



La forza della sostenibilità in Enel

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Volatility

Uncertainty

Complexity

Ambiguity



Turbulence

Uncertainty

Novelty

Ambiguity



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**What
is next?**

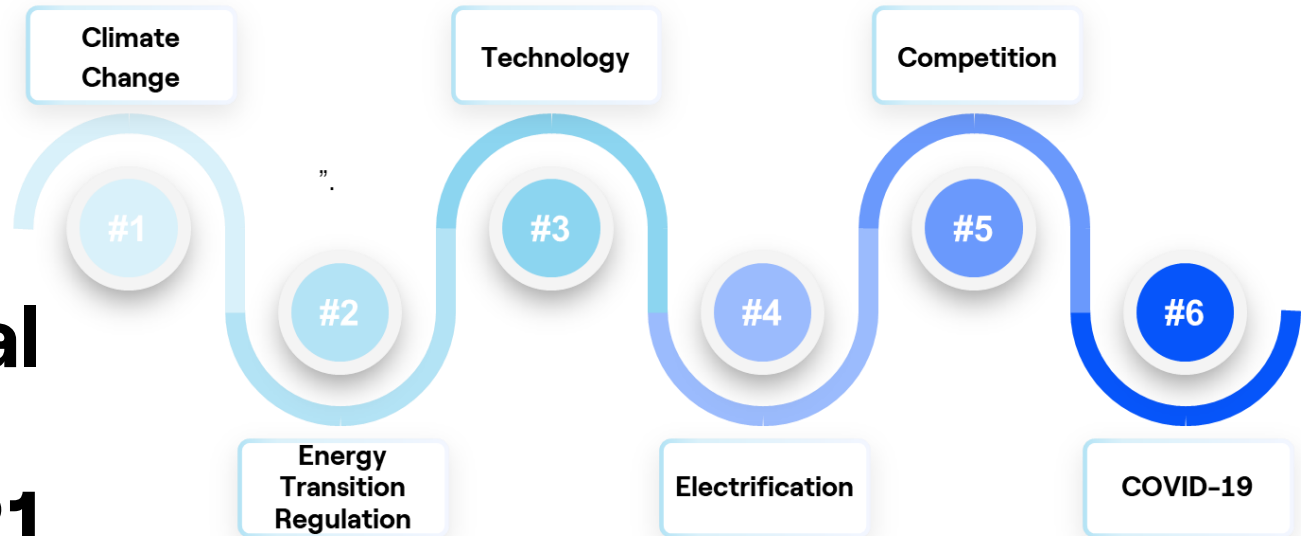
How do we perform in a world under such complex challenges ?

Companies must stay flexible to seize opportunities arising from disorderly and disruptive periods

