



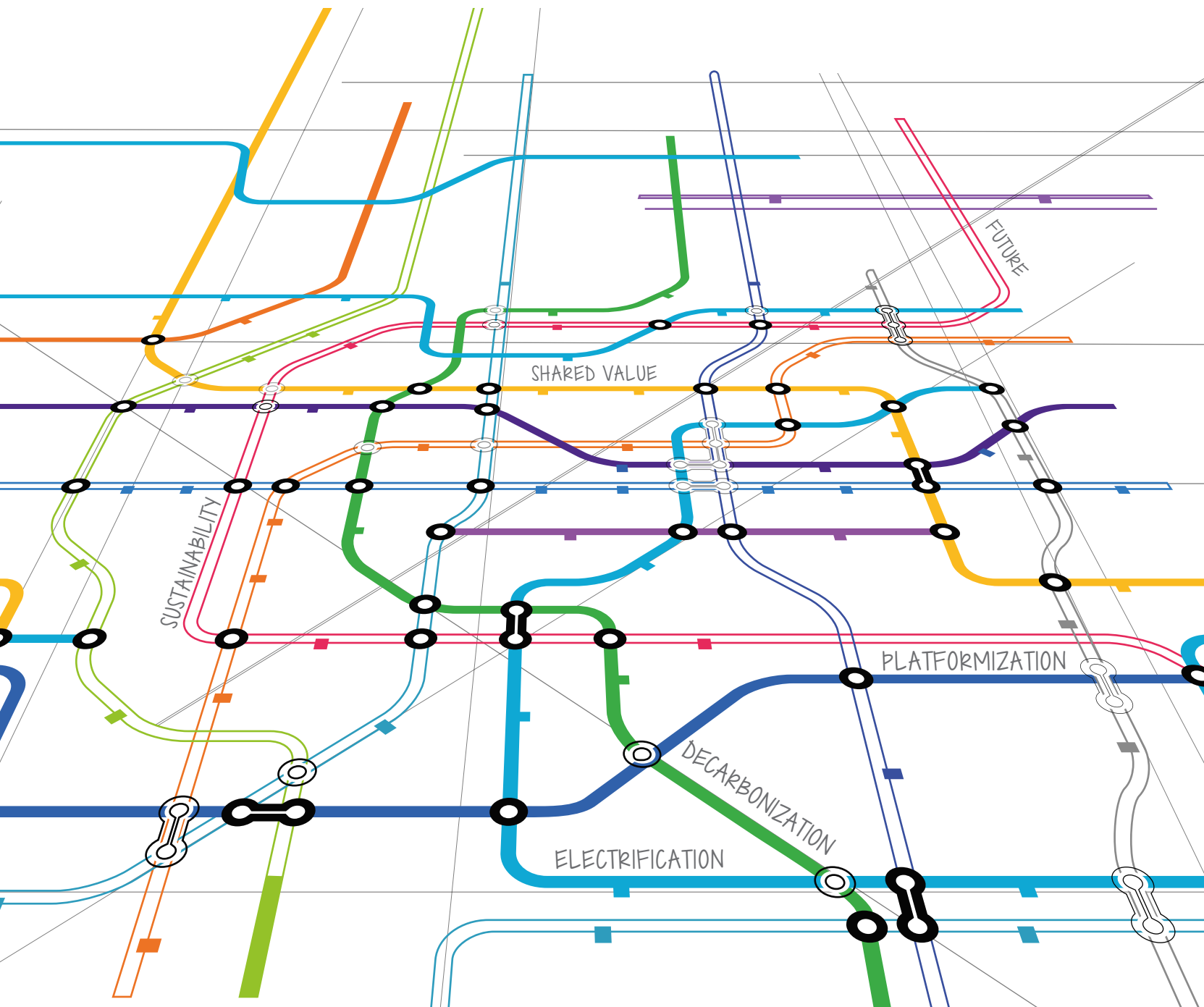
SPECIAL
FEBRUARY/MARCH 2021

Magazine

SHARING ENERGY STORIES

STRATEGIC PLAN 2030

The future takes shape.





ENEL GROUP BIMONTHLY

EDITED BY

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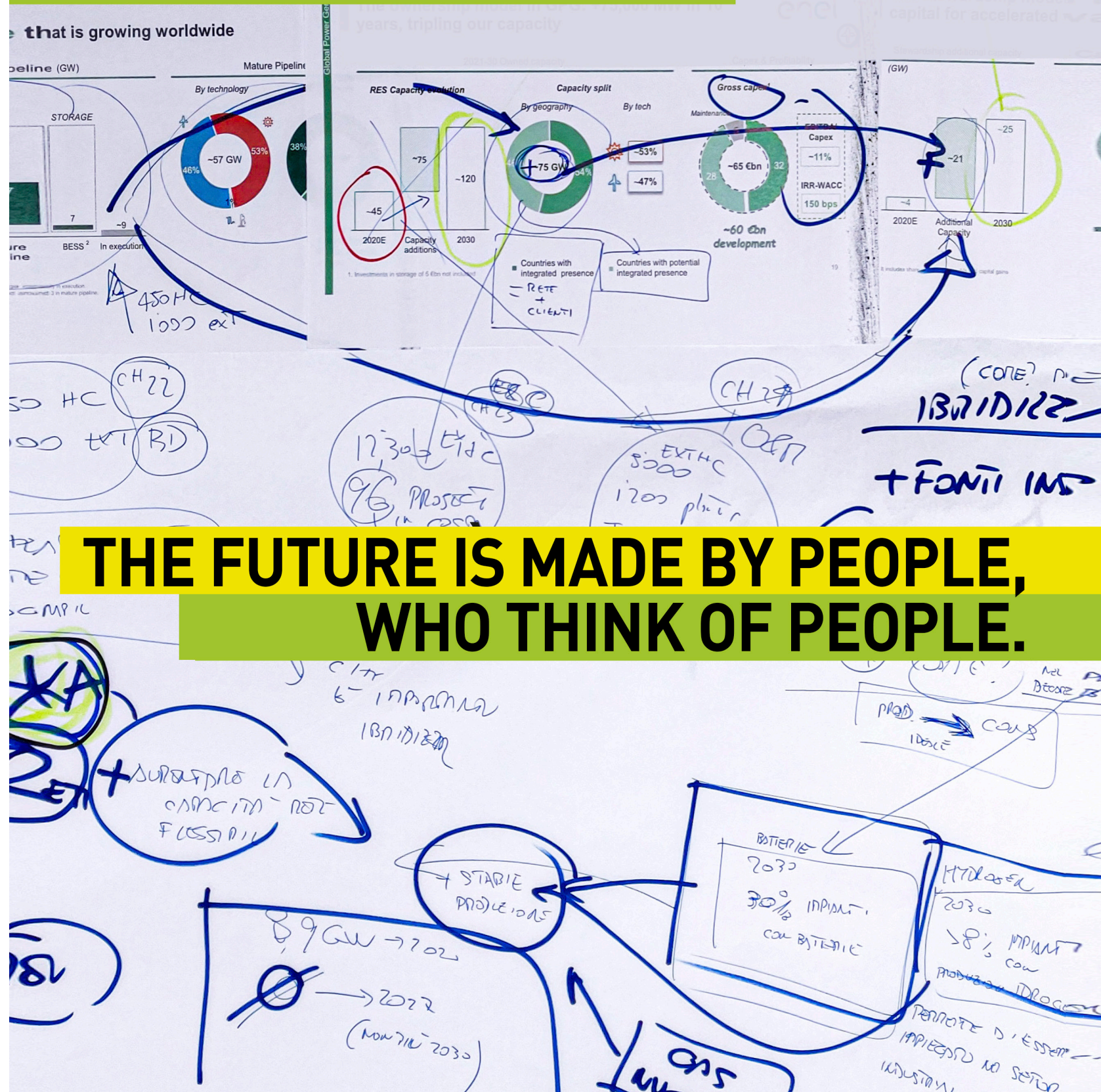
PUBLISHER

Enel SpA
Viale Regina Margherita 137
00198 Rome

TO CONTACT THE EDITORIAL OFFICE

E - Editorial Staff
Internal Communications - Enel SpA
Viale Regina Margherita 137
00198 Rome
Or send an e-mail to:
e-magazine@enel.com

STRATEGIC PLAN 2030



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A JOURNEY TOWARDS THE

WE CAN IMAGINE THE FUTURE IN TWO WAYS. AS A TREE TO CLIMB AT THE TOP OF WHICH WE MAY BE ABLE TO COLLECT SOME MORE OR LESS DECENT FRUIT. OR, AS A SWIMMING-POOL FULL OF WATER. WOULD YOU DIVE IN?

WE CHOOSE THE SECOND OPTION, WE DIVE HEADLONG INTO THE FUTURE, FULL OF CURIOSITY AND, ABOVE ALL, WITHOUT ANY FEAR. INDEED, THE FUTURE EXCITES US, ESPECIALLY IF THE PRESENT IS UNSETTLING IN SOME WAY. THE SOLUTION IS THERE.

FOR OUR COMPANY, BUT ALSO FOR THE PEOPLE WHO WORK FOR US, FOR OUR OWN AND THEIR FAMILIES, FOR THE COUNTRIES WHERE WE OPERATE, FOR THE PEOPLE WHO LIVE THERE.

IN SHORT, FOR THE WHOLE WORLD. TOWARDS THE FUTURE THEREFORE, WITH ENTHUSIASM AND WITHOUT HESITATION.

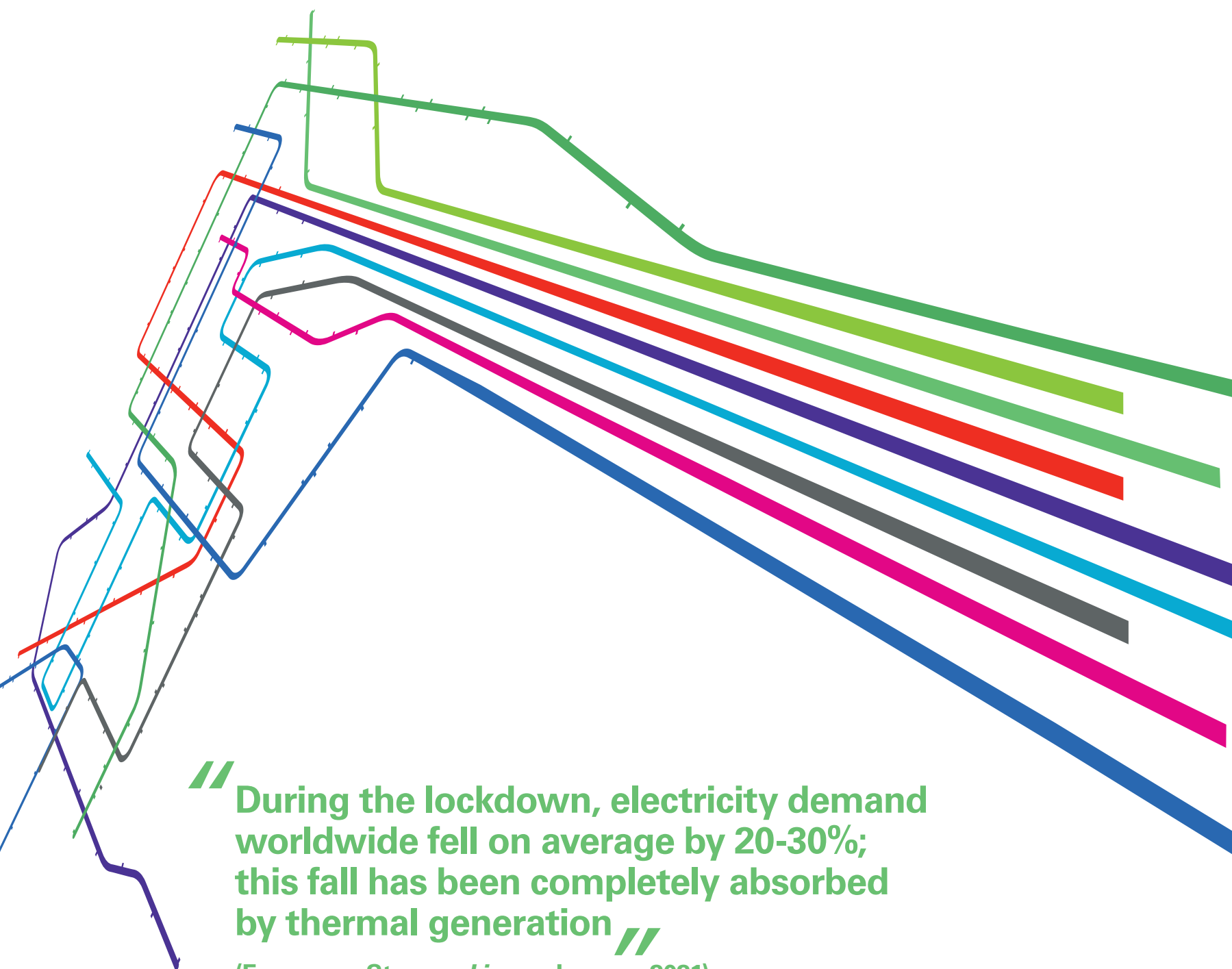
BUT, AS IN ALL JOURNEYS, WE NEED A GUIDE. THIS IS WHY WE WERE DRIVEN TO MAKE A PLAN WHICH LOOKS FORWARD, TO 2030, TO A NEW REALITY, TO A NEW PLANET, WHICH IS SUSTAINABLE AND WELCOMING, FOR EVERYONE. A NEW WORLD ILLUMINATED BY SO MUCH LIGHT. SO MUCH LIGHT AND THEREFORE SO MUCH ENERGY. NOW FOLLOW US, WE WANT TO SHOW YOU ALL THE DETAILS OF OUR PLAN.

MAKE YOURSELVES COMFORTABLE, YOU WILL TRAVEL SITTING DOWN, ALONG THE LINES OF A FUTURISTIC SUBWAY, A ROUTE WHICH WE HAVE IMAGINED FOR YOU, TO ILLUSTRATE OUR IDEAS, OUR PROJECTS, OUR GOALS.

BUT ABOVE ALL YOU WILL TRAVEL IN COMFORT, NEXT TO EACH OTHER. SO MANY PEOPLE, ALL THOSE WHO EVERY DAY PUT THEIR COMMITMENT AT THE SERVICE OF OUR GROUP, READY TO END YOUR JOURNEY AT THE TERMINUS OF THAT SINGLE CENTRAL STATION WHERE ALL THE LINES CONVERGE, THE ONE CALLED

FUTURE

A CHANGING WORLD



(Francesco Starace, *Limes*, January 2021)

Great changes lie ahead of us; these global trends are essential to understand the scenario in which Enel wishes to be a leading player:

- A sharp rise in renewables is helping accelerate the energy transition by replacing the use of coal and fossil fuels with zero-emission generation.
- Increasing electrification of final energy consumption, thanks also to the rise of electric mobility.
- A consequent increase in the energy transiting on Networks which makes this infrastructure essential in guaranteeing that the growth in renewables and electrification have a full and positive impact.

