

Total Tax Contribution 2021

Enel Russia

March 2022



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1. Executive Summary

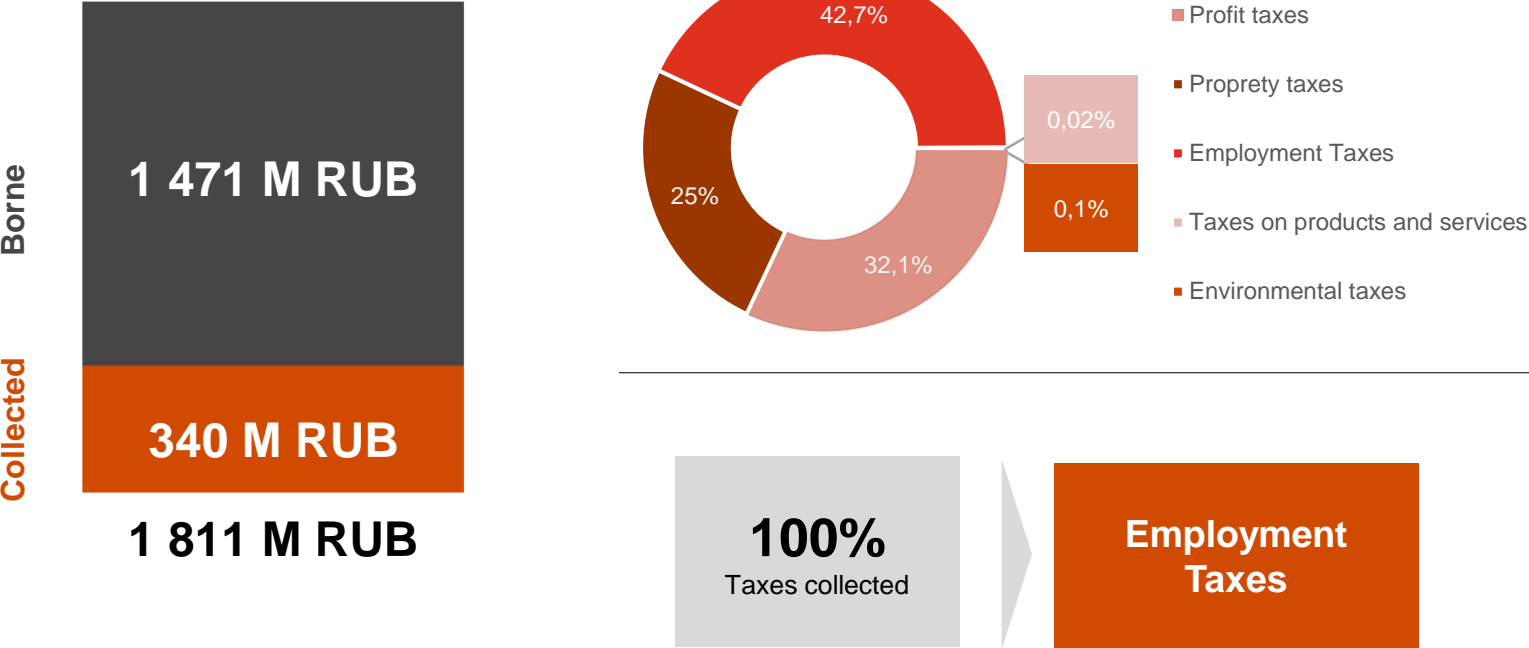


Executive Summary

Total Tax Contribution in 2021

In 2021 the companies of Enel Group operating in Russia (**Enel Russia**) continued to implement the Group’s business strategy on the waiver of coal generation, the focus on renewable energy and the development of investment projects all of which have made an impact on the Group’s overall results. The Group is determined to reduce its environmental impact and carbon footprint.

Total Tax Contribution (**Total Tax Contribution or TTC**) of Enel Russia in 2021 amounted to **1 811 million roubles**, with a decline of **83%** compared to 2020, in which Enel Russia had a total tax contribution of **10 493 million roubles**. In 2021, **81%** of the Total Tax Contribution corresponded to taxes borne and the remaining **19%** to taxes collected.



Taxes borne in 2021

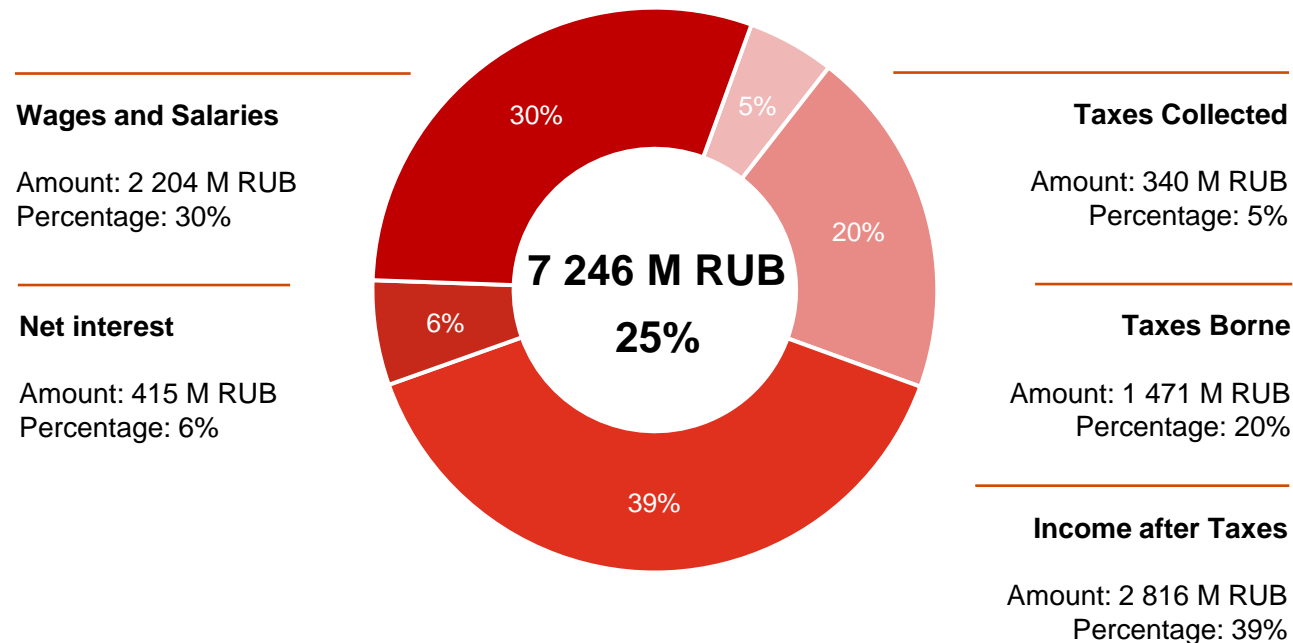
Taxes borne by Enel Russia in 2021 amounted to **1 471 M RUB**.

Taxes Collected in 2021

Taxes collected by Enel Russia in 2021 amounted to **340 M RUB**.

Executive Summary

Distributed Tax Value in 2021



Enel Russia has paid to the public administrations around **25% of the value distributed¹ in 2021** in the form of taxes either borne or collected. Distributed Tax Value of Enel Russia fell by 43 percentage points in 2021 compared to the previous year.

For every **100 roubles** of value distributed, **25** were used for payment of taxes each year.

¹ The concept of "Distributed Tax Value" is explained on page 23

31%

Total Tax Contribution Rate in 2021

Enel had a Total Tax Contribution Rate (TTCR) of **31%** in 2021. TTCR reveals the share of Taxes Borne on total Profit before Taxes Borne.

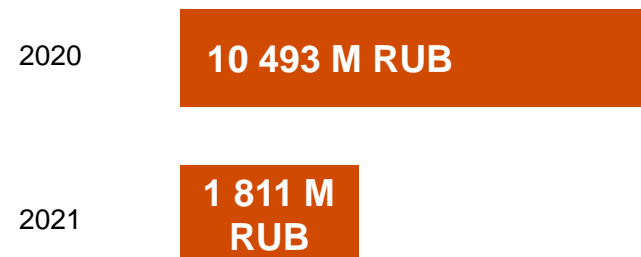
Executive Summary

Tax Contribution of Enel Russia with respect to Revenues in 2021



In 2021, taxes paid to the public administrations represented **4%** of the total Revenues generated of which 3% were Taxes Borne and 1% was Taxes Collected.

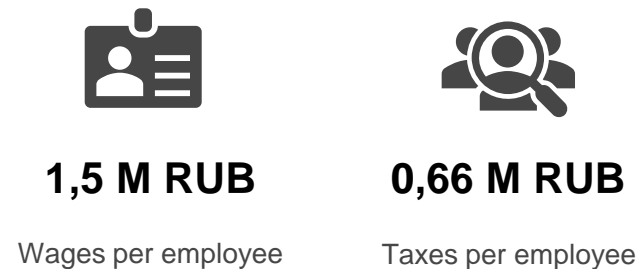
Trend in TTC 2020-2021



In 2021, Enel's **Total Tax Contribution** fell by **83%** compared to 2020.

This is explained primarily by the **96% decrease** in **Taxes Collected** from 2020 to 2021 mainly due to significant amount of VAT refund connected to the implementation of investment projects¹.