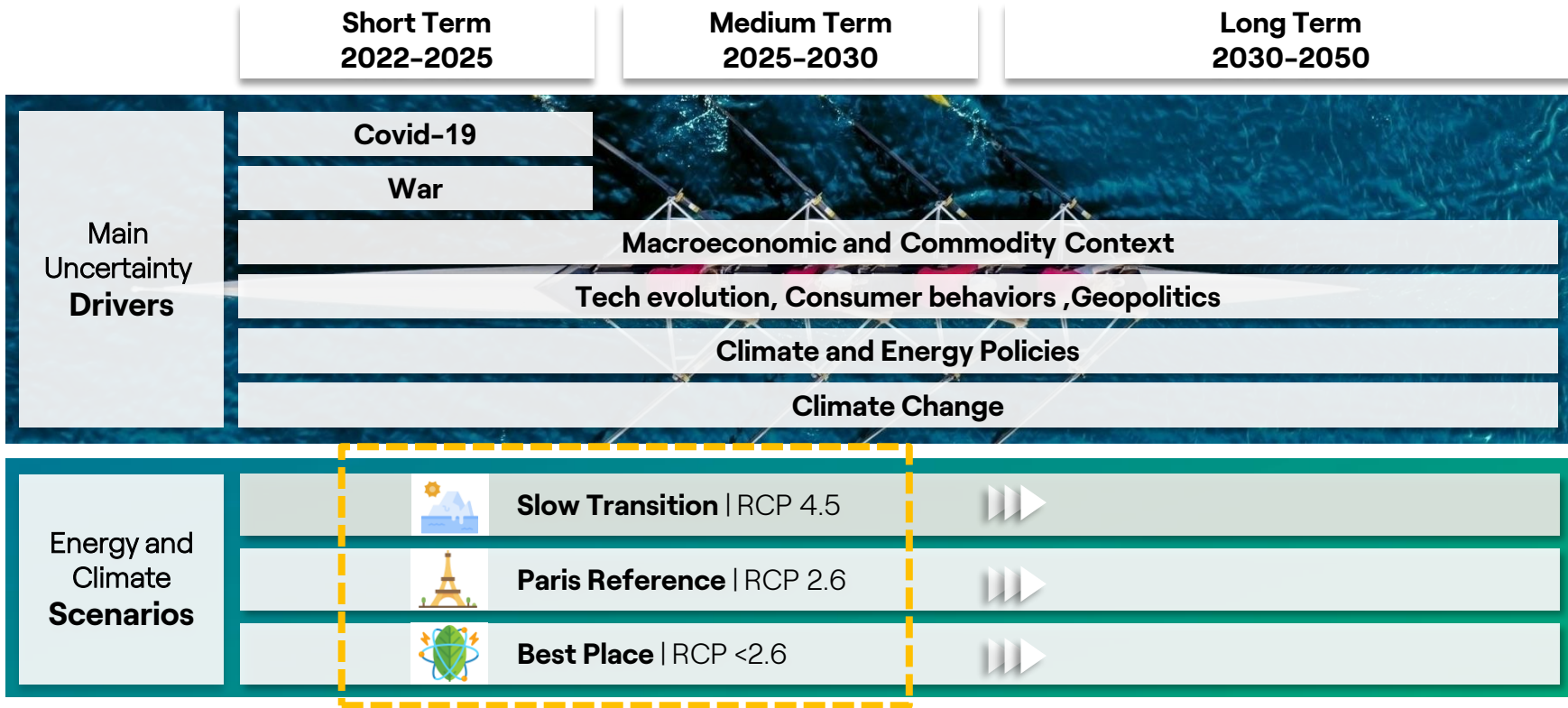


Enel's most relevant contextual elements in 2020-21

Signposts



Scenario frameworks must represent all the complexities from the context we are inserted, clarifying the way



Our priority is to accelerate the Energy Transition



**Keep things
steady in a
volatile world**



Make renewables at scale everywhere to foster clean electrification and reduce dependence on fossil fuels



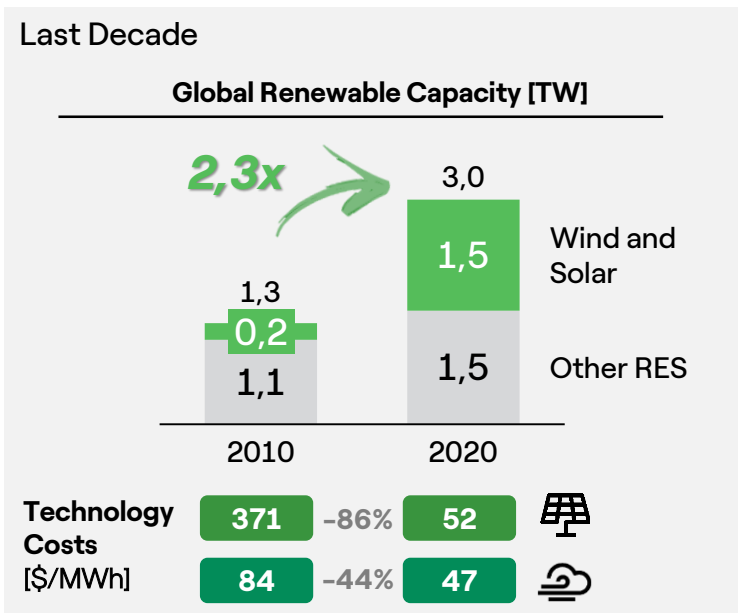
Invest in distribution grids that are key enabler of electrification



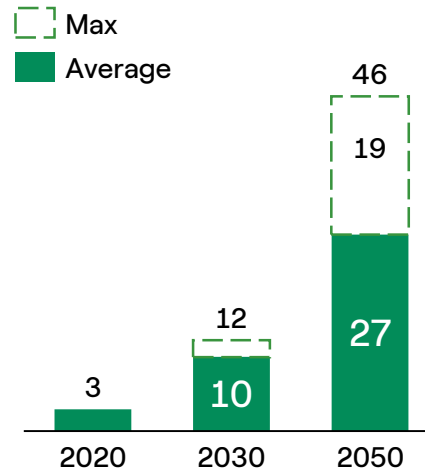
Increase awareness about electrification and the threats posed by climate change



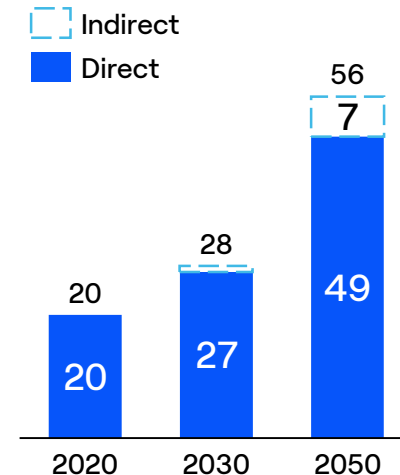
Electrification and renewables will continue to play a key role in creating a more resilient energy system



Global Renewable Capacity [TW]

