



# Capital Markets Day

Strategic Plan 2019-21



# Agenda



## Francesco Starace (CEO & General Manager)

Enel Today

2015-2018 Our Delivery

2019-2021 Our Vision & Positioning

2019-2021 Our Pillars

## Alberto De Paoli (CFO)

2019-21  
Our Plan

Capital allocation

Business line highlights

Financial management

Risk management

Earnings & targets

## Francesco Starace (CEO & General Manager)

Closing Remarks



# Capital Markets Day

Strategic Plan 2019-21

Francesco Starace  
CEO & General Manager





**Enel Today**

# We are a leader in the new energy world



1. By number of customers. Publicly owned operators not included  
2. By installed capacity. Includes managed capacity for 4.2 GW  
3. It includes nuclear  
4. Includes customers of free and regulated power and gas markets

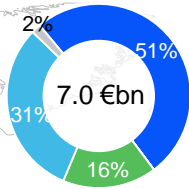
# Our business model is well diversified and provides long term visibility



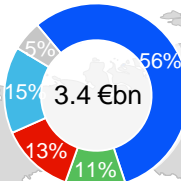
North & Central America



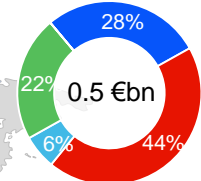
Italy



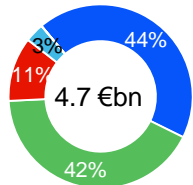
Iberia



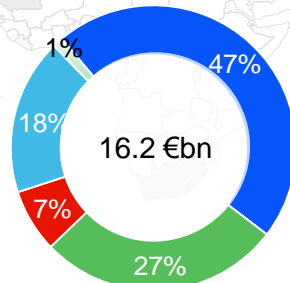
Europe & North Africa



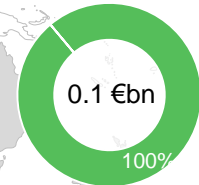
South America



2018E Group EBITDA<sup>1</sup>



Africa, Asia & Oceania



- Networks
- Renewables
- Thermal generation
- Retail
- Other

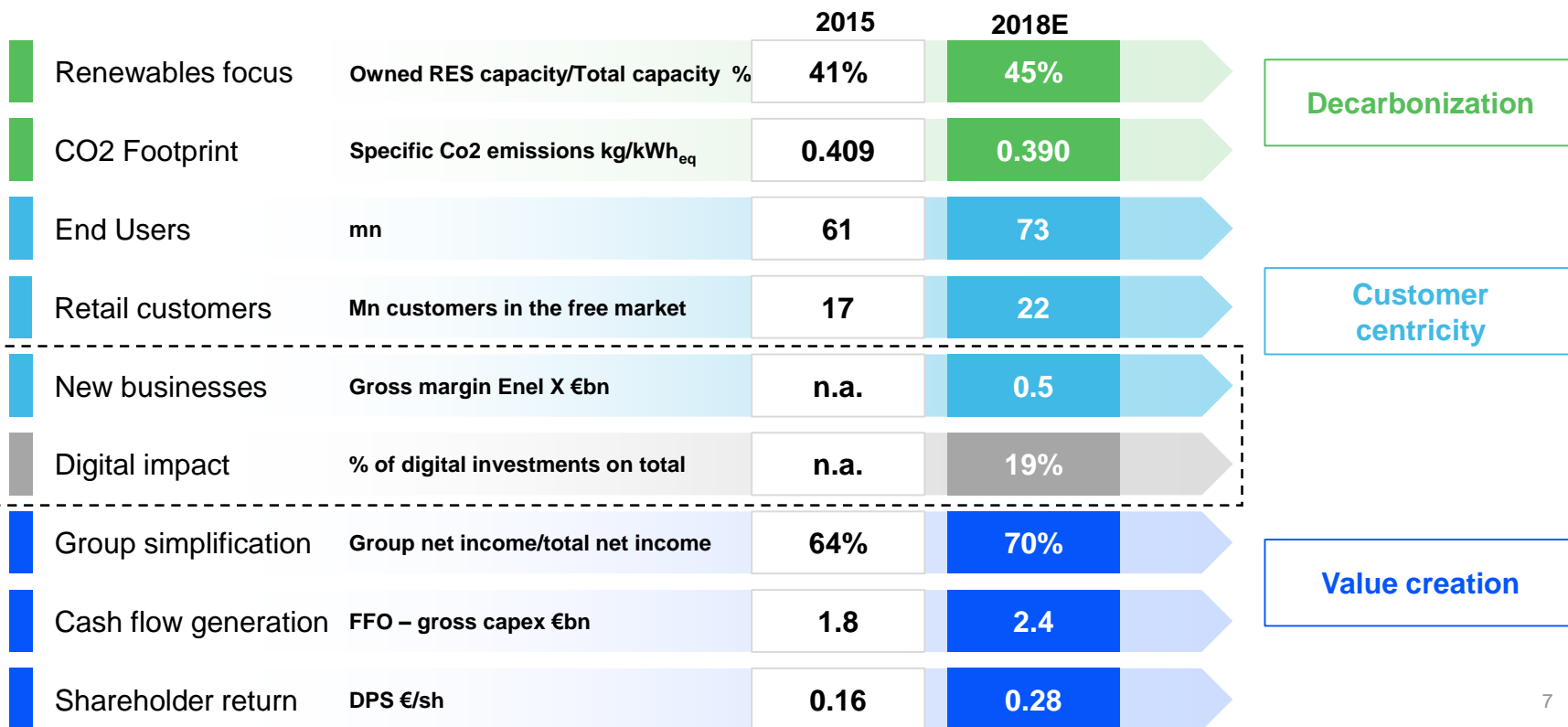
1. As of 2018E. Breakdown excludes -0.1 €bn from holding and services Presence with operating assets or through Enel X