Wages and Taxes per employee in 2021 vs 2020 ²



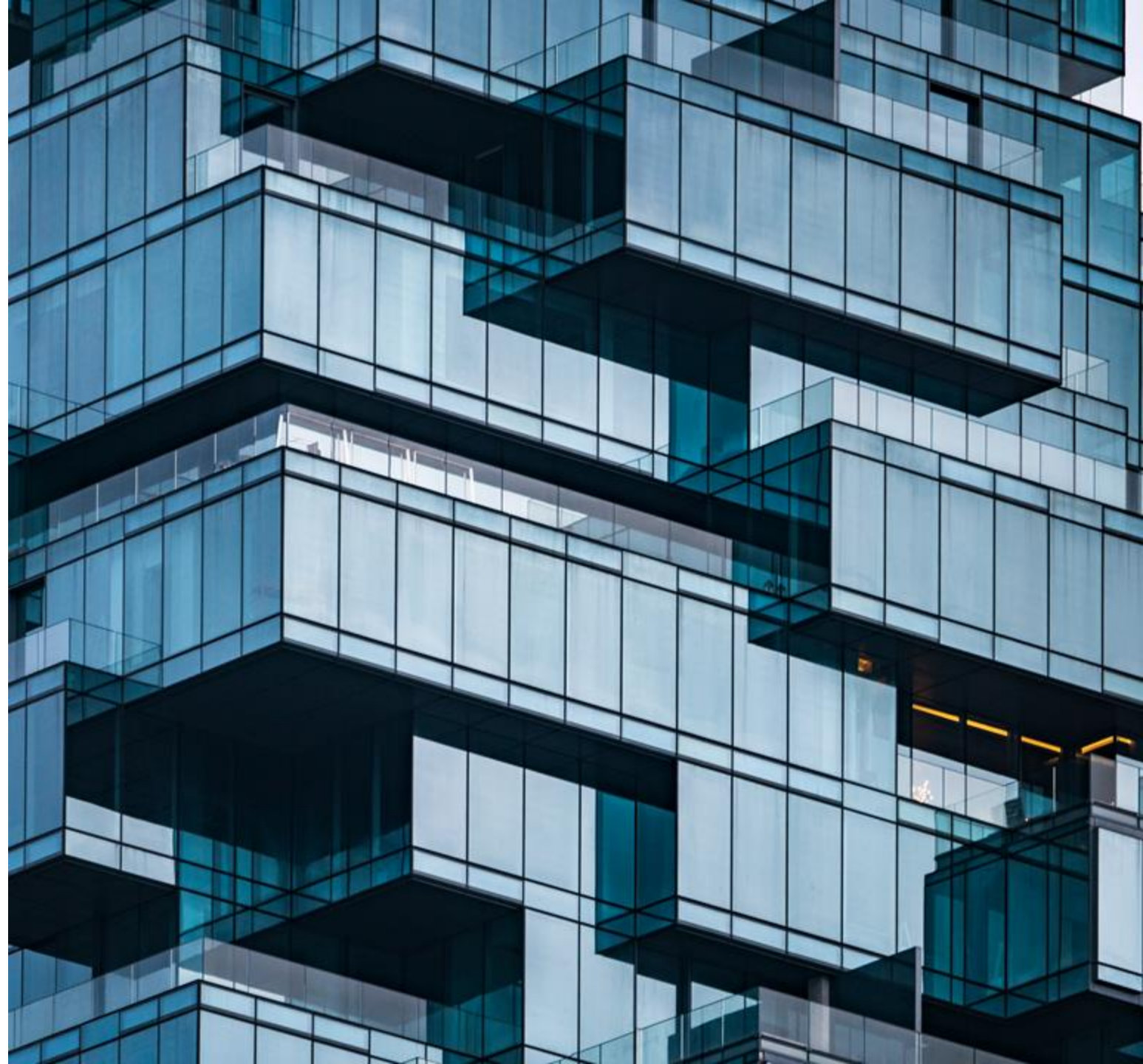
In 2021, annual Wages per employee and Taxes per employee amounted to **1,5 million roubles** and **0,66 million roubles** respectively.

Compared to 2020, the annual wages and taxes paid per employee have decreased by **17%** and **22%** respectively mainly due to disposal of Reftinskaya GRES.

¹ A detailed explanation is provided on page 19

² Taking into account the amended "Wages and Salaries" indicator for 2020 (details are explained on page 12)

2. Purpose of this report and methodology



Purpose of this report and methodology

Purpose and scope of the report



“The Enel Group, in the spirit of its sustainability strategy, manages its tax-related activities in accordance with the values of honesty and integrity.”

The PwC global network through its different studies is eager to create, maintain, and strengthen links between companies and governments as well as between companies and society. While the actions of companies, regardless of their industry sector, are increasingly put under scrutiny, it is essential to facilitate the dialogue between different stakeholders, promote strong values and principles and innovate by sharing analyses and ideas.

The aim of this report is to obtain and analyse the Total Tax Contribution (TTC) data of the companies of Enel Group operating in Russia (hereafter – Enel Russia Group or Enel Russia) for 2021. The data for 2021, and the analyses of contribution profiles and certain indicators have been compared with the equivalent data for 2020, and a study of the trends was reflected in this report.

The contribution made by major sectors of economy to the public authorities and the way in which its tax contribution is distributed are currently central topics of socio-economic debate. In this context, regarding the tax strategy of Enel Group (which is publicly disclosed and shared in its official website), compliance with tax legislation in the jurisdictions where Enel operates is of the utmost importance to the company.

Being fully aware of the fact that tax revenue is one of the main contributors to the economic and social development of the regions in which the Group operates, Enel Russia places great importance to tax reporting and transparency.

Enel Russia Group has decided to publish this Total Tax Contribution Report to show the importance that Enel Russia attaches to tax matters and the extent of its commitment to its main stakeholders. The information in this report makes it possible to identify measure and communicate the business asset, which is tax contribution of Enel Russia, so that it can have a significant impact on its reputational value. The purpose of this report is to enlarge the concept of corporate social responsibility and to reveal the value of the social function deriving from the tax contribution of Enel Russia.

The assessment of Total Tax Contribution provides information about all taxes paid by Enel Russia Group of companies, based on the amount of taxes paid by each particular company. It is a straightforward in concept, not tax technical, and therefore relatively easy for stakeholders to understand, who may have limited knowledge of tax complexities. The main concept of this report is ease of understanding, clarity in perception.

Data for the preparation of this report was provided by PJSC Enel Russia. Our work included a review of the data for completeness and of the accuracy of tax allocation to the baskets as well as an analysis of the tax and non-tax payments made by Enel Russia Group of companies for 2021. The data provided by PJSC Enel Russia was not controlled or verified from the standpoint of the completeness or accuracy.

Background and the purpose of this report

Methodology (1/4)

The Total Tax Contribution methodology measures the total impact of the payment of taxes by a company. TTC Report presents the aggregate of all taxes paid by Enel Russia Group.

While the structure of this Report is particular and unified, the following key points should be taken into account.

1. It distinguishes between those taxes that constitute a cost for Enel Russia Group and those taxes that it collects

Taxes borne are a direct cost to the company, which impact the financial results. In other words, these are tax payments that represent the actual costs of the company.

Taxes collected are not the company's own costs. Here the company is collecting taxes from others, on behalf of government. However, these taxes are paid directly by Enel Russia Group and are also included in the tax burden analysis.

In this respect, the TTC methodology is consistent with the approach adopted by the OECD, which highlights the relevance of the role played by business groups in the taxation system, both as contributors of taxes that imply a cost ("Legal Tax Liability"), and as «collectors» of taxes on behalf of others ("Legal Remittance Responsibility"), as reflected in working paper no. 32. "Legal tax liability, remittance responsibility and tax incidence"¹.

2. Taking into account the fact that each country has its own exclusive tax legislation, for the purposes of this report taxes are split in 5 main groups:

(i) Profit Taxes

This group includes taxes on company profits that are borne (such as corporate income tax) and collected in the case where they are applied to a third party or to a physical person (such as withholding tax on payments to third parties).

(ii) Property Taxes

Property taxes are those on the ownership, use or transfer of tangible or intangible property. This group includes land tax and property tax (these taxes are included in the tax borne group).

(iii) Employment Taxes

Taxes borne include social security payments, such as compulsory pension insurance contributions, compulsory health insurance contributions, social security contributions, injury insurance contributions. Taxes collected include personal income tax.

(iv) Taxes on products and services

This group includes are indirect taxes levied on the production and consumption of goods and services, including VAT, customs duties, etc.

¹ <https://www.oecd-ilibrary.org/docserver/e7ced3ea-en.pdf?expires=1616587448&id=id&accname=guest&checksum=1A630E9E89DAFF356DEB7D2794F634DC>

Background and the purpose of this report

Methodology (2/4)

(v) Planet / Environmental taxes

This group includes taxes and duties levied on energy products, on the supply, use or consumption of goods that are considered to be harmful to the environment as well as on the management of waste, noise, water, land, soil, forests, biodiversity, wildlife and fish stocks etc.

In this report, when classifying taxes as environmental taxes, the definition agreed upon for the purposes of the harmonized statistical framework developed jointly, in 1997 by Eurostat, the European Commission, the Organization for Economic Cooperation and Development (OECD) and the International Energy Agency (IEA) according to which environmental taxes "are taxes whose base is a physical unit (or a proxy of a physical unit) of something that has a proven, specific, negative impact on the environment All taxes on energy and transport are included and all value added type taxes are excluded¹.

