputed leadership has to be honored – also because of the social importance of the position it occupies – with an informed and responsible presence.

In 2008, the Infrastructure and Networks Division further improved the already extremely high level, both technical and commercial, of the electricity service it provides Italy, while at the same time extending the best practices of the

electricity network to the Gas Network and Public Lighting business units. The market in which the Division operates – the distribution of electricity and gas – is one that is 'regulated' by the Electricity and Gas Authority, where the company that has the network infrastructure in concession must ensure equal conditions of access and use to all companies that so request. The objective is to support the development of liberalization to the benefit of end customers and healthy competition among the different companies that operate in the free market, such as the producers and sellers of energy. Network automation has led to significant improvements in the quality of the service of energy distribution. In effect, we went from an average duration of interruptions of 51 minutes in 2006 to 49 minutes, including 10 minutes due to third-party causes, in 2007. In 2008, we examined not only the annual average duration of interruptions, but also a new parameter – the number of interruptions – which adds additional complexity to an improvement goal that is already challenging by itself.
The remote control of the network is by now a consolidated reality, which allows the Company to respond promptly and automatically in case of a failure only when necessary, limiting the inconvenience for customers to the minimum. The 11 master control centers in Italy were set up after the reorganization of the Division on July 1, 2007.

> The Work Force Management project has further improved the organization and effectiveness of operations, thanks to the installation of notebooks connected to all the networks on more than 3,000 vehicles operating throughout Italy, of which there were 4,800 at the end of 2008.
> Finally, we must not forget that we have essentially completed the installation of digital meters for our customers. Thanks, among other things, to a resolution of the Authority requiring all Italian distributors to install them, these meters have become a de facto standard, and are being tried out in a number of pilot projects throughout the world (Russia, the Netherlands, the Ivory Coast, Australia, India, etc.). As of December 31, 2008, almost 32 million electronic meters had been installed, with about 12.7 million remote transactions and 210 million remote readings executed quickly and effectively, thus ensuring one of the best service levels in Europe.

The condition of our power network, as well as all the devices connected to it, is monitored around the clock by the Control Room in Rome.

CONSUMER HEALTH AND SAFETY

The Tele-manager is a technologically innovative 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, voltage fluctuations, etc.) to be monitored.
The new digital meters allow all customers to:

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

Using Tele-management, customers can quickly obtain the activation and revision of their contracts by contacting their energy supplier, without any work being done on their premises. 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.
With the possibility of supporting rates that are differentiated by the time of day, the Tele-management systems makes what is technically called demand-side management possible: the ability to manage the demand for electricity in the best possible way, according to network availability.
Furthermore, the system provides an incentive for energy efficiency, thanks to the possibility of informing customers, at any time, how much they are consuming and enable them to choose between different rates, leading to a reduction in consumption when demand and prices are high, thus avoiding consumption peaks and optimizing the management of the electricity system.
In operation for more than 30 million customers, the Tele-manager is the leading system in the world in terms of the number of both its customers and its functions, and puts Enel in the forefront in the construction of smart grids, the power grids of the future.

Distribution grids are currently called "passive", because they transport the energy produced in large traditional power plants through the transmission grid to end users. The latter, however, are becoming so-called "prosumers", consumer-producers, thus contributing to the increasing spread of distributed generation (for example, small photovoltaic systems). This development changes the model of consumption, and requires the adaptation of electricity grids, which in the future will have to be 'smart grids', that is, active ones.
In effect, according to the European Smart Grids Technology Platform – which was created in 2005 with the patronage of the European Commission, and in which the main players on the energy scene, including Enel, participate – electricity grids must evolve in the next 20 years and become flexible, economical, accessible, safe, and sustainable from the environmental point of view. This is the direction in which the European research project "ADDRESS", for the development of interactive electricity grids, is moving. The project is coordinated by Enel Distribuzione and

funded by the European Commission as part of the Seventh Frame Program for Research and Technological Development.
ADDRESS is an acronym of Active Distribution networks with full integration of Demand and distributed energy RESourceS. The project is part of Enel's larger Environment and Innovation Program, and will be completed in four years. A consortium of 24 international partners in different industries cooperates with Enel Distribuzione, which coordinates the entire project and leads two of the eight work groups provided for, on the search for technological solutions for the operation of smart grids and on the coordination of the international project.
The ADDRESS project will research and propose complete solutions, both technical and commercial, for the development of active demand, as well as the dissemination of renewable energy sources and distributed generation. Active demand consists in the active participation of residential and small business consumers in the electricity system and the supply of new energy services by the different market players. Through their knowledge of the technical and price parameters, customers will be able to adjust their use of energy and their production, deciding whether to use energy at a given time or generate the energy themselves and leave any surplus in the grid. To this end, ADDRESS will develop prototypes and technological solutions for the domestic environment and for the grid which will allow thousands of users to be aggregated, the energy demand to be forecast, and flows and interactions to be managed locally. All this will be done in an efficient and reliable way, according to a model similar to the functioning of the Internet, in which control and intelligence are distributed thanks to the continual exchange of information among the users. The project will also investigate the economic, social, and cultural context in which active demand will develop, in order to find market and regulatory solutions from which all the parties involved can benefit. In this way, ADDRESS will contribute to the development of Smart Grids. Since it focuses on the new needs of customers, it promises that they will fully enjoy the benefits of the liberalization of the market.

EU4

Length of overhead and underground transmission and distribution lines by regulatory regime.

IMPACT ON THE ENVIRONMENT/LANDSCAPE ITALY

KPI	UM					%	Companies concerned
		2008	2007	2006	2008-2007	2008-2007	
Length of power lines	**(km)**	**1,112,155**	**1,104,980**	**1,096,300**	**7,175**	**0.6**	**Italy**
Total LV lines	(km)	752,789	747,406	740,979	5,383	0.7	Italy
Total MV lines	(km)	340,427	338,644	336,517	1,783	0.5	Italy
Total HV lines	(km)	18,939.17	18,930	18,804	9	-	Italy
LV/MV cable index	**(%)**	**71.3**	**70.6**	**70.2**	**0.7**	**1.0**	**Italy**
LV cable index	**(%)**	**84.8**	**84.1**	**83.7**	**0.8**	**0.9**	**Italy**
MV cable index	**(%)**	**41.4**	**40.9**	**40.4**	**0.5**	**1.2**	**Italy**

IMPACT ON ENVIRONMENT/LANDSCAPE ROMANIA

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Length of power lines	**(km)**	**90,240**	**53,228**	**52,972**	**37,012**	**69.5**	**Romania**
Total LV lines	(km)	47,559	25,591	25,513	21,969	85.8	Romania
Total MV lines	(km)	37,591	23,523	23,347	14,068	59.8	Romania
Total HV lines	(km)	5,090	4,114	4,112	976	23.7	Romania
LV/MV cable index	**(%)**	**45.8**	**29.1**	**28.0**	**16.8**	**57.7**	**Romania**
LV cable index	**(%)**	**53.3**	**40.2**	**38.4**	**13.0**	**32.4**	**Romania**
MV cable index	**(%)**	**36.4**	**16.9**	**16.6**	**19.5**	**115.4**	**Romania**

IMPACT ON ENVIRONMENT/LANDSCAPE

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Length of power lines	**(km)**	**383,541**	-	-	-	-	**Endesa**
Total LV lines	(km)	196,503	-	-	-	-	Endesa
Total MV lines	(km)	165,119	-	-	-	-	Endesa
Total HV lines	(km)	21,919	-	-	-	-	Endesa
LV/MV cable index	**(%)**	**39.3**	-	-	-	-	**Endesa**
LV cable index	**(%)**	**56.0**	-	-	-	-	**Endesa**
MV cable index	**(%)**	**19.4**	-	-	-	-	**Endesa**

EU12

Transmission and distribution losses as a percentage of total energy.

ELECTRICITY DISTRIBUTION ITALY

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Distribution network leakage	**(%)**	**6**	**6**	**6**	-	-	**Italy**

GAS DISTRIBUTION ITALY

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Number of gas leaks	**(no.)**	**282**	**278**	**357**	**4**	**1,4**	**Italy**

PR1

Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.

The Infrastructure and Networks Division distributes electricity and gas in Italy. Its networks 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 and processes (to reduce work-related stress), services (to make customers feel safer and employees more comfortable), and behavioral models regarding worker safety and health (to objectively improve the quality of office life);
> pursue the objectives set and develop the awareness of all the people concerned – employees, customers, suppliers, associations, etc. – by providing them with the relevant information;
> cooperate with authorities and qualified bodies on establishing and developing measures regarding SHW;
> comply with applicable regulations regarding SHW;
> propose reasonable and constant improvements in prevention and protection regarding SHW.

Since 2001, the Sales Division has been certified for occupational safety and health according to the OHSAS 18001 standard.

Endesa has a complete system of mechanisms to ensure the safety of its customers and the population group with regard to its services. The products that require greater attention are those connected with the distribution and use of electricity and gas.
100% of the significant products are subject to procedures for eliminating their impact on the health and safety of customers.
In particular, with regard to the distribution and sale of electricity:
> The systems connected with HV/HV and HV/MV distribution substations have devices that insulate any production defect. MV lines have intermediate protection. Installations are equipped with lightning rods and safety valves to prevent damage from atmospheric discharges.
> All high- and medium-voltage systems are inspected every three years to ascertain that they are safe and in suitable condition, and are checked by remote monitoring centers. MV/LV transformer stations and LV lines have similar safety measures.
> With regard to connections to the network, the connecting equipment has its own protection in accordance with the local laws in force.
> To the extent that its own systems are concerned, the safety of customers is also within Endesa's scope. In complying with the regulations in force, the company requires that the customer's system be installed by an authorized specialist, as confirmed by a corresponding installation certificate. This certificate ensures that the system's protection devices have been checked, and is indispensable for contracting and providing the service.

With regard to the distribution and use of gas:

> Distribution Regulation and Metering Stations (ERM) have safety valves on each line to avoid the risk of excessive pressure or pipe breakage. Inspections are carried out every six months to ascertain the general condition of the installation and the functioning of the safety devices.

> Such Stations have a remote control system connected to the Gas Control Center, which enables the latter to know the essential operating variables at any time. Distribution networks are constantly monitored to detect small leaks at delivery points. The overhead parts and the electrical equipment of the regulation and metering stations are grounded to avoid overvoltage and eliminate the risk of electric shocks for the personnel.

> Emergency plans for the transportation and distribution networks and for LNG (liquid natural gas) plants provide for a system that prevents leaks at the points of delivery, transportation, and distribution, as well as in the LNG plants.

Finally, with regard to the value-added products and services sold by Endesa, an analysis of the possible impacts on the health and safety of customers is included in the process of approving and selecting suppliers.

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:

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

b) at least the information sources available, for example web pages, if information on their 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 – is available to the public".

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

At Endesa, customers have the right to be informed of all the features of the products and services they purchase. It is an essential part of corporate social responsibility to facilitate customers' exercise of this right, and therefore Endesa applies the regulatory requirements to its customers at the different stages of the sales cycle.

The information obligations regarding electricity and gas are regulated, and concern the following points:

> When a contract for the service is drawn up or revised, customers are informed of the different kinds of rates, as well as of the power most suitable for their needs.

> When the service is interrupted because of planned work on the network, customers are informed sufficiently in advance.

> When a customer's supply is cut off because of failure to pay bills, this is done only if the company has proof of this, and the customer is informed in advance.

Furthermore, there are other occasions when deadlines are established for informing customers, such as for new connections and in the management of customer complaints. In the Spanish free market, Endesa is obliged to state the origin of the electricity produced on its bills. In this market there is also a product called the "Green Electricity Rate", for which Endesa certifies that the electricity sold is produced from renewable energy sources.

PR5

Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.

During 2008, in Italy Enel had more than 3,000 telephone interviews conducted by a specialized firm chosen through a public tender.
In addition to the usual periodic customer satisfaction surveys of all sales and contact channels, as well as of customer management, Enel adopted a new monitoring system that is simple and very effective.
In effect, all the customers who called the Group's toll-free numbers had the possibility of expressing an overall opinion regarding the phone call by simply dialing a number at the end of the contact with the operator. The opinion scale adopted goes from 1 (total dissatisfaction) to 5 (complete satisfaction). The system is particularly effective, because customers can evaluate their contact with the Company in its totality, considering how long they have to wait and the politeness and professional competence of the telephone consultant, as well as the latter's ability to solve problems.
This innovative approach is part of a policy initiated by Enel a number of years ago of listening with all the means available to what customers have to say, in order to be able to start up and foster the processes of internal improvement.
In 2008, the Company also launched a totally revolutionary initiative, which confirms Enel's attention to its customers and constant innovation of its relations with them. "A Customer as a Friend" is a simple, but new way to open a channel for listening and discussing with a sample of customers who, for a whole year, have the possibility of counting on a privileged contact in the Company: a personal consultant with a first and last name, to whom they can turn for help in case of problems or requests regarding their supply, and with whom they can also discuss ideas and suggestions concerning the products and services offered. This one-to-one, enduring relationship involved more than 3,000 customers and the same number of people in the Sales Division.
The response of the customers, who were chosen by lot, was enthusiastic and fruitful. Hundreds of ideas were collected right away that will be useful in planning the services customers would like to have.
These customers first were given a questionnaire to welcome them, with the intention of also recording how they perceived their experience with Enel. Subsequently, the customers and their corporate "tutors" were left free to choose the way and frequency with which they would maintain their relationship. At the end of the project, all the information gathered by the employees involved will be analyzed and the feasibility of the proposals made by the customers will be assessed.

The Customer Satisfaction surveys and the listening to what customers have to say are also supplemented by checks to verify the consistency of sales activities and practices with corporate procedures, legislative provisions, and the orders

of the regulatory Authorities. This activity is carried out by an ad hoc team in the units that manage customer contacts, both internal (physical premises, contact centers) and external (physical places, contact centers, tele-sellers, brokers), as well as through mystery calls, and is aimed at monitoring the appropriateness of the sales practices in their entirety.
The same people contribute to ensuring antitrust compliance through their involvement in planning professional training and refresher courses and updating the Company's codes of behavior.
In 2008, more than 14,000 checks were performed, which revealed about 4,500 cases that did not fully conform to the codes of behavior adopted. The analysis of the data collected was done by contact/sales channel, and in greater detail for each of the components of the different channels. Direct observation highlighted the individual non-conforming actions, allowing the Company to determine the causes and to act in a way that targeted the specific situations. These checks contributed to the emergence of behavior that previously had been perceived only indirectly through reports from customers and allowed rapid and effective action to be taken.

For further details, see also the Conciliation project in the Focus on Stakeholder Strategy on page 173 of this Report.

In Spain, in 2008 Endesa carried out a total of 49,000 telephone interviews of customers and performed more than 1,200 audits in its sales offices and service points. The company received a score of 7.32 out of 10 in all the aspects rated by customers, 60.2% of the interviewees stating that they were committed to Endesa, would not change, and recommended it.
Furthermore, the "Customer's Advocate" performs his duties in Spain and other countries, such as Colombia, Brazil, and Argentina. This official facilitates the improvement of customer satisfaction, because he adjusts an independent demand in order to satisfactorily resolve the matter and avoid litigation between customer and company. In addition, Enel is carrying out its "Advocate for a Day" initiative, in which the Company's heads and professionals perform the role of the Advocate for a day to improve their perception of customers' needs, within the corporate quality management systems.

MARKETING COMMUNICATIONS

In 2008, Enel once again recorded an increase in its Brand Equity index. In effect, according to the results of a survey by GfK Eurisko, the degree of perception of the Enel brand improved in a number of categories, especially in the direction of increased social responsibility.

ENEL BRAND EQUITY INDEX – HOUSEHOLD CUSTOMERS

	2003	2004	2005	2006	2007	**2008**
Top of mind (%)	91	93	92	91	89	88
Total spontaneous (%)	98	97	98	97	96	96
Visibility equity (%)	94	95	95	94	92	92
Propensity (average 1-5)	3.80	3.75	3.66	3.70	3.67	3.72
Customer service/relation (%)	43	44	43	42	45	48
Price trasparency (%)	38	40	41	40	45	46
Technical expertise (%)	53	54	57	55	57	59
Institutional dimension (%)	70	74	75	75	75	76
Italy system (%)	45	44	49	49	51	55
Ethics (%)	35	39	39	38	42	44
Brand equity index	68.0	70.0	70.2	70.5	70.5	71.7

PR6

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

In 2008, the energy market showed the first signs of the consolidation of the competition initiated on July 1, 2007, which was highlighted by a communication scenario that was very different from that of past years. For example, in 2008 Enel's investment in advertising fell below 35% of the total investment in the energy market.