(TW)

GLOBAL RES CAPACITY

2.7

12.0

+4x

2019

2040

(kTWh)

ELECTRIFICATION
OF ENERGY CONSUMPTION

23

33

+43%

2019

2040

SHARE OF CAPACITY CONNECTED
TO DISTRIBUTION GRIDS¹

33%

56%

+23pp

2019

2040

1. Europe

Source: IEA, World Energy Outlook 2020, Sustainable Development Scenario | Grid data from BNEF, NEO2020, European figures

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THE NEW UTILITY

A **modern** and **innovative utility** provides a continuous and essential service for people, companies and cities, becoming the center of an increasingly complex and widespread system.

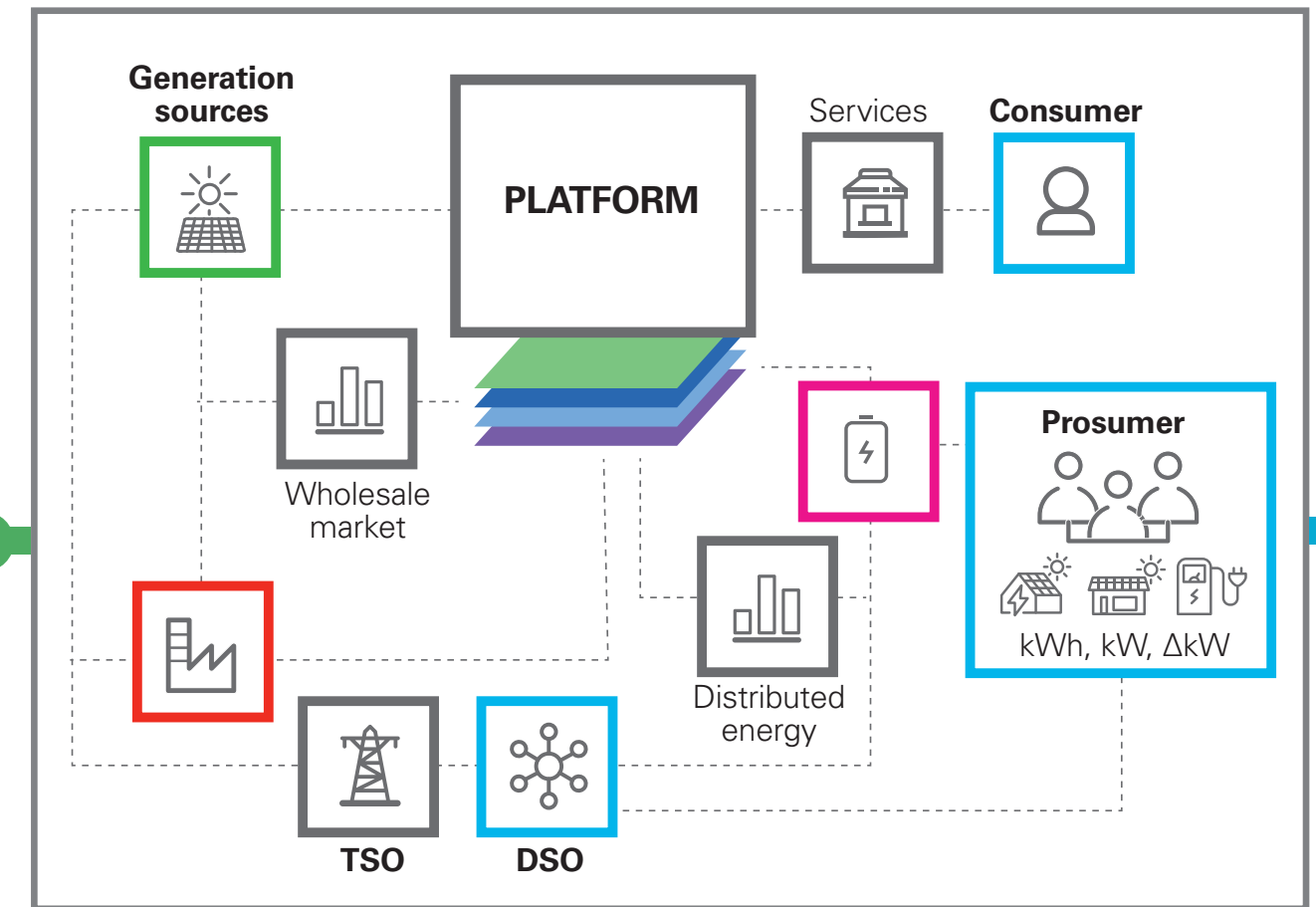
Not just an owner and operator of assets, then; the new utility, as we perceive it, must become, thanks to platform-based models, an enabler and orchestrator of highly advanced systems:

- A multitude of energy producers, with a range of technologies and with rising percentages of unplannable renewables.
- A myriad of distribution assets covering users, charging stations, electric vehicles, which provide new and extremely large quantities of data.
- Digitalized and informed customers, ready to buy or subscribe to increasingly innovative solutions and services.
- Consumers who in many cases are transformed and become in their turn producers (prosumers).

The Network thus becomes an intelligent system, capable of guaranteeing service quality levels, resilient and with a level of digitalization that makes it essential in extracting value and creating business opportunities.

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Platform-based business models will manage increasing levels of complexity

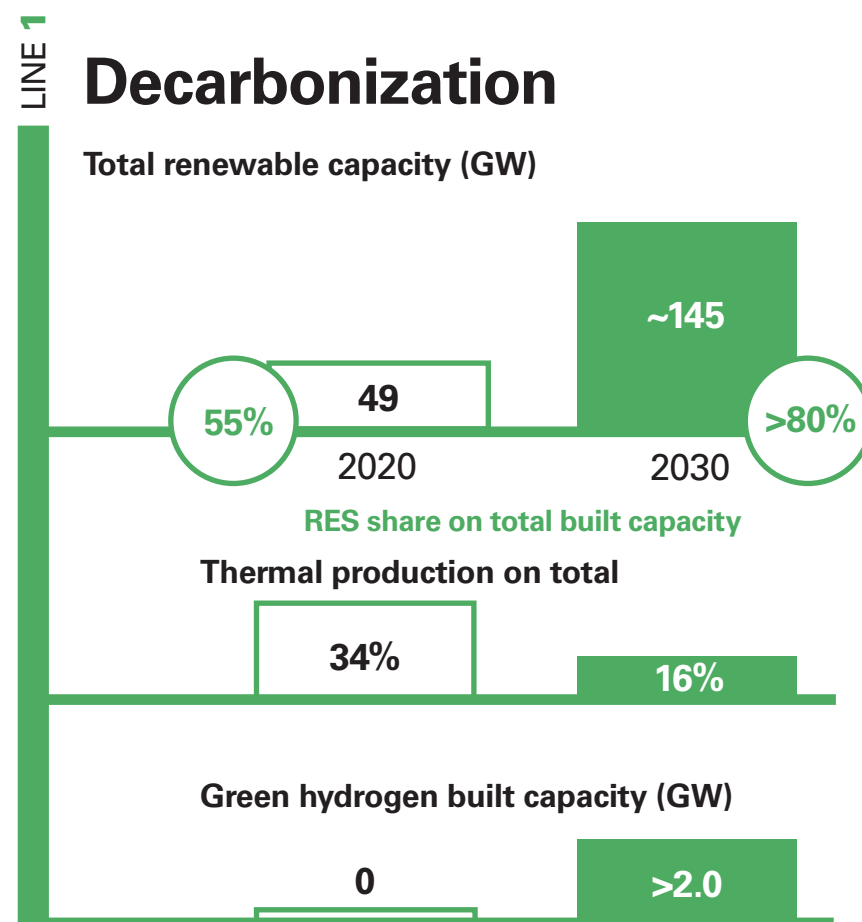


8 WHERE WE WANT TO BE IN 2030

We have prepared a 10-year plan, fully integrating sustainability into business choices; we talk of business and sustainability as two elements which are not separate but closely connected. The idea is to work in three essential directions: decarbonization, electrification, digitalization and platformization of activities. Each of these elements can be related to sustainability goals, each of which is connected to a trend; on the basis of this we can take the most suitable decisions.

1. Triple renewable capacity and speed up the exit from fossil fuels.
2. Lead many of our Customers to use only electricity.
3. Digitalize our infrastructure, especially the Networks, to make it possible to achieve the previous goals and to introduce platform-based models to create further value.

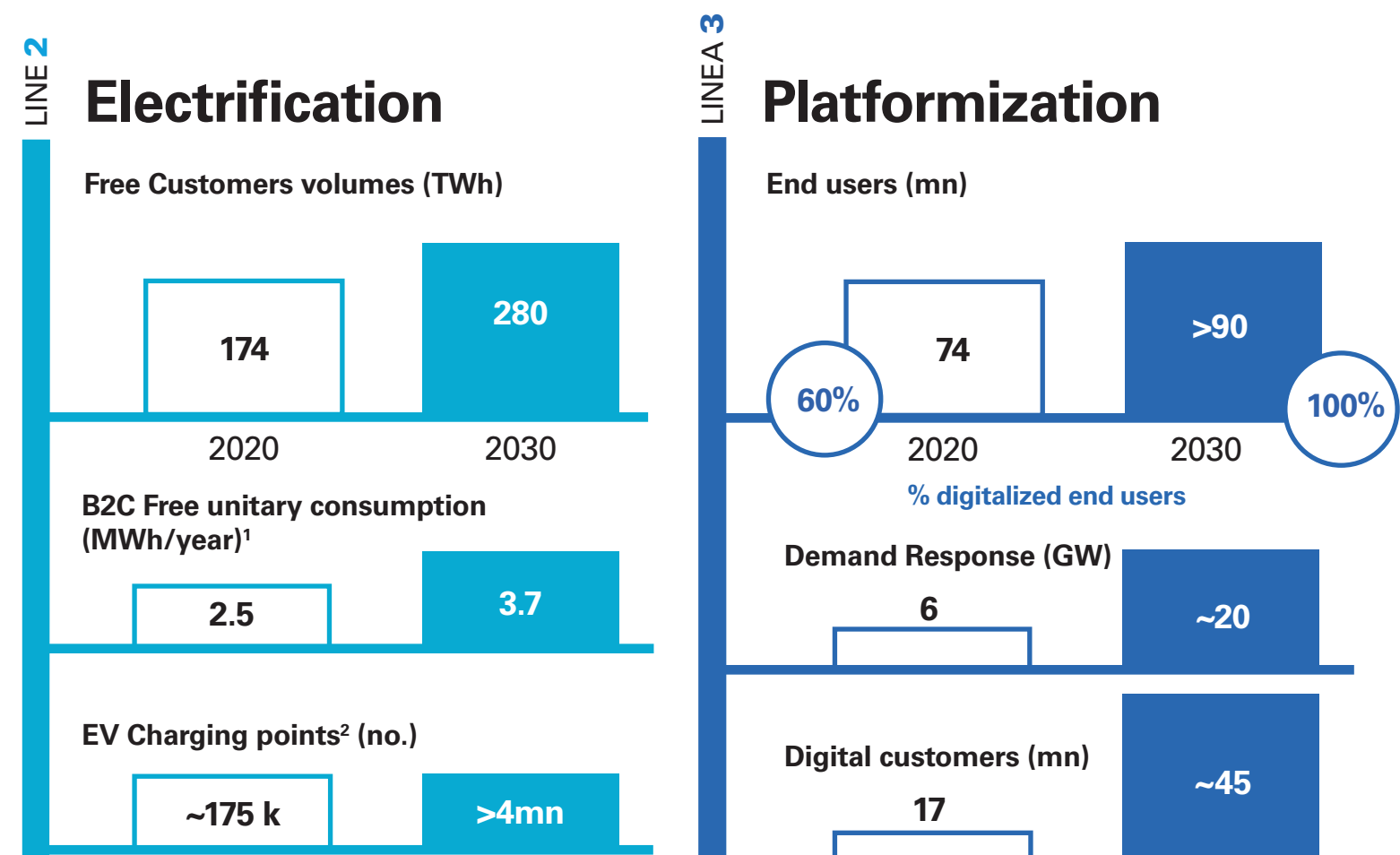
Our purpose is therefore to lead the change over the next 10 years. And we aim to do so by increasingly consolidating a “platform-based” model in which every process that is part of Enel’s business is integrated and facilitated. The increase in renewables, the desire to become key energy



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suppliers and the installation of increasingly reliable Networks are, therefore, our goals. 2030 marks the finish-line by which we will achieve 145 GW in renewable capacity. By that date electrification will increasingly be a feature of the habits and lifestyle in large cities, with an increase in consumption among end users and an increasingly central and strategic role for the Network. All this will lead us to being a global leader for Networks, Customers, Renewables, Quality and Resilience.



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THE GREAT "GOAL"

Enel's direct investments planned for the next 10 years total **160 billion** euro, of which 95% destined to achieving the 17 SDGs (Sustainable Development Goals) indicated by the United Nations. To contribute to a sustainable **future** for our planet 30 billion extra will be added from external partners.

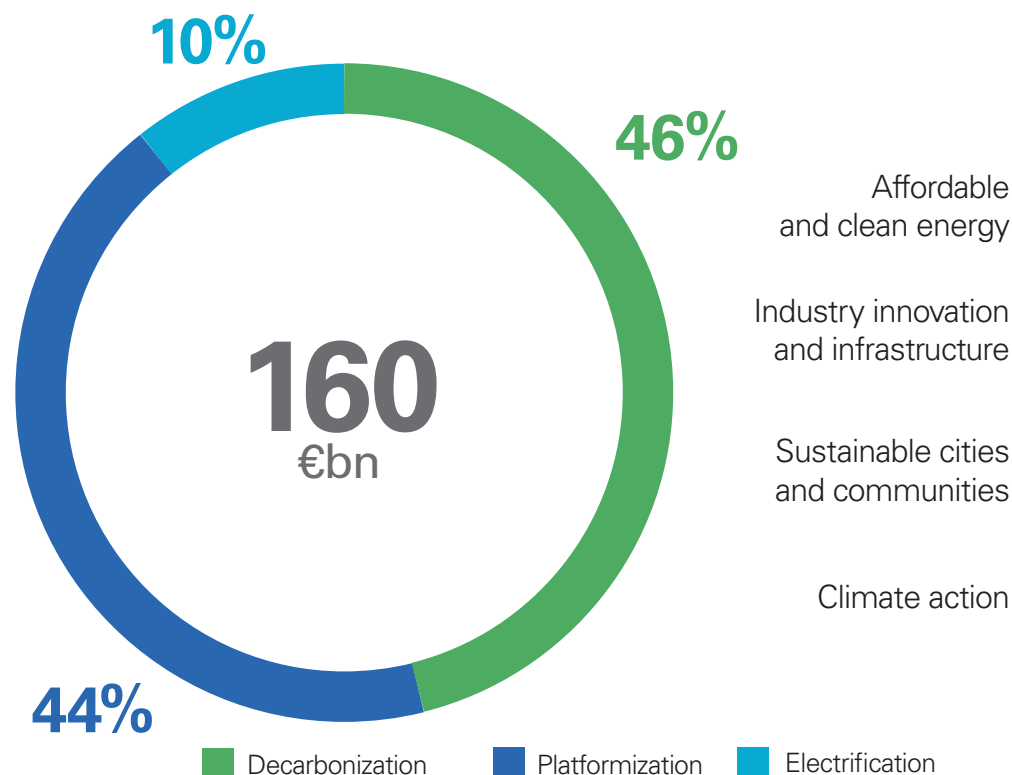
This is why, as Enel, in a work plan lasting ten years, we wanted to **integrate sustainability into business choices**: no longer two separate concepts, but rather one which becomes a value generator for the other and, consequently, for our Group and for everyone.