3. It includes all non-tax payments made to public administrations

The methodology of this report also accounts for other non-tax payments that relate to state revenues and that have a regulatory character.

4. It can be tailored to the specific circumstances of the organization

In relation to the total payments made to the Public Authorities taken into consideration for the purposes of this study, a list of all Russian taxes covered by this analysis is attached hereto for illustrative purposes in the form of Appendix II.

5. The special characteristics of Value Added Tax and equivalent taxes are taken into account

Value Added Tax is classified as a tax on products and services collected, and its amount reflects the net payments made by Enel Russia Group to the tax authorities.

The net VAT position (tax paid minus tax received from the budget) should be calculated at the country level by summarizing the individual results of each local entity. If the resulting amount at the country level is negative (i.e. tax refunded) then it is accounted as zero for TTC purposes.

The net VAT position calculation relates to rechargeable VAT (i.e. related to the acquisition of goods and services further used in generating VAT-able revenue) and it is treated as **tax collected**.

Non-deductible VAT that represents a cost for the company is treated as **tax borne**.

6. Main assumptions made during the preparation of this report

Perimeter. The scope of companies included in this report was aligned with the scope of the CbCR (please refer to Appendix I). In particular, this report considers the tax contributions made by 13 entities in 2021.

Currency. This report considers Russian roubles (RUB) as the currency to be referred.

¹ <https://stats.oecd.org/glossary/detail.asp?ID=6437>

Background and the purpose of this report

Methodology (3/4)

Certain Economic Indicators:

1) Revenues: considering that consolidated financial statements are not prepared under the Russian GAAP, this indicator was calculated as the sum of revenue of each entity in the scope. In-country inter-company revenues are excluded as far as possible.

2) Wages and salaries: considering that consolidated financial statements are not prepared under the Russian GAAP, this indicator was calculated as the sum of wages and salaries of each entity in the scope (excluding personal income tax, the social security contributions, incentives or benefits).

3) Profit before taxes: the report considers data on profit before taxes (including profit before income tax and profit before tax borne) which is provided as “EBT / earnings before tax” in the local reporting. Considering that consolidated financial statements are not prepared under the Russian GAAP, this indicator was calculated as the sum of profit (loss) before taxes of each entity in the scope (excluding the inter-company dividends).

4) Tangible assets: considering that consolidated financial statements are not prepared under the Russian GAAP, this indicator was calculated as the sum of tangible assets of each entity in the scope. Tangible assets refer to physical hard assets that are accounted for as tangible assets and do not include cash or cash equivalents, intangibles or financial assets. The list of assets included in the indicator for the report purposes is aligned with the list of tangible assets used for CbCR.

5) Total Distributed Value (total value distributed to society) is composed of:

5.1) Net interest, which is calculated as the net value of interest expense and interest income as per information published in the annual accounts of Enel Russia.

5.2) Income after tax, which is the Net income of the company. Considering that consolidated financial statements are not prepared under the Russian GAAP, this indicator was calculated as the sum of income after taxes of each entity in the scope. In case the resulting amount of the figure is negative, then it is accounted as zero for TTC purposes

5.3) Taxes borne and collected as per the Total Tax Contribution Report.

5.4) Wages and Salaries have been calculated as mentioned in the relevant section above.

7. Effective Tax Rate (ETR)

Effective Tax Rate (ETR) is calculated as the ratio of “Income Tax expense” to “Profit before taxes”. If the group has an overall negative “Profit before taxes”, the ETR should not be calculated.

8. Current tax rate

Current tax rate is calculated as the ratio between “Income Tax Accrued” and “Profit before Tax”. If the company suffers losses, its “Income Tax Accrued” is equal to 0.

Income Tax Accrued reflects only operations in the current year and does not include deferred tax assets or liabilities, provisions for uncertain tax liabilities, prior year adjustments as well as information on income tax accrued with respect to inter-company dividends. Income Tax Accrued was collected under the Russian GAAP source.

Background and the purpose of this report

Methodology (4/4)

9. Cash tax rate

Cash tax rate is calculated as the ratio between “Income Tax Paid” and “Profit before Tax”.

Income Tax Paid is the total amount of income tax actually paid during the year, i.e., including income tax paid in advance, income taxes paid because of tax assessment related to previous years, but excluding income tax related to inter-company dividends.

10. Highlighting the main changes to the TTC methodology in 2021

Enel Group is continuing the path to increase its tax transparency by issuing an extended TTC Report for 2021, which aligned with the GRI 207 new sustainability standard. In the light of the above, some changes have been introduced to TTC principles and methodology.

Moreover, these changes required a re-computation of TTC items for 2020 to provide comparability between 2020 and 2021 data. As a result, the following indicators in the TTC report calculated in 2020 were adjusted:

(i) Wages and salaries

In accordance with the updated methodology, personal income tax amounts were excluded from the “wages and salaries” indicator.

ii. Planet / Environmental taxes

Since the definition of environmental taxes has been slightly revised compared to 2020, the list of **Planet / Environmental taxes** has been amended.

In particular, transport tax (which fell previously under Property tax category) is included under Planet / Environmental taxes borne along with water tax.

iii. Other changes

Several new economic and TTC indicators were introduced, i.e., “Tangible assets”, “Cash Tax Rate”, “Current Tax Rate”. The definition and calculation methodology of these indicators is presented above.

11. Cut off date for economic data collection

For the purpose of this local TTC report economic data of Enel Russia was used in accordance with the financial statements prepared under the Russian GAAP (provided as of 24 March 2022).

3. TTC of Enel Russia in 2021



TTC of Enel Russia in 2021

Analysis of the Total Tax Contribution in 2021

Total Tax Contribution amounted to **1 811 million roubles** in 2021.

The sum of taxes borne amounted to **1 471 million roubles**. The share of this figure in the total amount of tax payments is 81%. Taxes collected amounted to **340 million roubles**, and accounted for 19% of the total amount of taxes.

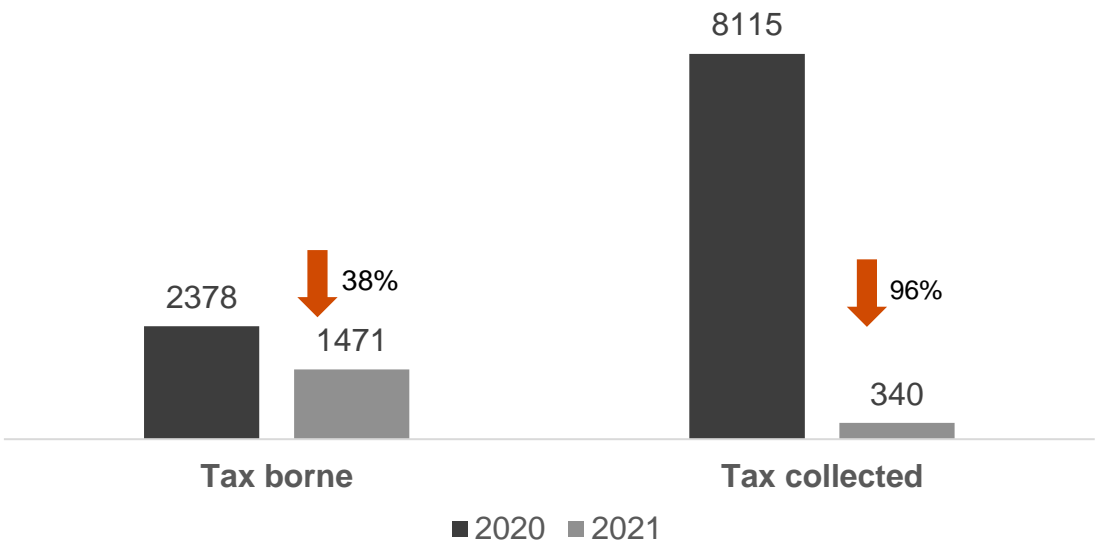
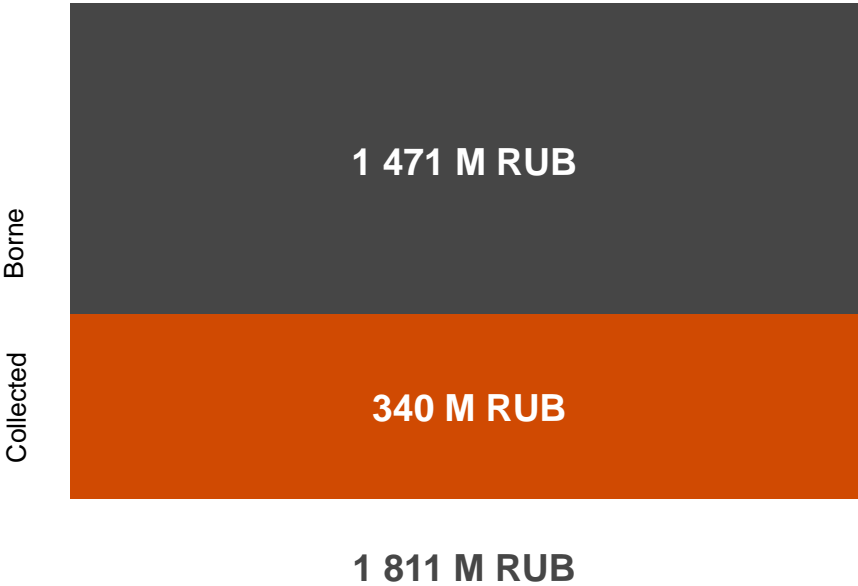


Chart 1. Evolution of Enel Russia's Tax Contribution (M RUB)

The amounts taken into account for the purpose of analysing the trend in Total Tax Contribution over the years 2020 and 2021 include taxes borne and collected.