However, as recorded by the sixth brand equity survey conducted by GfK Eurisko (see the table in the preceding paragraph) – that is, on the degree to which the Enel brand is perceived in Italy by the general public, firms, and commentators – in 2008 the Company consolidated its image and confirmed its leadership in the energy market, maintaining its position as the top brand, especially with regard to household customers.

In comparison with previous years, the values of the brand's personality, solidity, and institutional characteristics seem to have acquired even greater importance, in a context where, in any case, those of relationships and ethics maintain their central role.

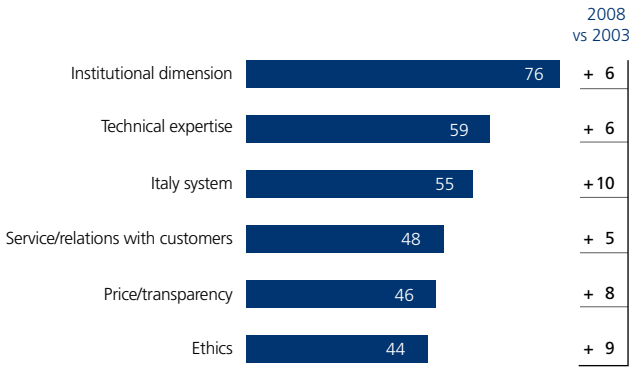
In this reshuffling of priorities, an obvious role is played by the enduring economic crisis, which generates a greater propensity to look to traditional and responsible companies, ones that constitute a reference point.

However, the credit given Enel as a solid Company did not reduce its perception as an active and dynamic Company from the competitive point of view. In a market in which – because of the competitive pressure – the process of choosing a benchmark brand is accentuated and solicited, Enel shows a good ability to generate preferences in the household market, while in the business market it

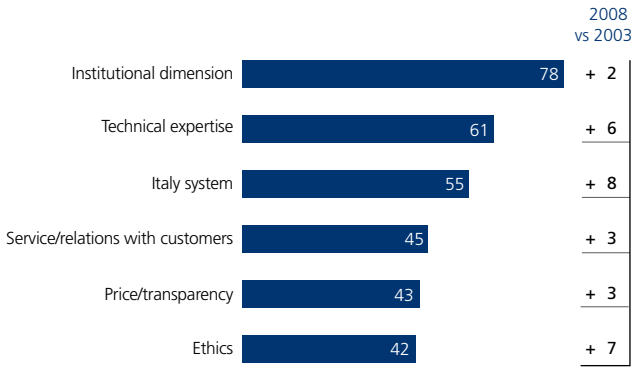
tends essentially to maintain the positions already acquired.
Finally, decidedly positive is Enel's progress, as recorded in the aforesaid GfK Eurisko survey, with regard to social responsibility. The public has a high perception of the Company's sensitivity to ethical issues, as shown by an increase of 9 percentage points among individuals and one of 7 points among firms.
The image items concerned are:

> thinks not only of profit, but also of principles;
> is able to discuss with local communities;
> is sensitive to ecological and environmental issues;
> promotes culture and is active in social questions.

Household customers



Business customers



As far as Endesa is concerned, the company is engaged in the activities and programs described under the PR3 indicator at page 215.

RESPECT OF PRIVACY

PR8

Total number of substantial complaints regarding breaches of customer privacy and losses of customer data.

No infractions occurred in Italy 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 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 place.
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 customer satisfaction surveys.
Finally, Enel is deeply committed to carefully monitoring all other companies that may be in a position to use customers' personal data.

The Endesa data were not available when Enel's Sustainability Report was published.

COMPLIANCE

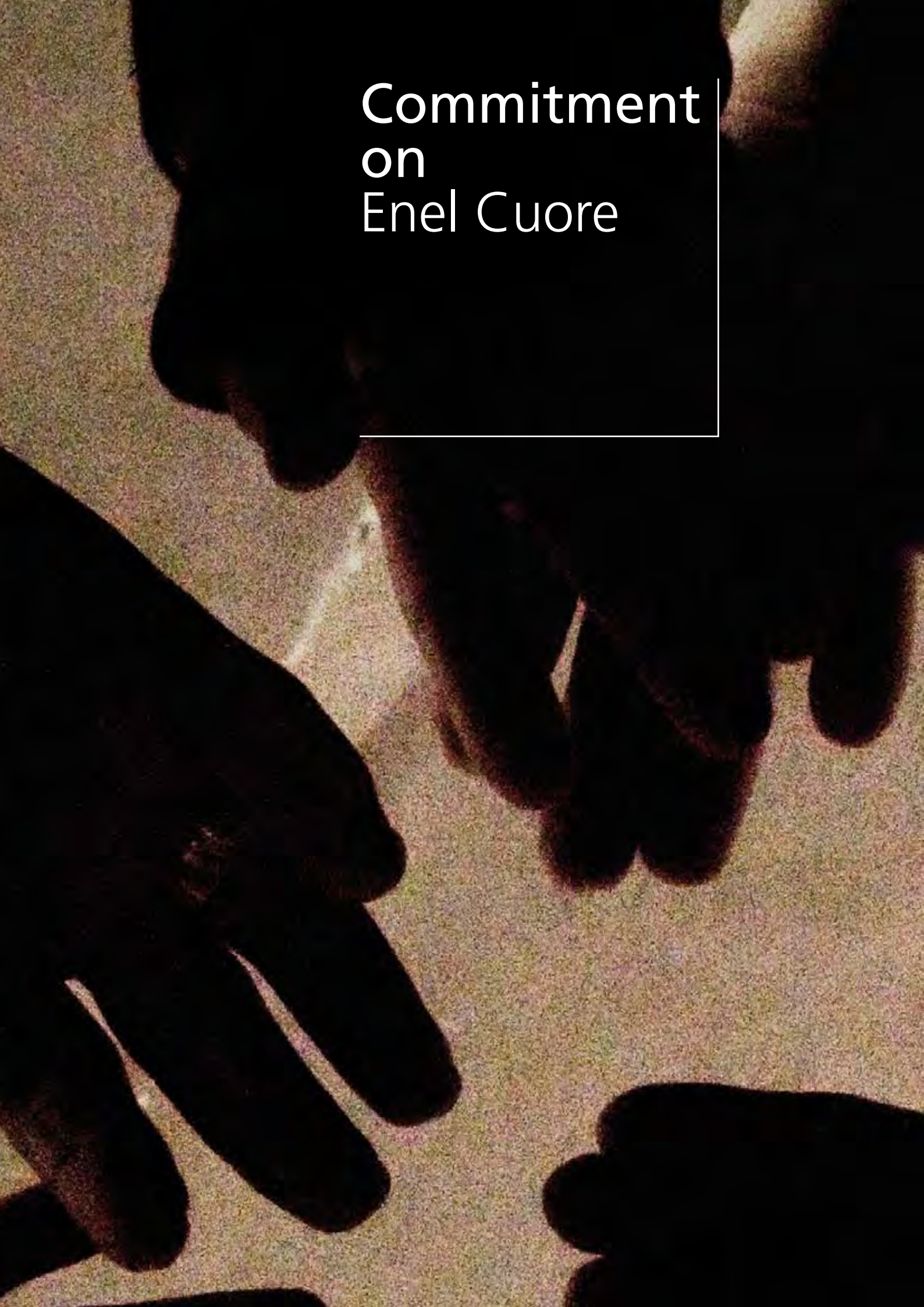
PR9

Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.

In 2008, the monetary value of fines for unfair business practices imposed by the Antitrust Authority in application of Legislative Decree n. 206/2005 (Consumption Code) on Enel SpA amounted to 100,000 euro (order PS/91), on Enel Energia SpA 1,691,000 euro (1,100,000 euro order PS/91; 250,000 euro order PS/1; 225,000 euro order PS/1554; 90,000 euro order PS/1874; 26,000 euro Del. VIS 50/08), and on Enel Servizio Elettrico SpA 210,000 euro (order PS/1554).
Enel has presented an appeal to the TAR against all the measures adopted by the Authority, with the exception of Order PS/1 against Enel Energia.

See also the comment on the SO8 indicator on page 202 of this Report.

In 2008, Endesa did not record any significant impacts regarding the safety and health of customers, or of people in general, caused by its operations in Spain.



Commitment on Enel Cuore

Enel Cuore

Enel Cuore Onlus was born on October 3, 2003 from the will of Enel S.p.A 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 that emphasizes the individual person. The association carries out its work both in Italy and abroad, mainly in Eastern Europe and Latin America.

Where we act

Accomodation

Enel Cuore supports the renovation or creation of centers or spaces that accommodate disadvantaged people (the poor, the marginalized, immigrants, abandoned or mistreated children, women who are victims of 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 that enables them to continue to live in their own homes.

The disabled

Enel Cuore facilitates the social integration of disabled people, especially young ones, through sports, games, travel, and contact with nature.

Assistance

Enel Cuore enters hospitals together with associations of patients, especially those of the youngest ones. With them, it supports the creation of places designed for children (play rooms, special units, etc.) or environments where families can lead normal lives (apartment hotels connected with hospitals). Enel Cuore also supports the diagnosis and treatment of certain diseases by providing hospitals with specific equipment.

Education

Enel Cuore builds schools, kindergartens, and training centers, so that – in accordance with their rights UN Convention, 1989) – children who live in the midst of warfare or in conditions of poverty and hardship have places and equipment for studying, just as all the others do.

Detailed information on all the projects supported by Enel Cuore is available online at www.enelcuore.org

During 2008

The following are some of the projects supported in 2008.

In Italy

"A Heart at the Station" for the homeless

The purpose of the "*Un cuore in stazione*" ("A Heart at the Station") project, conceived in cooperation with the Italian National Railways, is to undertake concrete actions to help extremely marginalized people in Italian railroad stations. "*Un cuore in stazione*" provides for the enlargement and opening of reception and assistance centers near railroad stations to receive people living in difficult circumstances and accompany them in a process of orientation and reintegration in society. The project involves, in three years, 15 cities and 18 stations scattered all over Italy. Enel Cuore Onlus has earmarked a total of 3 million euro for renovating the premises and purchasing the equipment and materials required for the purposes of the project. The actions scheduled for 2008, to be carried out in cooperation with local associations, concern the Roma Termini, Napoli Centrale, Genova Cornigliano, Pescara, and Catania stations.

A new home for Casa Oz

Enel Cuore is supporting the construction of a new home for Casa Oz, a place that accommodates children and members of their families when the former are being examined at a day hospital or are consulting doctors at hospitals or other public health facilities in Turin. The new building will provide spaces and services for receiving the children, a kitchen, a reading room, a video library, a parlor, a nursery, a study room, a game room, a multifunctional room, and bathrooms. A service of assistance and support regarding specialists, such as dentists, physiotherapists, and speech therapists, is also planned.
The Casa Oz Association was founded to help families in the difficult situations caused by illness and promotes the creation of a new kind of "normality" for children and their families. It provides professionally qualified support ensuring that children with be looked after, listened to, and welcomed.

Abroad

The Marie Curie Children's Hospital in Romania

Enel Cuore supports the modernization and upgrading of the Marie Curie Children's Hospital, the largest hospital in Romania, which every year treats 50,000 ill children.
The renovation regards three of the seven stories and is taking place to make the hospital one of the most advanced in Romania and enable it to provide excellent conditions for stays. Enel Cuore is paying all the costs of the work on two of the three floors.
With a contribution of 500,000 euro, Enel Cuore Onlus is successfully completing one of Romania's most important humanitarian campaigns. Started by the Scheherezade Foundation for support to children, it has also involved the Ministry of Labor, the Family, and Equal Opportunity, as well as the Authority for the Protection of Children.
Abroad, Enel Cuore's efforts and commitment in support of the communities of several of the most disadvantaged areas focus mainly on ensuring children's right to health and education.

The following are the sums that companies of the Enel Group contributed to Enel Cuore Onlus in 2008.

Contributing company	UM	Dues 2008	Special contribution	Restricted donations*	Totals
Enel SpA	(euro)	40,000	500,000	-	**540,000**
Enel Distribuzione SpA	(euro)	40,000	3,000,000	11,000,000	**14,040,000**
Enel Produzione SpA	(euro)	40,000	2,500,000	10,000,000	**12,540,000**
Enel Energia SpA	(euro)	40,000	-	2,000,000	**2,040,000**
Enel Sole Srl	(euro)	40,000	-	-	**40,000**
Enel.si Srl	(euro)	40,000	-	-	**40,000**
Enel Trade SpA	(euro)	40,000	-	1,000,000	**1,040,000**
Enel Servizio Elettrico SpA**	-	-	-	1,000,000	**1,000,000**
TOTALS	(euro)	**280,000**	**6,000,000**	**25,000,000**	**31,280,000**

* Donations to the Special Fund created by article 81 of Legislative Decree 112/2008 (Social Card).
** Enel Servizio Elettrico SpA is not a member of Enel Cuore Onlus.

Contribution to the Special Social Card Fund

Article 81 of Decree Law n. 112 of June 21, 2008, as converted with amendments into Law n. 133 of August 6, 2008, instituted the "Special Fund", which is intended to satisfy the needs – primarily regarding food, but also energy and health care – of Italian citizens who live in the worst conditions of economic hardship by assigning them a specially provided "purchase card", the so-called Social Card. Among other things, the Special Fund is financed by spontaneous and charitable contributions from anyone, including, in particular, companies and other bodies involved in the energy industry.

Among the fundamental principles expressly provided for in Enel's Code of Ethics is responsibility towards society through support for socially valuable initiatives. For this reason, Enel SpA decided to contribute, mainly through its subsidiaries, 50 million euro to Enel Cuore – **the Enel Group's institutional instrument for initiatives regarding Corporate Social Responsibility** – as spontaneous charity, so that the Association could make a donation to the Special Fund. The contribution consists of two equal installments in 2008 and 2009.

The procedures and deadlines for making contributions were established in an agreement signed on December 19, 2008 by the Ministry of the Economy and Finance – Treasury Department, the Ministry of Labor, Health, and Social Policies, Enel SpA, and Enel Cuore.

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 2008;
> the number for 2007;
> the number for 2006;
> the change in absolute value between 2008 and 2007;
> the percentage change between 2008 and 2007;
> the company/companies to which the number refers.

In comparing the data over time, the significant changes in composition of the Group described in the "Parameters of the Report" section (page 36) must be considered.