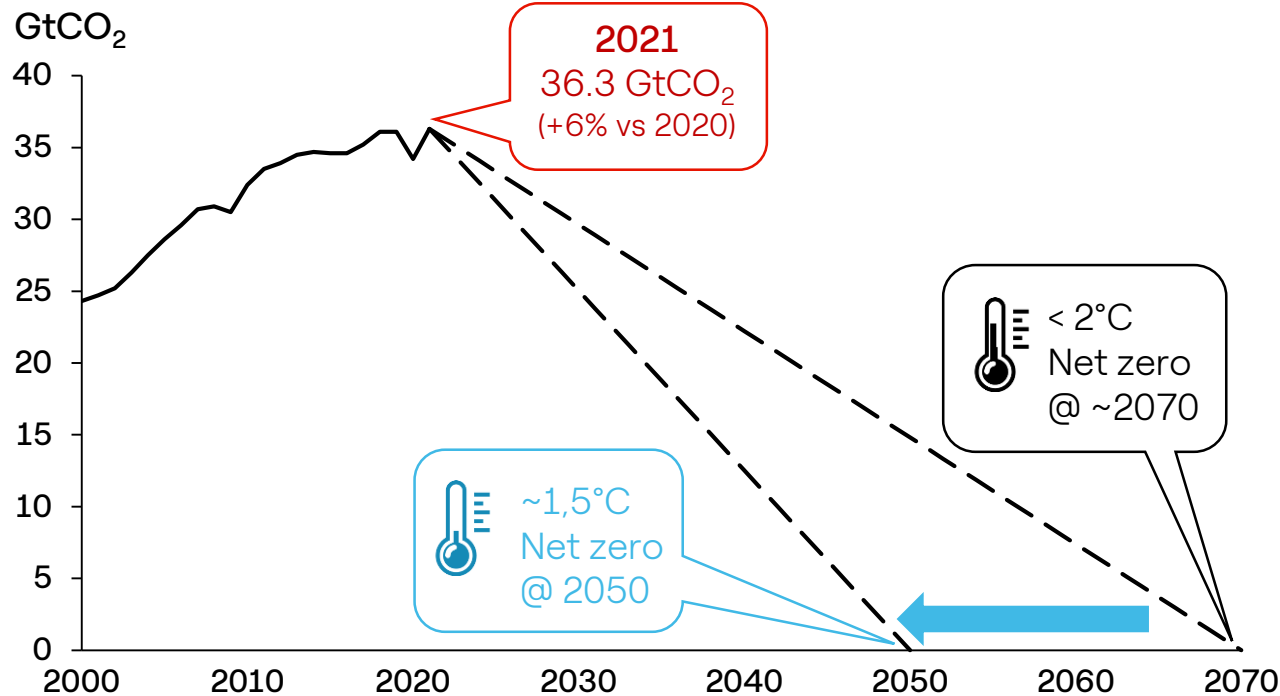


Electrification rate [%]





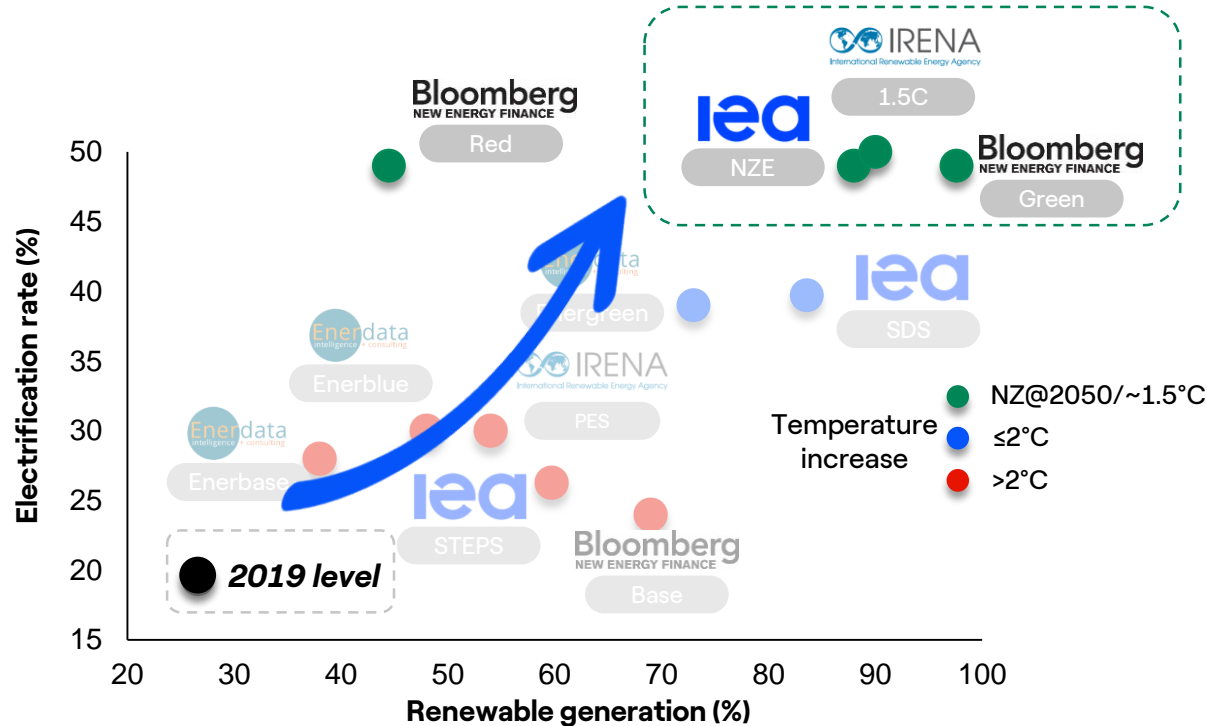
Efforts towards global **decarbonization** are fundamental and are reaching a critical point