In 2021 Enel Russia's tax contribution has fallen compared to 2020 by **83%**. This is explained primarily by the decrease in taxes collected over this period (by **96%**). As explained in the following subsection of this section, this was primarily due to a decrease in the payment of taxes on products and services compared to 2020.

Moreover, such tax payments as taxes borne decreased by **38%** in 2021. The decrease of taxes borne was primarily related to a 57% reduction in profit taxes compared to 2020.

TTC of Enel Russia in 2021

Analysis of taxes borne in 2021

Profile of Taxes borne

The sum of **taxes borne** by Enel Russia amounted to **1 471 million roubles** in 2021. A major part of this amount is represented by **Employment taxes** (42,7%).

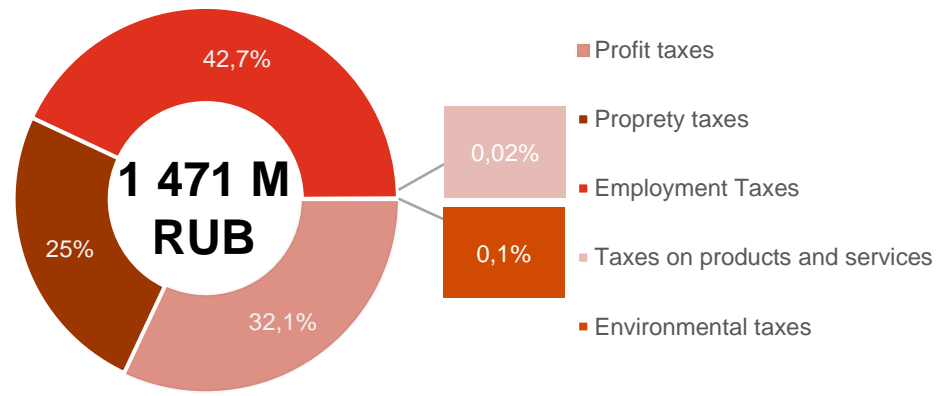


Chart 2: Types of taxes borne by Enel Russia in 2021



Employment taxes (social security contributions) is the largest tax group of Enel Russia in 2021 which amounted to **628 million roubles**. The share of this indicator is **42,7%**.



The next group of taxes in 2021 is **profit tax** which accounted for **32,1%** and amounted to **473 million roubles**.



Property taxes amounted to **368 million roubles**. The share of this figure in the total amount of taxes borne is **25%**.

This group includes the following tax payments:

- property tax – 315 million roubles;
- land tax – 53 million roubles.



Environmental taxes, which include the water tax and transport tax, amounted to **2 million roubles** and constitute one of the smallest shares of taxes borne (**0,1%**).



Taxes on products and services which constitute the smallest category, accounted for **0,02%** of taxes borne payments made by Enel Russia and amounted to **0,3 million roubles**.

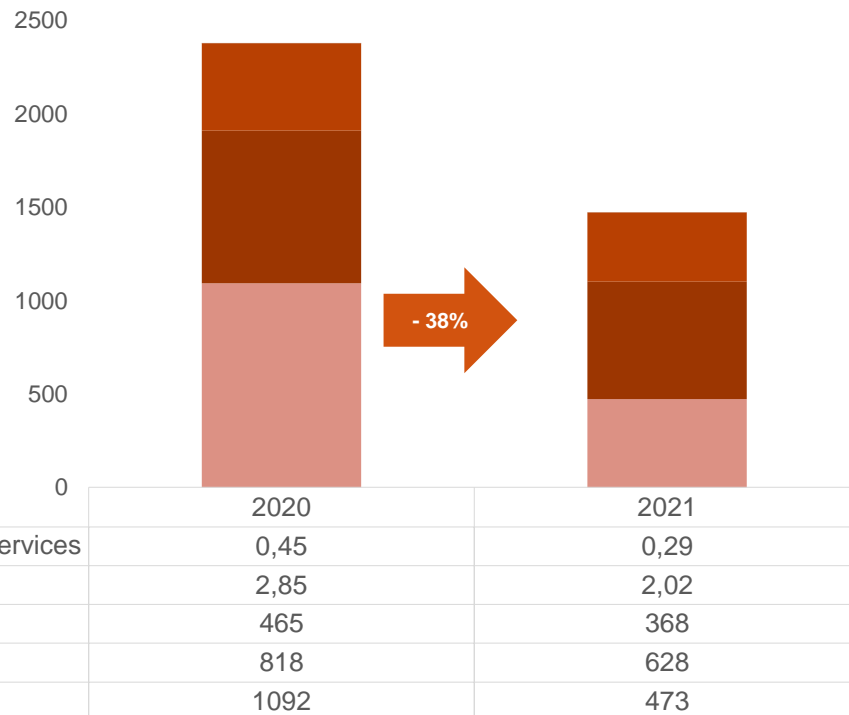
TTC of Enel Russia in 2021

Analysis of taxes borne in 2021

Trend in Taxes borne

Taxes borne reflect a downward trend in 2021 compared to 2020, having **decreased** by approximately **907 million roubles**.

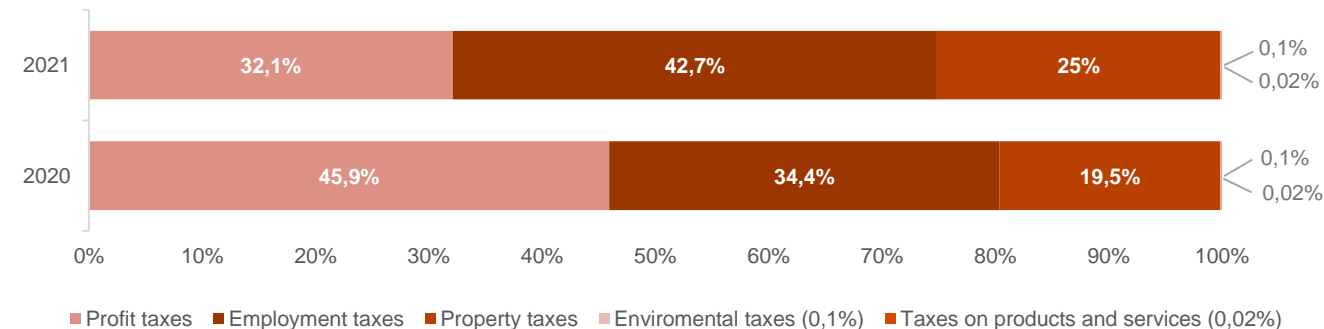
Chart 3 and 4: Evolution of taxes borne by Enel Russia (M RUB)



The amount of **taxes borne** has **decreased by 38%** compared to the previous year mainly because of the decline **of profit taxes (by 57%)**. This trend is mainly explained by the reduction of the Group's revenue from operating activities due to the changes in the Group's strategy. In particular, towards the development of renewable generation and the waiver of coal generation. Furthermore, the decrease in Profit taxes stemmed from the development of new investment projects as well as the negative macroeconomic impact of the COVID-19 pandemic. In the course of 2021, there were also significant refunds of Profit tax advance payments paid in 2020 (which resulted in a reduction of current profit taxes).