Criteria used for the Key Performance Indicators (KPI):

> by "Enel" is meant the entire Group. (Data that exclude Endesa are indicated with an asterisk: "Enel*");
> the economic data regarding the item "Economic performance" for 2006, 2007 and 2008 are taken from the Annual Report;
> the differences between 2008 and 2007, 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	euro
cent €	euro cents
years	years
g/kWh	grams per kilowatt-hour
d	days
GBq/Unit	gigabequerel per Unit
GWh	gigawatt-hours
h	hours
h/person	hour per person
ind	rating
km	kilometers
kW	kilowatts
kWh	kilowatt-hours
kWp	chilowatt-peak
l/kWh	liters per kilowatt-hour
mil. A4 eq.	millions of A4 sheets equivalent
mil. euro	millions of euro
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
MWh	megawatt-hour
sec	seconds
t	tons
TBq/Unit	terabequerel per Unit
toe	tons of oil equivalent
TWh	terawatt-hour

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

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Implementation of the Code of Ethics							
Total reports received	**(no.)**	**60**	**87**	**85**	**-27**	**-31.0**	**Enel***
Shareholders	(no.)	10	2	-	8	400.0	Enel*
Customers	(no.)	7	38	30	-31	-81.6	Enel*
Employees	(no.)	27	36	32	-9	-25.0	Enel*
Public at large	(no.)	3	3	14	-	-	Enel*
Suppliers	(no.)	13	8	9	5	62.5	Enel*
Total violations of the Code of Ethics	**(no.)**	**13**	**16**	**28**	**-3**	**-18.8**	**Enel***
Actions taken for violations of the Code of Ethics	**(no.)**	**13**	**16**	**n.a.**	**-3**	**-18.8**	**Enel***
For corruption	(no.)	-	-	n.a.	-	-	Enel*
For discrimination (mobbing)	(no.)	-	1	n.a.	-1	-100.0	Enel*
For inappropriate use of corporate resources/ instruments	(no.)	1	1	n.a.	-	-	Enel*
For other reasons	(no.)	12	14	n.a.	-2	-14.3	Enel*
Dismissals	(no.)	-	1	n.a.	-1	-100.0	Enel*
Total reports received	**(no.)**	**73**	**-**	**-**	**-**	**-**	**Endesa**
Shareholders	(no.)	29	-	-	-	-	Endesa
Providers of capital	(no.)	-	-	-	-	-	Endesa
Customers	(no.)	11	-	-	-	-	Endesa
Employees	(no.)	20	-	-	-	-	Endesa
Public at large	(no.)	-	-	-	-	-	Endesa
Suppliers	(no.)	10	-	-	-	-	Endesa
Other	(no.)	3	-	-	-	-	Endesa
Total violations of the Code of Ethics	**(no.)**	**13**	**-**	**-**	**-**	**-**	**Endesa**
Actions taken for violations of the Code of Ethics	**(no.)**	**13**	**-**	**-**	**-**	**-**	**Endesa**
For corruption	(no.)	-	-	-	-	-	Endesa
For discrimination (mobbing)	(no.)	-	-	-	-	-	Endesa
For inappropriate use of corporate resources/ instruments	(no.)	-	-	-	-	-	Endesa
For other reasons	(no.)	13	-	-	-	-	Endesa
Dismissals	(no.)	5	-	-	-	-	Endesa

* Excluding Endesa.

CORPORATE GOVERNANCE

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Board of Directors							
Total Board members	(no.)	9	9	9	-	-	Enel SpA
Independent Directors on the Board	(no.)	5	7	7	-2	-28.6	Enel SpA
Directors designated by minority shareholders	(no.)	3	3	3	-	-	Enel SpA
Women on the Board	(no.)	-	-	-	-	-	Enel SpA
Board meetings	(no.)	17	21	16	-4	-19.0	Enel SpA
Internal dealing							
Shares owned by Board members and important persons	(,000)	1,168.8	622.5	303.0	546.3	87.8	Enel SpA

PROVIDERS OF CAPITAL

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Debt							
Total debt	(mil. euro)	49,967	55,791	11,690	-5,824	-10.4	Enel
Debt to Equity	(no.)	1.9	2.4	0.6	-0.4	-17.9	Enel
Rating (1)							
S&P	(ind)	A-	A-	A+	-	-	Enel
Outlook	(ind)	Negative	Negative	Negative	-	-	Enel
Moody's	(ind)	A2	A2	Aa3	-	-	Enel
Outlook	(ind)	Negative	Negative	Negative	-	-	Enel
Grants							
Grants received during the year	(mil. euro)	26.8	15.4	23.1	11.3	73.6	Italy
Energy networks	(%)	88.3	77.8	75.6	10.5	13.5	Italy
R&D	(%)	6.2	5.3	3.8	0.9	16.9	Italy
Renewable energy	(%)	5.2	11.7	19.9	-6.5	-55.5	Italy
Other	(%)	0.3	5.1	0.7	-4.9	-94.4	Italy
Projects that received grants during the year	(no.)	106	94	98	12	12.8	Italy
Loans granted by the EIB and others							
Remaining debt regarding EIB and other loans	(mil. euro)	3,708.5	3,669.9	2,778.7	38.6	1.1	Enel
- Italy	(mil euro)	2,719.4	2,951.1	2,778.7	-231.7	-7.9	Enel
- Abroad (Endesa, Slovakia)	(mil euro)	989.0	718.7	n.a.	270.3	37.6	Enel
Energy networks	(%)	72.0	69.2	72.4	2.9	4.2	Enel
R&D	(%)	0.2	0.2	0.4	-0.1	-27.6	Enel
Renewable energy	(%)	16.7	17.7	10.8	-1.0	-5.7	Enel
Other	(%)	11.1	12.9	16.4	-1.8	-13.9	Enel
Projects in progress with EIB	(no.)	19	21	25	-2	-9.5	Enel

(1) Data up to date as of March 9, 2009, March 3, 2008, and March 14, 2007.

SHAREHOLDERS (1/4)

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Shareholder							
Composition shareholder base							
Institutional investors							
Ministry of the Economy	(%)	21.1	21.1	21.2	-	-	Enel SpA
Cassa Depositi e Prestiti	(%)	10.1	10.1	10.2	-	-0.5	Enel SpA
Institutional investors	(%)	33.1	34.3	32.9	-1.2	-3.5	Enel SpA
Retail shareholders	(%)	35.7	34.4	35.7	1.3	3.6	Enel SpA
Geographical breakdown of institutional investors							
Italy	(%)	15.1	19.9	22.5	-4.8	-24.0	Enel SpA
UK	(%)	23.2	21.3	25.6	1.9	8.9	Enel SpA
Rest of Europe	(%)	31.1	29.8	27.8	1.3	4.3	Enel SpA
North America	(%)	24.8	27.0	22.6	-2.2	-8.2	Enel SpA
Rest of the world	(%)	5.8	2.0	1.5	3.8	191.5	Enel SpA
Concentration index (Top 50)	(%)	21.5	21.7	33.2	-0.1	-0.7	Enel SpA
Investment style of institutional investors							
GARP	(%)	35.8	23.1	25.6	12.7	55.2	Enel SpA
Growth	(%)	6.2	33.4	32.3	-27.2	-81.4	Enel SpA
Index	(%)	21.3	19.7	20.3	1.6	7.9	Enel SpA
Value	(%)	32.5	15.2	11.4	17.3	113.3	Enel SpA
Hedge	(%)	0.5	5.8	5.9	-5.3	-91.3	Enel SpA
Other	(%)	3.7	2.8	4.5	0.9	33.0	Enel SpA
Socially responsible investors							
Presence SRI funds	**(no.)**	**68**	**45**	**47**	**23**	**51.1**	**Enel SpA**
Enel shares held by SRI funds	**(mil.)**	**361.3**	**388.1**	**342.3**	**-26.8**	**-6.9**	**Enel SpA**
Weight of SRI in institutional funds	**(%)**	**17.6**	**18.3**	**16.9**	**-0.7**	**-3.6**	**Enel SpA**
Geographical distribution shareholder base							
Italy	(%)	1.2	9.3	12.7	-8.1	-87.0	Enel SpA
UK	(%)	2.6	36.0	43.9	-33.4	-92.8	Enel SpA
Rest of Europe	(%)	59.0	34.0	24.4	25.0	73.5	Enel SpA
North America	(%)	35.2	20.7	19.0	14.5	69.7	Enel SpA
Rest of the world	(%)	2.0	-	-	-	-	Enel SpA
Presence SRI in the top 10	**(no.)**	**1**	**2**	**1**	**-1**	**-50.0**	**Enel SpA**

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Share performance							
Financial performance of shares							
Enel	(%)	-44.4	4.1	16.9	-48.5	-1,184.4	Enel SpA
MIB30	(%)	-48.4	-6.5	16.6	-41.9	649.4	Enel SpA
FTSEElec	(%)	-40.3	16.2	40.1	-56.6	-348.6	Enel SpA
Acea	(%)	-32.3	-2.4	74.1	-29.9	1,241.5	Enel SpA
A2A	(%)	-59.5	23.9	56.4	-83.4	-349.1	Enel SpA
Centrica	(%)	-16.7	1.2	39.2	-17.9	-1,494.0	Enel SpA
Endesa	(%)	-21.3	2.4	63.0	-23.7	-983.9	Enel SpA
Iberdrola	(%)	-37.1	25.6	45.4	-62.7	-245.0	Enel SpA
RWE	(%)	-34.0	15.2	33.6	-49.2	-323.2	Enel SpA
E.ON	(%)	-41.4	40.6	22.6	-82.0	-201.9	Enel SpA
Cez	(%)	-42.4	42.0	30.4	-84.4	-201.1	Enel SpA
GDF-Suez	(%)	-11.7	14.8	40.8	-26.5	-179.1	Enel SpA
EdF	(%)	-49.1	47.6	72.6	-96.7	-203.1	Enel SpA
EdP	(%)	-39.7	16.4	47.7	-56.1	-342.0	Enel SpA
Dividend Yield							
Enel	(%)	10.8	6.0	8.2	4.8	79.9	Enel SpA
Acea	(%)	6.4	3.8	3.2	2.6	69.6	Enel SpA
A2A	(%)	7.6	2.2	2.4	5.4	242.1	Enel SpA
Centrica	(%)	5.0	3.5	3.3	1.5	43.3	Enel SpA
Endesa	(%)	5.4	4.5	6.7	0.8	18.6	Enel SpA
Iberdrola	(%)	4.1	2.5	2.7	1.6	65.3	Enel SpA
RWE	(%)	4.9	3.6	2.1	1.3	36.3	Enel SpA
E.ON	(%)	4.8	2.3	6.8	2.5	108.7	Enel SpA
Cez	(%)	5.1	1.5	1.6	3.6	247.4	Enel SpA
GDF-Suez	(%)	5.8	2.8	2.0	3.1	112.1	Enel SpA
EdF	(%)	3.2	2.1	1.4	1.1	51.2	Enel SpA
EdP	(%)	4.6	2.5	2.6	2.2	88.5	Enel SpA
Enel in the main stock market indexes of the world							
E100	(%)	0.7	0.8	0.8	-0.1	-4.4	Enel SpA
MIBTEL	(%)	7.3	6.7	6.1	0.6	9.3	Enel SpA
S&P/MIB	(%)	9.8	8.7	8.0	1.1	12.5	Enel SpA
MIBHIS	(%)	7.5	6.9	6.1	0.5	7.9	Enel SpA
MIBPUBLH	(%)	36.0	41.3	39.8	-5.3	-12.8	Enel SpA
BE500	(%)	0.6	0.6	0.6	-	-4.8	Enel SpA
BEELECT	(%)	7.2	8.8	9.8	-1.6	-18.0	Enel SpA
SX5E	(%)	1.5	1.5	1.5	-	1.9	Enel SpA
SXXE	(%)	1.0	0.9	0.9	0.1	5.9	Enel SpA
SX6E	(%)	8.2	8.7	10.0	-0.6	-6.6	Enel SpA
Enel in the FTSE4GOOD sustainability index	**(ind)**	**No**	**No**	**No**	**-**	**-**	**Enel SpA**
Enel's presence in the DJSI	**(ind)**	**Yes**	**Yes**	**Yes**	**-**	**-**	**Enel SpA**
Shareholder return							
EPS	**(cent €)**	**85.6**	**64.3**	**49.2**	**21.2**	**33.0**	**Enel SpA**
DPS	**(cent €)**	**49**	**49**	**64**	**-**	**-**	**Enel SpA**
TSR since the IPO	**(%)**	**-0.5**	**6.4**	**5.9**	**-6.9**	**-107.4**	**Enel SpA**
TSR last 2 years	(%)	-18.3	19.4	13.1	-37.7	-194.2	Enel SpA

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Communication with shareholders							
Meetings with investors	(no.)	143	136	104	7	5.1	Enel SpA
Information on CSR	(no.)	30	35	38	-5	-14.3	Enel SpA
Requests for information from retail shareholders	(no.)	608	769	745	-161	-20.9	Enel SpA
Economic performance (2)							
Revenues	(mil. euro)	61,184	43,688	38,513	17,496	40.0	Enel
Italy (3)	(mil. euro)	40,140	36,034	35,445	4,106	11.4	Enel
Iberia	(mil. euro)	10,296	3,263	1,049	7,033	215.5	Enel
Slovakia	(mil. euro)	2,107	1,431	975	676	47.2	Enel
Eastern Europe (Romania, Bulgaria)	(mil. euro)	986	697	670	289	41.5	Enel
Russia	(mil. euro)	1,358	592	202	766	129.4	Enel
North America	(mil. euro)	133	63	82	70	111.1	Enel
Latin America (Endesa + ELA)	(mil. euro)	5,882	1,530	91	4,352	284.4	Enel
Other	(mil. euro)	282	78	-	204	261.5	Enel
EBITDA	(mil. euro)	14,318	9,840	8,019	4,478	45.5	Enel
Sales	(%)	3.9	3.2	2.1	0.6	19.7	Enel
Generation and Energy Management	(%)	21.7	27.9	39.4	-6.1	-22.0	Enel
Engineering and Innovation (4)	(%)	0.1	0.1	-	-	-12.5	Enel
Infrastructure and Networks	(%)	26.0	36.0	42.6	-10.0	-27.9	Enel
Iberia and Latin America	(%)	32.5	14.4	-	18.0	124.9	Enel
International	(%)	7.3	7.8	11.4	-0.5	-6.3	Enel
Renewable Energy	(%)	8.3	10.1	-	-1.8	-17.4	Enel
Other (Parent Company, Services and Other Activities, elisions and adjustments)	(%)	0.3	0.5	4.5	-0.2	-46.4	Enel
EBIT	(mil. euro)	9,541	6,781	5,819	2,760	40.7	Enel
EBT	(mil. euro)	6,379	5,908	5,168	471	8.0	Enel
Group net income for the year	(mil. euro)	5,293	3,916	3,036	1,377	35.2	Enel
Value added by stakeholder category (2)							
Revenues	(mil. euro)	61,184	43,688	38,513	17,496	40.0	Enel
External costs	(mil. euro)	41,841	29,916	26,206	11,925	39.9	Enel
Proceeds/(Expense) from commodity risk	(mil. euro)	-20	-36	-614	16	-44.4	Enel
Gross value added continuing operations	(mil. euro)	19,323	13,736	11,693	5,587	40.7	Enel
Gross value added discontinued operations	(mil. euro)	240	179	263	61	34.1	Enel
Total gross value added	(mil. euro)	19,563	13,915	11,956	5,648	40.6	Enel
Shareholders	(mil. euro)	3,031	3,030	3,958	1	-	Enel
Providers of capital	(mil. euro)	3,162	873	651	2,289	262.2	Enel
Employees	(mil. euro)	4,049	3,263	3,210	786	24.1	Enel
Government	(mil. euro)	1,320	2,322	2,433	-1,002	-43.2	Enel
Enterprise system	(mil. euro)	8,001	4,427	1,704	3,574	80.7	Enel
Economic value generated							
Economic value generated directly							
Revenues	(mil. euro)	61,184	43,688	38,513	17,496	40.0	Enel
Economic value distributed:							
Operating costs	(mil. euro)	41,861	29,952	26,820	11,909	39.8	Enel
Personnel and benefit cost	(mil. euro)	4,049	3,263	3,210	786	24.1	Enel
Payments to providers of capital	(mil. euro)	6,193	3,903	4,609	2,290	58.7	Enel
Payments to governments	(mil. euro)	1,320	2,322	2,433	-1,002	-43.2	Enel
Economic value discontinued operations	(mil. euro)	240	179	-	61	34.1	Enel
Economic value generated	(mil. euro)	8,001	4,427	1,441	3,574	80.7	Enel

(2) The 2007 data have been adjusted, for the sole purpose of comparison, to take into account the effects of the completion as of December 31, 2008 of the Purchase Price Allocation regarding the acquisition of Endesa, as well as the effects of the classification in "discontinued operations" of the results regarding gas distribution operations in Italy.
(3) The revenues are shown net of intra-company elisions and adjustments.
(4) In 2006 the value regarding Engineering and Innovation was included in the Generation and Energy Division.