- Scientific evidence requires an **acceleration in the decarbonization process**
- A quick paradigm shift is needed to pursue 1.5 ° C goals, **in line with Paris Agreement** ambitions



Most ambitious scenarios converge on **clean electrification** as most important trigger for decarbonization



At least a **50% rate of electrification** is needed by 2050 in order to **reach 1.5°C**

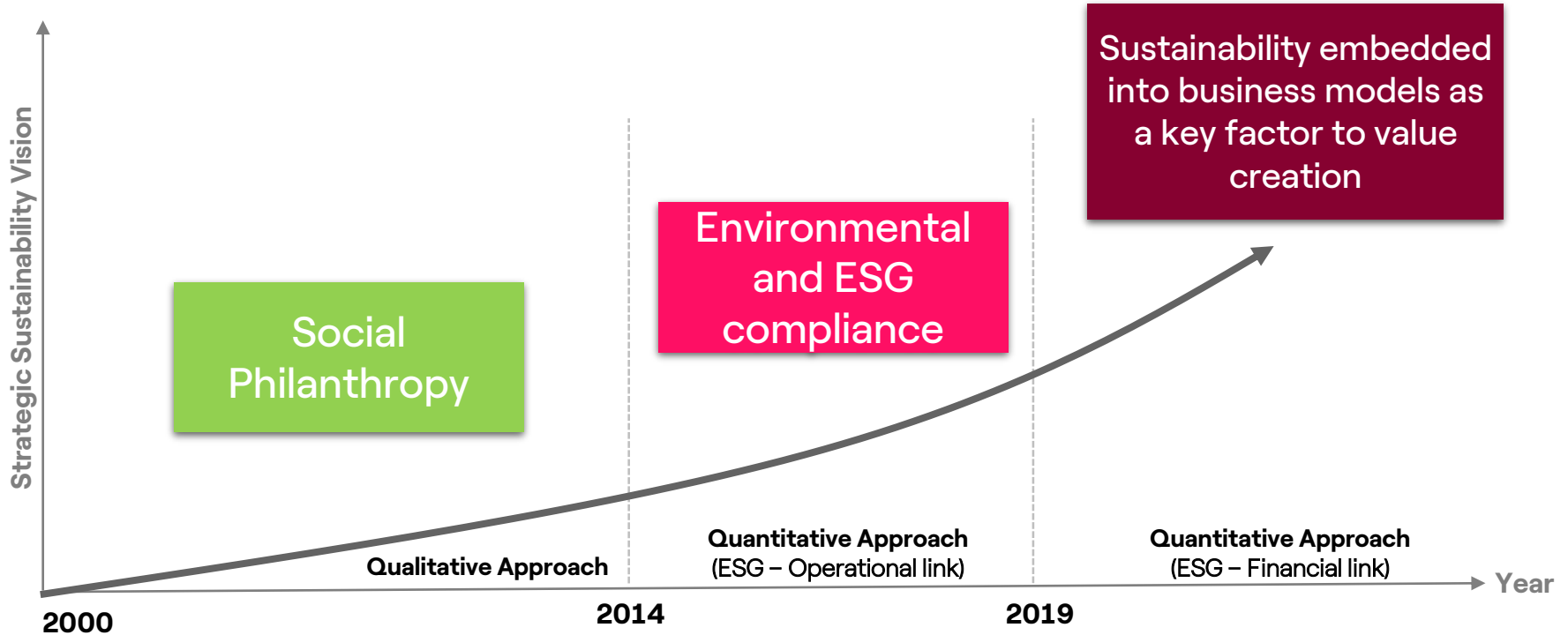


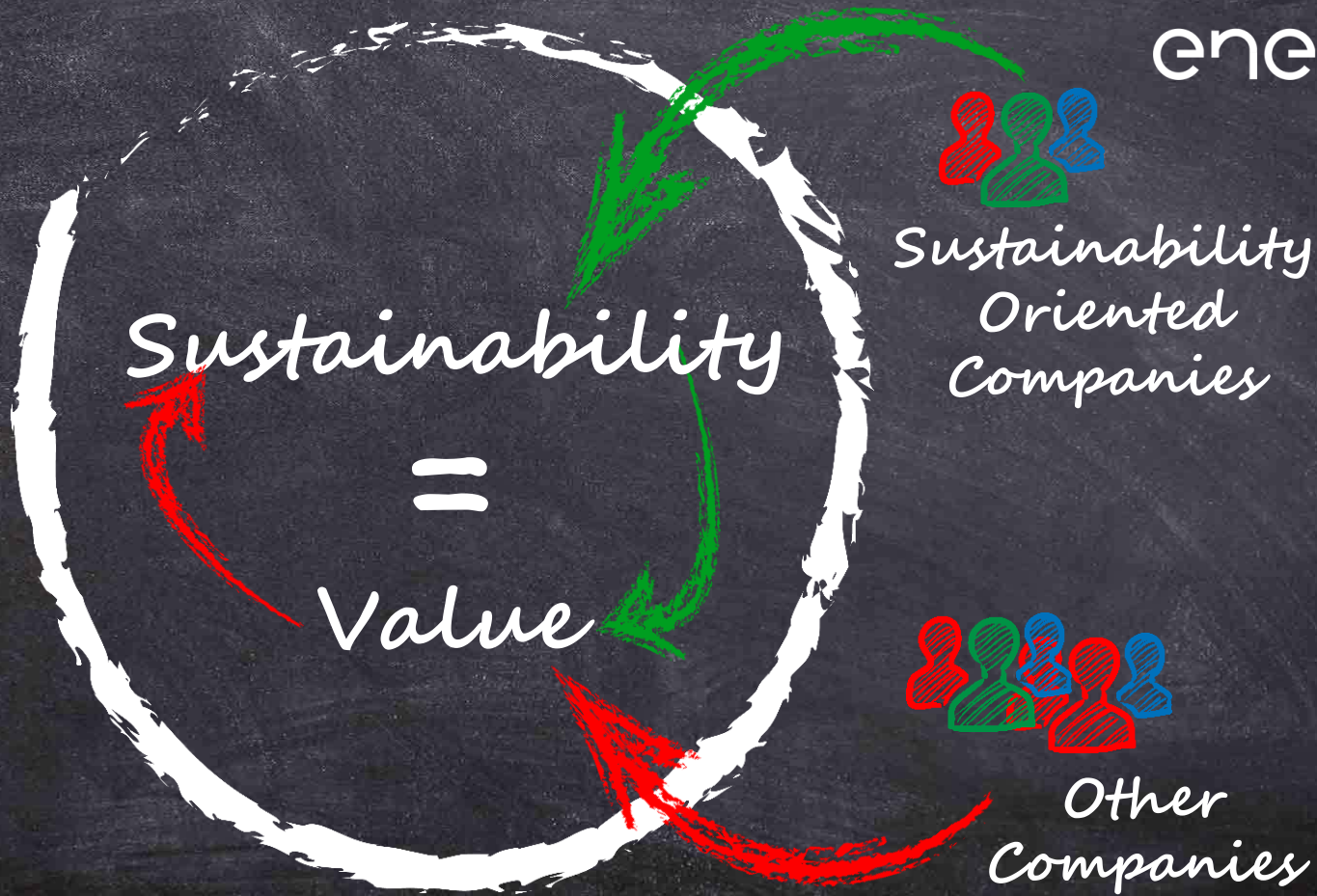


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**But what does
fully integrating
sustainability
means?**

Towards Sustainable Business





$$\text{Enterprise Value} = \sum_{i=1}^n \frac{FCF_i}{(1 + WACC)^i}$$

$$WACC = \left[(1 - t) k_d * \frac{D}{D+E} \right] + \left[\underbrace{\left(r_f + \beta * MRP \right)}_{k_e} * \frac{E}{D+E} \right]$$

FCF_i

Free Cash Flow

Growth

Highly predictable

Low volatility

K_d

Cost of debt

Sustainable Finance

Lower Interest Rates

β

Overall Risk

higher
Enterprise value

Lower Environmental risks

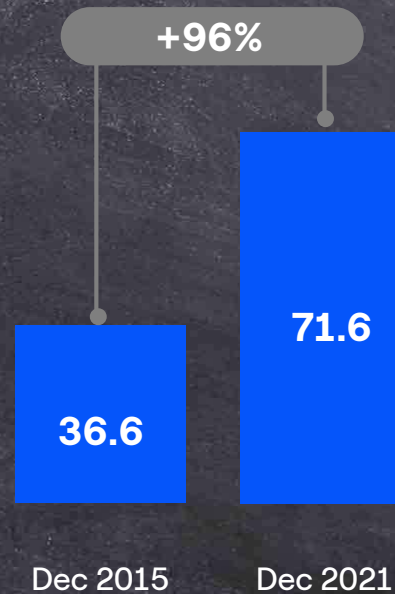
Avoid Social conflicts

The landing point is...