This is how we **"walk the talk"**, i.e. transforming our thoughts and what we say into concrete actions.

FULLY INTEGRATE SUSTAINABILITY IN BUSINESS DECISIONS AND IN OUR STRATEGIC THINKING

CUMULATED CAPEX 2021-30

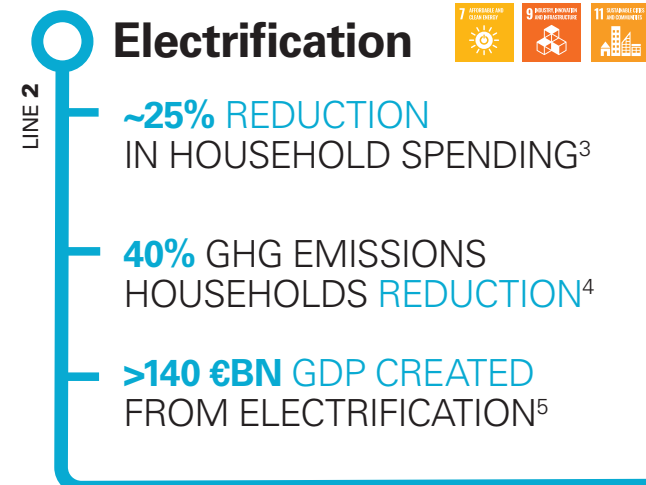
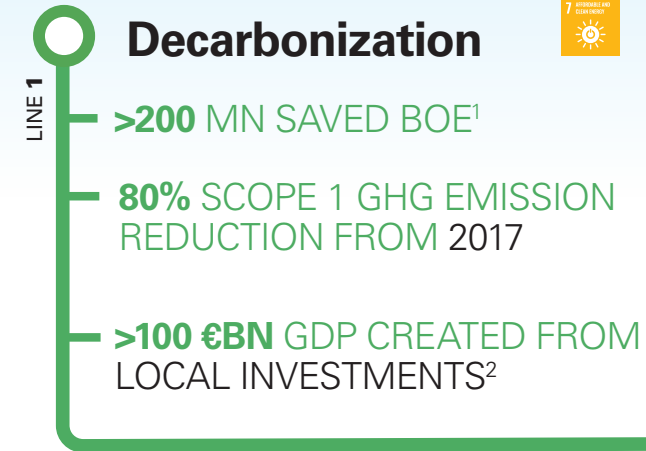
~95% SDGs ALIGNED¹



The investment plan addresses almost entirely

SDGs-related activities

1. Of consolidated Capex



CLIMATE ACTION



1. Barrels of oil equivalent. Compared to Enel's consumption in 2020
2. 2021-30 cumulated. Related to the full life assessment of projects through Ownership/Stewardship models for GPG
3. vs 2019 Europe
4. vs 2019
5. 2021-30 cumulated. Related to the full life assessment of projects through Ownership/Stewardship models for Global I&N and Enel X
6. Calculated from current contracts up to 2024
7. Avg. reduction related to IT activities due to shift from data center to cloud

WHERE WE START FROM

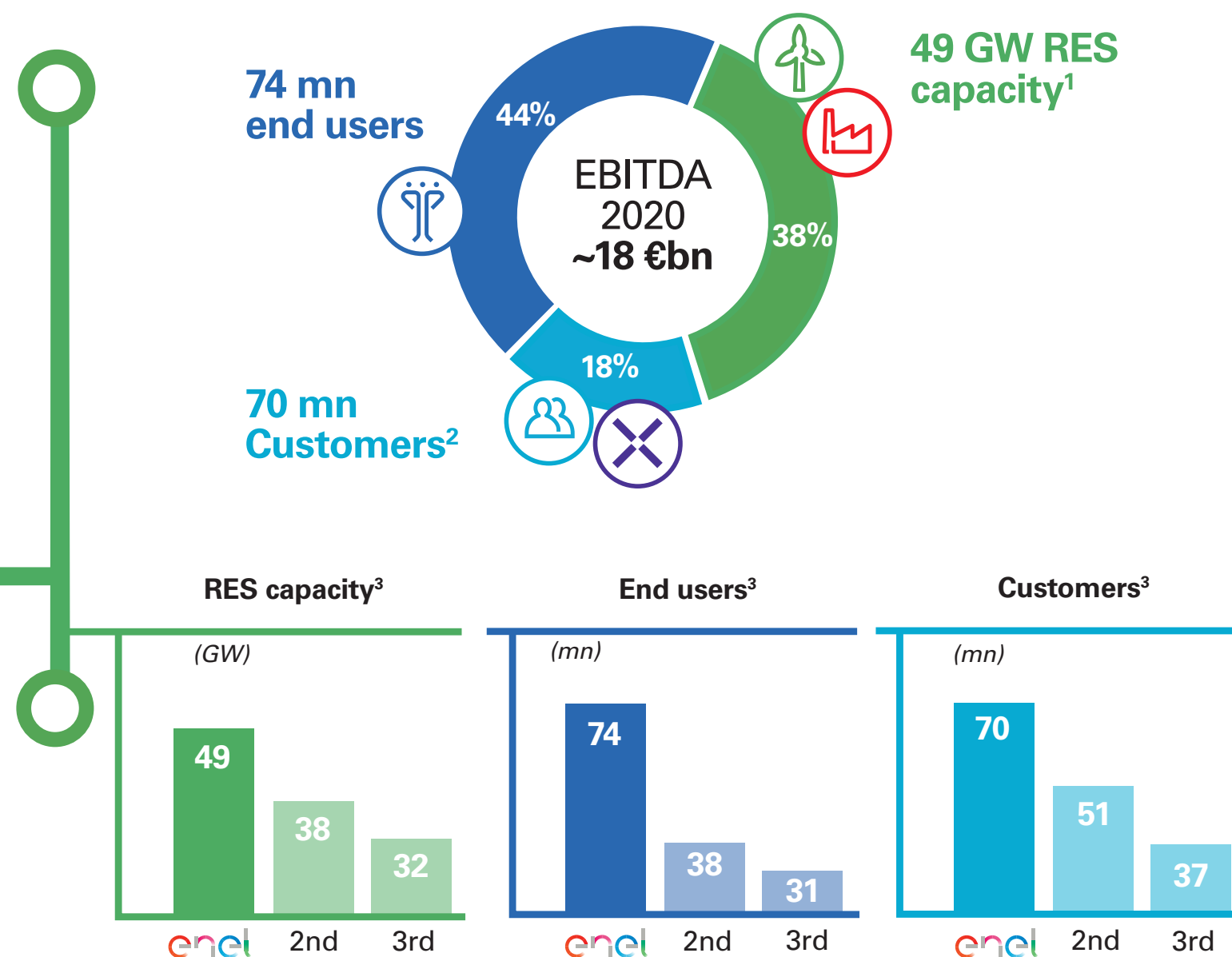
- Enel is the leading private operator in the renewables sector worldwide, with around 49 GW in total capacity.
- It is the main private operator of Networks in the world, with over 74 million end users.
- It is the private operator with the widest retail Customer base globally, exceeding 70 million customers worldwide.

TSR 2015-2020 +163%

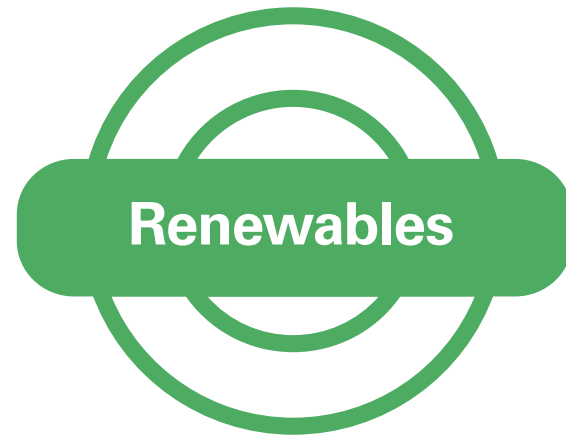
Since 2015 the value created for our shareholders has been 163%. Markets have achieved gains on average of less than a third of this value (Euro Stoxx 600 +43%, FTSE MIB +41%).

Total Shareholders Return (TSR) is an indicator of the value which the company has given back to those who have invested in its shares. It is calculated by adding dividends paid to the increase in the value of shares.

Enel is the leader in the *asset classes* that are at the center of this transformation



1. It includes managed capacity
2. Power and gas customers
3. 2019 data for comps



LET'S TRIPLE OUR CAPACITY

We have already said that a major expansion in renewables is forecast. We want to continue to be leaders in the sector and we plan to move from the current **49 GW** to **145** for 2030.

Is that a lot? It certainly is, if the difference is calculated between today and the goal, it is fully **95 GW more**. A figure which is cause for reflection, above all if it is considered that so far our current annual growth capacity is around **3 GW**, an average destined to grow markedly in order to guarantee the increase in installed capacity of around 100 GW.

If we manage to overcome this challenge, achieving the goal we have set, we will have a **market share** of 4% of the total volume of renewables envisaged for 2030, confirming us as a super major.

Between now and 2030, it is necessary to achieve an **average production** level which must see at least **9.5 new GW every year**. What needs to be done to achieve this result?

Power generation The renewable super major



Strategic actions

- Support profitability through global footprint and integrated position.
- Bolster our pipeline to enable growth and create value.
- Stewardship business model to support value creation.
- Hybridization of power capacity.

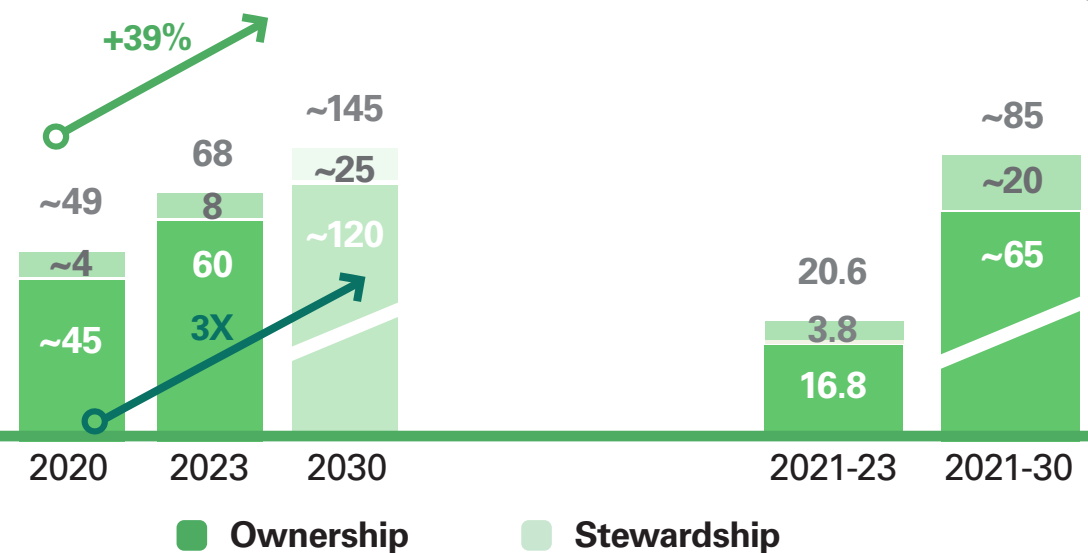
Total RES capacity

Cumulated catalyzed investments¹

(GW)

(€bn)

1. The 65 €bn ownership Capex does not include Investments in storage for 5 €bn



+APPROX. 95 GW BY 2030

+APPROX. 9.5 GW P.A. ON AVERAGE

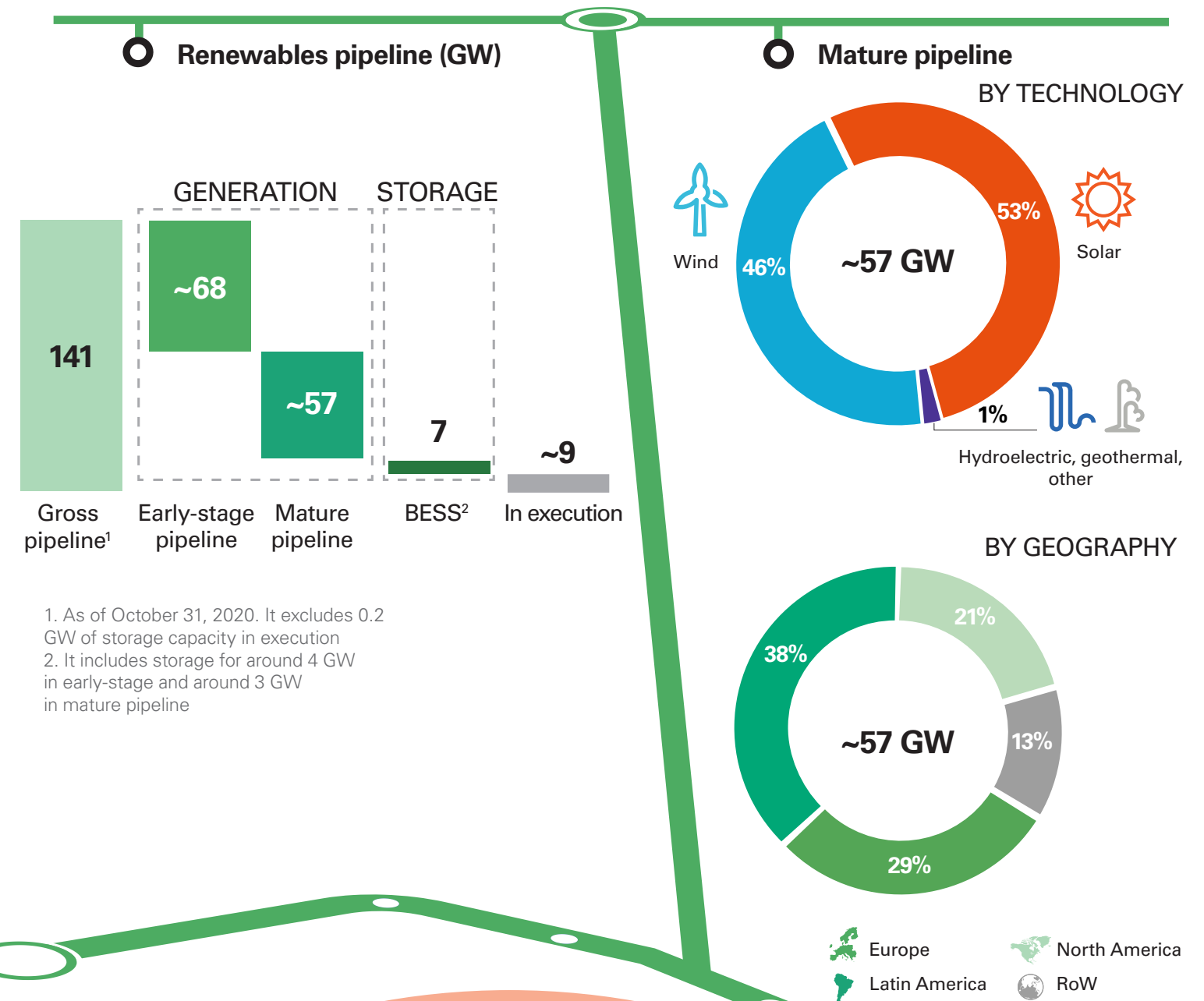
THIS WAY WE'LL CONTINUE TO BE A SUPER MAJOR

- Expanding above all through our integrated presence in Networks and markets.
- Continuing to feed a pipeline which is already packed in order to be able to select the best, quickest and most profitable projects.
- Also leveraging the capital of third parties interested in decarbonization, renewables etc., thanks to the model of Stewardship = shared goals/intentions.
- By hybridizing technologies to maximize potential thanks to our know-how.