**2015-2018**

**Our Delivery**

# Sustainable, profitable, digitalized and customer centric

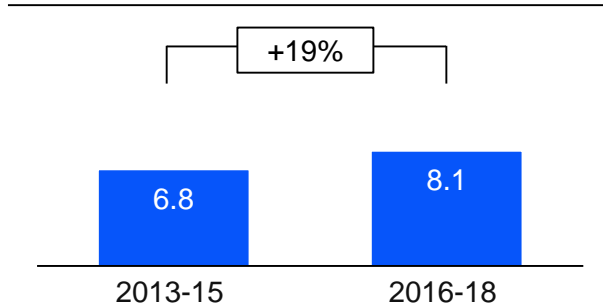




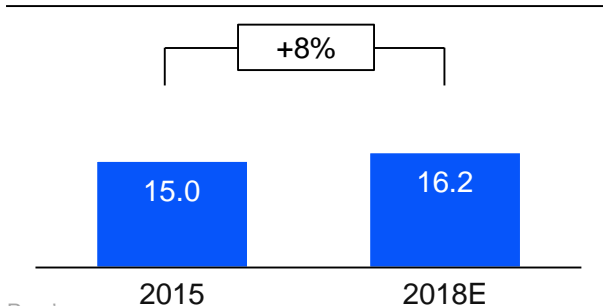
# Our strategy delivered growth while improving our financial strength



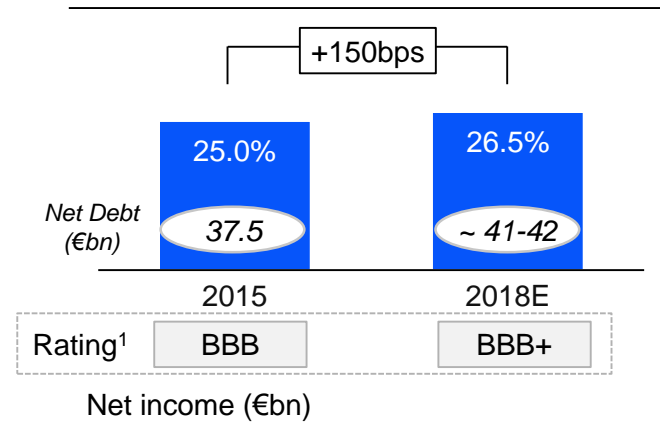
Average capex (€bn)