INTEGRATION
OF
SUSTAINABILITY
LEADS TO
HIGHER VALUE



Enel Market Capitalization evolution
(€bn)



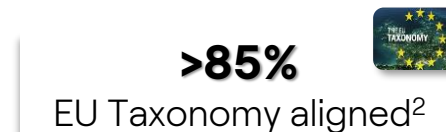
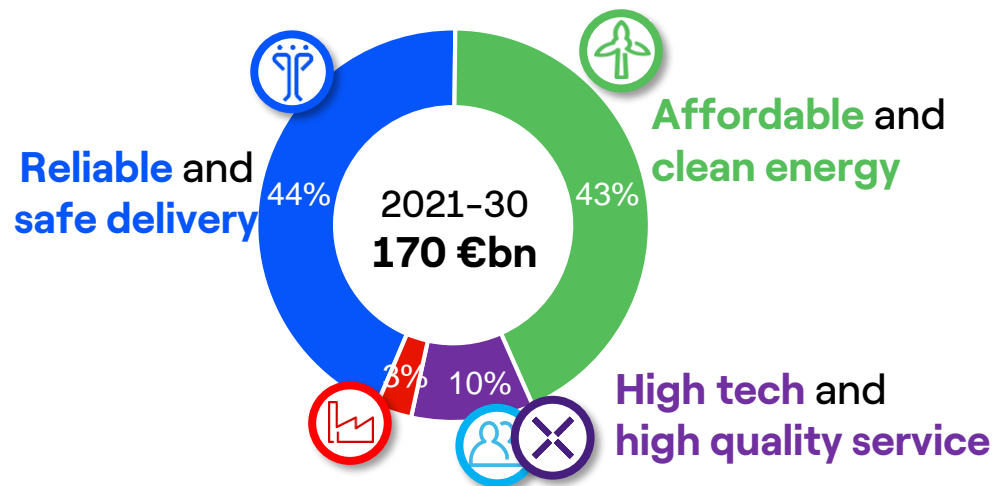
Enel's role and ambition