For four years Enel has held the world growth record in the renewables sector

In 2020 the latest record with 3,106 MW installed

Leveraging on a 141 GW pipeline that is growing worldwide





Focus

HYBRIDIZATION

There's also something new in generation of the future.

Our future plants will be increasingly hybrid, to optimize the use of the available sources and offer the Network greater flexibility and stability, and also to bring new so-called ancillary services.

Hybridization is one of the elements that can make Enel a Super Major in renewables. So why do it and how?

Renewables are not constant or predictable, so it is necessary to find solutions which make it possible to introduce ever larger percentages of renewables to the Network, while maintaining the necessary equilibrium. "Hybridizing" means equipping ever more plants with **storage** and **green hydrogen** systems, increasingly integrating renewables into them.

This makes it possible to be more flexible, to provide greater stability to the system, to be able to sell electricity and hydrogen to companies that want to become green with us.

In light of this, in our Plan we envisage "hybridizing" around 30% of our plants by 2030 with storage systems and more than 8% to produce hydrogen.



Hybridizing renewables plants by integrating a number of technologies in a single site

Storage

Value proposition

RES (Renewable Energy Sources) and BESS (Battery Energy Storage Systems) integration **provides competitive decarbonization offer**

Main value drivers

- RES **risk mitigation**, avoiding curtailments for RES
- Generate **additional margins** through capacity payments and ancillary services
- Compliance to **regulated tenders**

% Plants hybridized with battery storage

2020

0%

2030

~30%

Green Hydrogen

Value proposition						
Competitive full decarbonization offer bundling RES electricity and green hydrogen supply						
Main value drivers						
<ul style="list-style-type: none">● Sale of hydrogen to industrial offtakers● RES plant optimization● Savings on Capex and Opex arising from synergies with RES plants● Flexibility services						
<table><tr><td>% Plants hybridized with green hydrogen¹</td><td>2020</td><td>2030</td></tr><tr><td></td><td>0%</td><td>>8%</td></tr></table>	% Plants hybridized with green hydrogen ¹	2020	2030		0%	>8%
% Plants hybridized with green hydrogen ¹	2020	2030				
	0%	>8%				

1. Calculated on ~95 GW additional capacity

LET'S BE CLEAR RIGHT AWAY: GREEN HYDROGEN IS NOT AN ANERGY SOURCE, BUT RATHER AN ENERGY CONTAINER

The word hydrogen is truly fascinating, and often it is used inappropriately. It is not an energy source, but a means to store energy produced in some other way; a type of battery that energy is put into in order to use it in a different way or time.

Hydrogen is abundant in nature but mainly combined with other atoms, forming for example water or methane; therefore, it is not a primary energy source and generally to produce hydrogen energy is needed.

So, it is called black, grey, blue, or green hydrogen depending on how it is produced. Over 90% of hydrogen produced today is "grey", as the waste product of a chemical reaction or extracted from methane or other hydrocarbons, with the consequent production of a lot of CO₂. Therefore, for it to become an essential vector for a sustainable energy future, it must eliminate from its current means of production the typical feature of its significant carbon footprint. Green hydrogen, which we are backing, is that produced through the electrolysis of water, using only renewable sources; this can be a valid contribution to the decarbonization of energy-intensive sectors, such as chemicals, sea transport and aviation. Today producing green hydrogen costs more, but in the next 3-5 years cost parity compared to current production is expected. This result will be achievable thanks to investments, innovation and a fall in the costs of electrolyzers which we expect to replicate the falling price trends already seen with solar panels and batteries.

OWNERSHIP AND STEWARDSHIP

In creating value, Enel adopts two complementary business models. The first is that of Ownership and envisages direct investments in Renewables, Networks and Customers for profitable long-term growth. The second is Stewardship, based on the principle of attracting investments from third parties. In this model the use of platforms to enable operations and joint ventures between Enel and other investors is essential. Two different but effective ways of producing sustainable growth and new wealth for the Group. Thus, in two different ways, new products and services can be activated.

Models
to create value

Ownership business model

Make direct investments in growing renewables, Networks and Customers, supporting long-term sustainable growth

Platform as business enhancer

Stewardship business model

Provide key services, products or know-how enabled by our platforms, catalyzing investments by third parties to maximize our and their value creation

Platform as business generator

Investments
activated
for the energy
transition

~190

2021-30

>150 €bn

Ownership model

Stewardship model

~40 €bn

~10 €bn¹

■ Enel

■ Third parties

1. Includes equity injections
2. Includes leased and served buses

Ownership model

	2020	2030
Consolidated RES capacity (GW)	~45	120
RAB (Regulatory Asset Base) (€bn)	42	~70
% digitalized users	60%	~100%

Stewardship model

	2020	2030
RES managed capacity (GW)	~4	~25
Electric buses ² (no.)	812	~10 k
Demand Response (GW)	6	~20
Households passed (mn)	10.7	34



- Countries with integrated presence
- Countries with potential integrated presence

SHARED IDEAS: STEWARDSHIP

With the **Stewardship** model, in renewables we wish to catalyze and attract over the next ten years around 20 billion euro in investment, of which 90% from third-party investors.

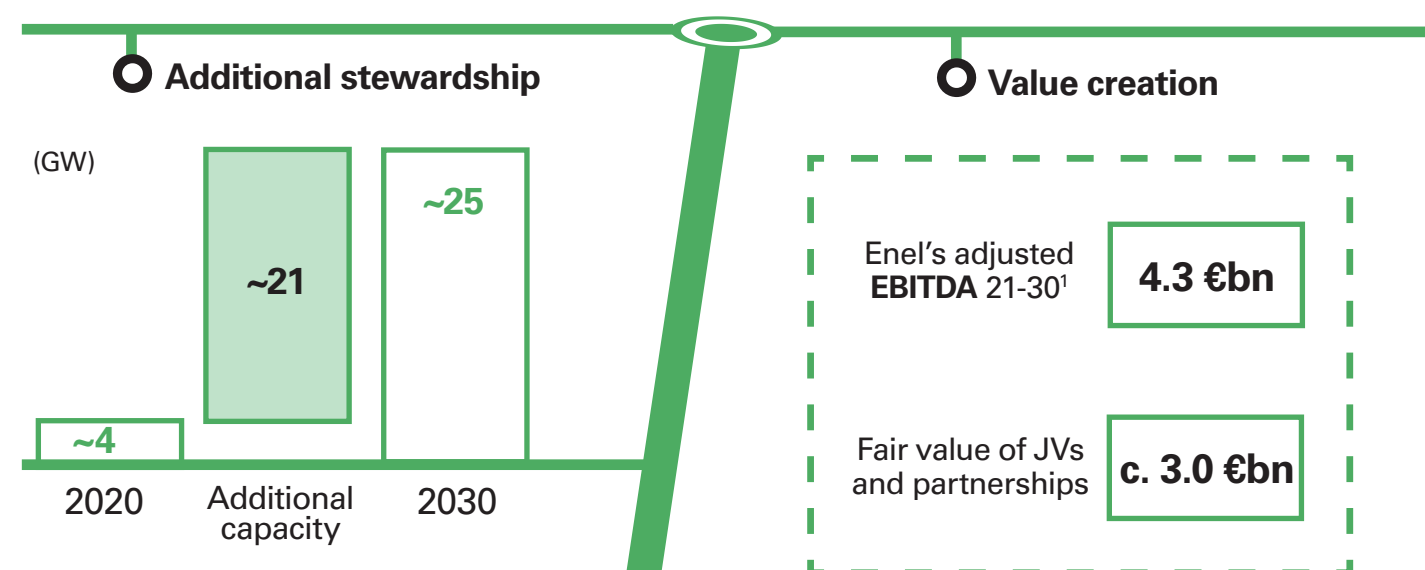
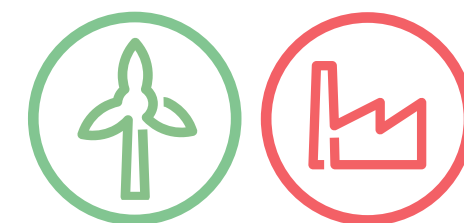
With this new model our portfolio already has 4 GW capacity. By 2030 we want to add a further 21 GW through partnerships and joint ventures.

The Group's renewables growth plan draws new resources from this model, so we can obtain more than we could with the resources available to us, in an innovative way and in line with SDG 17 "Partnerships for the Goals", developing partnerships and global collaborations to facilitate sustainable development.

// **Stewardship brings with it the platform concept which helps connect our company to others and generate business and which can therefore support a renewables growth plan which is as ambitious as ours** //

Salvatore Bernabei
Head of Global Power Generation

The Stewardship model in GPG: catalyzing capital for accelerated value creation and growth



THE PHASE-OUT OF COAL

Coal phase-out

LINE 1

Decarbonization

The growth of renewables, supported also by the hybridization of technologies, will make it possible to bring forward the closure of coal-powered plants to 2027 – we currently still have 10 of them – bringing zero-emission production to around **85%** in 2030, compared to the current situation in which the share of emission-free production is 66%.

This will enable a fall in direct CO₂ emissions, known as Scope 1 under the Greenhouse Gas Protocol, to 82 (gCO₂/kWh_{eq}) in 2030 from the 218 (gCO₂/kWh_{eq}) estimated in 2020, as certified by the Science-Based Targets initiative ("SBTi"), in line with the 1.5 °C scenario.

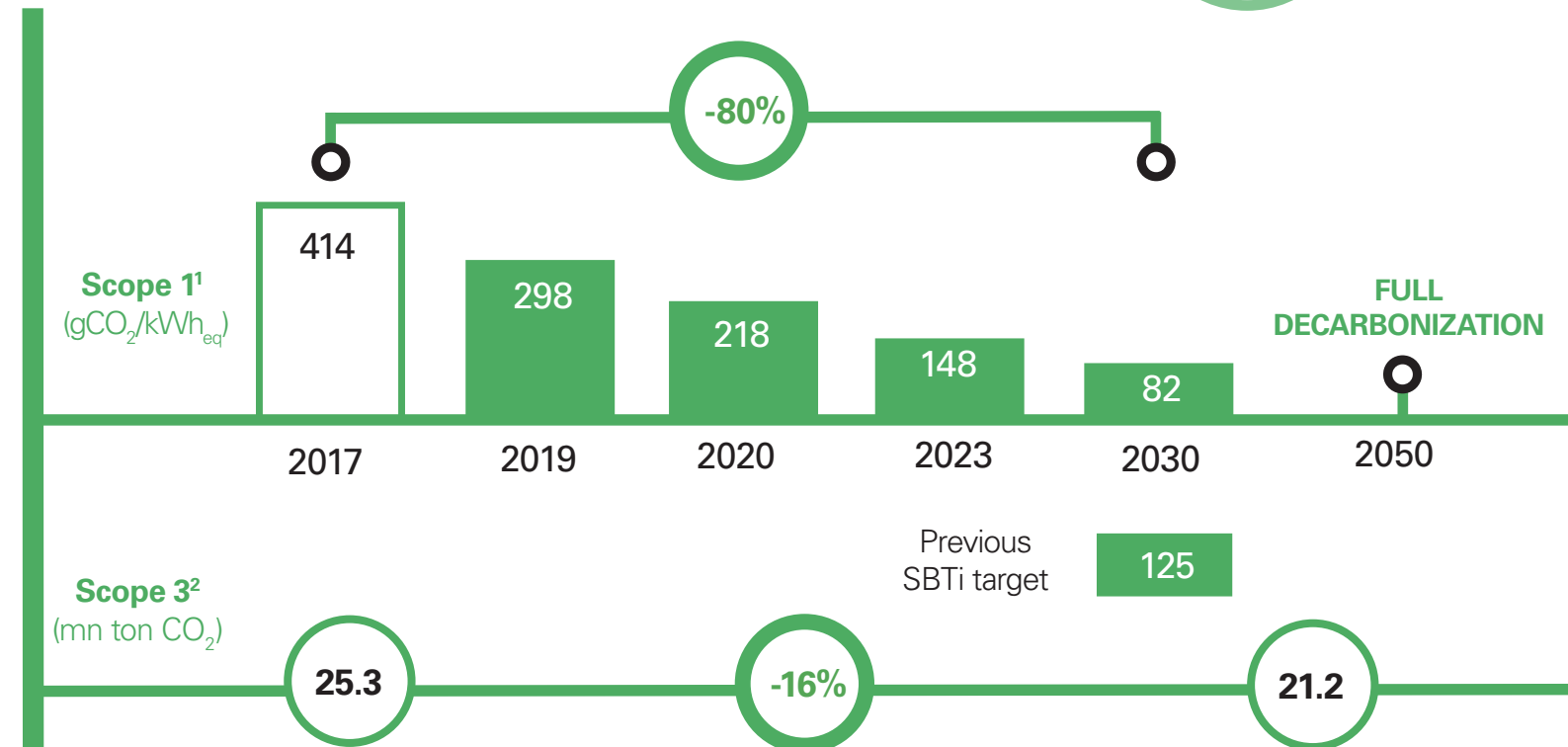
So, in 2050 we will have complete and total decarbonization of our production.

A 16% reduction is also forecast in indirect emissions associated with the sale of natural gas on the retail market, called Scope 3. Some examples? Emissions from the use of gas or electricity, which occur along Enel's whole value chain, from production to transport and to the sale of energy, do not come from sources which we control or own.

