



Enel

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Roma, February 18th, 2004
Prot.: 32

Kofi Annan
Secretary-General
United Nations
New York, NY 10017
USA

Dear Mr. Secretary-General,

we are pleased to confirm that Enel supports the nine principles of the Global Compact in respect to human rights, labour rights and the protection of the environment. With this communication, we express our intent to support and advance those principles within our sphere of influence.

We commit to making the Global Compact and its principles part of the strategy, culture and day-to-day operations of our company and undertake to make a clear statement of this commitment - both to our employees, partners, clients and to the public. We support public accountability and transparency and will report on progress made in a public manner.

Please find attached some general information regarding our company as well as the contact person responsible for contacts with the office of the Global Compact.

Sincerely yours,

Chairman of the Board of Directors
Piero Gnudi

A handwritten signature in black ink, appearing to read "Piero Gnudi".

Chief Executive Officer
Paolo Scaroni

A handwritten signature in black ink, appearing to read "Paolo Scaroni".

Organisation Information to the Global Compact

Type of Organisation Company Labour
 Business Associations NGO
 CSR Organisation City
 Other (please specify) _____

Name of the organisation **Enel SpA**

Address **Viale Regina Margherita, 137** City **Rome**

State/province **Rome** Zip/postal code **00198** Country **Italy**

Telephone: **+39 06 8305 8501** Website: **www.enel.it**

Approximate number of employees **65000** (direct)

Type of activity/s **Enel is the largest electricity company in Italy involved in the generation, transmission, distribution and supply of electricity and distribution and supply of natural gas.**

Name and title of highest executive **Paolo Scaroni, Chief Executive Officer**

Name and title of contact person **Roberto Zangrandi, Head Corporate Social Responsibility**

Telephone: **+39 06 8305 5965** Fax: **+39 06 8305 7643** Email: **roberto.zangrandi@enel.it**

Sector (if multiple, please highlight the most important):

- | | | | |
|-------------------------------------|---------------------------|--------------------------|---------------------------------------|
| <input type="checkbox"/> | Agriculture | <input type="checkbox"/> | Media, Communications & Entertainment |
| <input type="checkbox"/> | Automotive | <input type="checkbox"/> | Mining and Metals |
| <input type="checkbox"/> | Aviation | <input type="checkbox"/> | Oil and Petrochemical |
| <input type="checkbox"/> | Chemicals | <input type="checkbox"/> | Personal Care & Household Products |
| <input type="checkbox"/> | Commerce and distribution | <input type="checkbox"/> | Pharmaceutical |
| <input type="checkbox"/> | Construction | <input type="checkbox"/> | Public Services |
| <input type="checkbox"/> | Consulting and Auditing | <input type="checkbox"/> | Pulp and Paper |
| <input type="checkbox"/> | Education | <input type="checkbox"/> | Real Estate |
| <input checked="" type="checkbox"/> | Energy | <input type="checkbox"/> | Telecommunication |
| <input type="checkbox"/> | Finance and Insurance | <input type="checkbox"/> | Textile and Leather |
| <input type="checkbox"/> | Food and Drink | <input type="checkbox"/> | Tourism and Leisure |
| <input type="checkbox"/> | Health Services | <input type="checkbox"/> | Transportation and Storage |
| <input type="checkbox"/> | Internet and E-commerce | <input type="checkbox"/> | Other |
| <input type="checkbox"/> | Information Technology | | |
| <input type="checkbox"/> | Manufacturing | | |

If 'Other' please specify _____

UNITED NATIONS



NATIONS UNIES

POSTAL ADDRESS—ADRESSE POSTALE: UNITED NATIONS, N.Y. 10017
EMAIL: GLOBALCOMPACT@UN.ORG TEL: +1 212 963 1490

EXECUTIVE OFFICE OF THE SECRETARY-GENERAL
CABINET DU SECRETAIRE GENERAL

REFERENCE

19 February 2004

Dear Mr. Scaroni,

Thank you very much for your letter to the Secretary-General expressing your company's commitment to implement the Global Compact's principle and to use the Compact as a basis for advancing responsible corporate citizenship. We appreciate your leadership and welcome your participation in what has become a rapidly growing movement to underpin global markets with universal principles and thereby help realize the Secretary-General's vision of a more sustainable and inclusive global economy.