Enel Purpose

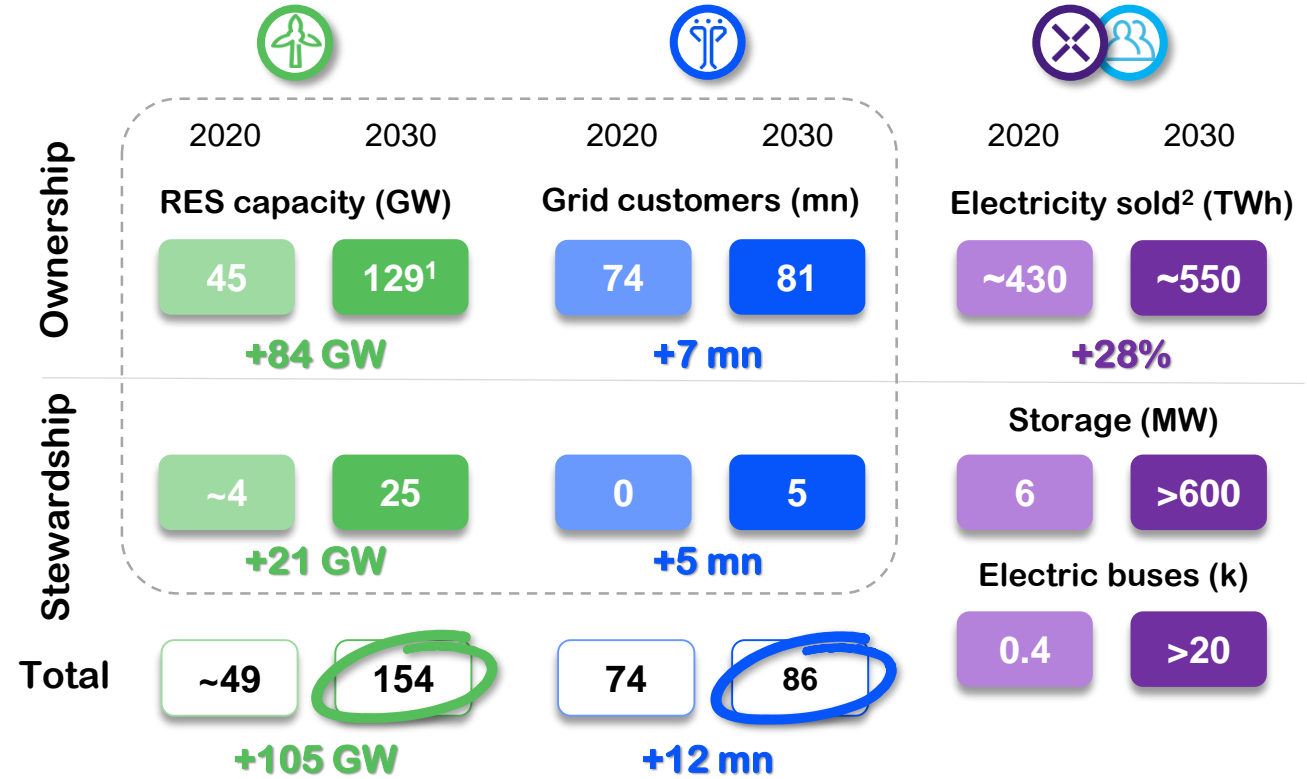


Open Power for a
brighter future:
We empower
sustainable
progress

Enel capex by business line and customers' needs

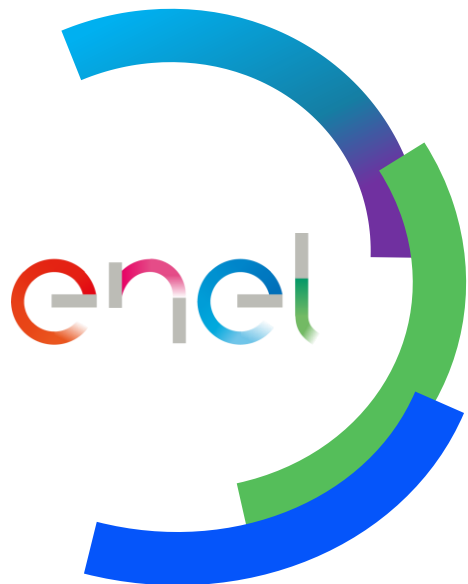


This approach will allow us to achieve sustainable business ambitions over the decade...

