



Enel's views on Just Transition

Full engagement with an Open Power approach

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The Enel Group today

A global energy company active along the full electricity value chain

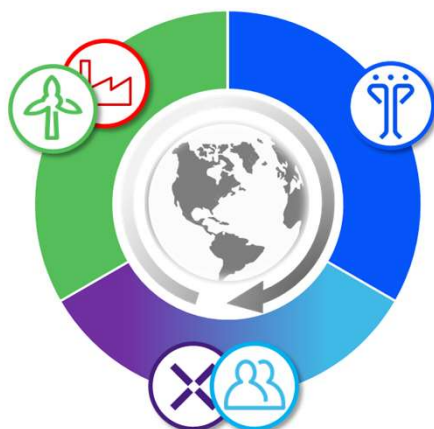


Global Power Generation

Accelerates a sustainable energy transition, increasing **renewables** capacity growth and **decarbonizing** our fleet

Enel X

Enables the energy transition boosting electrification and decarbonization of customers, by providing **innovative services** and **system flexibility**



Global Infrastructure & Networks

Guarantees reliability and quality of service in the energy supply, through **efficient, resilient** and **digital** networks

Global Energy & Commodity Management

Optimizes the Group margin as a single portfolio, finding its best balance

Retail

Increases customer value through commodities and “beyond commodities” services also thanks to **customer satisfaction and experience** improvement

Active in 5 continents



32 countries

World's largest player in renewables¹



49 GW capacity

1st network operator²



74 mn end users

Largest retail customer base worldwide³



70 mn customers

Note: Publicly owned operators not included.

¹ By installed capacity. It includes managed capacity for 3.6 GW

² By number of end users

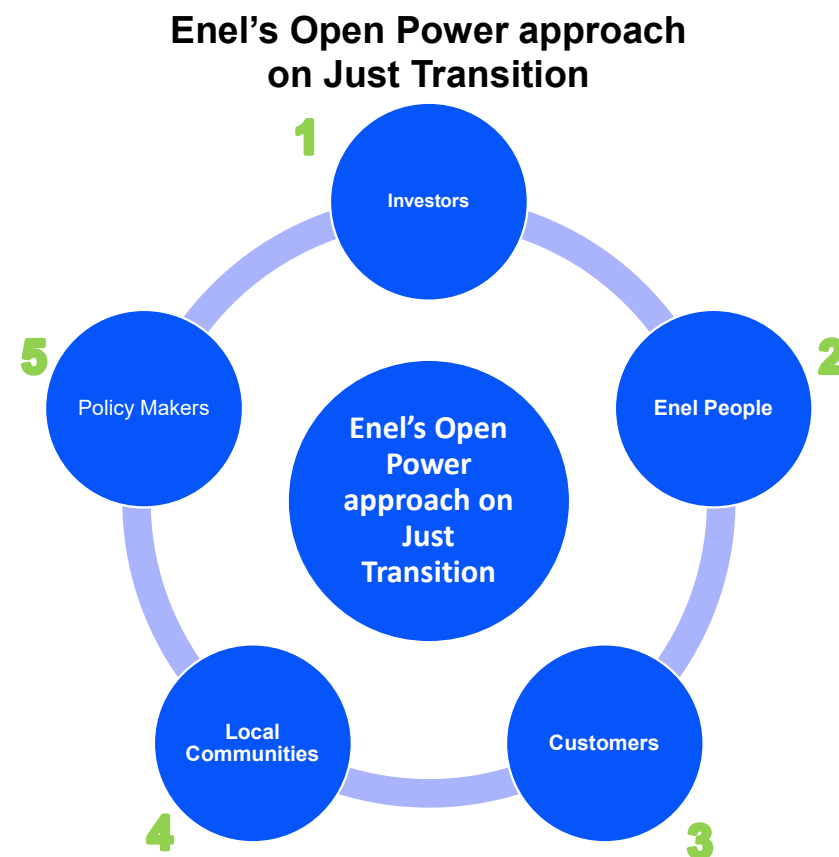
³ Including customers of free and regulated power and gas markets

