



PRESS RELEASE

Media Relations

T +39 06 8305 5699
ufficiostampa@enel.com

enel.com

Investor Relations

T +39 06 8305 7975
investor.relations@enel.com

enel.com

ENEL GROUP ACCELERATES CLOSURE OF ITS LAST COAL-FIRED PLANT IN CHILE

- *In line with its decarbonization strategy, Enel Group plans to disconnect Bocamina plant's Unit I by December 31st, 2020 and Unit II by May 31st, 2022, while at the same time, through Enel Green Power Chile, it is planning to complete 2 GW of renewable capacity in the country*

Rome-Santiago de Chile, May 28th, 2020 – Enel S.p.A. (“Enel”) announces that its Chilean subsidiaries Enel Chile S.A. (“Enel Chile”) and Enel Generación Chile S.A. (“Enel Generación Chile”) have informed the market that their Boards of Directors have decided to accelerate the closure of Bocamina coal-fired power plant, located in Coronel. Specifically, Enel Generación Chile will request Chile’s National Energy Commission (CNE) to authorize the cessation of operations of the above plant’s Units Bocamina I (128 MW) and Bocamina II (350 MW) to take place by December 31st, 2020 and by May 31st, 2022, respectively. The closure, which is subject to the above authorization, has been accelerated compared to what was projected by Enel Generación Chile in the country’s National Decarbonization Plan signed with the Chilean Ministry of Energy on June 4th, 2019, which provided for the closure of Bocamina I by the end of 2023 and the closure of Bocamina II in 2040 at the latest.

Antonio Cammisecra, Head of Global Power Generation at Enel, stated: *“We will be the first power company in Chile to fully exit the coal sector, while continuing to safely build renewable capacity, with concrete benefits from an environmental, economic and social standpoint. This is fully in line with our Group’s decarbonization strategy. Our approach addresses our people, and specifically those colleagues working in coal facilities and coal technology, who are given opportunities to retrain on other technologies within the Group.”*

Maurizio Bezzeccheri, Head of Latin America at Enel, said: *“Our Group strategy is fully reflected in Latin America, where we are building renewable capacity to decarbonize the existing fleet alongside meeting the increasing needs of large commercial and industrial customers. Looking ahead, we will continue to leverage on our renewable generation fleet, coupled with our presence in the distribution sector of Latin American megacities and our footprint in the advanced energy solutions business, to foster proper sustainable development in the region.”*

The net book value of the two Bocamina Units amounts to approximately 790 million euros at the Enel Group level, including the related dismantling costs. The decisions of Enel Chile and Enel Generación Chile’s Boards of Directors could entail the recognition of an impairment on the assets involved in an amount of up to the net book value reported above. The associated financial impact will be reported in the half-year financial report of Enel Group at June 30th, 2020.



Any impairment stemming from the expected interruption of generation by the two Bocamina Units would not in any case affect Enel's dividend policy, which is based on a pay-out proportionate to the Group's net ordinary income that would not be impacted by such impairment.

The above initiative is in line with the Enel Group's goal to fully decarbonize its generation mix by 2050. Towards this aim, the Group is working towards complete coal phase-out by 2030; in addition, the Enel Group is increasing its managed renewable capacity to 60 GW by 2022, from the current 46 GW.

As part of its decarbonization commitment in Chile, the Enel Group is also planning to complete, through Enel Green Power Chile, around 2 GW of renewable capacity in the country by 2022, half of which is already under construction, including, among others: (i) Azabache (60.9 MW), a solar plant hybridized with Valle de los Vientos wind farm (90 MW), making the first hybrid industrial power generation plant in the country; (ii) the solar project Campos del Sol (382 MW); and (iii) the 33 MW expansion of 48 MW Cerro Pabellón, the only geothermal plant in operation in South America. In Chile, the Enel Group has already closed the 158 MW coal-fired unit at Tarapacá power plant in December 2019. Similarly to Tarapacá, the Enel Group will implement the redeployment, within the Group, of Bocamina's workers, alongside assessing the reconversion of its facilities.

The Enel Group has committed to developing its business model in line with the objectives of the Paris Agreement, *i.e.* to limit the increase in global average temperature to less than 2°C above the pre-industrial levels and to do everything possible to limit such an increase to 1.5°C. On the road to full decarbonization of its generation mix by 2050, the Enel Group committed to a 70% reduction in its direct greenhouse gas emissions per kWh by 2030, from a 2017 base-year, certified by the Science Based Targets initiative (SBTi).

Enel in Chile is the largest power company by installed capacity with over 7,200 MW of which over 4,700 MW from renewable energy, namely over 3,500 MW from hydro, more than 600 MW from wind, about 500 MW from solar and approx. 40 MW from geothermal. The Group also operates in the distribution sector through Enel Distribución Chile, which serves around 2 million customers, as well as in the advanced energy solutions business through Enel X Chile.

In **Latin America**, Enel is present in Argentina, Brazil, Chile, Colombia, Costa Rica, Guatemala, Panama and Peru, where it operates around 21.4 GW, of which over 13.8 GW from renewables. In the distribution sector, the Group manages over 628,000 km of lines, bringing 34.3 TWh of electricity to 27.4 million customers, including those located in the megacities of Bogota, Buenos Aires, Lima, Rio de Janeiro, Santiago and Sao Paulo.

Enel is a multinational power company and a leading integrated player in the global power, gas and renewables markets. It is the largest European utility by ordinary EBITDA, and is present in over 30 countries worldwide, producing energy with over 88 GW of managed capacity. Enel distributes electricity through a network of over 2.2 million kilometers, and with around 74 million business and household end users globally, the Group has the largest customer base among its European peers. Enel's renewables arm Enel Green Power is the world's largest renewable private player, managing over 46 GW of wind, solar, geothermal and hydropower plants in Europe, the Americas, Africa, Asia and Oceania. Enel X, Enel's global advanced energy services business line, is the worldwide demand response leader, with a total capacity of more than 6 GW managed globally; the company has installed 110 MW of storage capacity as well as, in the electric mobility sector, around 80,000 public and private EV charging points around the globe.