// The more challenging climate goals are, the more significant the presence of renewables must be in the mix and the more widespread electrification of energy consumption //

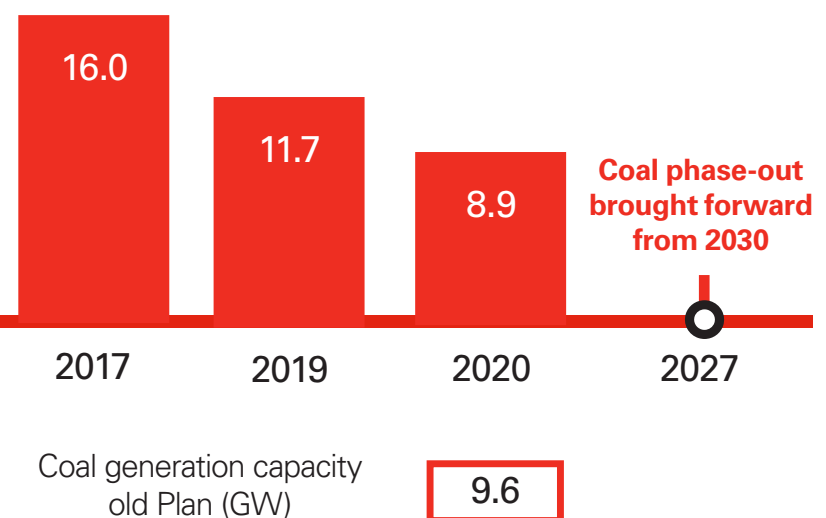
Alberto De Paoli, CFO

Boosting reduction target in GHG emissions, in line with 1.5 °C scenario



1. Scope 1 by 2030, consistent with the 1.5 pathway of the Science-Based Targets initiative and the IEA 1.5 scenario
2. Scope 3 related to gas retail activities by 2030, consistent with the 2C pathway of the Science-Based Targets initiative

Trend in coal generation capacity



Electrification

AN INCREASINGLY
ELECTRIFIED
WORLD

Enel will play an enabling role in the **electrification** process, accelerating Customers' access to sustainability and energy efficiency, uniting the offer of traditional products to services which go beyond simply supplying electricity ("beyond commodity").

The business will benefit from an enlarged Customer base globally, from digital platforms and from a growing integrated portfolio of products and services. All this will lead to a significant increase in **customer value**.

The development of platforms in this context will make it possible to optimize the use of data and to obtain greater **operational efficiency**. In this case too, the Stewardship model will be essential in achieving the goals.

The key factors are the subscription economy, the customer experience and artificial intelligence combined with data analysis.

// **We must help Customers replace gas, gasoline and other sources with electricity. By doing so, the decarbonization process will be even quicker** //

Francesco Venturini, CEO of Enel X

Electrified energy consumption

Strategic actions

Allowing electrification of consumption through **integrated offering** of products and services.

Supporting B2B Customers in fostering **efficiency** and **sustainability**.

Digitalization to enhance **customer experience** and **efficiency**.

(kTWh)

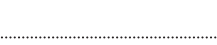
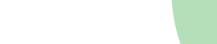
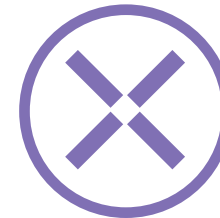
23

33

+43%

2019

2040



B2C Customers

THE REFERENCE
ENERGY
SUPPLIER

- Enel is the utility with the biggest customer base in the world, among private utilities, distributed over markets that are different by nature, composition and the degree of liberalization and unbundling.

We must be capable of helping our Customers to choose electricity as an alternative to other sources, maximizing the opportunities for digitalization and data analysis.

An offer to guarantee them an experience with easy, accessible and tailored energy, while managing to also guarantee a cost reduction.

Looking for the best possible customer experience to then adjust it on the basis of the needs of each individual market must be the guideline for our choices.

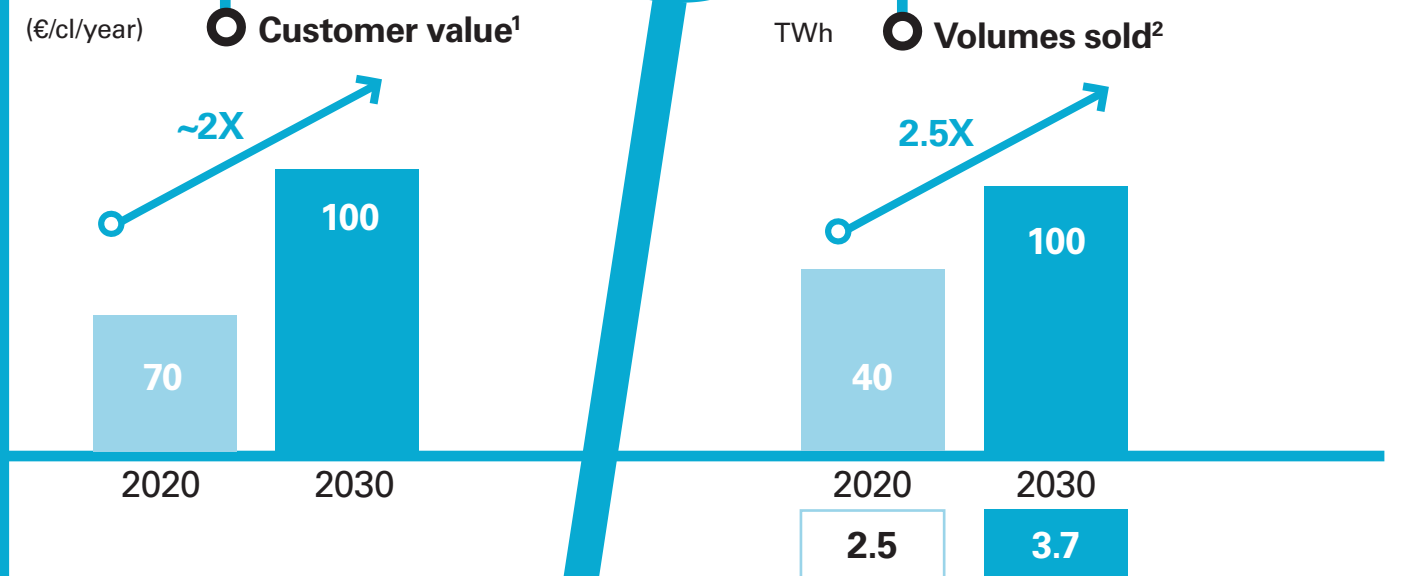
The reference energy supplier,
enabling electrification of the Customer base

Strategic actions

Increasing customer value enabling **electrification** through **platforms**.

Allowing electrification of consumption through **integrated offering** of products and services.

Digitalization to enhance **customer experience** and **efficiency**.

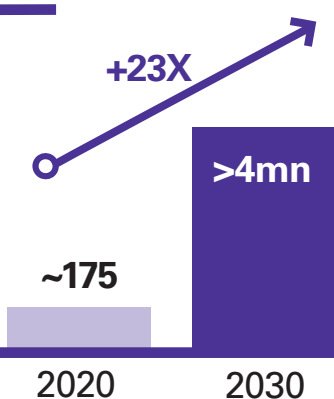


B2C Key offering

■ Commodity
■ Additional services

1. Europe gross margin per customer
2. Europe free market
3. Public, private, including interoperability points

Charging points³ (no.)



B2B Customers

ENERGY
PARTNER

In the B2B segment we aim to become the key **energy partner** not only of local companies, but also of global ones.

For commercial companies in the so-called SME (Small and Medium-sized Enterprises) segment, we propose, through our offer of commodities and our experience, to help them in the process of electrification and energy efficiency, by offering additional services (beyond commodity) such as, for example, systems for flexibility or monitoring consumption (energy insight). We then intend to be a partner of the increasing number of large companies and multinationals that want to make their offer green and sustainable.

With several of them we have already started a process through solutions such as PPAs (Power Purchase Agreements); now we can extend our proposal with more modern solutions, such as Demand Response services, **energy insight** and integrated offers of electric mobility.

Reference energy partner
of local and global businesses

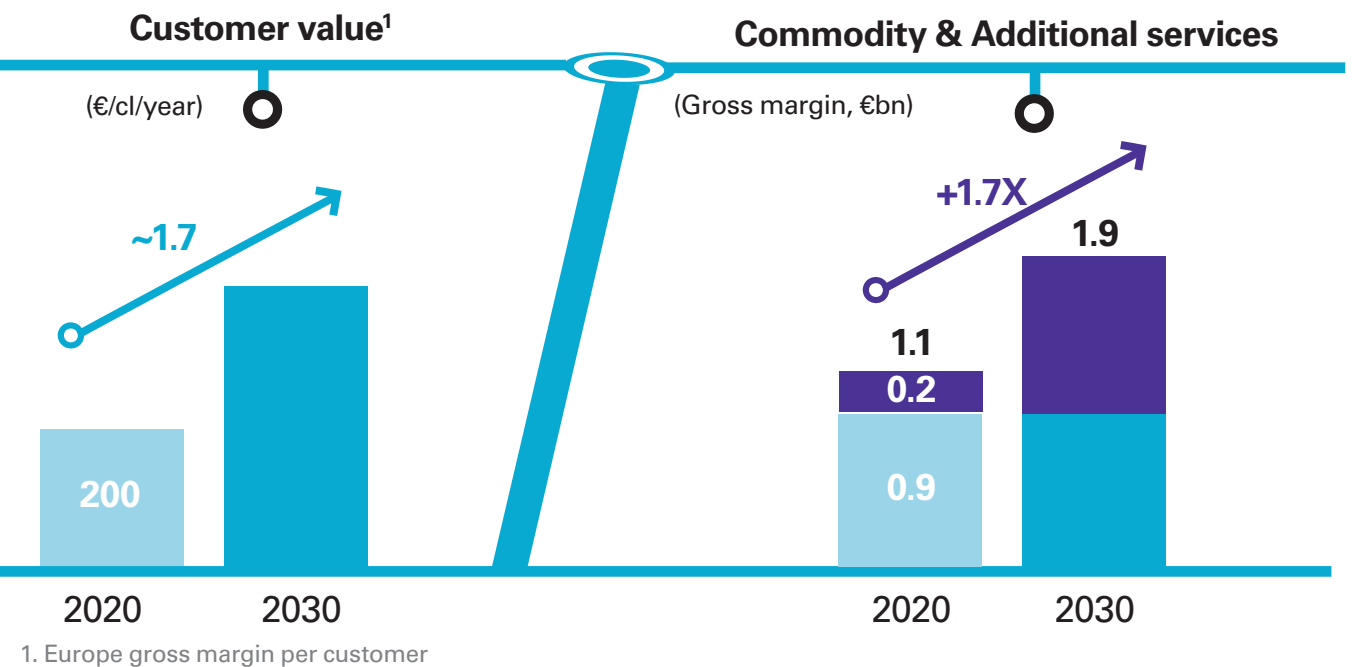
Strategic actions

Supporting B2B Customers in fostering **efficiency** and **sustainability**.

Promoting the **electrification of consumption** and the **digitalization** of processes.

Expanding in core and emerging countries through an **integrated value proposition**.

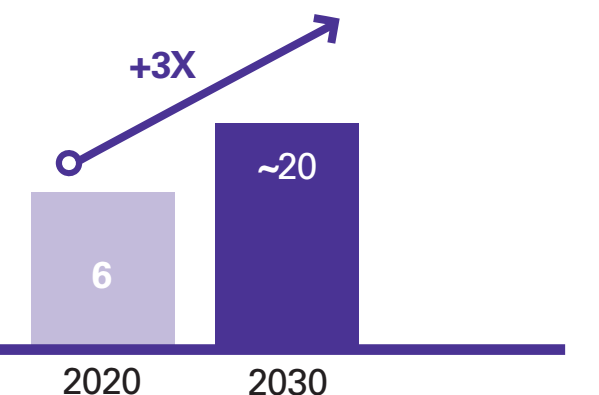
Achieving 10% market share of multinationals with full range of services.

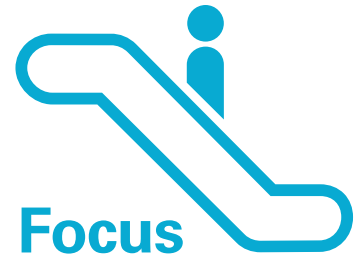


B2B Key offering

Demand Response (GW)

Commodity
Additional services





Focus

THE CITY OF THE FUTURE MAKES IT 70

Cities will have a crucial role in the process of decarbonizing and electrifying consumption, a process in which a recurring number must give us food for thought: **70**.

- 70% of energy demand comes from cities.
- 70% of global CO₂ emissions occur in urban contexts.
- In 2050, over 70% of the world population will live in metropolises as opposed to 55% today.

In particular, the latter phenomenon will entail a significant increase in the quantity of energy consumed, which will go from 23 to 33 kTWh. An overall increase of 43% worldwide by 2040. And there is more. As the pandemic has shown, there has been a strong demand from cities for digitalization, cabling and a series of additional services linked, in particular, to the themes of safety. This is all without overlooking the problem of urban mobility.

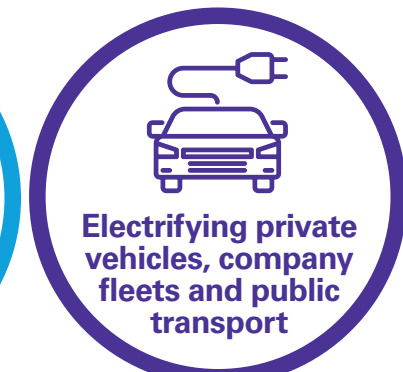
// **Enel wants to contribute to the development of a sustainable urban vision for the future, collaborating with global partners to integrate electrification, smart digital technologies and efficient buildings and infrastructure** //

Francesco Starace,
"Net Zero Carbon Cities" WEF Report, January 2021

To accelerate the transition toward zero-emission cities, priorities have been identified which can guarantee **systemic efficiency**, a supply mechanism to include clean electrification, smart digital technology, and efficient buildings and infrastructure, as well as a circular economy strategy in managing water, waste and materials (Systemic Efficiency).



Improving energy productivity



Electrifying private vehicles, company fleets and public transport



Driving the electrification of consumption



Optimizing demand to satisfy the offer curve

B2G Customers

SUSTAINABLE
CITIES

A very important segment is that called B2G (Business to Government): we are talking of governments and local authorities, which feel an increasingly pressing need to make the urban centers they manage more sustainable, especially large cities and metropolitan areas.

We want to become their trusted partner to help them make **cities** more **decarbonized**, offering a portfolio of services to enable them to become smart, circular, electrified and safe.

Electrification of transport will certainly be one of the essential levers we will rely on, together with mobility services. How? By enhancing the fleet of **electric buses** and the presence of charging **stations**.

In cities too, digitalization and platform-based models will be able to generate business opportunities, as in the case of City Analytics, without forgetting the enormous opportunities for those managing public lighting systems, a sector in which we are leaders with almost 3 million of lights installed.