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Economic performance							
Volume of electricity sold	**(TWh)**	**270.4**	**196.3**	**159.8**	**74.0**	**37.7**	**Enel**
Italy (5)	(TWh)	137.2	142.4	142.7	-5.2	-3.7	Enel
Abroad	(TWh)	28.7	27.6	17.2	1.1	4.0	Enel
Endesa	(TWh)	104.5	26.3	-	78.2	297.2	Enel
Volume of gas sold	**(mil. m³)**	**8.2**	**5.5**	**4.5**	**2.7**	**48.8**	**Enel**
Italy	(mil. m³)	5.7	4.9	4.5	0.8	15.9	Enel
Endesa	(mil. m³)	2.5	0.6	-	1.9	316.7	Enel
Customers							
Only-electricity customers	(,000)	30,453	30,715	30,268	-262	-0.9	Enel
Only-gas customers	(,000)	2,644	2,462	2,331	182	7.4	Enel
Foreign customers	(,000)	2,664	2,174	2,076	490	22.5	Enel
Endesa customers	(,000)	16,136	15,727	-	410	2.6	Enel
Electricity production	**(TWh)**	**253.2**	**153.5**	**131.4**	**99.7**	**64.9**	**Enel**
Production Italy	(TWh)	96.3	94.2	103.9	2.1	2.2	Enel
Production abroad	(TWh)	56.4	34.9	27.5	21.5	61.7	Enel
Production Endesa	(TWh)	100.5	24.4	-	76.1	311.9	Enel
Installed capacity	**(MW)**	**83,319**	**75,523**	**50,776**	**7,796**	**10.3**	**Enel**
Installed capacity in Italy	(MW)	40,323	40,396	40,475	-73	-0.2	Enel
Installed capacity abroad	(MW)	16,407	9,257	10,301	7,150	77.2	Enel
Installed capacity Endesa	(MW)	26,589	25,870	-	719	2.8	Enel
Investment (9)							
Investment	**(mil. euro)**	**7,397.0**	**4,929.0**	**2,962.7**	**2,468.0**	**50.1**	**Enel**
Valle d'Aosta	(mil. euro)	13.0	10.6	8.6	2.4	22.3	Enel
Piedmont	(mil. euro)	156.5	157.7	136.7	-1.2	-0.8	Enel
Lombardy	(mil. euro)	287.8	305.5	251.6	-17.7	-5.8	Enel
Trentino Alto Adige	(mil. euro)	10.1	11.7	15.4	-1.6	-13.6	Enel
Veneto	(mil. euro)	213.9	218.8	221.1	-4.9	-2.2	Enel
Friuli Venezia Giulia	(mil. euro)	21.3	30.1	22.4	-8.8	-29.1	Enel
Liguria	(mil. euro)	71.2	59.9	59.1	11.2	18.7	Enel
Emilia Romagna	(mil. euro)	130.1	124.2	127.3	5.9	4.8	Enel
Tuscany	(mil. euro)	238.3	251.6	239.1	-13.3	-5.3	Enel
Marches	(mil. euro)	40.7	41.3	49.0	-0.7	-1.6	Enel
Umbria	(mil. euro)	31.5	31.1	26.9	0.4	1.3	Enel
Latium	(mil. euro)	966.3	908.3	572.3	58.0	6.4	Enel
Abruzzo	(mil. euro)	46.0	46.0	47.4	-0.1	-0.1	Enel
Molise	(mil. euro)	39.0	50.5	36.7	-11.5	-22.8	Enel
Campania	(mil. euro)	122.9	135.7	119.3	-12.7	-9.4	Enel
Apulia	(mil. euro)	157.8	181.6	133.7	-23.8	-13.1	Enel
Basilicata	(mil. euro)	32.2	28.2	18.6	4.1	14.5	Enel
Calabria	(mil. euro)	58.6	62.1	66.9	-3.5	-5.6	Enel
Sicily	(mil. euro)	182.7	176.9	216.0	5.8	3.3	Enel
Sardinia	(mil. euro)	137.2	107.7	116.8	29.6	27.5	Enel
Total Italy (6)	(mil. euro)	2,957.1	2,939.4	2,484.7	17.7	0.6	Enel
Spain (7)	(mil. euro)	513.9	480.0	214.4	33.8	7.0	Enel
Slovakia	(mil. euro)	176.8	131.9	63.5	44.9	34.0	Enel
Eastern Europe + France + Greece	(mil. euro)	346.3	206.3	124.0	140.0	67.9	Enel
Russia	(mil. euro)	223.3	2.7	-	220.6	8,169.3	Enel
North America	(mil. euro)	289.5	264.0	51.1	25.4	9.6	Enel
Latin America	(mil. euro)	27.2	12.6	14.3	14.6	116.2	Enel
Endesa (8)	(mil. euro)	2,840.4	885.8	-	1,954.6	220.7	Enel
Total foreign	(mil. euro)	4,417.3	1,983.4	467.3	2,434.0	122.7	Enel
Adjustments	(mil. euro)	22.6	6.2	10.7	16.4	262.0	Enel
Weight of foreign investment	**(%)**	**59.7**	**40.2**	**15.8**	**19.5**	**48.4**	**Enel**

(5) Excluding sales to dealers.
(6) Investment in Italy broken down by region includes the data regarding Enel Rete Gas "discontined operations".
(7) Investment in Spain includes the data regarding Viesgo "discontined operations".
(8) Endesa's investment includes the data regarding renewable energy classified "discontined operations".
(9) Investment includes the data regarding "discontined operations", amounting to 895 million euro.

SUPPLIERS

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Suppliers							
Number of suppliers	(no.)	16,633	17,391	18,265	-758	-4.4	Italy
Supplier concentration (top 15)	(%)	32.1	29.2	25.7	2.9	9.9	Italy
Local suppliers with contracts >1 mil. euro	(no.)	509	560	494	-51	-9.1	Italy
Foreign suppliers with contracts >1 mil. euro	(no.)	45	57	54	-12	-21.1	Italy
Expense for local contractors with contracts >1 mil. euro	(mil. euro)	2,360.0	2,373.5	2,368.1	-13.5	-0.6	Italy
Expense for foreign suppliers with contracts >1 mil. euro	(mil. euro)	708.7	434.0	455.0	274.7	63.3	Italy
Concentration expense on local suppliers	(%)	77	85	84	-8	-9.4	Italy
Concentration expense on foreign suppliers	(%)	23	15	16	8	53.3	Italy
Procurement and fuels							
Purchases of materials and services	(mil. euro)	3,692	3,504	3,450	188	5.4	Italy
Supplies	(mil. euro)	1,873	1,273	1,564	600	47.1	Italy
Works	(mil. euro)	622	960	759	-338	-35.2	Italy
Services	(mil. euro)	1,197	1,271	1,127	-74	-5.8	Italy
Fuel purchases	(mil. euro)	7,881	4,556	7,271	3,325	73.0	Italy
Gas	(mil. euro)	1,282	2,777	4,197	-1,495	-53.8	Italy
Oil	(mil. euro)	646	496	1,134	150	30.2	Italy
Coal	(mil. euro)	5,179	345	1,108	4,834	1,401.2	Italy
Services	(mil. euro)	774	938	832	-164	-17.5	Italy
Management instruments							
Active qualifications	(no.)	2,449	2,406	2,784	43	1.8	Italy
Online tenders	(%)	91	90	91	1	1.1	Italy
Online purchases	(%)	82	88	91	-6	-6.8	Italy
Contracts awarded without tenders	(%)	41.7	37.7	27.5	4.0	10.6	Italy
Litigation with suppliers							
Total proceedings	(no.)	584	548	534	36	6.6	Italy
Incidence of proceedings as defendant	(%)	82.2	83.6	81.0	-1.4	-1.7	Italy
New proceedings	(no.)	6	15	21	-9	-60.0	Italy

ELECTRICITY MARKET ITALY (1/2)

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Customer portfolio							
Volume of retail electricity sales	(TWh)	137.2	142.4	142.7	-5.2	-3.7	Italy
- Volume sold in free market	(TWh)	55.5	39.9	22.3	15.6	39.0	Italy
Mass-market customers	*(TWh)*	*31.8*	*18.4*	*3.0*	*13.4*	*73.0*	*Italy*
Business customers (1)	*(TWh)*	*23.7*	*21.6*	*19.2*	*2.2*	*10.0*	*Italy*
- Volume sold in regulated markets (2)	(TWh)	81.7	102.5	120.4	-20.8	-20.3	Italy
Retail electricity customers	(,000)	30,453.0	30,715.3	30,267.8	-262.3	-0.9	Italy
- Free-market customers (3)	(,000)	2,033.9	1,226.1	297.4	807.9	65.9	Italy
Mass-market customers	*(,000)*	*2,002.4*	*1,202.1*	*268.2*	*800.4*	*66.6*	*Italy*
Business customers (1)	*(,000)*	*31.5*	*24.0*	*29.2*	*7.5*	*31.2*	*Italy*
- Regulated-market customers	(,000)	28,419.1	29,489.2	29,970.3	-1,070.1	-3.6	Italy
"Green Energy" sold (4)	(GWh)	4,600	1,066	219	3,534	331.5	Italy
Sales structure							
Punti Enel (electricity + gas)	(no.)	131	135	132	-4	-3.0	Italy
Qui Enel / Qui Gas (5)	(no.)	1,519	1,271	868	248	19.5	Italy
Supply connection							
Execution of simple jobs	(d)	7.9	9.6	9.1	-1.7	-17.8	Italy
Supply connection	(d)	1.0	1.5	2.0	-0.5	-31.3	Italy
Technical quality							
Service continuity index (including external causes) (6)	(min)	52	45	46	7	15.3	Italy
Service continuity index (excluding external causes)	(min)	56	49	51	7	14.7	Italy
Investment in quality	(mil. euro)	169	182	181	-13	-7.1	Italy
Awards/Penalties for service	(mil. euro)	34	183	164	-149	-81.4	Italy
Call Center 800 900 800 regulated service							
Service level	(%)	89	86	88	3	3.7	Italy
Average waiting time (7)	(sec)	194	178	117	16	9.0	Italy
Training per operator (by Enel employees) (8)	(h/person)	88	72	27	16	22.4	Italy
Call Center 800 900 860 free market (electricity and gas)							
Service level	(%)	91	-	-	-	-	Italy
Average waiting time	(sec)	155	-	-	-	-	Italy
Training per operator (with Enel's employes)	(h/person)	128	-	-	-	-	Italy

(1) Supplies to large and "energy-devouring" customers (annual consumption of more than 1 GWh).
(2) Sales on the regulated market from May 1, 2008 are included in the free market (a total of 4,449 million kWh).
(3) Includes dual-energy customers.
(4) RECS certificates annulled or in the process of being annulled for 2008. The 2007 value, amounting to 1,066 GWh, has been reclassified using the same criterion. The preceding value, of 6,157 GWh, regarded a contract-based projection.
(5) In 2008, 490 outlets were added in the free market-sales (channel other than Enel.si).
(6) The data regarding service continuity are not consistent with previous years, because resolution 333/07 changed the calculation algorithms.
(7) The calculation criterion is different from last year's.
(8) The 2007 value regards the formation for both the free market (electricity + gas) and the regulated service; 2006, instead, regards only the regulated market.

ELECTRICITY MARKET ITALY (2/2)

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Customer satisfaction, regulated market							
Customer satisfaction index, electricity (9)	(ind)	89	7.2	8.1	-	-	Italy
Complaints and written requests for information	(,000)	82.8	90.2	99.8	-7.4	-8.2	Italy
Answer time for written complaints	(d)	36.2	34.9	17.3	1.3	3.7	Italy
Customer satisfaction, free electricity market							
Customer satisfaction index (10)	(ind)	72	-	-	-	-	Italy
Complaints and written requests for information	(,000)	51.1	-	-	-	-	Italy
Answer time for written complaints	(d)	46.9	-	-	-	-	Italy
Litigation with electricity customers Italy							
Total proceedings	(no.)	104,406	107,931	97,273	-3,525	-3.3	Italy
Incidence of proceedings as defendant	(%)	94.2	91.2	91.7	3.1	3.3	Italy

(9) Since 2008, this index recorded by the AEEG has been expressed in one-hundredths and is based on a limited sample of about 1,200 customers every six months. In 2006 and 2007, on the other hand, this index was recorded by Enel and involved about 2,000 customers every month.
(10) This index regards the free electricity + gas market and is based on a sample of about 1,200 customers every six months.

GAS MARKET

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Customer portfolio							
Volume of gas sold	(mil. m³)	5,677	4,897	4,545	780	15.9	Italy
Mass-market customers	*(mil. m³)*	*3,222*	*2,865*	*2,973*	*357*	*12.5*	*Italy*
Business customers	*(mil. m³)*	*2,455*	*2,032*	*1,572*	*423*	*20.8*	*Italy*
Gas customers	(,000)	2,644.0	2,462.4	2,331.1	181.6	7.4	Italy
Mass-market customers	*(,000)*	*2,642.3*	*2,460.4*	*2,329.2*	*181.8*	*7.4*	*Italy*
Business customers	*(,000)*	*1.7*	*2.0*	*1.9*	*-0.3*	*-13.7*	*Italy*
Activation of gas supply							
Execution of simple jobs	(d)	9.6	17.1	7.5	-7.5	-43.9	Italy
Supply activation	(d)	3.8	12.7	3.0	-8.9	-70.1	Italy
Customer satisfaction							
Written complaints	(,000)	20,017	4,403	2,465	15,614	354.6	Italy
Written complaint response	(d)	25.5	18.5	18.3	7.0	37.8	Italy
Litigation with gas customers							
Total proceedings	(no.)	116	354	608	-238	-67.2	Italy

FOREIGN MARKET

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Electricity sold							
Electricity sold in free market:	**(GWh)**	**56,240**	**26,251**	**8,670**	**29,989**	**114.2**	**Enel**
Iberia	(GWh)	32,417	7,663	**649**	24,754	323.0	Enel
Romania	(GWh)	981	644	**446**	337	52.3	Enel
France	(GWh)	1,031	394	-	637	161.7	Enel
Russia	(GWh)	17,195	17,222	**7,575**	-27	-0.2	Enel
Latin America	(GWh)	4,616	328	-	4,288	1,307.3	Enel
Electricity sold in regulated market:	**(GWh)**	**76,919**	**27,640**	**8,483**	**49,279**	**178.3**	**Enel**
Iberia	(GWh)	43,133	16,094	**3,968**	27,039	168.0	Enel
Romania	(GWh)	6,812	4,274	**4,446**	2,538	59.4	Enel
Russia	(GWh)	223	203	**69**	20	9.9	Enel
Latin America	(GWh)	26,751	7,069	-	19,682	278.4	Enel
Total sales abroad:	**(GWh)**	**133,159**	**53,891**	**17,153**	**79,268**	**147.1**	**Enel**
Iberia	(GWh)	75,550	23,757	**4,617**	51,793	218.0	Enel
Romania	(GWh)	7,793	4,918	**4,892**	2,875	58.5	Enel
France	(GWh)	1,031	394	-	637	161.7	Enel
Russia	(GWh)	17,418	17,425	**7,644**	-7	-	Enel
Latin America	(GWh)	31,367	7,397	-	23,970	324.1	Enel
Total customers foreign market:	**(,000)**	**18,798**	**17,948**	**2,063**	**850**	**4.7**	**Enel**
Iberia	(,000)	7,811	8,353	**625**	-542	-6.5	Enel
Romania	(,000)	2,557	1,444	**1,438**	1,113	77.1	Enel
France	(no.)	15	7	-	8	114.3	Enel
Russia	(,000)	105	123	-	-18	-14.9	Enel
Latin America	(,000)	8,325	8,028	-	297	3.7	Enel

ELECTRICITY MARKET ROMANIA

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Customer Portfolio							
Retail electricity customers	**(,000)**	**2,557**	**1,444**	**1,438**	**1,113**	**77.1**	**Romania**
Free-market customers	(,000)	1.43	0.76	0.73	1	88.6	Romania
Regulated-market customers	(,000)	2,556	1,443	1,437	1,112	77.1	Romania
Sales structure							
Agencies	**(no.)**	**75**	**95**	**94**	**-20**	**-21.1**	**Romania**
Indirect channel	**(no.)**	**3**	**2**	**-**	**1**	**50.0**	**Romania**

ELECTRICITY MARKET IBERIA

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Customer Portfolio							
Retail electricity customers	**(,000)**	**7,811**	**8,353**	**625**	**-542**	**-6.5**	**Iberia**
Free-market customers	(,000)	907	778	6	129	16.6	Iberia
Regulated-market customers	(,000)	6,904	7,575	619	-671	-8.9	Iberia

ELECTRICITY MARKET LATIN AMERICA

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Customer Portfolio							
Retail electricity customers	**(,000)**	**8,325**	**8,028**	**-**	**297**	**3.7**	**Latin America**
Free-market customers	(,000)	4.23	0.12	-	4.11	-	Latin America
Regulated-market customers	(,000)	8,321	8,028	-	293	3.7	Latin America

ENVIRONMENTAL MANAGEMENT SYSTEM

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Environmental certification							
ISO certified organizations	(no.)	30	30	28	-	-	Italy
EMAS registered organizations	(no.)	21	19	16	2	10.5	Italy
Degree of EMAS certification coverage (1)	(%)	52.4	51.4	48.5	1.0	1.9	Italy
Degree of ISO 14001 coverage (1)	(%)	89.6	88.6	83.8	1.0	1.1	Italy
Research and innovation							
Expenditure on research (2)	(mil. euro)	38.9	31.1	24.8	7.8	25.0	Italy
Research personnel	(no.)	185	180	170	5	2.8	Italy
Environmental expenditure							
Environmental expenditure	(mil. euro)	376	432	679	-56	-12.9	Italy
Total current expenditure (3)	(mil. euro)	259	279	560	-20	-7.1	Italy
Total environmental investment (4)	(mil. euro)	117	153	119	-36	-23.6	Italy
Personnel dedicated to environmental issues	(no.)	193	176	194	18	10.0	Italy
Safety systems							
Inspections on ships transporting oil	(%)	100	100	100	-	-	Italy
Inspections on ships transporting LNG	(%)	100	100	100	-	-	Italy
Inspections on ships transporting coal	(%)	100	100	100	-	-	Italy

(1) The 2007 and 2006 values differ from those published in the 2007 Sustainability Report in that beginning this year values regard net efficient power and not nominal installed power.
(2) Include both operating costs and investment spending.
(3) In 2006, following the gas emergency, more (low-sulfur) fuel oil was used, with a consequent increase in the related expense.
(4) Since 2007 also includes investment spending on research and development for environmental protection.