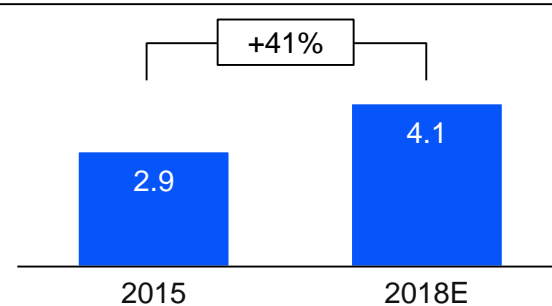
EBITDA (€bn)



FFO/Net Debt

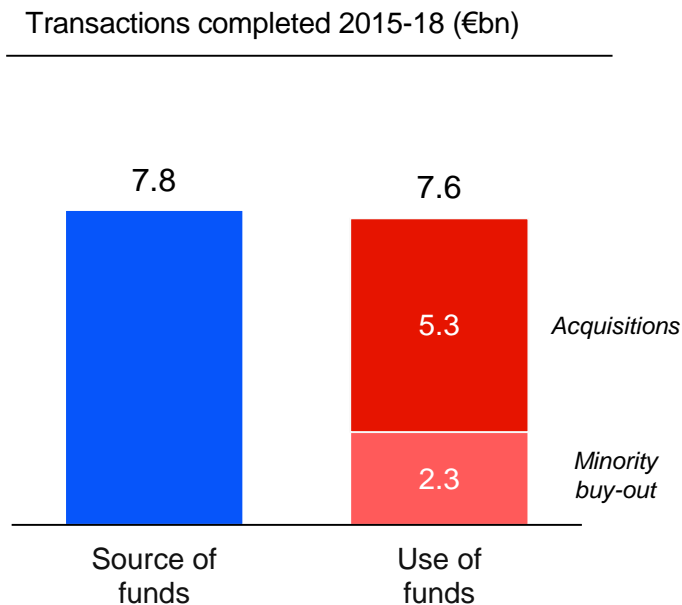


Net income (€bn)



1. Standard & Poor's

# Active Portfolio Management was balanced and accretive







Operating benefits from APM	2018E	2021
End users	+10 mn	+11 mn
Demand response	5.7 GW	9.9 GW
Charging points <sup>1</sup>	37k	348k
Households passed	4.2 mn	8.5 mn
Financial impacts <sup>2</sup>		
Impact on Group Net Income	+100 €mn	+300 €mn
EPS accretion	2%	5%

1. eMotorWerks worldwide private charging points
2. Net Impact from both source of funds and use of funds


# Strong commitment to our SDGs targets



## Engaging local communities (*mn beneficiaries*)

	2018E <sup>1</sup>	2020 <sup>1</sup>
 <div style="border: 1px solid black; padding: 5px;">High-quality, inclusive and fair education</div>	0.9 	0.8
 <div style="border: 1px solid black; padding: 5px;">Access to affordable and clean energy mainly in Africa, Asia and Latin America</div>	2.2 <sup>2</sup>	3.0
 <div style="border: 1px solid black; padding: 5px;">Employment and sustainable and inclusive economic growth</div>	1.8	3.0