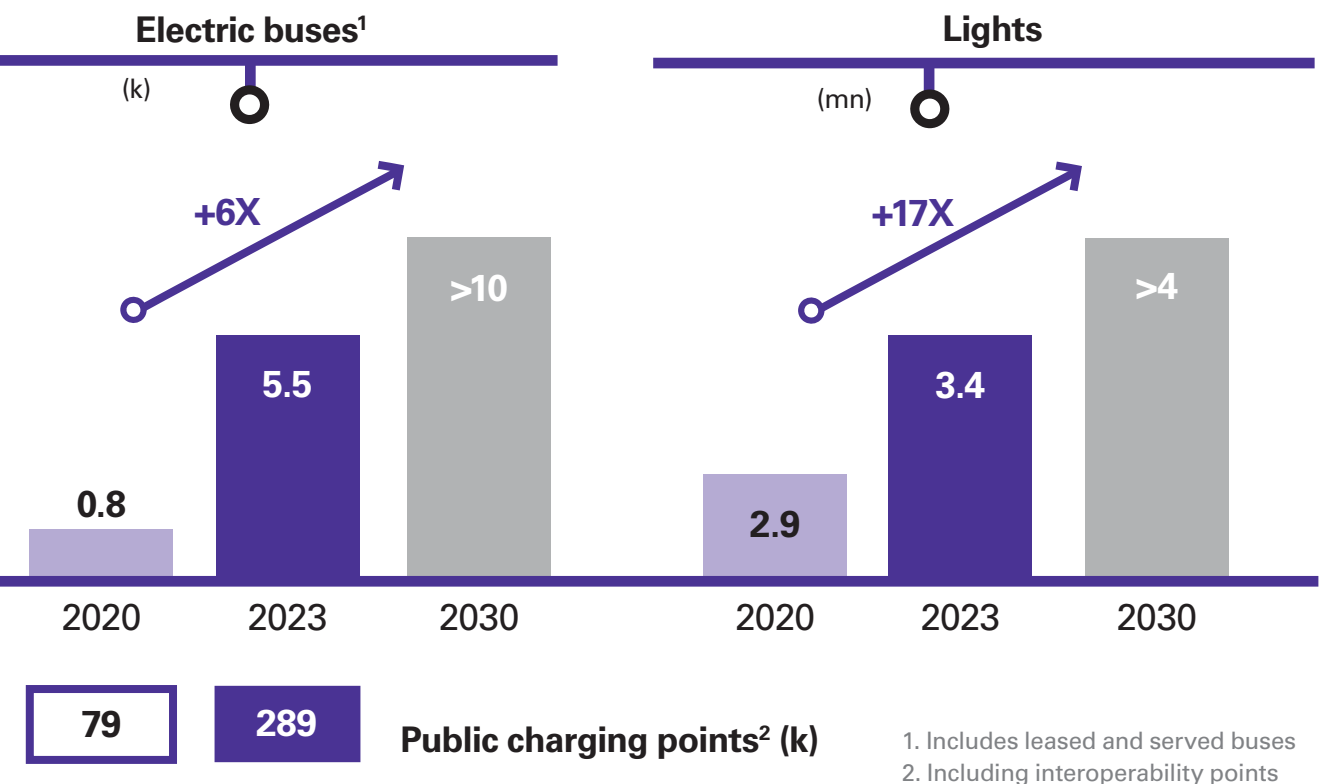
Trusted partner to support cities
in their decarbonization and sustainability

Strategic actions

Steep acceleration for electric buses with a six-fold increase in fleet deployed.

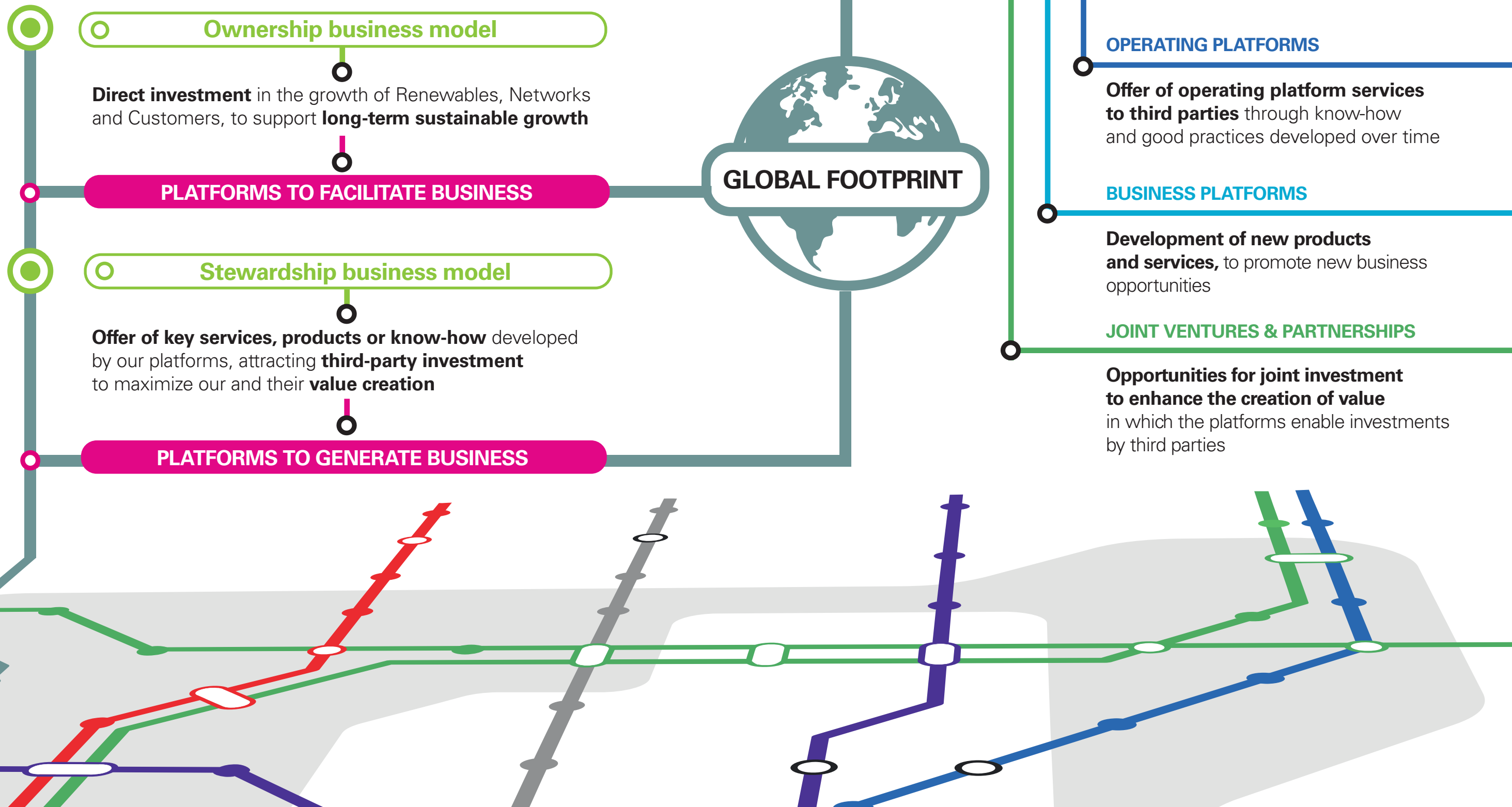
Stronger leadership on public lighting with double digit growth by 2023.

Foster sustainability of cities by adding over 200 thousand public charging points.



PLATFORM, DIGITAL FRONTIER OF BUSINESS

Digitalization and platforms
can open up new opportunities
for us to create value



40 WHAT IS MEANT BY A PLATFORM-BASED MODEL

Platformization LINE 3

The term platform often refers to a **business model** typical of digital companies which, very efficiently, manage to connect assets and services that they do not own. Examples? Booking, which does not own hotels, Uber which does not own cars or taxis, Skyscanner, and many others.

Instead, we talk of a “Platform operating model” when companies which are not digital-native try to make use of the benefits of the platform-based model to manage their activities, their assets. Exactly what Enel wants to do.

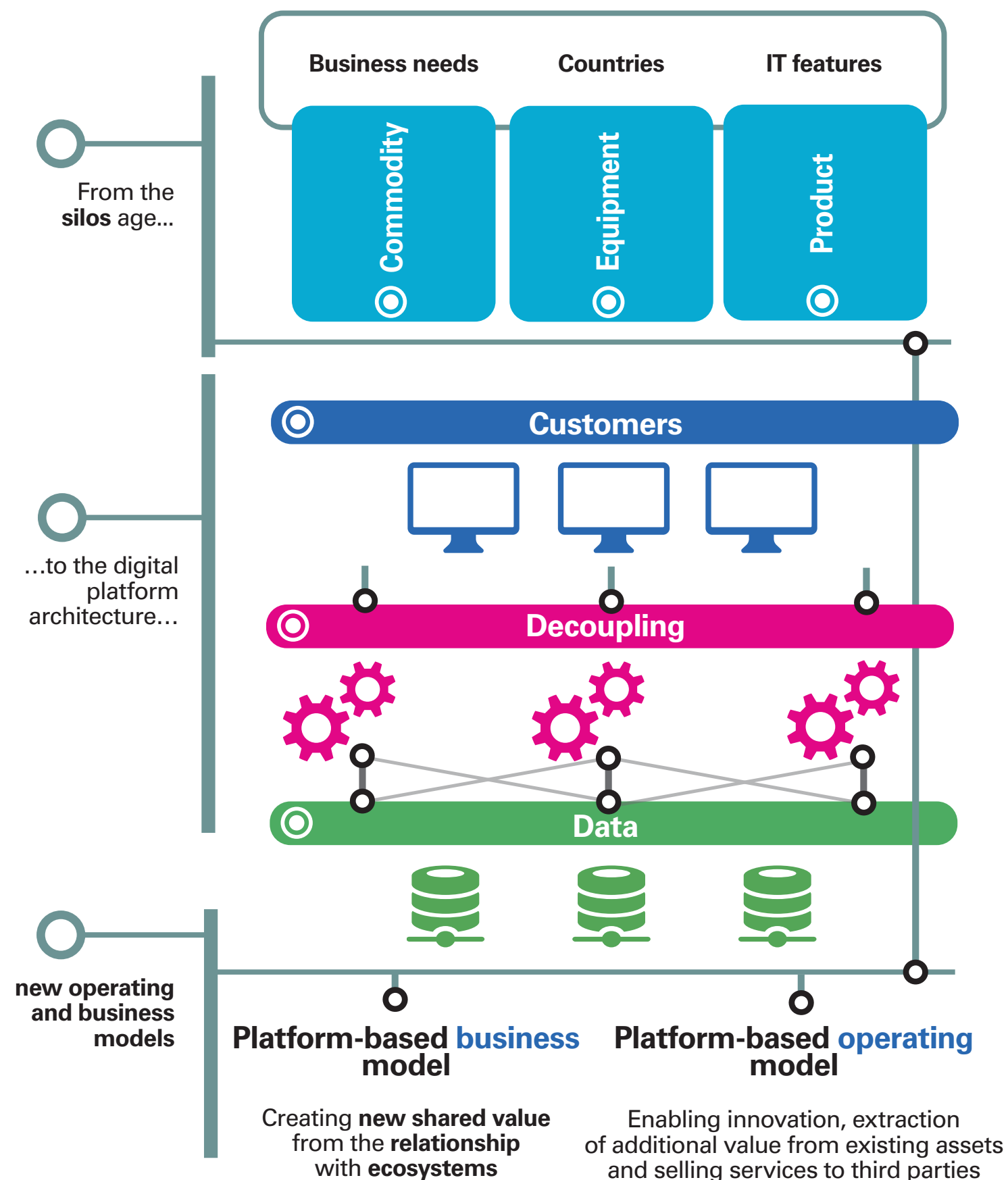
In both cases, it is essential to use a new way of setting up IT systems, i.e. to create a digital platform on which value does not reside in **owning resources but rather in managing data-driven ecosystems**.

Returning to the example of Booking, the value is generated not necessarily by owing hotels, but by facilitating a satisfactory transaction between the person looking for a room and those who can offer it – and taking advantage of this to also propose additional services.

It is digital technology which makes all this possible, enabling the ability to have available and process an enormous quantity of data, such as profiles, needs, experiences, transactions, feedback. An ecosystem where everyone contributes, thus creating a loop which increases the value of the ecosystem whenever a new participant joins. The more the amount of people, transactions and feedback increases, the more the value grows to the benefit of the business and users themselves.

For this dynamic to occur it is necessary that the traditional approach to silos and processes is replaced with a horizontal logic and “**decoupling**.”

What does this mean? That there is a desire to share or, if we can put it this way, to make available the data needed for the business and the products which are gradually created. And so decoupling, i.e. removing parts of services from individual processes – which often generate complex customized solutions that are hard to modify and recycle – to be able to reuse them in other processes after modifying them as needed. This kind of “pooling” is done through platforms, the advantages of using which are seen in a reduced time-to-market and in the ability to respond effectively and promptly to the requests of business and users themselves.





THE STRATEGIC ASSET

Increasingly **digital, smart, flexible** and **resilient** Networks that can limit the consequences of climate change and at the same time maintain high service quality.

Distribution Networks are increasingly a crossroads for the transition, where the growth in both renewables and electrification meets.

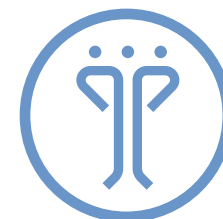
The Networks must therefore be able to carry a growing and increasingly preponderant quantity of renewable energy.

At the same time, the Networks must serve end users, i.e. be capable of guaranteeing that level of quality which is essential to facilitate greater electrification in consumption, without disruption and with complete reliability.

// It is the recognition of the value of the Network itself as a strategic asset in the energy transition: digital, resilient, with platform-based operating models to facilitate decarbonization, electrification, without forgetting its contribution in creating value //

Antonio Cammisecra
Head of Global Infrastructure & Network

Renewable capacity to be connected to Networks will increase from **33 to 56% by 2040**



LINE 2

Electrification

LINE 1

Renewables

THE “CONNECTIVE TISSUE” OF A MODERN SOCIETY

If Networks are the strategic asset in the energy transition, Enel must be extremely ambitious, with the goal to 2030 of strengthening its leadership position in terms of their size, quality and resilience.

Therefore, we should really invest heavily and intelligently in our Networks to make them more widespread, more solid, more resistant and closer to Customer needs.

Of the total 160 billion euro envisaged in the Plan, fully **60 billion** is for **Networks**.

Investments will let us increase our Customer base which we expect to move from the current 74 million to around **90 million**. And there is more. Investments are essential to allow the growth of the energy which transits on them, in order to guarantee the increase in the percentage of incoming renewables, to facilitate the growth of players who actively participate in the Network. But above all to improve the quality of the service for our Customers.

The particular feature of our Plan is to target a model which does not see the growth in investments correspond to an increase in the cost for end users.

Digitalization, evolution of the Network and of the way in which we manage it, targeted investments; these are the levers which will let us succeed in the enterprise.