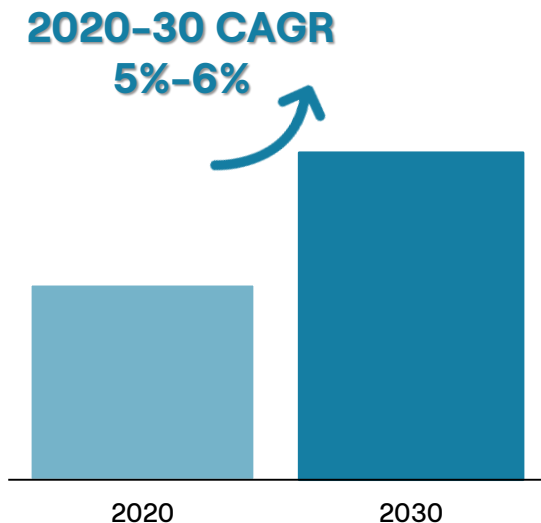


1. It includes RES capacity and BESS; 2. Power free + regulated + wholesales + PPAs

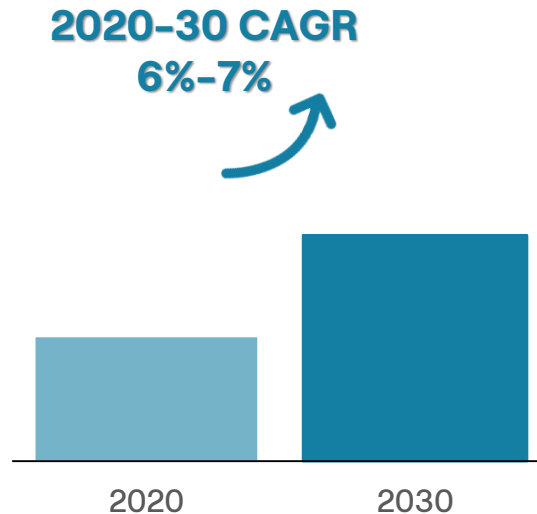
...and create value to Enel shareholders in the long term



EBITDA (€bn)



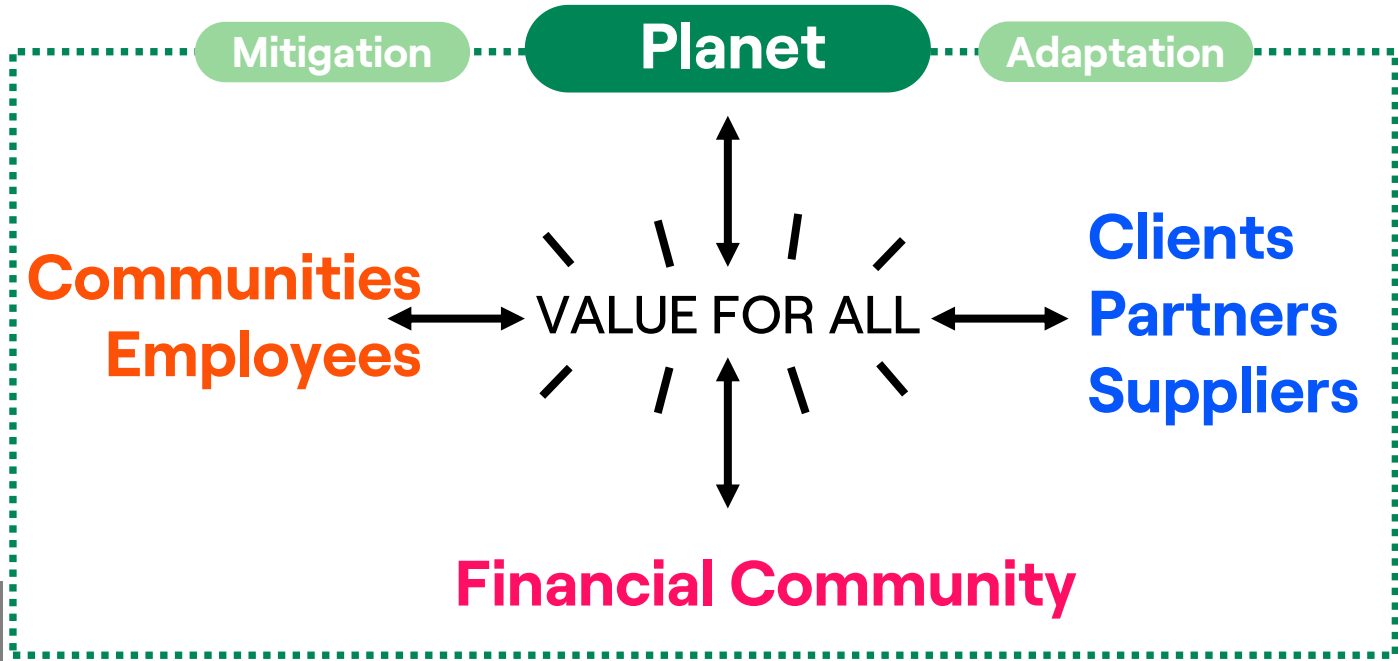
Net Income (€bn)