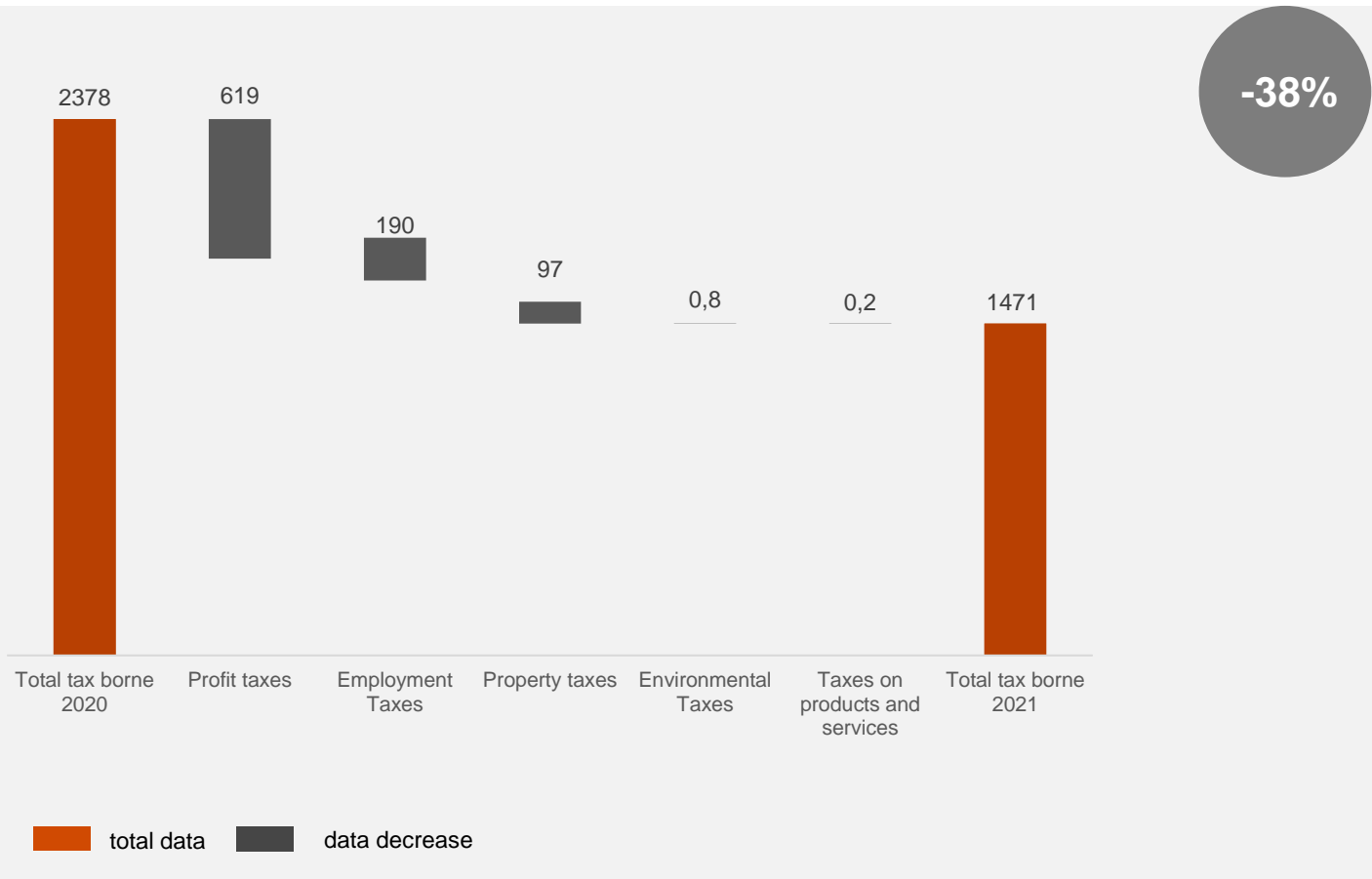
The amount of **employment taxes** has decreased by **23%** due to the dismissal of employees who worked at Reftinskaya GRES during the transitional period, which ended in the middle of 2020.

Also, the decline in the amount of taxes borne is explained by a **21% reduction of property taxes**. This is due to the fact that the Group gradually waives coal generation.



TTC of Enel Russia in 2021

Analysis of taxes borne in 2021



The amount of taxes borne for 2021 **decreased by 38%** compared to 2020.

As shown on the left, the reduction of **profit taxes** and **employment taxes** had the largest influence on the amount of taxes in this group (by 57% and 23%, accordingly).

Thus, the overall decline of taxes borne can be mainly attributed to Group's falling revenue, which was driven by a change in the Group's strategy towards the development of renewable generation, the negative macroeconomic situation due to COVID-19 as well as the disposal of Reftinskaya GRES.

TTC of Enel Russia in 2021

Analysis of taxes collected in 2021

Profile of Taxes collected

Taxes collected in 2021 amounted to **340 million roubles** and were fully presented by employment taxes.



The group **employment taxes** accounted for 100% of taxes collected. The absolute value of this type of payment amounted to **340 million roubles**.



Since the net VAT of the Group was negative (the Group had VAT refunded from the budget), VAT was amounted to zero for TTC purposes, i.e. **taxes on products and services** were equal to zero for TTC purposes.



Profit taxes collected were equal to zero since the Group did not have withholding income tax withheld on payments made to third parties.

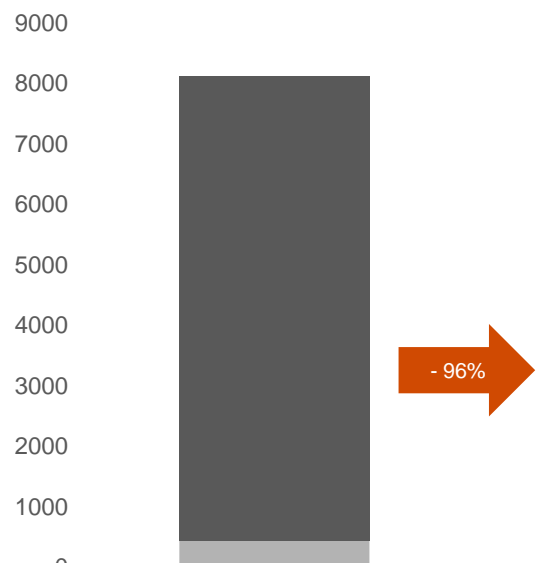
TTC of Enel Russia in 2021

Analysis of taxes collected in 2021

Trend in Taxes collected

Taxes collected fell in absolute terms by approximately **7 775 million roubles** in 2021. This represents a decline of **96%** with respect to 2020.

Chart 5 and 6: Evolution of taxes collected by Enel Russia (M RUB)

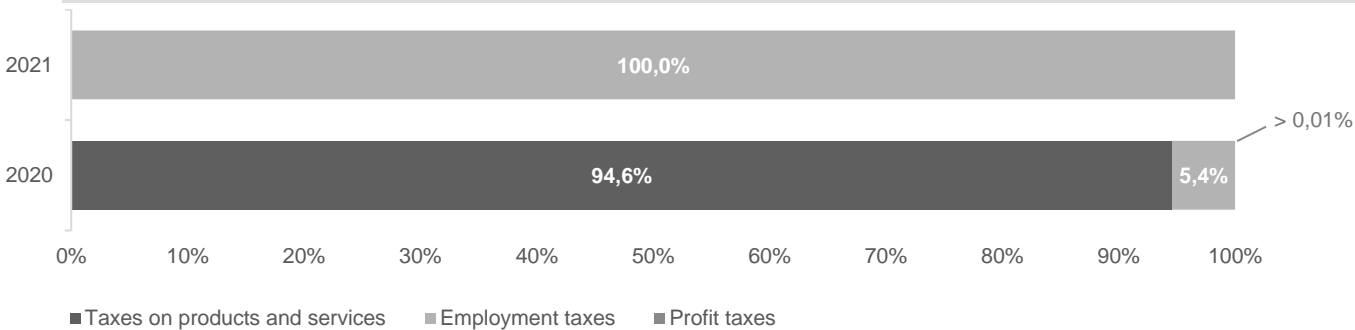


■ Taxes on products and services	7680	0
■ Employment Taxes	434	340
■ Profit taxes	0,07	0

The **96%** decrease in **taxes collected** was primarily related to the decrease of taxes on products and services (this group was amounted to zero for TTC purposes in 2021).

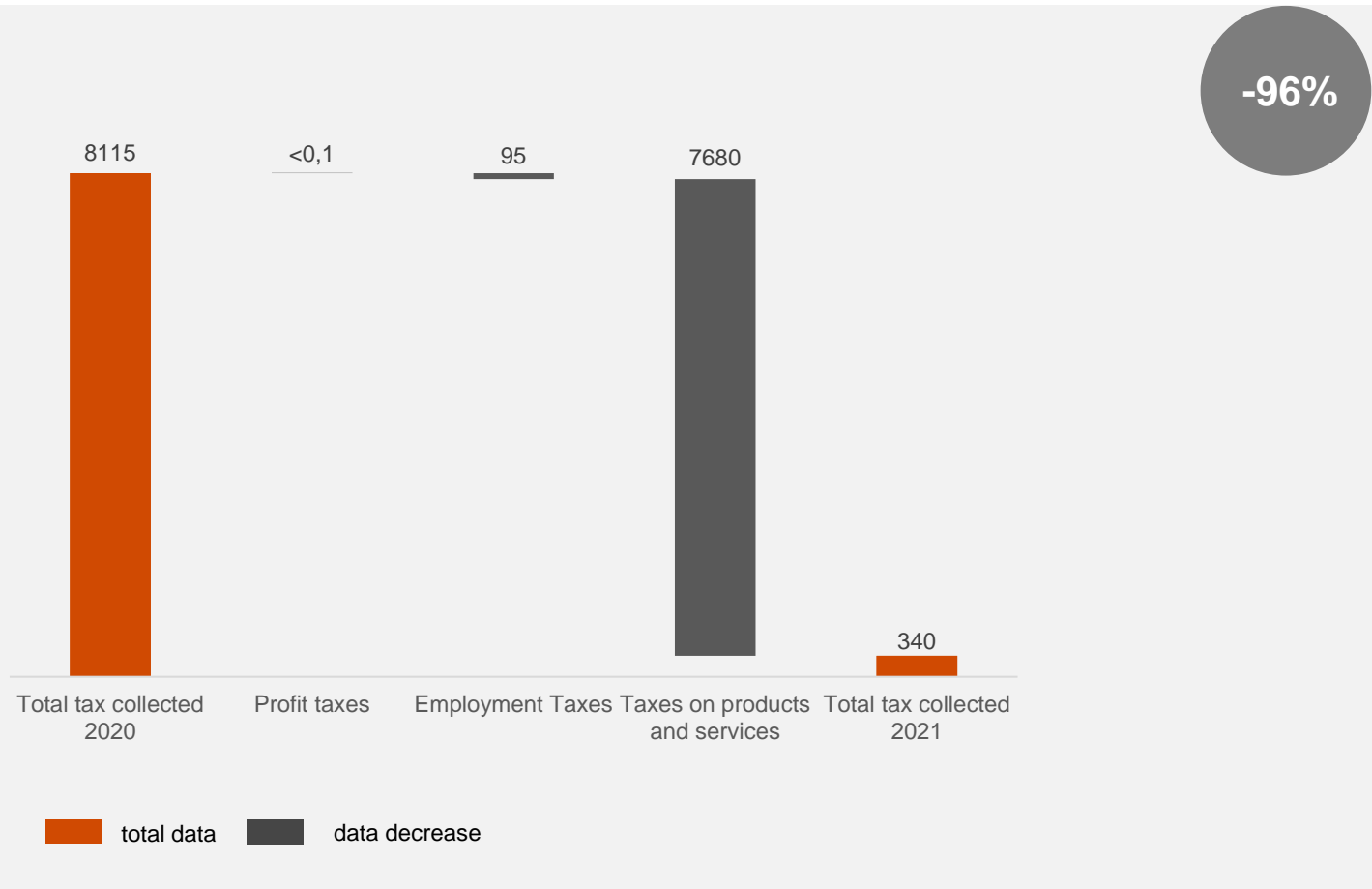
This is due to the fact that the Group continued to implement investment projects related to the construction of the wind power stations in 2021, and had significant amount of VAT refunded. Moreover, the exceptionally large amount of VAT in 2020 was specifically explained by the sale of Reftinskaya GRES. As there were no similarly huge disposals of assets within 2021, output VAT was significantly lower in 2021.