Global leader in Networks for scale, quality and resiliency

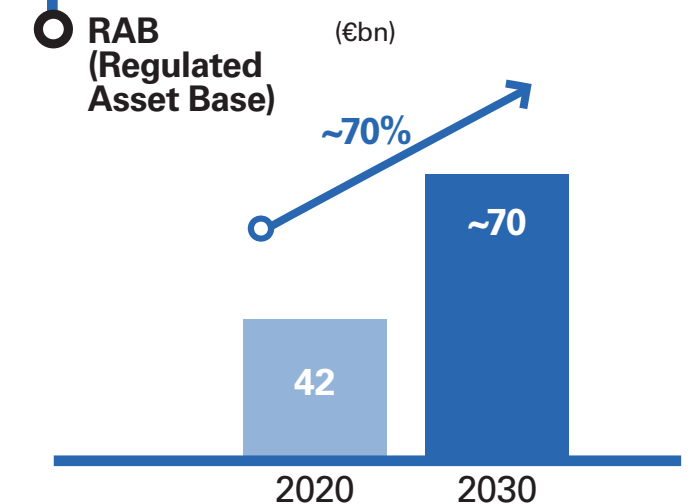
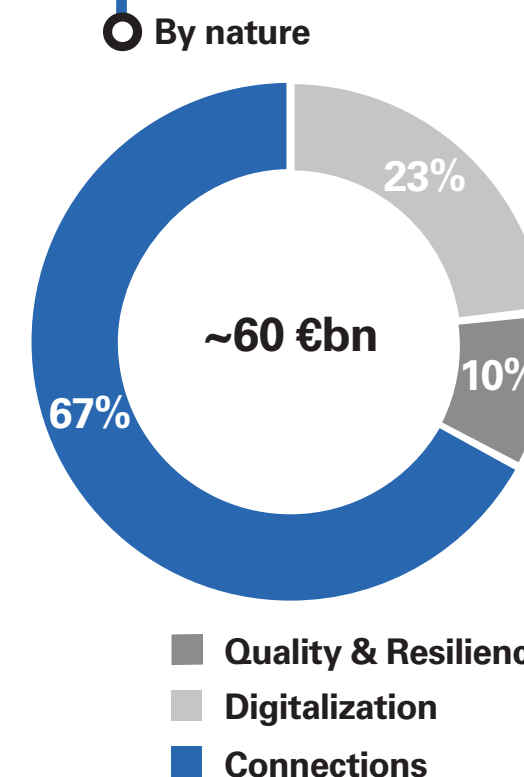
Strategic actions

Adoption of a platform operating model to guarantee management of future Network.

Ensure the highest level of quality at the lowest cost across all Networks.

Monetize critical know-how on non-proprietary assets.

Footprint expansion and leadership by number of end users.



RAB is the leading measurement to determine annual revenues, and therefore the income statement for numerous companies operating in sectors regulated as a monopoly. The RAB is calculated on the basis of the rules established by the companies providing services that are subject to regulation by the Regulatory Authority for Energy, Networks and Environment in order to determine the relevant revenues.

THE VALUE OF THE NETWORK FOR CUSTOMERS

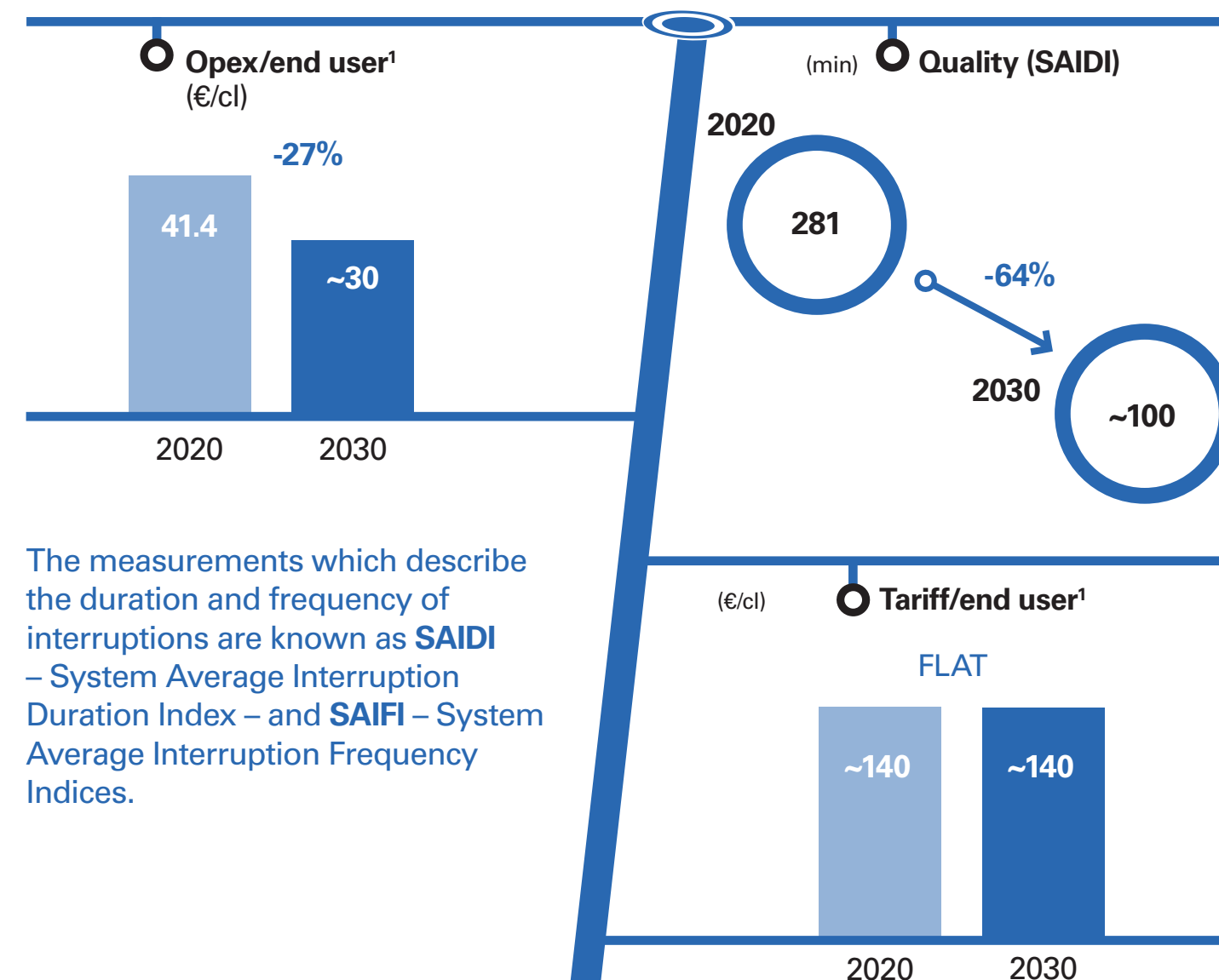
What are the elements by which Customers judge the value of our work? Simple: the quality of the service and cost. Our ambition to grow in Networks and with them to create value therefore relies on satisfying these two elements in customers' evaluation.

Our Networks have a **SAIDI** – the quality indicator which measures the average number of minutes supply is interrupted – of 281 minutes. This means that over the course of a year a customer of ours is without electricity on average for this length of time. Numerically it is not very much if we consider that there are just under 526 thousand minutes in a year. And yet, if today an interruption to electricity supply already creates considerable problems, in an increasingly electrified world, with heating, transport and other end uses based on electricity, the reliability of the Network will be decisive in allowing each domestic and industrial activity to proceed smoothly. Without forgetting the increasingly frequent extreme weather events which really test electric infrastructure.

But our ambition does not end here: we also want to ensure that the increase in our investments does not in its turn increase costs for customers. It is a difficult task, which can be successfully completed only by paying close attention to how we invest, to the digitalization of our Networks and to the adoption of platform-based models.

This final element, one of the key points of the **Grid Blue Sky** project, will be decisive in enabling, for example, the reduction in operating costs. To let customers in 2030 pay the same tariff as in 2020, it is necessary to reduce the cost of the service.

How we will invest in the Networks up to 2030 with the intent of improving the quality for the customer and the final cost



The measurements which describe the duration and frequency of interruptions are known as **SAIDI** – System Average Interruption Duration Index – and **SAIFI** – System Average Interruption Frequency Indices.

Sustainable Finance

SUSTAINABLE? PAY LESS INTEREST

The concept we have been consolidating in recent years is that whoever is sustainable must pay less money. So that sustainability creates more solid and reliable companies with a view to the future.

We have come a long way on sustainable finance from the first Sustainable-linked Bond which was our starting-point.

After us there has been some movement: the European Central Bank decided to buy these Bonds which have been defined as standard instruments.

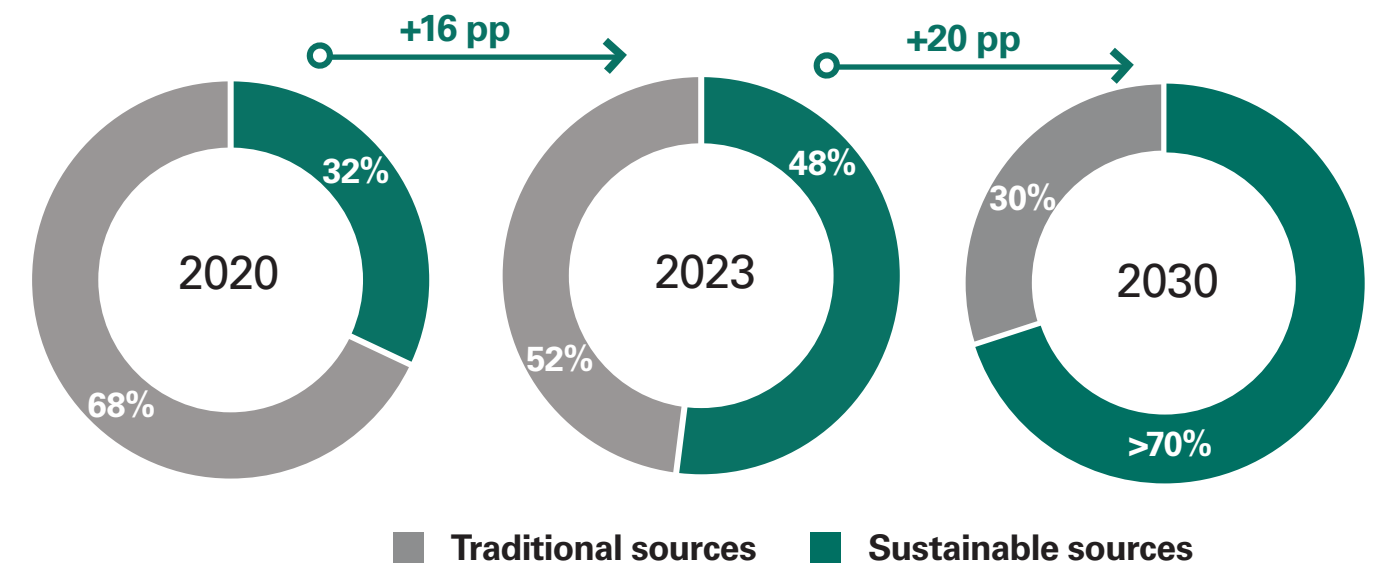
At this point, other companies too have followed us. Exactly what we wanted: to set an example, to innovate and to wait for the world to join us.

The **Sustainability-Linked Financing (SLF) Framework** launched last year provided global guidelines for the use of sustainable financial instruments. Currently, including **Sustainability-linked bond issues, green bonds and sustainable loans**, these loans represent around a third of the Group's total gross debt.

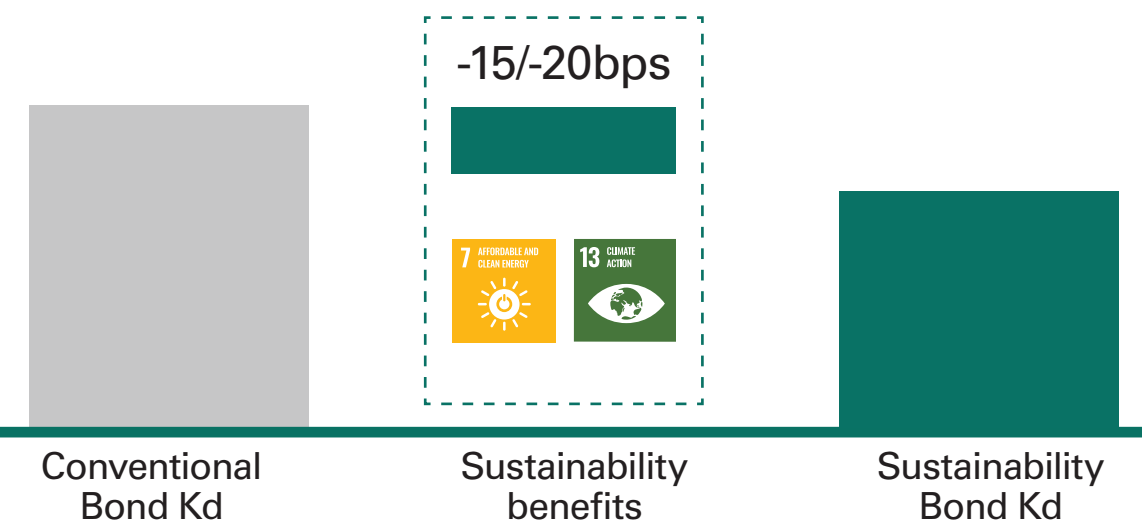
The goal is to move from percentages of financing using sustainable instruments of 32%, as was the case in 2020, to much higher percentages, over 70%, in 2030. The result? Having ever lower interest rates and so paying less for the cost of the money we use to support our growth.

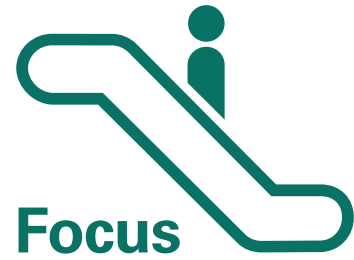
A growing share of sustainable finance

Sustainable finance evolution



Expected impact on cost of debt





Focus

CREDIBILITY AND “COPIABILITY”

Sustainable Finance

- Shared planning and results which bring benefits for the community are those values which make a company serious and reliable. In a word, credible. When an idea is considered as such, the tendency is often to replicate it, to offer it up again in other contexts. To copy it, in the positive sense of the word, not because there is no desire to try using your own resources, but because if a model is effective and resilient, it is because the market has recognized it as such. We have acquired credibility and we are broadly subject to being copied.

■ Credibility

- This pairing, credibility and copiability, is what is now being recognized with Enel, as a company in the front line in implementing short, medium and long-term programs which combine reliability, resilience, flexibility and environmental sustainability.