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Generating plants							
Thermal net efficient power	**(MW)**	**24,862.3**	**25,005.2**	**25,116.8**	**-142.9**	**-0.6**	**Italy**
Coal	(MW)	5,574.9	4,958.7	4,938.7	616.2	12.4	Italy
CCGT	(MW)	5,945.7	5,961.7	5,384.6	-16.0	-0.3	Italy
Oil/gas	(MW)	11,216.6	12,082.7	12,793.9	-866.1	-7.2	Italy
Other	(MW)	2,125.1	2,002.1	1,999.6	123.0	6.1	Italy
Renewable net efficient power	**(MW)**	**15,460.7**	**15,390.7**	**15,357.9**	**70.0**	**0.5**	**Italy**
Hydro	(MW)	14,424.1	14,401.1	14,379.1	23.0	0.2	Italy
- including mini-hydro (<10 MW)	*(MW)*	*950.8*	*946.9*	*940.0*	*4.0*	*0.4*	*Italy*
Wind	(MW)	362.4	315.4	304.5	47.0	14.9	Italy
Geo	(MW)	670.7	670.7	670.7	-	-	Italy
Other	(MW)	3.6	3.6	3.6	-	-	Italy
Total net efficient power	**(MW)**	**40,323.0**	**40,395.9**	**40,474.7**	**-72.9**	**-0.2**	**Italy**
Thermal net production	**(TWh)**	**64.7**	**67.3**	**73.8**	**-2.7**	**-4.0**	**Italy**
Coal	(TWh)	29.4	28.6	27.9	0.8	2.7	Italy
CCGT	(TWh)	25.8	23.3	19.5	2.5	11.0	Italy
Oil/gas	(TWh)	8.7	15.1	26.0	-6.4	-42.4	Italy
Other	(TWh)	0.8	0.4	0.4	0.5	128.6	Italy
Renewable net production	**(TWh)**	**31.6**	**26.9**	**30.1**	**4.7**	**17.6**	**Italy**
Hydro	(TWh)	26.0	21.2	24.5	4.8	22.6	Italy
- including mini-hydro (<10 MW)	*(TWh)*	*0.6*	*2.4*	*2.8*	*-1.8*	*-75.8*	*Italy*
Wind	(TWh)	0.5	0.5	0.4	-	-1.3	Italy
Geo	(TWh)	5.2	5.2	5.2	-0.1	-1.0	Italy
Total net production	**(TWh)**	**96.3**	**94.2**	**103.9**	**2.1**	**2.2**	**Italy**
Thermal plants	**(no.)**	**135**	**133**	**148**	**2**	**1.5**	**Italy**
Coal units	(no.)	19	18	18	1	5.6	Italy
CGGT units	(no.)	15	15	15	-	-	Italy
Oil/gas units	(no.)	33	35	36	-2	-5.7	Italy
TG units	(no.)	26	25	25	1	4.0	Italy
Diesel units	(no.)	42	40	54	2	5.0	Italy
Plants run on renewable energy	**(no.)**	**562**	**557**	**555**	**5**	**0.9**	**Italy**
Hydro plants	(no.)	501	501	500	-	-	Italy
- including mini-hydro plants (<10 MW)	*(no.)*	*324*	*324*	*323*	-	-	*Italy*
Wind plants	(no.)	25	20	19	5	25.0	Italy
Photovoltaic plants	(no.)	4	4	4	-	-	Italy
Geo plants	(no.)	31	31	31	-	-	Italy
Biomass plants	(no.)	1	1	1	-	-	Italy
Thermal plants							
CCGT incidence (power)	**(%)**	**23.9**	**23.8**	**21.4**	**0.1**	**0.3**	**Italy**
Plant yield, coal	**(%)**	**34.2**	**34.6**	**34.9**	**-0.4**	**-1.0**	**Italy**
Plant yield, CCGT	**(%)**	**52.6**	**52.5**	**52.7**	**0.1**	**0.3**	**Italy**
Plant yield, oil/gas	**(%)**	**32.3**	**34.6**	**36.1**	**-2.3**	**-6.7**	**Italy**
Yield, thermal plants	**(%)**	**39.3**	**39.1**	**38.7**	**0.2**	**0.6**	**Italy**
Availability thermal plants (KD)	**(%)**	**73.0**	**73.3**	**70.6**	**-0.3**	**-0.5**	**Italy**
New combined-cycle plants	**(MW)**	-	**389**	**380**	**-389**	**-100.0**	**Italy**
Investment for efficiency	**(mil. euro)**	**766**	**776**	**630**	**-10**	**-1.3**	**Italy**
Green Energy							
Development of renewable energy (5)	**(MW)**	**71**	**33**	**47**	**38**	**117.2**	**Italy**
Hydro	(MW)	23	22	17	1	4.9	Italy
- including mini-hydro (<10 MW)	*(MW)*	*4*	*7*	*2*	*-3*	*-42.2*	*Italy*
Wind	(MW)	47	11	31	36	333.2	Italy
Photovoltaic plants	(MW)	1	-	-	-	-	Italy
Green Certificate production	**(TWh)**	**2.6**	**2.0**	**1.8**	**0.6**	**29.9**	**Italy**
Coverage Green Certificate requirements	**(%)**	**100.0**	**88.4**	**80.0**	**11.6**	**13.1**	**Italy**
Investment in renewable energy	**(mil. euro)**	**464**	**360**	**249**	**104**	**28.9**	**Italy**

(5) Net of disposals.

NETWORK ENERGY EFFICIENCY

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Electricity distribution							
Distribution network leakage	(%)	6	6	6	-	-	Italy
Construction/power LV/MV lines	(km)	19,939	19,679	19,917	260	1.3	Italy
LV lines	(km)	14,596	13,569	13,474	1,027	7.6	Italy
MV lines	(km)	5,217	6,013	6,443	-796	-13.2	Italy
HV lines	(km)	126	97	-	29	30.3	Italy
Equipment with PCB	(%)	2.7	4.2	5.3	-1.5	-34.7	Italy
Energy transported (6)	TWh	257.9	259.0	255.0	-1.2	-0.4	Italy
Municipalities served by power network	(no.)	7,654	7,724	7,670	-70	-0.9	Italy
Gas distribution							
Number of gas leaks	(no.)	282	278	357	4	1.4	Italy
Extension gas network (7)	(,000 km)	31.8	30.7	30.6	1.1	3.6	Italy
Network checked	(%)	65.8	37.2	49.4	28.6	76.8	Italy
Remote-controled substations	(no.)	1,129	1,072	935	57	5.3	Italy
Gas network authorizations	(no.)	1,251	1,243	1,242	8	0.6	Italy
Gas transported	(bil. m^3)	3.6	3.5	3.7	0.1	3.0	Italy

(6) The 2007 figure (changed with respect to the one published last year) is based on a more precise determination of the quantity transported.
(7) Gas network actually in operation and active, not only in place.

RATIONAL USE OF ENERGY

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Promotion of energy efficiency							
Energy Efficiency Certificates	(no.)	716,728	212,034	96,174	504,694	238.0	Italy
Photovoltaic	(kWp)	29,300	17,600	8,280	11,700	66.5	Italy
Micro-generation	(kW)	1,603	1,840	1,958	-237	-12.9	Italy
Digital meters installed	(,000)	31,811	30,800	29,800	1,011	3.3	Italy
Internal energy consumption							
Electricity consumption for civil uses	(MWh)	126,602	123,704	-	2,897.9	2.3	Italy
Other fuel consumption	(toe)	21,514	20,642	-	872	4.2	Italy
Water requirements for civil uses	(,000 m^3)	1,523	1,317	-	205.6	15.6	Italy
Paper purchased for printing/photocopies	(mil. A4 eq)	245	279	-	-34.2	-12.3	Italy
Space occupied	(,000 m^2)	1,506	1,542	-	-36.3	-2.4	Italy

ENVIRONMENTAL PERFORMANCE (1/2)

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Resources used in production							
Consumption of fossil fuels [8]							
Coal	(mil. t)	11.7	11.4	10.8	0.3	3.0	Italy
Oil	(mil. t)	1.4	1.8	3.6	-0.4	-21.5	Italy
Gas	(bil. m³)	6.7	7.2	7.3	-0.6	-8.0	Italy
Diesel	(,000 t)	93.3	69.9	79.1	23.4	33.5	Italy
Biomass and waste for thermal production	(,000 t)	138.6	97.5	32.9	41.1	42.1	Italy
Total fuel consumption [8]	**(Mtoe)**	**14.1**	**14.8**	**16.4**	**-0.7**	**-4.8**	**Italy**
Coal	(%)	49.2	45.9	39.7	3.2	7.0	Italy
Oil	(%)	9.8	11.9	21.9	-2.1	-18.0	Italy
Gas	(%)	40.1	41.5	37.7	-1.4	-3.3	Italy
Other (diesel, biomass, and waste for thermal prod)	(%)	1.0	0.7	0.6	0.3	42.4	Italy
Geothermal fluid (total extracted)	**(,000 t)**	**50,172**	**50,478**	**49,929**	**-306**	**-0.6**	**Italy**
Geothermal fluid (net of liquids reinjected)	(,000 t)	29,855	30,364	32,985	-509	-1.7	Italy
Geothermal steam used to produce electricity	(,000 t)	43,931	44,215	43,937	-284	-0.6	Italy
Water consumption							
Specific requirement for thermal production [9]	**(l/kWh)**	**0.61**	**0.57**	**0.54**	**0.04**	**6.8**	**Italy**
Water required for industrial use	**(mil. m³)**	**39.0**	**38.3**	**39.9**	**0.6**	**1.6**	**Italy**
from rivers	(mil. m³)	8.1	9.4	9.4	-1.3	-14.0	Italy
from wells	(mil. m³)	6.6	3.6	3.9	3.0	82.1	Italy
from aqueducts	(mil. m³)	6.5	5.5	4.8	1.0	17.7	Italy
Total withdrawals of internal water	*(mil. m³)*	*21.1*	*18.5*	*18.1*	*2.6*	*14.2*	*Italy*
from the sea, used as is	(mil. m³)	10.0	11.9	12.2	-1.9	-16.0	Italy
from the sea, desalinated	(mil. m³)	5.9	6.4	7.2	-0.5	-8.3	Italy
from waste water (used in plants)	(mil. m³)	2.1	1.5	2.5	0.6	41.1	Italy
% of water recycled and reused	**(%)**	**5.4**	**3.9**	**6.1**	**1.5**	**38.8**	**Italy**
Resources used in production							
Expendables [10]	**(,000 t)**	**317.6**	**251.7**	**229.0**	**65.8**	**26.2**	**Italy**
Limestone	(,000 t)	249.9	192.4	169.6	57.5	29.9	Italy
Ammonia	(,000 t)	17.7	19.8	19.2	-2.1	-10.4	Italy
Caustic soda	(,000 t)	16.8	15.6	13.5	1.2	7.6	Italy
Spent lime	(,000 t)	8.2	10.1	9.1	-1.9	-18.6	Italy
Sulfuric/Hydrochloric acid	(,000 t)	4.3	4.6	5.0	-0.3	-6.0	Italy
Other	(,000 t)	20.7	9.3	12.7	11.4	122.3	Italy

(8) Includes the consumption of biomass and waste for thermal production, amounting to 0.1 Mtoe.
(9) The productions used in calculating specific consumption differ slightly (0.335 TWh) from the figures shown above, because the meters that recorded the data were positioned differently. The figure from the meters at the terminals was used in the specifications, while the management point of view considers the value of the meters that measure the electricity sold.
(10) Includes 0.3 thousands of tons consumed by the Infrastructure and Networks Division's generating sets.

KPI	UM	2008	2007	2006	2008-2007	2008-2007 %	Companies concerned
Polluting emissions (9)							
Specific emissions of SO_2	(g/kWh)	0.54	0.67	0.93	-0.13	-20.1	Italy
Specific emissions of NO_X	(g/kWh)	0.49	0.52	0.58	-0.03	-5.6	Italy
Specific emissions of H_2S	(g/kWh)	2.53	3.09	4.00	-0.57	-18.3	Italy
Specific emissions of particulate	(g/kWh)	0.024	0.024	0.029	-0.001	-3.1	Italy
Emissions into water							
COD (Chemical Oxygen Demand)	(t)	260.0	352.0	381.0	-92.0	-26.1	Italy
BOD (Biochemical Oxygen Demand)	(t)	67.0	81.6	83.5	-14.6	-17.9	Italy
Nitrogen	(t)	60.5	118.2	86.9	-57.7	-48.8	Italy
Heavy metals	(t)	2.3	4.2	2.7	-1.9	-44.7	Italy
Phosphorous	(t)	7.3	8.3	9.3	-1.0	-12.5	Italy
Waste water (quantity discharged)	(mil. m³)	10.2	13.7	13.3	-3.5	-25.4	Italy
from thermal production	(mil. m³)	10.2	13.7	13.2	-3.5	-25.4	Italy
from storing and moving fuel oil	(mil. m³)	0.03	0.03	0.07	-	3.3	Italy
Greenhouse gas emissions							
Greenhouse gas specific emissions (9)	(g/kWh)	691	694	699	-4	-0.5	Italy
Emissions (11)	(mil. t)	44.4	46.8	51.6	-2.3	-5.0	Italy
Emissions avoided (12)	(mil. t)	18.4	14.9	16.6	3.4	23.0	Italy
Other greenhouse gas emissions (SF_6)	(,000 kg)	4.9	4.8	4.3	0.1	1.3	Italy
Other production cycles (CH_4)	(,000 t)	15.5	14.8	15.9	0.7	4.4	Italy
Other production cycles (CO_2) (13)	(,000 t)	10.5	10.6	11.0	-0.2	-1.6	Italy
Waste management							
Waste produced	(,000 t)	1,966	1,801	1,580	165	9.2	Italy
Hazardous special waste produced	(,000 t)	34.1	38.4	37.5	-4.4	-11.4	Italy
Waste recycled	(%)	86.1	83.7	88.0	2.3	2.8	Italy
Disposal of asbestos	(t)	3,688.8	4,737.4	2,077.4	-1,048.6	-22.1	Italy
Impact on landscape/environment							
Length of power lines	(km)	1,112,155	1,104,980	1,096,300	7,175	0.6	Italy
Total LV lines	(km)	752,789	747,406	740,979	5,383	0.7	Italy
Total MV lines	(km)	340,427	338,644	336,517	1,783	0.5	Italy
Total HV lines	(km)	18,939	18,930	18,804	9	-	Italy
LV/MV cable index	(%)	71.3	70.6	70.2	0.7	1.0	Italy
LV cable index	(%)	84.8	84.1	83.7	0.8	0.9	Italy
MV cable index	(%)	41.4	40.9	40.4	0.5	1.2	Italy
Environmental litigation Italy							
Environmental proceedings as defendant	(no.)	213	213	228	-	-	Italy

(9) The productions used in calculating specific consumption differ slightly (0.335 TWh) from the figures shown above, because the meters that recorded the data were positioned differently. The figure from the meters at the terminals was used in the specifications, while the management point of view considers the value of the meters that measure the electricity sold.
(11) The figure also includes the emissions (amounting to 0.011 mil. t) of uncertified plants, or ones that are not subject to the Emission Trading Directive.
(12) Calculated considering managerial production.
(13) CO_2 from other production cycles regarding only the gas network.