While a decision to support the Global Compact and submitting a letter to the Secretary-General are crucial steps to reinforce or initiate change processes, it is important to note that the Global Compact does not certify that these steps mean a company has fulfilled the Compact's principles. We have neither the capacity to do so nor is the Compact designed as a static verification instrument. Rather, the Compact seeks to inspire self-enlightened engagement and to encourage actions in support of the principles by way of identifying and communicating good practices. As a voluntary initiative, we build on your commitment and sustained actions, while emphasizing public accountability and transparency. Specifically, we expect you to undertake the following:

➤ **Communicate That You Are a Global Compact Participant**

As a first step, you are expected to inform your shareholders, personnel, suppliers, clients and the general public about your decision to participate in the Global Compact, and, additionally, to publicly advocate the Global Compact wherever possible. Communications vehicles can include websites, letters, press releases, speeches, etc. To ensure your company's commitment extends beyond any individual leader, the CEO and the Board of Directors should fully back this process. In this way, the Global Compact employs a "Leadership Model".

Mr. Paolo Scaroni
CEO
Enel SpA
Rome, Italy

UNITED NATIONS



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Mr. Paolo Scaroni
CEO
Enel SpA
Rome, Italy

➤ **Publish Your Activities in the Annual Report or Other Public Document**

To advance public accountability and transparency we ask you to integrate into your annual report or other prominent public reports (e.g., sustainability report) a description of how your company is implementing the Global Compact and its principles and what actions are planned for the next year.

In addition, the Global Compact and its rapidly expanding network offer several optional engagement opportunities through Dialogue, Learning, Local Structures, and Partnership Projects. Specifically, you and your company will have the opportunity to work in several ways described on the attached page.

We are always eager to hear your ideas, suggestions, and feedback, and we encourage you to share your views with us. We stand ready to support your efforts.

Yours sincerely,

Georg Kell
Executive Head, Global Compact
Office of the Secretary-General

Opportunities to engage in Global Compact activities

1. Participate in Global Policy Dialogues

Your company will be invited to participate in Policy Dialogues. The objective is to build a culture of collaboration between business, labour and civil society, working with the UN and governments, and to help produce joint action in response to globalisation challenges. The first dialogue explored the "Role of the Private Sector in Zones of Conflict"; the second focused on "Business and Sustainable Development". In 2003, the dialogues will examine new issues including HIV/AIDS in the Workplace; Supply Chain Management; Partnership Projects; and Roles and Responsibilities of Societal Actors.

2. Submissions to the Learning Forum

The objective of the Learning Forum is to identify and share good practices and to fill critical knowledge gaps. In the spirit of Learning, we urge companies to submit examples and case studies to our examples database (the web address and submission log-in and password appear in annex), which also provides access to a wide array of reference materials across industries and countries and enables direct networking with individual companies. These examples and case studies relate to priority topics identified in our Policy Dialogues, as well as to how companies are internalising the nine principles. Your company will also be invited to participate in Learning Forum meetings to share good practices and identify topical issues. To begin the Learning process, it is important that you provide the name of a working-level contact within your organization to Susana Weyer at weyers@un.org

3. Participate in a Country or Regional Global Compact Network

In many countries and regions, Local Compact Networks have come into existence. We encourage such networks. Local Networks organise events for mutual learning; hold multi-stakeholder dialogues on topical issues; initiate and support partnership projects and recruit additional participating companies. Our expectation is that Local Networks produce results and products that the Global Compact Office can then legitimise and scale up to the global network.

4. Initiate Partnership Projects

Ultimately, the Global Compact seeks to make a difference in the lives of the poor. Partnership projects are an important vehicle towards that end. The Global Compact offers access to UN organizations with on-the-ground expertise and resources. At the global level, the Global Compact Office facilitates contacts and offers a platform to communicate successful projects.

Contact Information

Email address: globalcompact@un.org

Website: www.unglobalcompact.org

Web log-in and password for examples submission: log-in: *ungc*; password: *action*.

Global Compact Office

Georg Kell, Executive Head Office, Global Compact

Gisela Claveria, Assistant to Mr Kell

Denise O'Brien, Head, Policy Dialogue

Ellen Kallinowsky, Head, Learning

Anton Stadler, Head, Outreach/Local Structures

Gavin Power, Head, Communications/Website

kell@un.org

claveria@un.org

obriend@un.org

kallinowsky@un.org

stadler@un.org

powerg@un.org

UN Core Agency Contacts

Hans Hofmeijer, International Labour Organization

Sirkka Korpela, United Nations Development Programme

Cornis Theunis van der Lugt, United Nations Environment Programme

Lene Wendland, Office of the High Commissioner for Human Rights

hofmeijer@ilo.org

sirkka.korpela@undp.org

cornis.lugt@unep.fr

lwendland@ohchr.org



General information regarding Enel

Enel is the largest electricity company in Italy involved in the generation, transmission, distribution and supply of electricity and distribution and supply of natural gas. While no longer a state-owned monopoly providing electricity and gas, it continues to occupy a central place in Italy's life and economy as it produces half of the electricity generated in Italy for about 30 million customers. In fact the Company owns and operates generating thermal, hydroelectric and geothermal generating plants, it also owns almost the whole of the transmission assets of Italy's national electricity grid and is the largest electricity distributor and the second largest gas distributor in Italy. The Company operates in Telecommunications through Wind the 2° and 3° operator in Italy respectively in fixed and mobile telephony, counting about 12 millions of clients.