■ Copiability

52

BEING CREDIBLE? A VIRTUOUS CIRCLE

Credibility

Various rating agencies recognize our coherence, that we “walk the talk”

2020 MILESTONES



Included in
Climate “A” List

JAN 2020



Listed in the
Global 100
for first time

JAN 2020



Listed in **MSCI ESG Leaders** for first time

JUNE 2020



Industry leader
in **2020 FTSE ESG Rating**

JUNE 2020



All industries leader in
VIGEO-EIRIS

NOV 2020



Industry leader
in **DJSI World**
and **DJSI Europe**

NOV 2020



Confirmed in **Climate “A” List** once again

DEC 2020

2020 ESG INDICES & RANKINGS



NEW



NEW



NEW



NEW



NEW



Over recent years we have put a lot of emphasis on the fact of being included in sustainability indices, in climbing the tables and in being appreciated by various sustainability rating agencies.

We have worked to make our efforts and our results increasingly measurable, comparing with others, and offering them to investors.

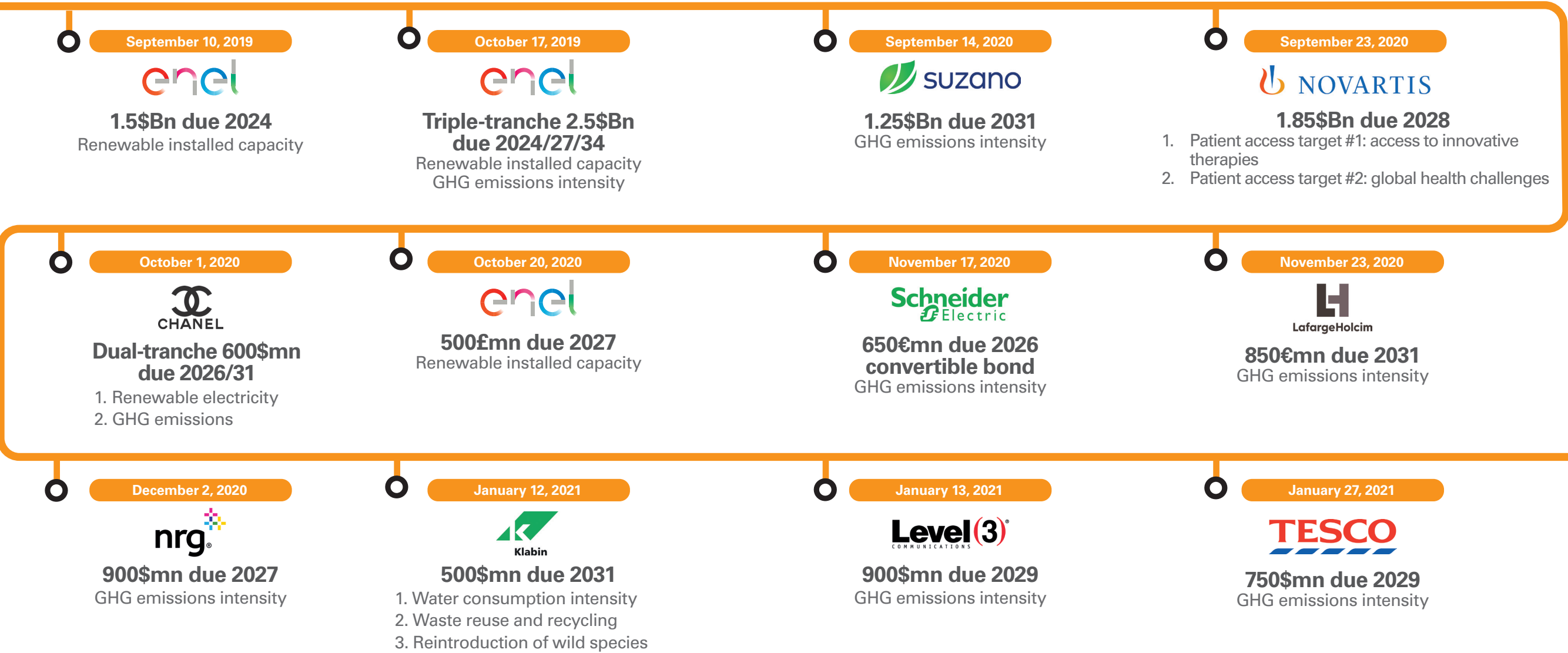
The strategy and action we propose in order to create value through the single path of full sustainability are increasingly credible and recognized, above all if we look at the growing consideration and appreciation on the part of new interlocutors. The positive judgment generates a virtuous circle which attracts investors who are increasingly looking to focus on sustainable companies, consequently increasing their visibility and value.

53

MANY FOLLOW US

Copiability

New Sustainability-Linked Bonds issued by other players



For this virtuous circle to take off, it is essential not to be alone, it is important – even if it seems a contradiction in a competitive world such as that of business – to be copied, to ensure that others take the same steps as us.

And in fact, from when we were alone in proposing financial instruments linked to the SDGs, the world has started to understand, other companies have copied us, have taken a leaf out of our book. Exactly what we wanted: to innovate, to prepare the ground and to wait for them to act, in order to make our choices even more decisive because they were part of a movement with a larger critical mass than ours and so capable of making things happen, of accelerating the sense of awareness and the change.

AT THE FINISH-LINE THE VALUE IS MULTIPLIED FOR EVERYONE

We've reached the end of this journey, which starts from the solid bases created over the years, which defines our ambitions, who we want to be from now to 2030, and which recounts how we want to do it.

Aware of how far we have come, we live and operate in a context in which citizens, customers, communities, and administrations are an integral part of this process.

Increasing renewable capacity, facilitating increasing electrification of energy consumption, guaranteeing ever smarter, more flexible and more resilient architecture, are the **three priorities** which will lead us, in our intentions, to have a more decarbonized environment, accessible and clean energy, sustainable cities, low-impact transport, customers who can use an increasingly modern and efficient service, with a positive customer experience, and also savings on their overall energy bills.

One of the keywords of this plan is “**creating value for everyone.**” So yes, going beyond the traditional models where a company's purpose is essentially to create value for itself which is shared with its shareholders.

We instead underpin our strategy with a concept, i.e. that sustainability is value. Ours is a choice for a sustainable business, which can create value for everyone; a value which must be clear, measured and above all integrated into the plan, not a simple consequence of it.

So, a strategy, – and its practical implementation thanks to each person working in Enel – which creates value for our Company of course and for our shareholders, otherwise we would be a philanthropic organization, and at the same time also for customers, for society and for the environment.

Always remembering that we produce and provide an asset which is essential and vital for development. And we want to do it well.



SUSTAINABILITY CREATES VALUE FOR EVERYONE.

SOCIETY

ENVIRONMENT

CUSTOMERS

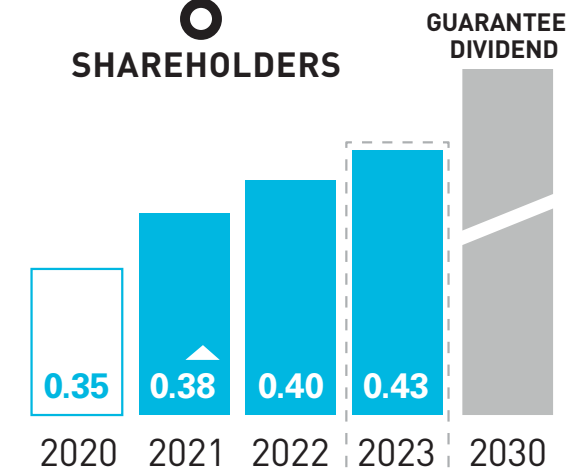
CAGR¹₂₀
> 7%

SHAREHOLDERS

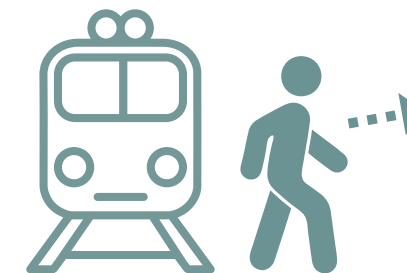
GUARANTEED
DIVIDEND

1. Compound Average Growth Rate; the annual compound growth rate is the average percentage growth of an item over a time period. It is commonly used to calculate the average return on an investment in a set time period.

EPS CAGR 2020-23 + Average 3Y DY in the period
(Share price @ 8.2€/share)



GROWING DIVIDENDS TO 2030



Decarbonization

Electrification

Platformization

Customers

THE ADVANTAGES OF DECARBONIZATION

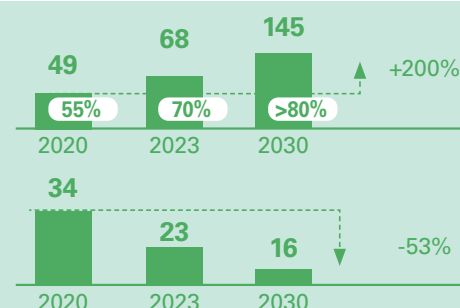
The value we generate with the growth of renewables and the phase-out of coal

DECARBONIZATION BY ENEL

RENEWABLE CAPACITY

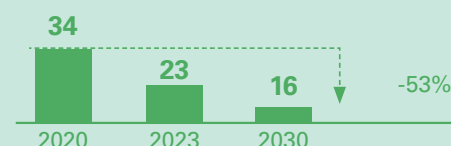
GW

% RES CAPACITY ON TOTAL CAPACITY



THERMAL PROD/TOTAL PROD

%



GREEN HYDROGEN BUILT CAPACITY

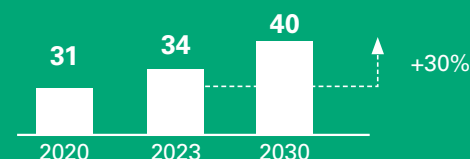
GW



VALUE FOR ENEL

EBITDA/MWh¹

€/MWh



COMMODITY SAVINGS

barrels of saved oil equivalent

11 €Bn

from 2020

VALUE FOR CUSTOMERS

WHOLESALE POWER PRICE REDUCTION (REFERENCE ITALY AND IBERIA)

Real €2019

~ 15%

2030 vs 2019

VALUE FOR SOCIETY/ENVIRONMENT

SCOPE 1 GHG EMISSION REDUCTION

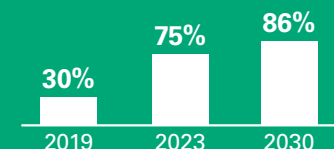
gCO₂/kWh

~ 80%

from 2017

IMPROVEMENT IN CIRCULARITY IN ENEL PRODUCTION²

Wind, CCGT and coal



GDP CREATED FROM ENEL'S RES INVESTMENTS

World based

>100 €Bn

FOSSIL FUEL SAVINGS

Million barrels

> 200 mn barrels of saved oil equivalent

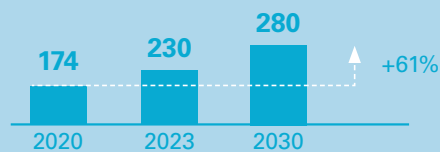
from 2020

1. Includes renewables and thermal generation
2. Reduction in consumption of materials and fuel by the Group's fleet over the whole life cycle compared to 2015

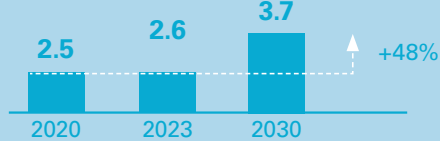
THE ADVANTAGES OF ELECTRIFICATION

ELECTRIFICATION BY ENEL

FREE CUSTOMER VOLUMES TWh



B2C CONSUMPTION (EUROPE) MWh/year

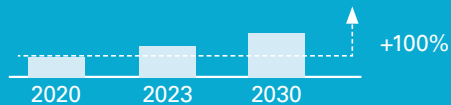


CHARGING POINTS¹ k

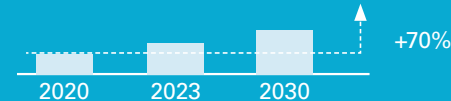


VALUE FOR ENEL

CUSTOMER VALUE B2B² (EUROPE) €/customer/year



CUSTOMER VALUE B2C² (EUROPE) €/customer/year



The value we generate with greater electrification of energy consumption

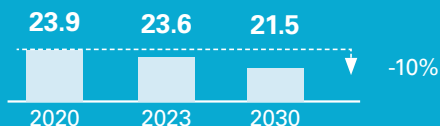
VALUE FOR CUSTOMERS

SAVINGS ON HOUSEHOLD SPENDING AND ENERGY IN THE EU IN 2030 VS 2019 Real €2019

-25% (~ 600 €) and -26%

VALUE FOR SOCIETY/ENVIRONMENT

ENEL SCOPE 3 EMISSIONS MtCO₂



HOUSEHOLD CO₂ SAVINGS IN THE EU 2030 VS 2019 %

-40%

GDP CREATED FROM DISTRIBUTION AND ENEL X INVESTMENTS World based

>140 €Bn

1. Public, private, includes interoperability points
2. Gross margin by customer in Europe

THE ADVANTAGES OF DIGITALIZATION AND PLATFORMS

PLATFORMIZATION BY ENEL

END USERS
Millions

74 2020 77 2023 >90 2030

SMART METERS INSTALLED
Millions

46 2020 49 2023 >90 2030 +100%

DIGITAL CUSTOMERS (APP USERS)
Millions

17 2020 27 2023 45 2030 +165%

DEMAND RESPONSE
GW

6 2020 20 2030

VALUE FOR ENEL

OPEX/END USERS¹
€/customer

41 2020 30 2030

OPEX/CUSTOMER¹
€/customer

23 2020 14 2030

OPEX/MW¹
€/MW

33 2020 19 2030

EBITDA PLATFORM BUSINESSES CUMULATED 21-30²
Billion €

>17

The value we generate by adopting platform-based models

VALUE FOR CUSTOMERS

BENEFITS FROM FLEXIBILITY (DEMAND RESPONSE)³
Million €

>800

SAIDI
Minutes

281 2020 230 2023 100 2030

VALUE FOR SOCIETY/ENVIRONMENT

CLOUD PLATFORMIZATION CO₂ EMISSIONS REDUCTION⁴
%

-85%

THIRD PARTIES CAPEX CUMULATED 21-30
Billion €

~30

RES CAPACITY BY PLATFORM STEWARDSHIP CUMULATED 21-30
GW

~25

1. Real terms
2. Includes share of income from joint ventures and capital gains
3. Calculated on the basis of contracts running up to 2024
4. Average reduction in regard to IT activities thanks to move from data center to cloud



EVERY LEG OF THIS JOURNEY
IS POSSIBLE ONLY THANKS TO ALL OF US.

Decarbonization

Electrification

Platformization



PUBLISHING AND ART DIRECTION
Changee

TEXT REVISION
postScriptum di Paola Urbani

TYPOGRAPHY
Primaprint srl - Viterbo
www.primaprint.it





emagazine.enel.com

Open Power
for a brighter future.
We empower
sustainable progress.

An abstract graphic design featuring a network of horizontal and diagonal lines in blue, orange, and green. Several black circles and small squares are placed along these lines, creating a circuit-like or map-like appearance. The lines vary in thickness and color, with some being solid and others dashed or dotted. The overall composition is dynamic and modern, suggesting a theme of technology, energy, or infrastructure.

enel