ENVIRONMENTAL MANAGEMENT SYSTEMS

KPI	UM	2008	2007	2006	2008-2007	2008-2007 %	Companies concerned
Environmental certification							
Degree of ISO 14001 coverage (1)	(%)	60.4	68.5	64.5	-8.1	-11.8	Abroad

(1) In 2007 does not include Endesa and Russia.

KPI	UM					%	Companies concerned
		2008	2007	2006	2008-2007	2008-2007	
Generating plants (2)							
Thermal net efficient power	**(MW)**	**23,364**	**15,559**	**3,740**	**7,805**	**50.2**	**Abroad**
Net efficient nuclear power	**(MW)**	**4,564**	**4,492**	**2,460**	**72**	**1.6**	**Abroad**
Renewable net efficient power	**(MW)**	**15,069**	**15,078**	**4,101**	**-9**	**-0.1**	**Abroad**
Hydro	(MW)	12,882	13,490	3,772	-608	-4.5	Abroad
Wind	(MW)	2,084	1,492	283	592	39.7	Abroad
Geo	(MW)	7	7	-	-	-	Abroad
Other (co-generation, biomass, etc.)	(MW)	95	88	46	7	7.9	Abroad
Total net efficient production	**(MW)**	**42,996**	**35,128**	**10,301**	**7,868**	**22.4**	**Abroad**
Iberia	(MW)	16,643	17,576	-	-933	-5.3	Abroad
France	(MW)	12	-	-	-	-	Abroad
Greece	(MW)	91	80	-	91.3	114.1	Abroad
Bulgaria	(MW)	602	581	-	21	3.6	Abroad
Slovakia	(MW)	5,705	5,633	-	72	1.3	Abroad
Russia	(MW)	8,183	-	-	-	-	Abroad
Other Europe	(MW)	96	11	-	85	744.1	Abroad
North America	(MW)	749	472	-	277	58.6	Abroad
Latin America	(MW)	10,915	10,775	-	140	1.3	Abroad
Iberia	(%)	38.7	50.0	23.6	-11.3	-22.6	Abroad
Greece	(%)	0.2	0.2	-	-	-6.8	Abroad
Bulgaria	(%)	1.4	1.7	5.4	-0.3	-15.3	Abroad
Slovakia	(%)	13.3	16.0	62.5	-2.8	-17.3	Abroad
Russia	(%)	19.0	-	-	-	-	Abroad
Other Europe	(%)	0.2	-	-	-	-	Abroad
North America	(%)	1.7	1.3	3.9	0.4	29.6	Abroad
Latin America	(%)	25.4	30.7	4.6	-5.3	-17.2	Abroad
Thermal net production	**(TWh)**	**81.7**	**23.9**	**9.6**	**57.8**	**242.2**	**Abroad**
Net nuclear production	**(TWh)**	**32.9**	**18.2**	**10.7**	**14.8**	**81.3**	**Abroad**
Net renewable production	**(TWh)**	**42.3**	**17.2**	**7.2**	**25.0**	**145.2**	**Abroad**
Hydro	(TWh)	38.3	15.8	6.0	22.5	142.4	Abroad
Wind	(TWh)	3.5	1.1	0.8	2.4	223.5	Abroad
Geo	(TWh)	0.04	0.04	-	-	-	Abroad
Other (co-generation, biomass, etc.)	(TWh)	0.5	0.3	0.3	0.2	40.9	Abroad
Total net production	**(TWh)**	**156.9**	**59.3**	**27.5**	**97.6**	**164.7**	**Abroad**
Iberia	(TWh)	61.2	19.9	-	41.4	208.2	Abroad
France	(TWh)	0.01	-	-	-	-	Abroad
Greece	(TWh)	0.2	0.1	-	0.2	312.9	Abroad
Bulgaria	(TWh)	3.7	3.5	-	0.3	7.3	Abroad
Slovakia	(TWh)	22.5	21.5	-	1.1	4.9	Abroad
Russia	(TWh)	22.5	-	-	-	-	Abroad
Other Europe	(TWh)	0.6	-	-	-	-	Abroad
North America	(TWh)	1.9	1.2	-	0.6	50.5	Abroad
Latin America	(TWh)	44.2	13.2	-	31.0	235.5	Abroad
Iberia	(%)	39.0	33.5	22.2	5.5	16.4	Abroad
Greece	(%)	0.1	0.1	-	-	56.0	Abroad
Bulgaria	(%)	2.4	5.9	11.3	-3.5	-59.5	Abroad
Slovakia	(%)	14.4	36.2	56.8	-21.9	-60.4	Abroad
Russia	(%)	14.3	-	-	-	-	Abroad
Other Europe	(%)	0.4	0.01	-	0.4	-	Abroad
North America	(%)	1.2	2.1	5.0	-0.9	-43.1	Abroad
Latin America	(%)	28.2	22.2	4.7	5.9	26.8	Abroad

(2) 2007 has been reclassified to include Endesa.

ENERGY EFFICIENCY OF GENERATING PLANTS (2/2)

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Generating plants (2)							
Renewable net efficient power	**(MW)**	**15,069**	**15,078**	**4,101**	**-9**	**-0.1**	**Abroad**
Iberia	(MW)	5,395	5,721	899	-326	-5.7	Abroad
France	(MW)	12	-	-	-	-	Abroad
Greece	(MW)	91	80	-	11	14.1	Abroad
Slovakia	(MW)	2,329	2,329	2,329	-	-	Abroad
Other Europe	(MW)	14	11	-	3	26.3	Abroad
North America	(MW)	749	472	402	277	58.6	Abroad
Latin America	(MW)	6,479	6,464	471	15	0.2	Abroad
Iberia	(%)	35.8	37.9	21.9	-2.1	-5.6	Abroad
France	(%)	0.1	-	-	-	-	Abroad
Greece	(%)	0.6	0.5	-	0.1	14.2	Abroad
Slovakia	(%)	15.5	15.4	56.8	0.1	0.1	Abroad
Other Europe	(%)	0.1	0.1	-	-	-	Abroad
North America	(%)	5.0	3.1	9.8	1.8	58.7	Abroad
Latin America	(%)	43.0	42.9	11.5	0.1	0.3	Abroad
Renewable net production	**(TWh)**	**42.29**	**17.25**	**7.18**	**25.05**	**145.2**	**Abroad**
Iberia	(TWh)	8.73	2.82	1.98	5.91	209.8	Abroad
France	(TWh)	0.01	-	-	-	-	Abroad
Greece	(TWh)	0.22	0.05	-	0.17	312.9	Abroad
Slovakia	(TWh)	4.06	4.24	2.54	-0.17	-4.1	Abroad
Other Europe	(TWh)	0.02	0.01	-	0.01	263.1	Abroad
North America	(TWh)	1.87	1.24	1.37	0.63	50.5	Abroad
Latin America	(TWh)	27.38	8.89	1.30	18.49	208.0	Abroad
Iberia	(%)	20.6	16.3	27.5	4.3	26.3	Abroad
France	(%)	0.02	-	-	-	-	Abroad
Greece	(%)	0.5	0.3	-	0.2	68.4	Abroad
Slovakia	(%)	9.6	24.6	35.3	-15.0	-60.9	Abroad
Other Europe	(%)	0.05	0.04	-	0.01	28.5	Abroad
North America	(%)	4.4	7.2	19.1	-2.8	-38.6	Abroad
Latin America	(%)	64.7	51.5	18.1	13.2	25.6	Abroad
Thermal plants							
Yield, lignite plants	(%)	29.0	-	-	-	-	Bulgaria
Yield, lignite plants	(%)	28.3	-	-	-	-	Slovakia
Yield, coal plants	(%)	28.9	-	-	-	-	Slovakia
Yield, coal plants	(%)	35.9	-	-	-	-	Russia

(2) 2007 has been reclassified to include Endesa.

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Resources used in production							
Consumption of fossil fuels							
Coal	(mil. t)	17.2	11.8	11.7	5.4	45.5	Abroad (3)
Oil	(mil. t)	0.07	0.07	0.10	-	-	Abroad (3)
Gas	(bil. m³)	3.91	0.06	0.11	3.85	-	Abroad (3)
Diesel	(,000 t)	1.6	1.6	2.0	-	-3.2	Abroad (3)
Biomass and waste for thermal production	(,000 t)	0.4	0.4	0.4	-	-12.6	Abroad (3)
Total fuel consumption	**(Mtoe)**	**8.21**	**3.31**	**3.46**	**4.90**	**148.0**	**Abroad (3)**
Coal	(%)	59.7	93.6	91.6	-33.9	-36.2	Abroad (3)
Oil	(%)	0.8	1.9	2.8	-1.2	-59.3	Abroad (3)
Gas	(%)	38.5	1.7	2.9	36.8	-	Abroad (3)
Other (diesel, biomass, and waste for thermal prod.)	(%)	0.9	2.8	2.7	-1.8	-65.6	Abroad (3)
Water consumption (4)							
Specific requirement for thermal production (5)	**(l/kWh)**	**2.5**	**5.7**	**4.3**	**-3.2**	**-56.3**	**Abroad (3)**
Specific requirement for nuclear production (6)	**(l/kWh)**	**3.2**	**3.2**	-	-	-	**Abroad (3)**
Water required for industrial use (5) (6)	**(mil. m³)**	**126.2**	**97.5**	**31.4**	**28.6**	**29.4**	**Abroad (3)**
from rivers	(mil. m³)	119.6	89.4	23.4	30.2	33.8	Abroad (3)
from wells	(mil. m³)	0.2	2.5	3.4	-2.3	-91.5	Abroad (3)
from aqueducts	(mil. m³)	1.7	0.9	1.0	0.8	86.3	Abroad (3)
Total withdrawals of internal water	*(mil. m³)*	*121.5*	*92.9*	*27.8*	*28.6*	*30.8*	*Abroad (3)*
from the sea, used as is	(mil. m³)	-	-	-	-	-	Abroad (3)
from the sea, desalinated	(mil. m³)	-	-	-	-	-	Abroad (3)
from waste water (used in plants)	(mil. m³)	4.7	4.7	3.6	-	0.2	Abroad (3)
% of water recycled and reused	**(%)**	**3.7**	**4.8**	**11.4**	**-1.1**	**-22.6**	**Abroad (3)**
Resources used in production							
Expendables	**(,000 t)**	**518.9**	**352.7**	**173.6**	**166.2**	**47.1**	**Abroad (3)**
Limestone	(,000 t)	484.9	321.7	165.3	163.3	50.8	Abroad (3)
Ammonia	(,000 t)	1.5	2.4	-	-0.9	-37.2	Abroad (3)
Caustic soda	(,000 t)	2.2	2.0	1.1	0.2	9.8	Abroad (3)
Spent lime	(,000 t)	23.9	16.2	0.4	7.7	47.4	Abroad (3)
Sulfuric/Hydrochloric acid	(,000 t)	3.9	3.6	2.2	0.3	7.6	Abroad (3)
Other	(,000 t)	2.5	6.9	4.6	-4.4	-63.5	Abroad (3)
Polluting emissions Slovakia							
Net specific emissions of SO_2	**(g/kWh)**	**11.8**	**10.6**	-	**1.2**	**10.9**	**Slovakia**
Net specific emissions of NO_X	**(g/kWh)**	**1.9**	**2.1**	-	**-0.2**	**-10.6**	**Slovakia**
Specific emissions of particulate	**(g/kWh)**	**0.21**	**0.24**	-	**-0.03**	**-14.3**	**Slovakia**
Polluting emissions Bulgaria							
Net specific emissions of SO_2	**(g/kWh)**	**7.7**	**28.8**	**62.5**	**-21.1**	**-73.4**	**Bulgaria**
Net specific emissions of NO_X	**(g/kWh)**	**1.3**	**1.6**	**2.3**	**-0.3**	**-18.1**	**Bulgaria**
Specific emissions of particulate	**(g/kWh)**	**0.22**	**0.45**	**1.08**	**-0.23**	**-50.9**	**Bulgaria**
Polluting emissions Russia (5)							
Net specific emissions of SO_2	**(g/kWh)**	**2.8**	-	-	-	-	**Russia**
Net specific emissions of NO_X	**(g/kWh)**	**1.7**	-	-	-	-	**Russia**
Specific emissions of particulate	**(g/kWh)**	**3.3**	-	-	-	-	**Russia**

(3) Includes Slovakia, Bulgaria, and Russia.
(4) For 2006, does not include Slovenské elektrárne.
(5) For Russia, the annual values proportioned for the 7 months of control were considered.
(6) The values do not include the EBO V1 nuclear plant (410 MW), which was carved out.

ENVIRONMENTAL PERFORMANCE (2/2)

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Nuclear emissions into air							
Noble gases	(TBq/Unit)	6.5	9.2	13.5	-2.7	-28.9	Slovakia
Iodine	(TBq/Unit)	6.5	10.6	20.7	-4.1	-38.9	Slovakia
Aerosol	(TBq/Unit)	18.1	20.5	34.5	-2.4	-11.6	Slovakia
Nuclear emissions into water							
Tritium	(TBq/Unit)	12.4	13.0	14.6	-0.5	-4.1	Slovakia
Corrosion and fission products	(GBq/Unit)	0.03	0.03	0.07	-	16.5	Slovakia
Emissions into water							
Waste water (quantity discharged) (4)	(mil. m³)	43.0	27.4	7.0	15.6	56.7	Abroad (3)
from thermal production	(mil. m³)	34.8	20.1	7.0	14.7	73.1	Abroad (3)
from nuclear production	(mil. m³)	8.1	7.3	-	0.8	11.6	Abroad (3)
Greenhouse gas emissions Slovakia							
Greenhouse gas specific emissions	(g/kWh)	1,338	1,314	-	24	1.8	Slovakia
Emissions	(mil. t)	4.1	4.1	-	-	-	Slovakia
Greenhouse gas emissions Bulgaria							
Greenhouse gas specific emissions	(g/kWh)	1,389	1,385	1,422	3.5	0.3	Bulgaria
Emissions	(mil. t)	5.2	4.8	4.4	0.4	7.5	Bulgaria
Greenhouse gas emissions Russia							
Greenhouse gas specific emissions	(g/kWh)	674	-	-	-	-	Russia
Emissions	(mil. t)	19.1	-	-	-	-	Russia
Waste management							
Waste produced	(,000 t)	5,727	3,399	3,062	2,328	68.5	Abroad (3)
Hazardous special waste produced (7)	(,000 t)	4.2	14.2	8.5	-10.0	-70.2	Abroad (3)
Waste recycled	(%)	6.5	26.4	24.4	-19.9	-75.6	Abroad (3)
Low-/medium-activity liquid radioactive waste	(,000 m³)	0.12	0.12	0.16	0.00	-2.9	Abroad (3)
Low-/medium-activity solid radioactive waste	(t)	39.4	37.9	44.6	1.5	4.0	Abroad (3)
High-activity solid radioactive waste	(t)	0.04	0.11	0.90	-0.1	-65.3	Abroad (3)
Impact on landscape/environment Romania							
Length of power lines	(km)	90,240	53,228	52,972	37,012	69.5	Romania
Total LV lines	(km)	47,559	25,591	25,513	21,969	85.8	Romania
Total MV lines	(km)	37,591	23,523	23,347	14,068	59.8	Romania
Total HV lines	(km)	5,090	4,114	4,112	976	23.7	Romania
LV/MV cable index	(%)	45.8	29.1	28.0	16.8	57.7	Romania
LV cable index	(%)	53.3	40.2	38.4	13.0	32.4	Romania
MV cable index	(%)	36.4	16.9	16.6	19.5	115.4	Romania

(3) Includes Slovakia, Bulgaria, and Russia.
(4) 2006 does not include Slovenské elektrárne.
(7) The year-to-year changes in this kind of waste is not correlated with the quantity of electricity produced.