Enel's Open Power approach on Just Transition



A bottom-up approach and full stakeholder engagement is essential to achieve a just transition

- **Enel's decarbonization strategy** aims to achieve three major goals:
 - **Become carbon-neutral by 2050, with a 2030 interim target of -80% direct emissions vs 2017, limiting them to 82 gCO₂/kWh**
 - **Carbon intensity pathway compliant with a +1,5°C scenario**, as certified by the Science Based Targets Initiative (SBTi)
 - **Coal phase out expected by 2025 in Italy and by 2027 worldwide**, closing 8,9 GW coal generation capacity
- **A Just Transition is essential for Enel's ambitious decarbonization strategy**, which integrates wide stakeholder engagement with a fully Open Power approach



Enel's view on Just Transition

The correct policies can lead to positive impacts on workers, industries and final users



Safeguarding Industrial competitiveness, taking into account that the transition will create new jobs and industries while transforming (or completely removing) other jobs and industries

Safeguarding employment focusing on reskilling and upskilling. Social security measures should be adopted for those workers that can not be reintegrated into the labour market



Managing energy bill impacts: policy, laws and regulation should avoid unfair costs redistribution and safeguard customers, with particular attention to low-income ones. Price and non-price signals should encourage the just transition

Customer empowerment: customers must be aware of both the costs and opportunities and need support in navigating the energy transition and evolving their behavior



1. Investors

Working with private and public sector operators to mobilize investment deployment



- **Sustainable energy transition investments** are mobilized through three levers:
 - **SDG linked bonds**, a pioneering financial instrument to link industrial/financial performances to SDGs' goals
 - **Best in class disclosure practices**, for instance through our activities within the Task Force for Climate Related Disclosure
 - **Investments supporting national public Recovery and Resiliency Plan**, accelerating deployment and job creation
- **Enel's investments focus on three areas:**
 - **Fleet decarbonization:** circular economy, RES, storage, hydrogen, PV manufacturing
 - **Distribution networks** focusing on digitalization, resiliency and RES penetration
 - **Electrification:** EV infrastructure, green harbours, energy efficiency, flexibility

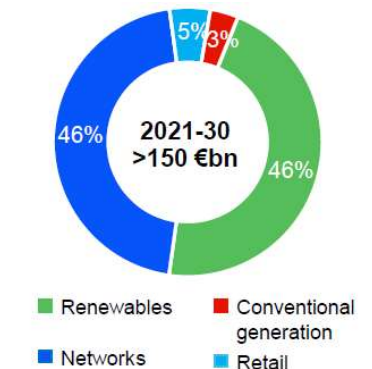
SUSTAINABLE DEVELOPMENT GOALS



EU NGEU spending guidelines



Enel's direct investments 2021-2030 by business line

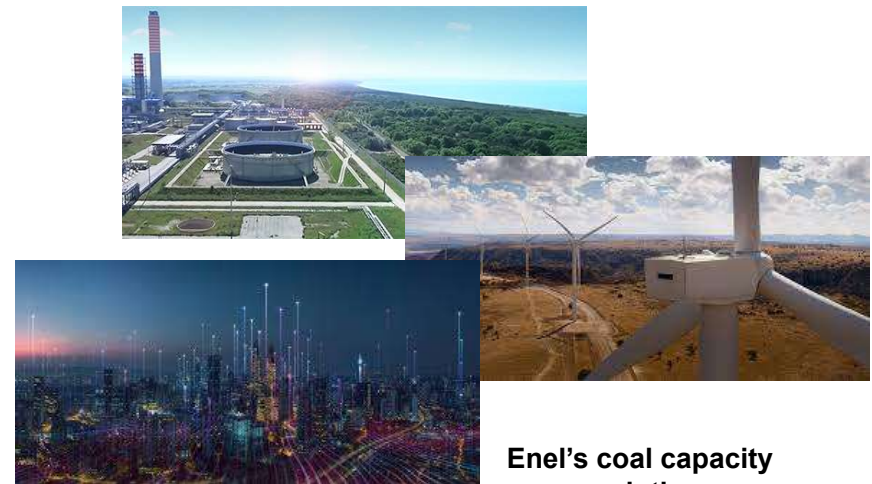


2. Enel People

Focus on ever evolving skills and taking advantage of our multi-business global presence