Properly sharing the value created will be key to succeed in this context

Companies must develop sustainable business models, plan and share value created with ALL




Prosperous companies must place quality at the center of their growth models...




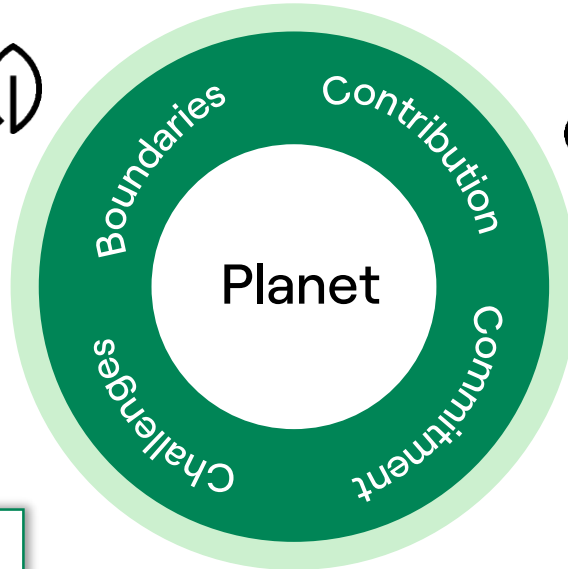
Company's ability to follow a sustainable strategy **mindful of the interests of all stakeholders**, encompassing the main value drivers for each stakeholder in its strategy.


Creating value for the planet is about respecting its boundaries and limited resources


illustrative

Decarbonization
Emission reduction 

Biodiversity preservation
Hectares recovered 



 **Water efficiency**
Reduce water requirements

 **Circularity**
Increase circularity

 **Electrification**
Electrification rate




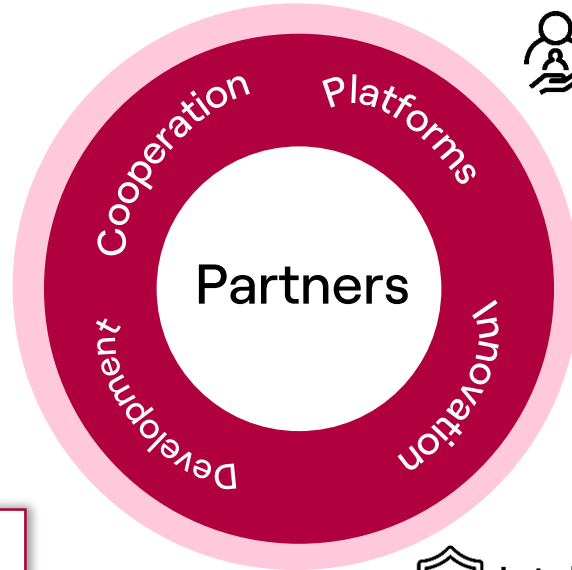
	2021	2024	2030
Scope 1 emissions¹ (gCO ₂ eq/kWh)	227	140	82
Circularity (%)	62	77	92

1. GHG Absolute emissions Scope 1 over production


Creating value for partners is about maximizing benefits deriving from the use of Enel platforms

illustrative

Innovative Ecosystems 
Startups, crowdsourcing platforms and R&D



 **Stewardship**
New way to create value based on the co-operation

 **Platformization**
Data-driven ecosystems,

 **Intellectual Property**
Portfolio assessment, collaborations or partnerships



	2021	2024	2030
Sust. Investment catalyzed through Stewardship (€bn) ¹	1.4	10.5	~50

1. Investments cumulated 21-24 and 21-30



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In order to actively contribute to society prosperity and progress design, each company should operate and plan its growth focusing on value created among **ALL Stakeholders.**