ENDESA'S ENVIRONMENTAL PERFORMANCE (1/2)

KPI	UM					%	Companies concerned
		2008	2007	2006	2008-2007	2008-2007	
Resources used in production							
Consumption of fossil fuels							
Coal	(mil. t)	9.7	-	-	-	-	Endesa
Oil	(mil. t)	1.5	-	-	-	-	Endesa
Gas	(bil. m³)	3.5	-	-	-	-	Endesa
Diesel	(,000 t)	1.6	-	-	-	-	Endesa
Biomass and waste for thermal production	(,000 t)	60.4	-	-	-	-	Endesa
Total fuel consumption	**(Mtoe)**	**9.4**	-	-	-	-	**Endesa**
Coal	(%)	51.5	-	-	-	-	Endesa
Oil	(%)	15.4	-	-	-	-	Endesa
Gas	(%)	32.8	-	-	-	-	Endesa
Other (diesel, biomass, and waste for thermal prod.)	(%)	0.02	-	-	-	-	Endesa
Thermal plants							
Yield, lignite plants	(%)	35.3	-	-	-	-	Endesa
Yield, coal plants	(%)	36.4	-	-	-	-	Endesa
Yield, CCGT plants	(%)	51.1	-	-	-	-	Endesa
Yield, oil/gas plants	(%)	35.5	-	-	-	-	Endesa
Water consumption							
Specific requirement for thermal production	**(l/kWh)**	**0.81**	-	-	-	-	**Endesa**
Specific requirement for nuclear production	**(l/kWh)**	**49.8**	-	-	-	-	**Endesa**
Water required for industrial use	**(mil. m³)**	**913.2**	-	-	-	-	**Endesa**
from rivers	(mil. m³)	903.6	-	-	-	-	Endesa
from wells	(mil. m³)	3.2	-	-	-	-	Endesa
from aqueducts	(mil. m³)	1.6	-	-	-	-	Endesa
Total withdrawals of internal water	*(mil. m³)*	*908.4*	-	-	-	-	*Endesa*
from the sea, used as is	(mil. m³)	3.0	-	-	-	-	Endesa
from the sea, desalinated	(mil. m³)	1.8	-	-	-	-	Endesa
from waste water (used in plants)	(mil. m³)	0.01	-	-	-	-	Endesa
% of water recycled and reused	**(%)**	**0.001**	-	-	-	-	**Endesa**
Expendables							
Expendables	**(,000 t)**	**430.0**	-	-	-	-	**Endesa**
Limestone	(,000 t)	402.2	-	-	-	-	Endesa
Ammonia	(,000 t)	0.9	-	-	-	-	Endesa
Caustic soda	(,000 t)	2.2	-	-	-	-	Endesa
Spent lime	(,000 t)	4.3	-	-	-	-	Endesa
Sulfuric/Hydrochloric acid	(,000 t)	4.1	-	-	-	-	Endesa
Other	(,000 t)	16.3	-	-	-	-	Endesa
Polluting emissions							
Net specific emissions of SO_2	**(g/kWh)**	**1.7**	-	-	-	-	**Endesa**
Net specific emissions of NO_X	**(g/kWh)**	**2.2**	-	-	-	-	**Endesa**
Net specific emissions of particulate	**(g/kWh)**	**0.09**	-	-	-	-	**Endesa**

ENDESA'S ENVIRONMENTAL PERFORMANCE (2/2)

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Nuclear atmospheric emissions							
Noble gases	(TBq/Unit)	24.4	-	-	-	-	Endesa
Iodine (annual limits)	(TBq/Unit)	59.9	-	-	-	-	Endesa
Nuclear emissions into water							
Tritium (annual limits)	(TBq/Unit)	58.8	-	-	-	-	Endesa
Products of corrosion and fission	(GBq/Unit)	0.04	-	-	-	-	Endesa
Emissions into water							
Waste water (quantity discharged)	(mil. m³)	472.1	-	-	-	-	Endesa
from thermal production	(mil. m³)	249.0	-	-	-	-	Endesa
from nuclear production	(mil. m³)	223.0	-	-	-	-	Endesa
Greenhouse gas emissions							
Greenhouse gas specific emissions	(g/kWh)	708	-	-	-	-	Endesa
Emissions	(mil. t)	36.5	-	-	-	-	Endesa
Waste management							
Waste produced	(,000 t)	3,291	-	-	-	-	Endesa
Hazardous special waste produced	(,000 t)	35.1	-	-	-	-	Endesa
Waste recycled	(%)	33.8	-	-	-	-	Endesa
Liquid radioactive waste with low/medium activity	(,000 m³)	1.25	-	-	-	-	Endesa
Solid radioactive waste with low/medium activity	(t)	97.2	-	-	-	-	Endesa
Impact on landscape/environment							
Length of power lines	(km)	383,541	-	-	-	-	Endesa
Total LV lines	(km)	196,503	-	-	-	-	Endesa
Total MV lines	(km)	165,119	-	-	-	-	Endesa
Total HV lines	(km)	21,919	-	-	-	-	Endesa
LV/MV cable index	(%)	39.3	-	-	-	-	Endesa
LV cable index	(%)	56.0	-	-	-	-	Endesa
MV cable index	(%)	19.4	-	-	-	-	Endesa

NUMBER AND COMPOSITION OF PERSONNEL (1/4)

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Number							
Personnel							
Total personnel	(no.)	75,981	73,500	58,548	2,481	3.4	Enel
Hours worked	(mil. h)	150.0	93.0	95.8	57.0	61.3	Enel (1)
Breakdown by geographical area and region (1)							
Italy	**(no.)**	**40,327**	**41,746**	**44,687**	**-1,419**	**-3.4**	**Enel**
Valle d'Aosta	(no.)	177	180	191	-3	-1.7	Enel
Piedmont	(no.)	2,748	2,915	3,228	-167	-5.7	Enel
Lombardy	(no.)	4,641	4,829	5,158	-188	-3.9	Enel
Trentino Alto Adige	(no.)	364	371	394	-7	-1.9	Enel
Veneto	(no.)	3,309	3,452	3,702	-143	-4.1	Enel
Friuli Venezia Giulia	(no.)	466	491	571	-25	-5.1	Enel
Liguria	(no.)	1,155	1,210	1,260	-55	-4.5	Enel
Emilia Romagna	(no.)	2,069	2,159	2,420	-90	-4.2	Enel
Tuscany	(no.)	3,708	3,847	4,207	-139	-3.6	Enel
Marches	(no.)	733	764	827	-31	-4.1	Enel
Umbria	(no.)	753	767	882	-14	-1.8	Enel
Latium	(no.)	6,169	6,147	5,677	22	0.4	Enel
Abruzzo	(no.)	914	951	1,074	-37	-3.9	Enel
Molise	(no.)	277	294	341	-17	-5.8	Enel
Campania	(no.)	3,050	3,246	3,684	-196	-6.0	Enel
Apulia	(no.)	2,462	2,546	2,772	-84	-3.3	Enel
Basilicata	(no.)	474	502	605	-28	-5.6	Enel
Calabria	(no.)	1,433	1,487	1,677	-54	-3.6	Enel
Sicily	(no.)	3,382	3,619	3,928	-237	-6.5	Enel
Sardinia	(no.)	1,695	1,817	1,992	-122	-6.7	Enel
Branches of Italian companies abroad	(no.)	348	152	97	196	128.9	Enel
Abroad	**(no.)**	**35,654**	**31,754**	**13,861**	**3,900**	**12.3**	**Enel**
Iberia	(no.)	9,257	9,595	1,057	-338	-3.5	Enel
France	(no.)	48	22	13	26	118.2	Enel
Greece	(no.)	35	26	-	9	34.6	Enel
Romania	(no.)	5,205	3,459	3,607	1,746	50.5	Enel
Bulgaria	(no.)	733	815	898	-82	-10.1	Enel
Slovakia	(no.)	5,962	6,408	7,338	-446	-7.0	Enel
Russia	(no.)	4,950	573	430	4,377	763.9	Enel
North America	(no.)	267	224	195	43	19.2	Enel
South America	(no.)	9,059	8,564	323	495	5.8	Enel
Endesa (other in Europe)	(no.)	-	2,068	-	-2,068	-100.0	Enel
Branches abroad (2)	(no.)	138	-	-	-	-	Enel

(1) Excluding Endesa Portugal and other minor companies, branches, EUFER. France, Belgium, and Severenergia (Russia 40%).
(2) In 2007 and 2006, branches (Italian companies abroad) were classified under "Italy".

NUMBER AND COMPOSITION OF PERSONNEL (2/4)

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Composition							
Breakdown by professional status							
Executives	(no.)	1,139	1,069	691	70	6.5	Enel
Supervisors	(no.)	7,490	6,569	4,900	921	14.0	Enel
White-collar workers	(no.)	43,529	43,602	30,540	-73	-0.2	Enel
Blue-collar workers	(no.)	23,823	22,260	22,417	1,563	7.0	Enel
Executives	(%)	1.5	1.5	1.2	-	3.1	Enel
Supervisors	(%)	9.9	8.9	8.4	1	10.3	Enel
White-collar workers	(%)	57.3	59.3	52.2	-2	-3.4	Enel
Blue-collar workers	(%)	31.4	30.3	38.3	1	3.5	Enel
Education							
University graduates	(%)	19.9	14.8	12.9	5.1	34.7	Enel (3)
High school graduates	(%)	48.7	49.1	48.4	-0.4	-0.8	Enel (3)
Other	(%)	31.5	36.2	38.7	-4.7	-13.0	Enel (3)
Age							
Average	(years)	45.8	43.3	45.8	2.5	5.8	Enel (4)
Under 35	(%)	18.4	14.6	13.8	3.8	26.0	Enel (4)
From 35 to 44	(%)	27.7	27.7	27.6	-	-	Enel (4)
From 45 to 54	(%)	40.1	45.0	45.8	-4.9	-10.9	Enel (4)
From 55 to 59	(%)	12.2	11.8	11.9	0.4	3.6	Enel (4)
Over 60	(%)	1.5	0.9	0.9	0.7	79.7	Enel (4)
Years at Enel							
Average	(years)	18.9	19.1	21.6	-0.2	-1.0	Enel (4)
Less than 10	(%)	26.2	18.2	18.8	8.0	43.9	Enel (4)
From 10 to 19	(%)	24.0	27.0	27.2	-3.0	-11.2	Enel (4)
From 20 to 29	(%)	31.2	33.7	31.0	-2.5	-7.3	Enel (4)
From 30 to 34	(%)	14.5	19.8	21.2	-5.3	-27.0	Enel (4)
35 or more	(%)	4.1	1.3	1.8	2.9	222.8	Enel (4)

(3) For 2008, excluding France, branches, Severenergia (Russia), and including only Endesa Spain; for 2007, excluding Endesa, Russia, France, Greece, Viesgo, and branches; for 2006, excluding Russia, France, and branches.
(4) For 2008, excluding France, branches, Severenergia (Russia), Endesa Portugal, and minor companies; for 2007, excluding Endesa, Russia, France, Greece, Viesgo, and branches; for 2006, excluding Russia and branches.

NUMBER AND COMPOSITION OF PERSONNEL (3/4)

KPI	UM					%	Companies concerned
		2008	2007	2006	2008-2007	2008-2007	
Relations and procedures of flexible employment							
Fixed-term contracts							
Fixed-term contracts	(no.)	21	27	31	-6	-22.2	Italy
Starter/training contracts	(no.)	545	453	448	92	20.3	Italy
Total fixed-term contracts	**(no.)**	**566**	**480**	**479**	**86**	**17.9**	**Italy**
Fixed-term contracts as % of total	(%)	1.4	1.2	1.1	0.23	19.9	Italy
Permanent contracts	(no.)	39,761	41,114	44,111	-1,353	-3.3	Italy
Permanent contracts as % of total	(%)	98.6	98.8	98.9	-0.2	-0.2	Italy
Fixed-term contracts							
Fixed-term contracts	(no.)	4,728	477	n.a.	4,251	891.2	Abroad (5)
Fixed-term contracts as % of total	(%)	14.5	4.2	n.a.	10.3	244.9	Abroad (5)
Permanent contracts	(no.)	27,983	10,870	n.a.	17,113	157.4	Abroad (5)
Permanent contracts as % of total	(%)	85.5	95.8	n.a.	-10.3	-10.7	Abroad (5)
Part-time employment	**(%)**	**2.4**	**2.5**	**2.3**	**-0.1**	**-2.1**	**Italy**
Full-time contracts	(no.)	39,354	40,569	43,557	-1,215	-3.0	Italy
Part-time contracts	(no.)	973	1,025	1,033	-52	-5.1	Italy
Part-time employment	**(%)**	**0.6**	**0.5**	**n.a.**	**0.1**	**30.9**	**Abroad (6)**
Full-time contracts	(no.)	26,465	11,294	n.a.	15,171	134.3	Abroad (6)
Part-time contracts	(no.)	171	52	n.a.	119	228.8	Abroad (6)
Overtime	**(%)**	**6.1**	**5.3**	**5.4**	**0.7**	**13.2**	**Italy**
Overtime	**(%)**	**3.1**	**3.3**	**n.a.**	**-0.2**	**-6.2**	**Abroad (7)**
Interns at Enel	**(no.)**	**198**	**236**	**57**	**-38**	**-16.1**	**Enel**
Employees covered by collective agreements/Italy	**(%)**	**100**	**100**	**100**	**-**	**-**	**Italy**
Employees covered by collective agreements/ENA	**(%)**	**8**	**10**	**n.a.**	**-2**	**-16.1**	**ENA**
Employees covered by collective agreements/ELA	**(%)**	**24**	**50**	**n.a.**	**-26**	**-51.4**	**ELA**
Employees covered by collective agreements/EUFER	**(%)**	**100**	**100**	**n.a.**	**-**	**-**	**EUFER**
Employees covered by collective agreements/Romania	**(%)**	**99**	**99**	**n.a.**	**-**	**-**	**Romania**
Employees covered by collective agreements/Bulgaria	**(%)**	**92**	**92**	**n.a.**	**1**	**0.8**	**Bulgaria**
Employees covered by collective agreements/Slovakia	**(%)**	**100**	**95**	**n.a.**	**5**	**5.0**	**Slovakia**
Employees covered by collective agreements/Russia	**(%)**	**89**	**n.a.**	**n.a.**	**-**	**-**	**Russia**
Employees covered by collective agreements/Endesa	**(%)**	**77**	**n.a.**	**n.a.**	**-**	**-**	**Endesa**

(5) For 2008, excluding France, Greece, branches, Severenergia (Russia), and Endesa Portugal, Argentina, and minor companies; for 2007 and 2006, excluding Endesa, Russia, France, Greece, and branches.
(6) For 2008, excluding France, branches, Severenergia (Russia), and including only Endesa Spain; for 2007 and 2006, excluding Endesa, Russia, France, Greece, and branches.
(7) For 2008, excluding France, branches, Severenergia (Russia), and Endesa. For 2007 and 2006, excluding, Endesa, Russia, France, Greece, and branches.