Abroad, Enel operates actively in Spain and in Bulgaria and it is more and more involved in the renewable energy sector in North America and Latin America.

Our mission is straightforward: to be the Italian leader in the production, distribution and sale of electricity and gas. This implies not only economic success, but transparency and openness towards all stakeholders, with an emphasis on ethics and respect for the environment. We are convinced, in fact, that this will enhance both our competitiveness and the strength of our brand.

Enel operations are governed by a company-wide Code of Ethics; all company managers are required to sign the Code and all 67,000 employees receive a printed copy of the same.

Our commitment to correct and ethical procedures also extends to our suppliers and commercial partners, all of whom are given copies of our Ethics Code and are expected to abide to its rules.

The most effective and welcome international expansion is one that brings with it principles of social responsibility. We apply the same standards to our companies abroad as we do to our operations in Italy. We expect the same level of ethical and sustainable behavior from all employees and all stakeholders, regardless of the countries they operate in.

Enel has been publishing an environmental report since 1996 and has embarked on a substantial investment program aimed at increasing the environmental friendliness of its plants and reducing greenhouse gas emissions in accord with Italy's adoption of the Kyoto Protocol. In power production, business sustainability and environmental sustainability are inseparable.

The environmental report is a detailed document listing, plant by plant, the environmental effects of our activity and the improvements made. The transparency of this approach has brought us into a close relationship with the country's environmental associations who, over time, have become some of our principal stakeholders.

Last year Enel has published its first Sustainability Report. The report will guarantee greater transparency and strengthen relations with local communities as well as key stakeholders of the Company



As well as providing economic and financial data, the Sustainability Report measures the company's progress in customer relations, quality of service, workplace safety, employees' professional growth and organizational efficiency. It also lists all initiatives taken to improve corporate governance and managerial transparency.

We have also modified our organization and systems of corporate reporting, appointing a Corporate Social Responsibility (CSR) office and nominating a sustainability controller. The Board's Audit Committee verifies the Sustainability Report. A full sustainability report is published every six months. These data are also gathered to allow thorough monitoring of the company's performance.

As far as economic, environmental and social responsibility go, each of our two divisions (and their business units) have specific and stated actions to pursue within the company's greater industrial plan. The first line of management is required to identify the sustainability goals to pursue, and this will soon be extended to the second and third lines of management.

There is no contradiction, therefore, between corporate social responsibility and good economic performance. For this reason, we are committed to the path we have chosen and believe it provides a critical edge in an ever more competitive, global and open world.

For more information, please contact:
Roberto Zangrandi

Enel S.p.A., Head, Corporate Social Responsibility
viale Regina Margherita, 137 - 00198 Roma, Italy
+39 06 8305.5965 - +39 329 9552037 [mobile]
roberto.zangrandi@enel.it



Roberto Zangrandi
Head Corporate Social Responsibility
Communications

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The Global Compact Office
United Nations
Room S-1881
New York, N.Y. 10017
USA

Rome, February 19th. 2004

Prot. 18 CCO/csr

Sirs,

It is my pleasure and privilege to submit you our application to participate to the UN Global Compact. Please find herewith attached:

1. The formal declaration of Enel, the largest Italian electric utility, to participate to the UN Global Compact. The letter to the Secretary General is jointly signed by Mr. Piero Gnudi, Chairman of the Board of the company and Mr. Paolo Scaroni, Chief Executive Officer of the company, the highest ranking executive.
2. The Organisation Information to the Global Compact template duly filled in.
3. A summary profile of our company.

Please refer to our website for further information and in particular to the following internet links:

- http://www.enel.it/gruppo_eng/gr_lamissione.htm for the homepage in English;
- http://www.enel.it/sostenibilita_eng/sostenibilita.htm for our Sustainability section where our Code of Ethics (http://www.enel.it/sostenibilita_eng/etico.htm) and Sustainability Report (http://www.enel.it/sostenibilita_eng/2002/index.asp) are to be found.
- Financial reports (consolidated and Form 20-F) and the Environmental Report, plus details about the financial, governance and organisational aspects of the company are made available at:
http://www.enel.it/investor_relations_eng/ir_trimestrale.asp?threeMonth=20030930.

For any further contact please refer to the above specified numbers and addresses.

Looking forward to your acknowledgement of the receipt of our documentation, I remain
Sincerely yours,

Roberto Zangrandi
Head, Corporate Social Responsibility
Enel S.p.A.