The amount of **employment taxes** has decreased by **22%** due to dismissal of employees who worked at Reftinskaya GRES during the transitional period ended in the middle of 2020.



TTC of Enel Russia in 2021

Analysis of taxes collected in 2021



The amount of taxes collected for 2021 **decreased by 96%** compared to 2020.

The decrease in taxes collected was mainly caused by a sharp decline in taxes on products and services (VAT was amounted to 0). Reductions in other taxes within this group (**profit and employment taxes**) were less insignificant.

Thus, the overall decline of the taxes collected by Enel Russia can be mainly attributed to the continued implementation of investment projects as well as the lack of large disposals in 2021 such as Reftinskaya GRES disposal in 2020 (which resulted in increased VAT amounts in the previous year).

TTC of Enel Russia in 2021

TTC Indicators

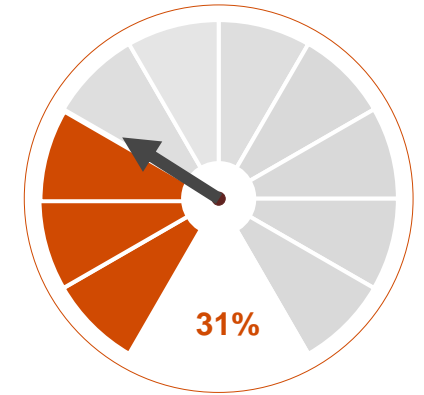


Taxes borne representing a direct cost for Enel Russia amounted to 31% of profit before all taxes borne in 2021.

Total Tax Contribution Rate

The **Total Tax Contribution rate (TTCR)** provides a concise and complete measurement of the expense for all taxes that the business has effectively paid and indicates the portion of profit before taxes borne allocated to the payment of taxes that represent a cost for the Enel Russia.

TTCR is an indicator that is calculated as the percentage of taxes borne with respect to profit before such taxes, based on the consolidated figures for Enel Russian Group's activity. According to the results of 2021 for Enel Russia, this figure was **31%**, representing a decline of 25% compared to 2020, mainly due to a decrease in taxes borne.

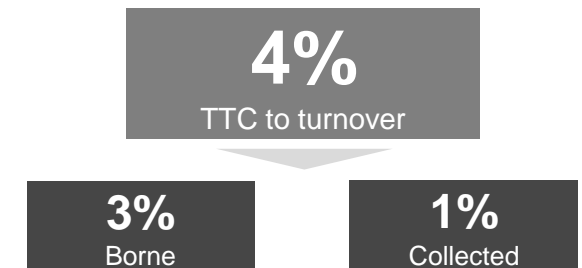


TTCR of Enel Russia in 2021

TTC to Revenues

TTC with respect to turnover is an indicator that reflects the extent of the contribution made by Enel Russia Group in relation to the size of its business and indicates the portion of revenues allocated to the payment of taxes, both borne and collected.

The average Total Tax Contribution rate in relation to net revenues was **4%** in 2021 of which 3% were Taxes Borne and 1% was Taxes Collected.



TTC of Enel Russia in 2021

TTC Indicators

Taxes paid in respect of wages and salaries per employee

Taxes paid in respect of **annual wages and salaries per employee** are an indicator that relates the level of employment to associated taxes. This indicator is calculated by dividing total taxes linked to employment (borne and collected) by the number of employees as of the year-end.

In 2021, Enel Russia paid in employment taxes totalling **0,66 million roubles** per employee. Of this figure for employment taxes, **0,23 million roubles** corresponds to taxes collected on payments to employees and **0,43 million roubles** to taxes borne by Enel Russia. In relation to the average salary paid by Enel in Russia, which amounted to **1,5 million roubles** in 2021, **employment taxes** borne and collected represented **44%**.

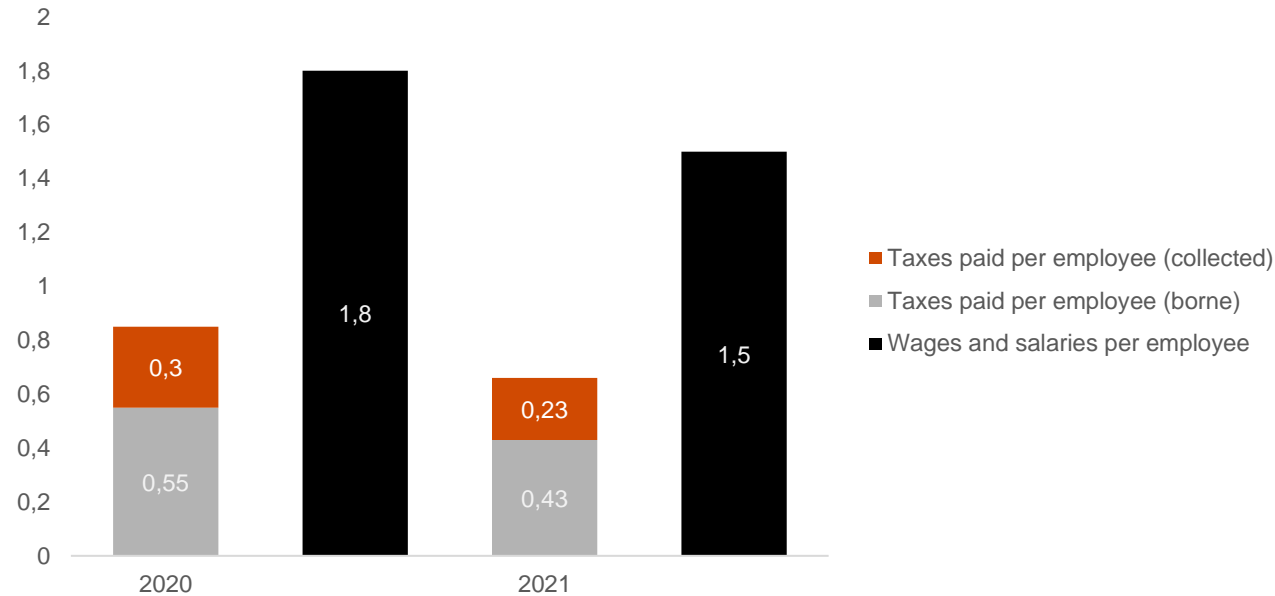


Chart 7: Trend in average salary and average taxes linked to employment in Enel Russia (M RUB) ¹

¹ Taking into account the amended “Wages and Salaries” indicator for 2020 (details are explained on page 12)

TTC of Enel Russia in 2021

TTC Indicators

Distributed Tax Value



In 2021, 25% of the value distributed by Enel Russia was used to pay taxes borne and collected.

The concept of distributed value refers to the contribution that the company makes to society in general.

According to the TTC methodology, the **Total Distributed Value** of a company is composed of the sum of the following elements:

- Taxes borne and collected (as value distributed to government);
- Net interest (as value distributed to creditors);
- Wages and salaries (as value distributed to employees);
- Income after tax (as value distributed to shareholders).

The **Distributed Tax Value** index illustrates the percentage of the value distributed by Enel used to pay taxes borne and collected to public administrations.

For the purposes of this calculation, the value to shareholders is represented by the amount of net profit after tax.

The **Total Distributed Value** amounted to **7 246 million roubles** of which **1 811 million roubles** were paid to different public administrations in the form of taxes borne and collected in 2021.

The diagram above shows that about **25%** of the value generated by Enel Russia Group in 2021 benefits society through the payment of taxes borne and collected.