## Climate change

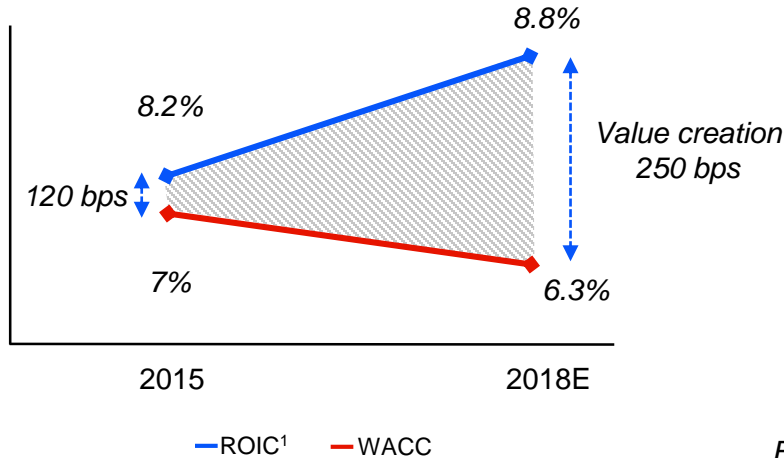
	2018E	2020
 <div style="border: 1px solid black; padding: 5px;">Reduction of CO<sub>2</sub> specific emissions (<i>kg/kWh<sub>eq</sub></i>)</div>	0.39	<0.35

1. Cumulated figures since 2015
2. In the whole Group perimeter, 4.9 mn beneficiaries were reached

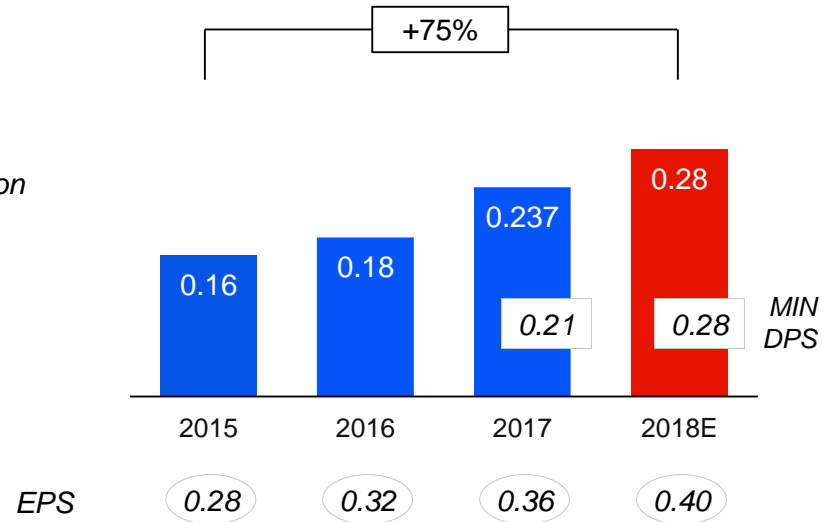
# Management actions have driven higher returns and shareholder remuneration



Value creation spread



Shareholder return – DPS (€/sh)