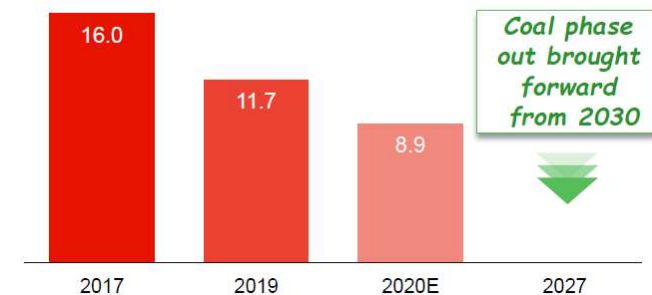


- **Enel developed a just transition strategy so that no one is left behind** even in the short term
- **The conversion or decommissioning of power plants considers Enel's workers needs:**
 - **Early retirement and intergenerational solidarity**, ensuring knowledge transfer
 - **Re/upskilling projects and functional, geographical and intragroup mobility** from fossil fuel energy generation to other business (e.g. networks, RES)
 - **Working with trade unions on major decisions**, such as workers' retraining and redeployment
- **Suppliers are called and "trained" to work mainly on the new Enel's needs** such as RES, Networks and new services



Enel's coal capacity evolution

(GW)



3. Customers

Engaging with those who most need empowerment to ensure a just transition



- **Regular meetings and roundtables** with consumers' and associations
- **Promoting energy efficiency and electrification** as effective means to address energy poverty
- **Ensuring feedback on just transition enquires** made by associations on issues such as:
 - **Products' sustainability** (e.g. materials, impacts on environment)
 - **Circular economy** of products
 - **Clear contracts** (e.g. sources of electricity supply)
- **Supporting just transition initiatives** within fora and networks,

Enel's customer engagement in Italy



Promoting digitalization within consumers' daily lives



4. Local communities

A support essential to ensure a fair, accelerated and smooth transition



- **Enel is aware of its role within the communities in which it operates** and is adopting a social responsibility strategy through a Creating Shared Value (CSV) approach
- **The support of the communities is critical** to ensure a smooth and swift just transition
- **A bottom-up approach is essential:**
 - **Consulting** to collect ideas, demands and suggestions from a wide range of local stakeholders
 - **Assessing** expected social impacts, including employment
 - **Co- Developing solutions** and preparing to implement site conversion project



5. Policy makers

Acting at different institutional levels to support a green, digital and just transition



- **Enel's advocacy fully supports the just transition principles**, so that no one will be left behind even in the short term
- **Policy efforts should focus on:**
 - ✓ **Shaping markets** - Working on the market on both the supply and demand sides
 - ✓ **Employment** - Working with the existing and new workforce
 - ✓ **Energy poverty** - Measuring and informing action through market incentives and physical measures
 - ✓ **Redistributing the costs** - Reviewing and reorganizing energy billing practices



Conclusions



- **The Enel Group today is a global energy company** active along the full electricity value chain
- **Enel's Open Power approach calls for a full stakeholder engagement** and is essential to achieve a just transition including working with:
 - ✓ **Investors** – Coordinating with private and public sector operators to mobilize investment deployment
 - ✓ **Enel People** – Focusing on the need for ever evolving skills and taking full advantage our multi-business presence
 - ✓ **Customers** – Engaging with those who most need empowerment to ensure a fair, accelerated and smooth transition
 - ✓ **Policy makers** – An open dialogue at different institutional level to support a green, digital and just transition

A Just Transition is not an option, it is the only way to ensure a truly sustainable Energy Transition