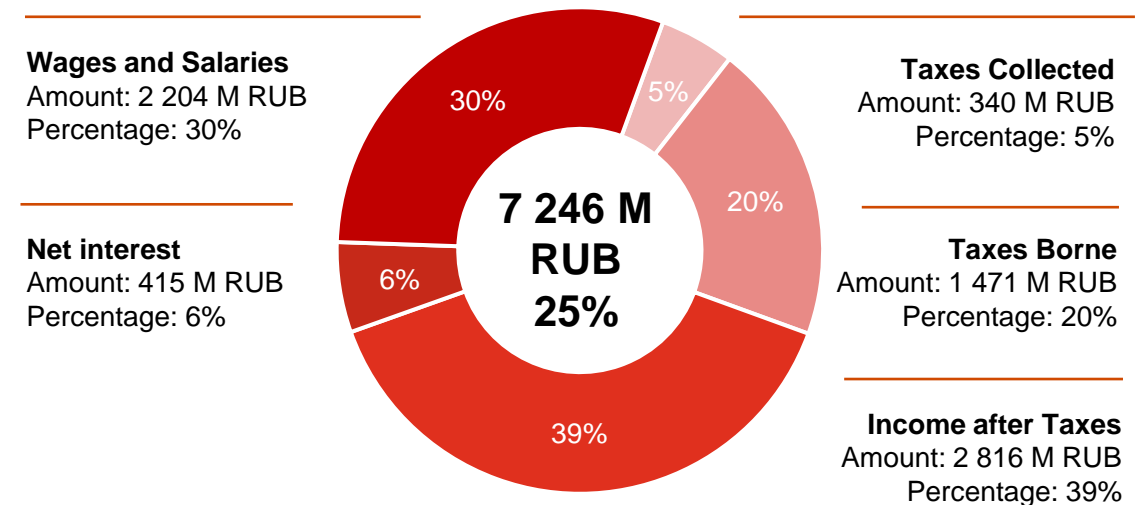


Chart 8: Tax Value Distributed by Enel Russia in 2021

4. Comparative Indicators



Comparative Indicators

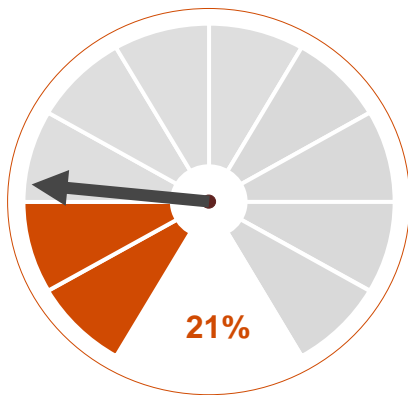
Corporate Income Tax Effective Rate

Approach for calculating ETR of Enel Russia

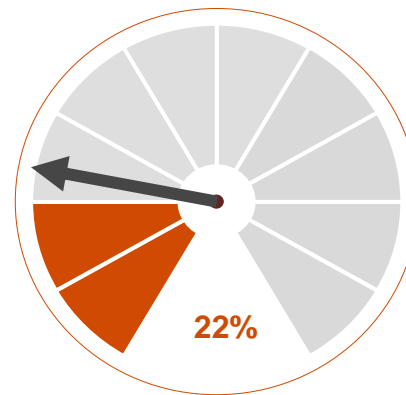
In the following pages, **the effective tax rate (ETR)** and the factors effecting the difference between this rate and the nominal rate are analysed.

ETR was calculated based on the data provided in the financial statements of PJSC Enel Russia (since further comparison with peers was conducted based on stand-alone statements of the peers' groups parent companies). Income tax expenses were adjusted for deferred tax (i.e., calculated as the sum of current income tax reflected in the financial statements and the difference in deferred tax assets / liabilities in comparison with the previous year).

In 2021 ETR of Enel Russia Group is **22%**. The main deviation of the ETR from the statutory CIT rate (20%) is explained by the differences between tax and finance accounting (in particular, by the amount of expenses that was not deducted for tax purposes, the amount of reserves created according to the Russian GAAP as well as due to the difference between tax depreciation and accounting depreciation based on the Russian GAAP).



ETR of PJSC Enel Russia in 2020



ETR of PJSC Enel Russia in 2021

“

In 2021 the Effective Tax Rate of PJSC Enel Russia was 22% compared to 21% ETR in 2020.

Comparative Indicators

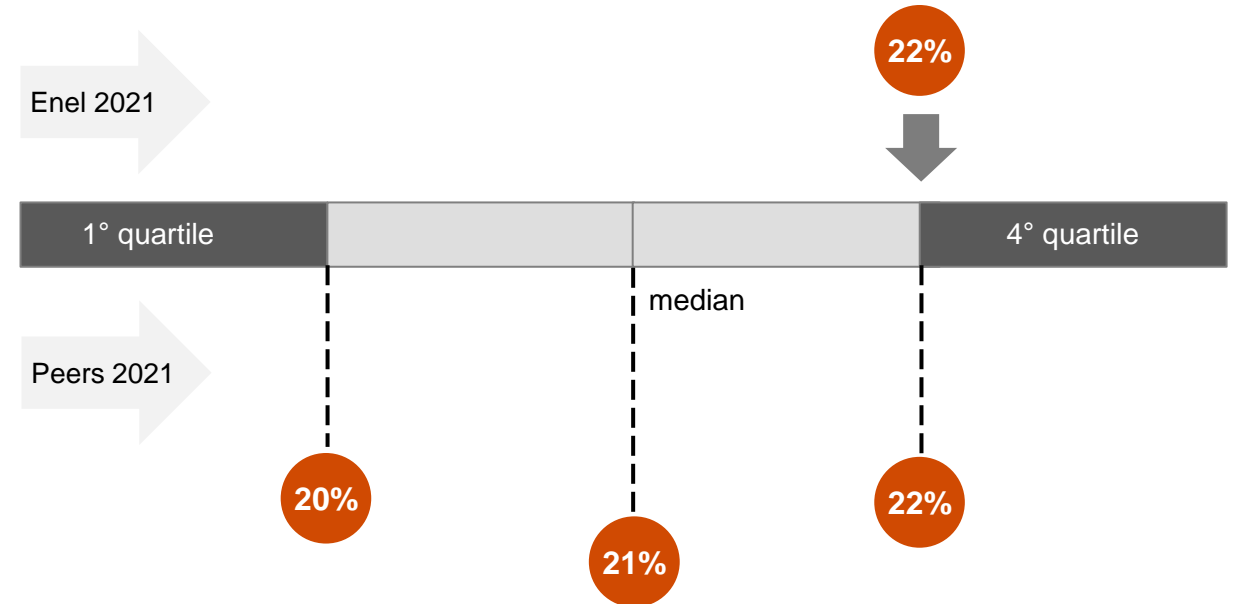
Corporate Income Tax Effective Rate (ETR)

For benchmarking study purposes, we have taken into account the largest public companies engaged in electric power generation and distribution in Russia. These companies have comparable productive capacity as well as plants' location (please refer to Appendix IV).

The peers' ETRs were calculated using the same calculation principle as used when calculating PJSC Enel Russia's ETR. We have analysed the publicly available financial data of these companies prepared in accordance with the Russian GAAP for 2021. The current income tax was also adjusted for deferred taxes.

As can be seen, the ETR of Enel Russia is **22%** for 2021 and is in line with upper quartile of the industry ETR.

The information about “Profit before Tax”, “Income Taxes” and “Deferred Taxes” was retrieved from the financial statements of the respective entities / groups published on their websites.



Comparative Indicators

Current Tax Rate and Cash Tax Rate

Current Tax Rate

The Current Tax Rate represents the incidence of the current corporate income tax expenses accrued (without adjustments on deferred tax assets or liabilities) on the profit or loss for the year.

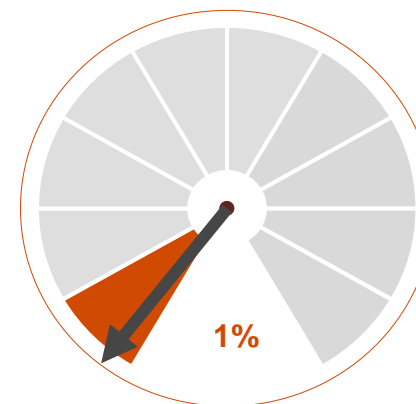
The Current Tax Rate was calculated based on Enel Russia financial statements. According to the results of 2021 for Enel Russia, this figure was **1%**. Mainly deviations from statutory CIT rate (20%) is explained by the tax losses suffered by some Enel Russia companies.

The tax losses suffered in 2021 are primarily associated with PJSC Enel Russia. The main reason of its loss is the sale of operating equipment at a price below the cost price due to current economic situation as well as the lack of revenue on other projects due to the changing focus on investment projects.

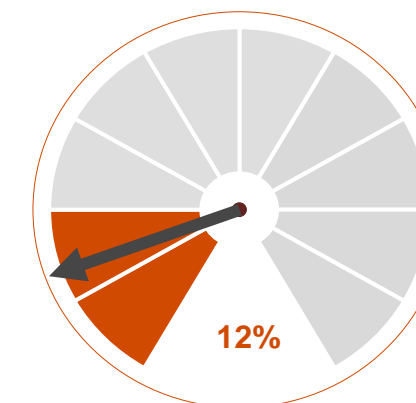
Cash Tax Rate

The Cash Tax Rate represents the incidence of the corporate income tax expense, actually paid during the year, i.e., including income tax paid in advance etc.

Cash Tax Rate was calculated based on Enel Russia financial statements. Enel Russia Cash Tax Rate amounted to **12%** in 2021. Since the cash tax rate includes income tax paid in advance as well as income taxes paid because of tax assessment related to previous year Cash Tax Rate of Enel Russia exceeded Current Tax Rate for 2021.