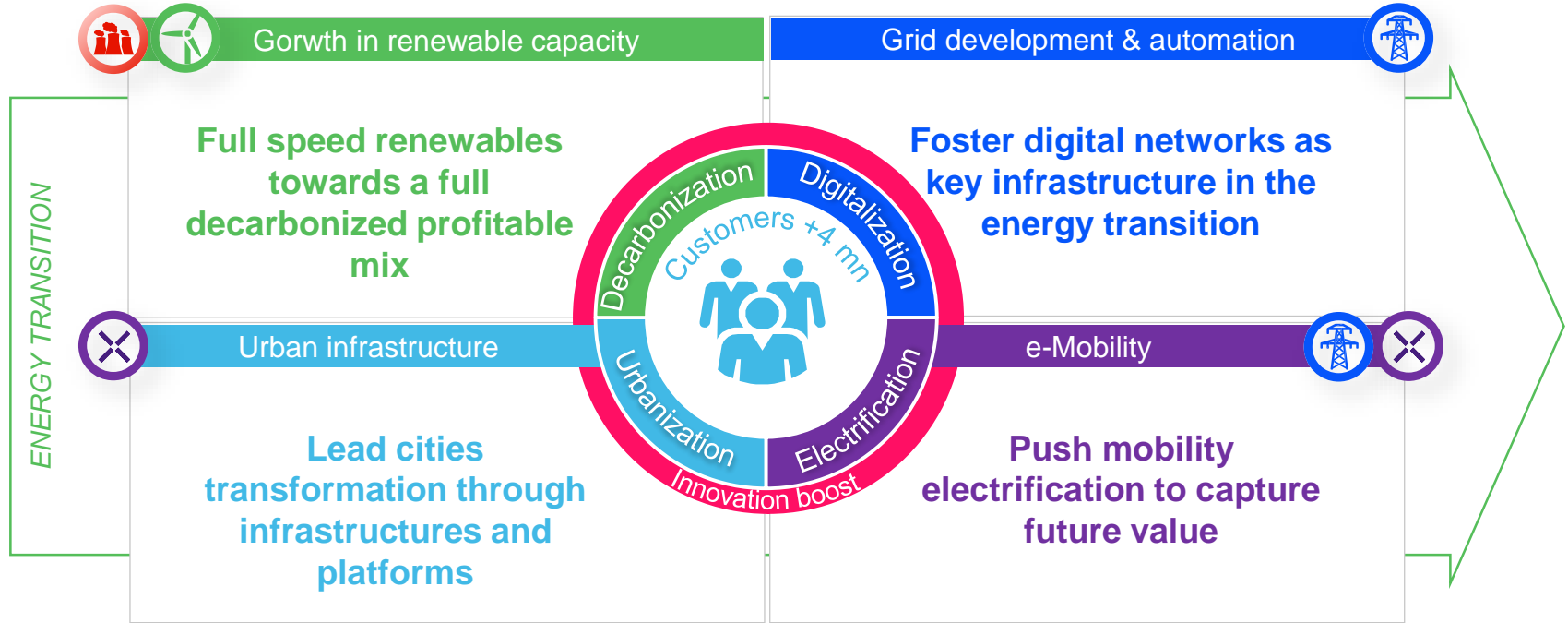
1. Adjusted for IFRS15 and WIP



**2019-2021**

**Our Vision & Positioning**

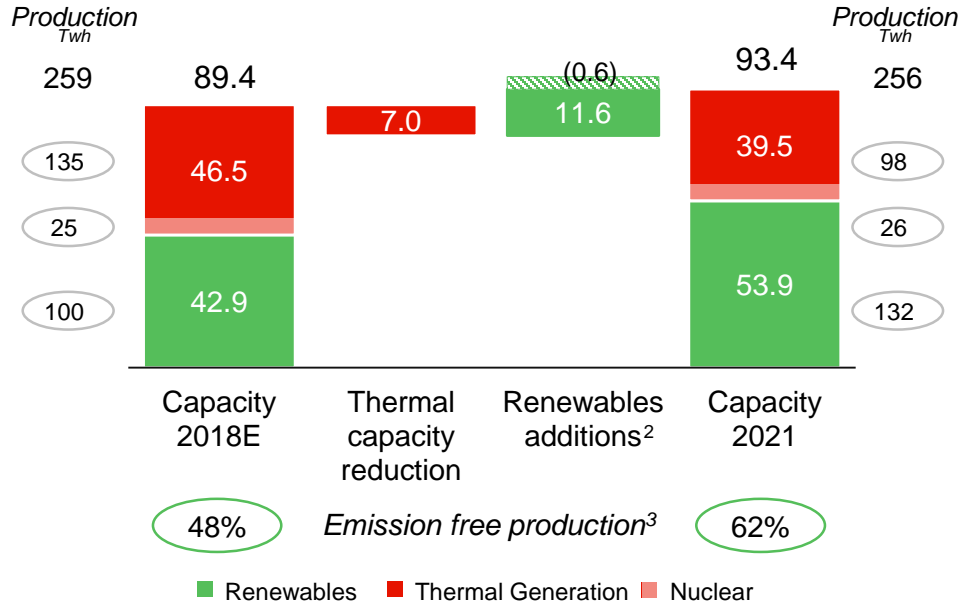
# Integrated model captures opportunities from energy transition



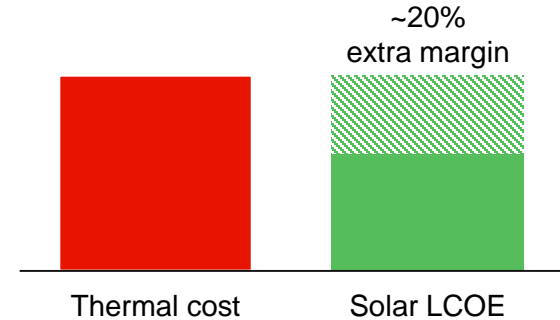
# Decarbonisation shapes our capacity and improves margins