NUMBER AND COMPOSITION OF PERSONNEL (4/4)

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Changes in number							
New hires [8]	(no.)	3,065	2,362	1,015	703	29.8	Enel
Terminations	(no.)	4,475	6,381	3,384	-1,906	-29.9	Enel
Italy	(no.)	2,193	3,895	2,520	-1,702	-43.7	Italy
Abroad	(no.)	2,282	2,486	864	-204	-8.2	Abroad
Women	(no.)	275	474	270	-199	-42.0	Italy
Men	(no.)	1,918	3,421	2,250	-1,503	-43.9	Italy
Women	(%)	12.5	12.2	10.7	0.4	3.0	Italy
Men	(%)	87.5	87.8	89.3	-0.4	-0.4	Italy
< 30 years old	(no.)	35	36	33	-1	-2.8	Italy
30-50 years old	(no.)	112	184	156	-72	-39.1	Italy
> 50 years old	(no.)	2,046	3,675	2,331	-1,629	-44.3	Italy
< 30 years old	(%)	1.6	0.9	1.3	1	72.7	Italy
30-50 years old	(%)	5.1	4.7	6.2	0.4	8.1	Italy
> 50 years old	(%)	93.3	94.4	92.5	-1.1	-1.1	Italy
Turnover rate							
Italy	(%)	5.4	9.3	5.7	-3.9	-41.7	Italy
Abroad [8]	(%)	6.4	7.8	6.2	-1.4	-18.2	Abroad

(8) The 2007 figure has been reclassified with respect to the one published last year because it includes Endesa data.

SATISFACTION AND PROFESSIONAL DEVELOPMENT (1/2)

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Compensation							
Incidence of variable pay Italy	(%)	6.0	6.0	5.0	-	-	Italy
Incidence of variable pay ENA	(%)	10.5	12.0	n.a.	-1.5	-12.5	ENA
Incidence of variable pay ELA	(%)	22.5	23.0	n.a.	-0.5	-2.2	ELA
Incidence of variable pay Romania	(%)	8.0	9.0	n.a.	-1.0	-10.7	Romania
Incidence of variable pay Bulgaria	(%)	40.3	36.0	n.a.	4.3	11.9	Bulgaria
Incidence of variable pay Slovakia	(%)	6.8	7.0	n.a.	-0.2	-2.6	Slovakia
Incidence of variable pay Russia [9]	(%)	53.9	n.a.	n.a.	-	-	Russia
Employees participating in incentive plans	(%)	3.6	3.2	2.8	0.4	11.5	Italy
Executives with stock options [10]	(%)	95.0	98.5	88.0	-3.5	-3.6	Italy
Ratio of gross annual salary women/men (average)							
Executives	(%)	82.5	84.8	86.0	-2.2	-2.7	Italy
Supervisors	(%)	92.8	92.4	91.4	0.4	0.4	Italy
White-collar workers	(%)	91.6	91.2	91.2	0.4	0.4	Italy
Blue-collar workers	(%)	86.0	90.7	91.7	-4.7	-5.1	Italy
Ratio of gross annual salary women/men (average)	(%)	88.9	-	-	-	-	Abroad [11]

(9) Excluding Severenergia.
(10) 2007 shows a sharp increase, because the population concerned does not include the exits of executives which took place in the middle of 2007 instead of, as usual, year end, and in any before the assignments of the stock-option and other long-term incentive plans.
(11) Excluding France, branches, Severenergia (Russia), Endesa, ELA, EUFER, and Greece.

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Development							
Evaluations Italy (12)	(%)	20.6	2.5	9.0	18.1	721.3	Italy
Evaluations abroad	(%)	24.5	15.8	n.a.	8.8	55.8	Abroad (13)
Internal development	(%)	75.6	56.8	65.0	18.8	33.2	Italy
Status changes	(%)	12.9	11.7	13.5	1.2	10.5	Italy
Training							
Hours of training per employee	(h)	29	25	24	4	13.8	Italy
Total hours of training (distance + classroom)	(,000 h)	1,183.2	1,096.1	1,077.7	87.1	7.9	Italy
Hours of executive training (distance)	(,000 h)	22.9	46.7	113.2	-23.8	-51.0	Italy
Hours of classroom training	(,000 h)	1,160.2	1,049.3	964.5	110.9	10.6	Italy
- for executive training	(,000 h)	260.2	195.8	n.a.	64.4	32.9	Italy
- for specialist training	(,000 h)	900.1	853.6	964.5	46.5	5.4	Italy
Incidence of DT	(%)	1.9	4.3	10.5	-2.3	-54.6	Italy
Courses available online	(no.)	1,154	1,151	1,123	3	0.3	Italy
Access to the EDLS	(%)	67.6	66.8	65.1	0.8	1.1	Italy
Hours of training per employee (14)	(h)	94	n.a.	n.a.	-	-	Abroad (13)
Total hours of training (distance + classroom)	(,000 h)	1,026	n.a.	n.a.	-	-	Abroad (13)
Hours of executive training (distance)	(,000 h)	437	n.a.	n.a.	-	-	Abroad (13)
Hours of classroom training	(,000 h)	589	n.a.	n.a.	-	-	Abroad (13)
- for executive training	(,000 h)	48	n.a.	n.a.	-	-	Abroad (13)
- for specialist training	(,000 h)	541	n.a.	n.a.	-	-	Abroad (13)
Knowledge Management and Internal Communication							
Access to the corporate intranet	(%)	87.5	76.7	66.7	10.8	14.1	Italy
Expenditure on KM systems	(mil. euro)	2.8	3.2	1.8	-0.4	-12.8	Enel
Intranet access per day	(no.)	12,577	12,313	10,000	264	2.1	Italy
Hard copies of Enel Insieme	(no./month)	53,000	53,000	35,000	-	-	Enel
Dissemination of sustainability							
Sustainability training per employee (15)	(h)	12.3	10.5	8.3	1.9	17.8	Italy
Managers with MBO on sustainability	(%)	38	41	n.a.	-3	-7.3	Italy
Dissemination of MBO on sustainability	(%)	10	16	n.a.	-6	-36.9	Italy
Corporate atmosphere							
Spontaneous resignations of executives and supervisors	(no.)	25	49	37	-24	-49.0	Italy
"People Care" Project	(no.)	5	3	-	2	66.7	Italy
Employees involved	(no.)	15,000	672	-	14,328	2,132.1	Italy
Actual beneficiaries	(no.)	11,000	69	-	10,931	15,842.0	Italy
Absentee rate	(ind)	8,805	10,146	10,078	-1,341	-13.2	Italy
Benefits for employees	(euro/per person)	2,404	2,561	2,429	-157	-6.1	Electricity Italy
Employees covered by Pension Plan (Benefit Plan)	(no.)	34,974	38,261	n.a.	-3,287	-8.6	Italy
Employees covered by Pension Plan (Benefit Plan)	(%)	0.87	0.92	n.a.	-0.05	-5.4	Italy
Litigation with employees							
Total proceedings	(no.)	2,455	2,651	2,857	-196	-7.4	Italy
% of proceedings as defendant	(%)	69.8	77.4	79.1	-7.6	-9.8	Italy

(12) Formerly bi-annual, the assessment campaigns have become annual, with 2007 the transition year.
(13) In 2008, excluding Endesa and Severenergia, whereas 2007 includes: ELA, ENA, EUFER, Romania, Bulgaria, and Slovakia.
(14) The figure includes Slovakia, which shows a higher-than-average number of training hours because of the production of nuclear energy.
(15) Regards environmental and safety training only of the Generation and Energy Management and Infrastructure and Networks Divisions.

EQUAL OPPORTUNITY

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Equal Opportunity							
Female employees	(no.)	14,593	8,721	9,330	5,872	67.3	Enel (3)
Executives	(no.)	624	69	75	555	804.9	Enel (3)
Supervisors	(no.)	1,650	834	828	817	98.0	Enel (3)
White-collar workers	(no.)	8,492	7,092	7,620	1,400	19.7	Enel (3)
Blue-collar workers	(no.)	3,826	726	807	3,100	427.0	Enel (3)
% of employees who are women	(%)	21.8	16.5	15.9	5.3	32.4	Enel (3)
Female supervisors and executives	(%)	38.0	17.6	16.2	20.5	116.6	Enel (16)
Pay of female employees	(%)	87.1	88.3	89.4	-1.2	-1.4	Italy
Disabled eemployees							
Disabled employees / protected categories	(no.)	2,315	2,387	2,645	-72	-3.0	Italy

(3) For 2008, excluding France, branches, and Severenergia (Russia), and, with regard to the Endesa Group, including only Endesa Spain; for 2007, excluding Endesa, Russia, France, Greece, Viesgo, and branches; for 2006, excluding Russia, France, and branches.
(16) For 2008, excluding France, branches, Severenergia (Russia), and Endesa; for 2007, excluding Endesa, Russia, France, Greece, Viesgo, and branches; for 2006, excluding Russia, France, and branches.

SAFETY

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Serious and fatal employee on-the-job accidents (17)							
Employee on-the-job accidents	(no.)	48	12	18	36	300.0	Enel
Fatal accidents (18)	(no.)	1	1	1	-	-	Enel
Serious accidents	(no.)	12	11	17	1	9.1	Enel *
Serious accidents	(no.)	35	-	-	-	-	Endesa
Frequency index	(no.)	3.7	5.5	6.4	-1.9	-33.5	Enel
Lost-time Injuries Frequency Rate	(ind)	0.736	1.105	1.270	-0.37	-33.4	Enel
Accident seriousness index	(no.)	0.15	0.22	0.26	-0.07	-32.9	Enel
Lost Day Rate	(ind)	30.02	43.79	51.54	-13.77	-31.4	Enel
Safety expenditure per employee	(euro)	1,243	1,044	929	199	19.1	Enel
Health inspections (19)	(no.)	56,652	22,581	23,103	34,071	150.9	Enel
On-the-job accidents of contractor and other workers							
Serious and fatal on-the-job accidents of contractor workers	(no.)	31	15	22	16	106.7	Enel *
Serious and fatal on-the-job accidents of contractor workers (20)	(no.)	33	-	-	-	-	Endesa
Serious and fatal third-party accidents	(no.)	90	88	94	2	2.3	Enel *

* Excluding Endesa.

(17) 2008 includes Endesa, with the exclusion of Endesa Portugal and other minor companies. It does not include Viesgo, which left the Group in June 2008.
(18) Does not include a fatal accident due to natural causes.
(19) For Russia, includes tests of blood alcohol performed daily on a sample of people.
(20) Endesa classifies as "serious" accidents that entail an absence from work of at least 180 days.

RELATIONS WITH LABOR UNIONS

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Relations with labor unions							
Rate of union membership of electricity workers	(%)	70.7	72.6	74.2	-1.9	-2.6	Italy
Rate of union membership of gas workers	(%)	69.7	69.6	69.5	0.1	0.2	Italy

ASSOCIATIONS, INSTITUTIONS, AND MEDIA

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
Extent of relations							
Meetings with associations (21)	(no.)	800	750	680	50	6.7	Enel *
Issues discussed with associations	(no.)	50	50	45	-	-	Enel *
Relations with institutions							
Taxes paid (22)	(mil. euro)	1,320	2,322	2,433	-1,002	-43.2	Enel
IRES, IRAP and other taxes	(mil. euro)	-219	1,661	1,968	-1,880	-113.2	Enel
Taxes paid abroad	(mil. euro)	804	295	99	509	172.5	Enel
Other taxes and duties	(mil. euro)	551	201	173	350	174.1	Enel
Fees net of contributions received	(mil. euro)	184	165	193	19	11.5	Enel
Corporate image							
Presence index	(no.)	3,472	3,378	2,315	94	2.8	Enel
Global Visibility Index	(,000)	1,269	1,424	1,238	-156	-10.9	Enel
Qualitative Index of Visibility (from -1 to +1)	(ind)	0.91	0.94	0.92	-0.03	-3.2	Enel

* Excluding Endesa.

(21) Estimated value.
(22) The 2007 data have been adjusted for the sole purpose of taking into account the effects of the completion as of December 31, 2008 of the purchase price allocation regarding the acquisition of Endesa, as well as the effects regarding the classification of the results of the gas distribution operations in Italy as "discontinued operations".

INITIATIVES IN FAVOR OF COMMUNITIES

KPI	UM	2008	2007	2006	2008-2007	% 2008-2007	Companies concerned
LBG approach							
Donations to social initiatives (23)							
Largesse expenditure	(mil. euro)	31.3	7.3	6.8	24.0	329.4	Italy
Investment in communities	(mil. euro)	24.4	18.3	19.5	6.1	33.4	Italy
Business initiatives with social impact	(mil. euro)	11.0	7.8	3.1	3.2	40.6	Italy
Socially sustainable business initiatives	(mil. euro)	0.1	0.2	0.2	-0.1	-71.2	Italy
Total (largesse + investment)	(mil. euro)	66.8	33.6	29.6	33.1	98.6	Italy

(23) For 2007, also includes 2.6 million euro regarding Slovakia, ELA, and Romania.

The Auditor's Report

KPMG S.p.A.
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(Translation from the Italian original which remains the definitive version)

Report of the auditors on the review of the sustainability report

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

1 We have carried out the review of the sustainability report of the Enel Group (the "group") at 31 December 2008, prepared in compliance with the "Sustainability Reporting Guidelines" established in 2006 by GRI - Global Reporting Initiative, as set out in the "Report parameters" section. The parent's directors are responsible for the preparation of the sustainability report in accordance with the above-mentioned guidelines. 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 Standard on Assurance Engagements 3000 - Assurance Engagements other than Audits or Reviews of Historical Financial Information" ("ISAE 3000"), issued by the International Auditing and Assurance Standards Board, carrying out the following procedures:

- verifying that the financial data and information in the "EC – Economic performance indicators" 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 2008, upon which we issued our report dated 10 April 2009 with reference 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 of Enel S.p.A. and the personnel of Endesa SA, Enel Distributie Banat SA, Enel Distributie Muntenia SA, Enel Distribuzione S.p.A., Enel Energie SA, Enel Maritza East 3 AD, Enel Produzione S.p.A., Enel Servicii Comune SA, Enel Servizi S.r.l., Enel Servizio Elettrico S.p.A., OGK-5 OJSC, Sfera S.r.l. and Slovenské elektrárne AS, to gather information on the IT, accounting and reporting systems used in preparing the sustainability report, and on the processes and internal control procedures used to gather, combine, process and transmit data and information to the office that prepares the sustainability report;

- sample-based analysis of documentation supporting the preparation of the sustainability report to confirm the effectiveness 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 or 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.

A review is less in scope than an audit carried out in accordance with ISAE 3000, and, therefore, it offers a lower level of assurance that we have become aware of all significant events that might be identified during an audit. Accordingly, we do not express an audit opinion.

3 Reference should be made to our report dated 3 June 2008 on the prior year sustainability report, the figures and information of which are presented for comparative purposes as required by the guidelines referred to in paragraph 1.

4 Based on our review, nothing has come to our attention that causes us to believe that the Enel Group's sustainability report at 31 December 2008 is not in conformity, in all material respects, with the guidelines referred to in paragraph 1.

Rome, 24 April 2009

KPMG S.p.A.

(Signed on the original)

Marco Maffei
Director of Audit

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(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 on the sustainability report of the Enel Group at 31 December 2008 described in the paragraph entitled "Work performed" hereof. We issued a separate review report dated 24 April 2009 on the sustainability report of the Enel Group at 31 December 2008 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 with respect to 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 2008. 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 Financial Information" issued by the International Auditing and Assurance Standards Board ("IAASB") and with the AccountAbility 1000 Assurance Standard, issued by AccountAbility in 2003.

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-disciplinary team of corporate social responsibility and assurance specialists carried out our work in compliance with KPMG internal independence policies which refer to the Code of Ethics for auditors issued by IFAC.

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 2008, 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 in terms of completeness, materiality 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 as 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 company units;
  - the director's statements included in the sustainability report relating to the corporate social responsibility programme;
- analysis of the Enel Group's main risks in relation to sustainability issues;
- 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 ISAE 3000, and, therefore, it offers a lower level of assurance that we have become aware of all significant events that might be identified during an audit. Accordingly, we no not express an audit opinion.

Conclusions

Based on our review, no material modifications or integrations have come to our attention that should be made to the sustainability report referred to in the paragraph entitled "Introduction" hereof, for it to be in conformity, in all material respects, with the AA 1000 standards issued by AccountAbility governing its preparation, in terms of completeness, materiality and compliance with the legitimate expectations of the stakeholders.

As indicated by the directors in the "Report parameters" section of the sustainability report at 31 December 2008, the group is progressively preparing for the application of the new version of the AA1000 standard (2008).

Rome, 24 April 2009

KPMG S.p.A.

(Signed on the original)

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Director of Audit

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