Current Tax Rate of Enel Russia in 2021



Current Tax Rate of Enel Russia in 2021

“

In 2021 Current Tax Rate of Enel Russia was 1%, while its Cash Tax Rate – 12%

5. Other payments made to Public administrations



Other payments made to public administrations

Trend in other payments made to public administrations



Other payments to Public administrations of Enel Russia in 2021 amounted to 946 million roubles.

Enel Russia makes other payments to public administrations.

In 2020, this type of payments totalled about **936 million roubles**. In 2021, the figure increased by about **1%** and was equal to **946 million roubles**.

These include, among others, the regulatory payments such as payment for negative impact on the environment and for water use.

- i. **Payment for negative impact on the environment:** the solution of environmental problems is one of the most important priorities of Enel Group and the legislation imposes a number of obligations on the companies affecting the environment. In accordance with the environmental legislation, PJSC Enel Russia is recognized as the payer for the negative impact on the environment. In 2021 the total payments for negative impact on the environment were equal to **12 million roubles which is 80%** less compared to previous year. Such decrease is mainly explained by the PJSC Enel Russia waiver of coal generation.
- ii. **Payment for water use:** the legislation imposes a number of obligations on water users. The fee for water use was transferred to public administrations in the amount of **877 million roubles** in 2020. In 2021, this figure was **934 million roubles**, which is about **6%** more than in the previous period. The growth is primarily connected with the increased water consumption from surface water bodies due to increased electricity generation.

5. Appendices



Appendices

Appendix I: Perimeter of TTC Report for Enel Russia

	2020	2021
PJSC Enel Russia	✓	✓
LLC Enel Rus Wind Stavropolie*	✓	✓
LLC Enel Rus Wind Azov	✓	✓
LLC Enel Rus Wind Kola	✓	✓
LLC Enel Rus Finance**	✓	✓
LLC Sanatorium-Preventorium Energetik***	✓	✗
JSC Teploprogress	✓	✓
LLC Enel Green Power Rus	✓	✓
LLC Enel X Rus	✓	✓
Belomechetskaya WPS	✓	✓
Rodnikovskaya WPS	✓	✓
Enel Produzione SpA in Ekaterinburg P.E.	✓	✓
Koporie WPS	✓	✓
Tula WPS	✓	✓
Total	14	13

* In 2020 - Enel Rus Wind Generation

** In 2020 - Reftinskaya GRES

*** disposed in August 2020

PwC

The scope of entities included in this report was aligned with the scope of the CbCR in 2021. The following companies included in this report are the fully-owned subsidiaries of PJSC Enel Russia:

- LLC Enel Rus Wind Stavropolie
- LLC Enel Rus Wind Azov
- LLC Enel Rus Wind Kola
- LLC Enel Rus Finance

PJSC Enel Russia holds 60% of the share in JSC Teploprogress. Considering that JSC Teploprogress was consolidated on an integral basis, economic indicators and tax data of JSC Teploprogress were fully included in TTC report.

Other 7 entities located in Russia (LLC Enel Green Power Rus, its subsidiaries and others) are not owned by PJSC Enel Russia, however, were included in the scope of the CbCR and TTC report in 2021.

Appendices

Appendix II: List of taxes

Taxes	State tax	Regional tax	Local tax	Tax borne	Tax collected	Scope
Profit taxes						
Corporate income tax	✓			✓		✓
Withholdings on payments to third party entities (non-residents)	✓				✓	✓
Property taxes						
Property tax		✓		✓		✓
Land tax			✓	✓		✓
Employment taxes						
Personal income tax	✓				✓	✓
Contribution into social insurance fund	✓			✓		✓
Contribution into social insurance fund for accidents	✓			✓		✓
Contribution into pension fund	✓			✓		✓
Contribution into social medical fund	✓			✓		✓
Contribution into pension fund (additional payments)	✓			✓		✓
Taxes of products and services						
Value-added tax (VAT)	✓				✓	✓
Non-deductible VAT	✓			✓		✓
Environment taxes						
Water tax	✓			✓		✓
Transport tax		✓		✓		✓
Other regulatory payments						
Payment for negative impact on the environment	✓			✓		✓
Payment for water use	✓			✓		✓

Appendices

Appendix III: TTC of Enel Russia in 2020 and 2021

Economic data	2020 RUB	2020 EUR	2021 RUB	2021 EUR
Revenues	56 942 322 262	622 572 212	47 555 415 085	545 502 160
Wages and salaries*	2 682 112 668	29 324 565	2 203 632 835	25 277 594
Number of employees	1 475	1 475	1 465	1 465
Tangible assets	n/a	n/a	79 560 603 284	932 221 183
Net Interest	7 637 533	83 504	415 110 790	4 761 683
Profit before income tax	2 964 458 695	32 411 562	3 792 796 293	43 506 687
Profit before tax borne	4 250 625 217	46 473 713	4 791 085 052	54 957 932
Income after Tax	2 174 328 148	23 772 762	2 815 917 939	32 301 039
Income tax accrued	n/a	n/a	35 398 427	406 051
Income tax expenses for ETR calculation**	958 267 000	10 477 100	734 924 010	8 430 220
Total taxes borne	2 377 928 951	25 998 808	1 470 873 961	16 872 209
Total taxes collected	8 114 644 186	88 720 512	339 629 445	3 895 846
Total Tax Contribution	10 492 573 136	114 719 320	1 810 503 406	20 768 056

Taxes borne	2020 RUB	2020 EUR	2021 RUB	2021 EUR	Taxes collected	2020 RUB	2020 EUR	2021 RUB	2021 EUR
Profit taxes	1 091 762 429	11 936 657	472 585 202	5 420 965	Profit taxes	69 996	765	-	-
Property Taxes*	464 530 032	5 078 885	367 922 814	4 220 396	Property Taxes	-	-	-	-
Employment Taxes	818 342 383	8 947 251	628 053 411	7 204 321	Employment Taxes	434 266 839	4 748 006	339 629 445	3 895 846
Taxes on products and services	447 659	4 894	293 783	3 370	Taxes on products and services	7 680 307 351	83 971 741	-	-
Planet/Environmental Taxes*	2 846 448	31 121	2 018 751	23 157	Planet/Environmental Taxes	-	-	-	-
TOTAL	2 377 928 951	25 998 808	1 470 873 961	16 872 209	TOTAL	8 114 644 186	88 720 512	339 629 445	3 895 846

Total Tax Contribution in 2021, RUB **1 810 503 406**

Other regulatory payments	2020 RUB	2020 EUR	2021 RUB	2021 EUR
Payment for negative impact on the environment	58 634 510	641 074	11 839 647	135 811
Payment for water use	877 380 875	9 592 741	934 130 245	10 715 290

Total payments to Public Authorities in 2021, RUB **2 756 473 298**

TTC indicators	2020 RUB	2020 EUR	2021 RUB	2021 EUR
1. TTC ratio	56%	56%	31%	31%
2. TTC in relation to revenues	18%	18%	4%	4%
3. Taxes borne in relation to revenues	4%	4%	3%	3%
4. Taxes collected in relation to revenues	14%	14%	1%	1%
5. Tax value distributed to society	68%	68%	25%	25%
6. Wages and salaries per employee	1 818 361	19 881	1 504 186	17 254
7. Taxes paid per employee	849 227	9 285	660 534	7 577

Methodology for TTC indicators calculation

1. Total taxes borne / Profit before taxes borne
2. Total Tax Contribution /Revenue
3. Taxes borne / Revenue
4. Taxes collected / Revenue
5. Tax borne and collected /Total value distributed (regarded as the sum of: income after tax or shareholder value, wages and salaries, net interest, taxes borne and taxes collected)
6. Wages and salaries / Number of employees
7. Total taxes linked to employment (borne and collected) / Number of employees

*Since the methodology was amended the 2020 values were revised

** "Income tax accrued for local ETR benchmark" indicator in 2020

Appendices

Appendix IV: Methodology used in the comparative analysis of ETR and list of peers

The analysis has been based on public information available for the largest Russian companies engaged in electric power generation and distribution. These companies have comparable productive capacity as well as plants' location (detailed information provided in the table – Peers' list of Enel Russia).

The effective tax rate for corporate income tax purposes ("Effective Tax Rate", or ETR) has been calculated as the ratio of "Corporate Income Tax expense" to "Income before taxes".

In order to ensure the comparability of results and considering data available on peers, we calculated the ETRs based on stand-alone statements of the peers' groups parent companies (i.e. we did not include the financial indicators of the subsidiaries). We consider this approach as acceptable since the main part of the core assets involved in production of electricity is owned by the parent companies.

In this regard, **the upper (75%) and lower (25%) quartiles** have been calculated for the sample of companies, indicating the results obtained. This makes it easy to identify the range of average results within which the majority of the companies are moving.

List of peers	Locations of peers
OJSC INTER RAO — Electrogeneratsiya	United Energy System Center (Central Federal District), North-West United Energy System, United Energy System of the Urals
PJSC Mosenergo	United Energy System Center (Central Federal District), North-West United Energy System
JSC Rosenergoatom Concern	United Energy System Center (Central Federal District), North-West United Energy System, Southern Integrated Energy System, United Energy System of the Urals
PJSC RusHydro	United Energy System Center (Central Federal District), North-West United Energy System, Southern Integrated Energy System
PJSC OGC-2	Southern Integrated Energy System, United Energy System of the Urals
PJSC Fortum	United Energy System of the Urals
PJSC Unipro	United Energy System of the Urals

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