Total installed capacity 2018-21<sup>1</sup> (GW)



Renewables extra margin



CO<sub>2</sub> specific emissions <0.35 kg/kWh<sub>eq</sub> in 2020<sup>4</sup>  
 CO<sub>2</sub> specific emissions 0.23 kg/kWh<sub>eq</sub> in 2030  
 Decarbonization in 2050



- Includes managed capacity.
- 0.6 GW additional capacity subject to portfolio rotation
- Emission free production includes nuclear generation
- Target certified as «Science based». CO<sub>2</sub> specific emissions will be <0.345 kg/kWh<sub>eq</sub> in 2021

# Electrification and urbanization drive infrastructure investments and new services to clients

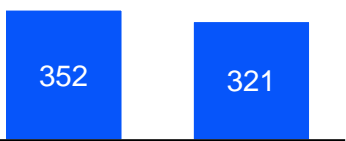


## Infrastructure investments



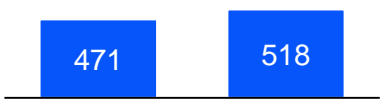
Network automation efficiency  
Customer/RC node

-8%



Electricity distributed (TWh)

+10%



## Customer needs and services



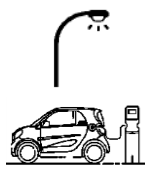
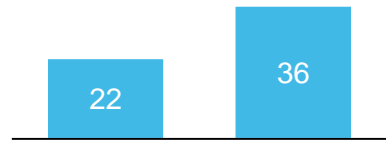
End users (mn)

+3%



Free market customers<sup>3</sup> (mn)

+64%



Public lighting  
(mn points)

	2018E	2021
Public lighting (mn points)	2.5	3.4

Charging points<sup>1</sup> (k)

Charging points <sup>1</sup> (k)	48	455
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Fiber deployment  
(Households passed mn)<sup>2</sup>

Fiber deployment (Households passed mn) <sup>2</sup>	4.2	8.5
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Demand response (GW)

	2018E	2021
Demand response (GW)	5.7	9.9

Storage (MW/yr)

Storage (MW/yr)	3	173
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Maintenance and repair  
(mn clients)

Maintenance and repair (mn clients)	2.7	4.0
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Credit cards (mn)

Credit cards (mn)	0.9	1.9
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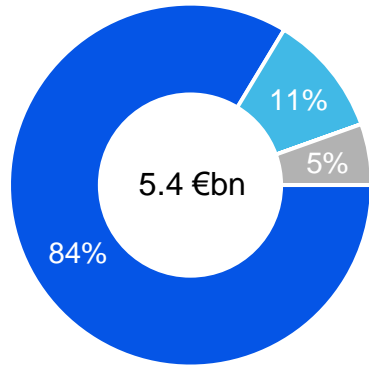
1. Public & private charging points installed (public 5.5k in 2018E and 24.1k in 2021)  
 2. Includes Italy for clusters A&B  
 3. Power and gas customers



# Digitalization fuels economic benefits and satisfies customers needs



2019-21 Digitalization Capex



Asset

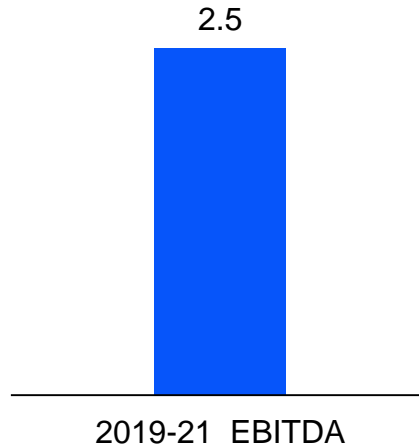


Customers



People

Cumulated economic benefits (€bn)



Key highlights



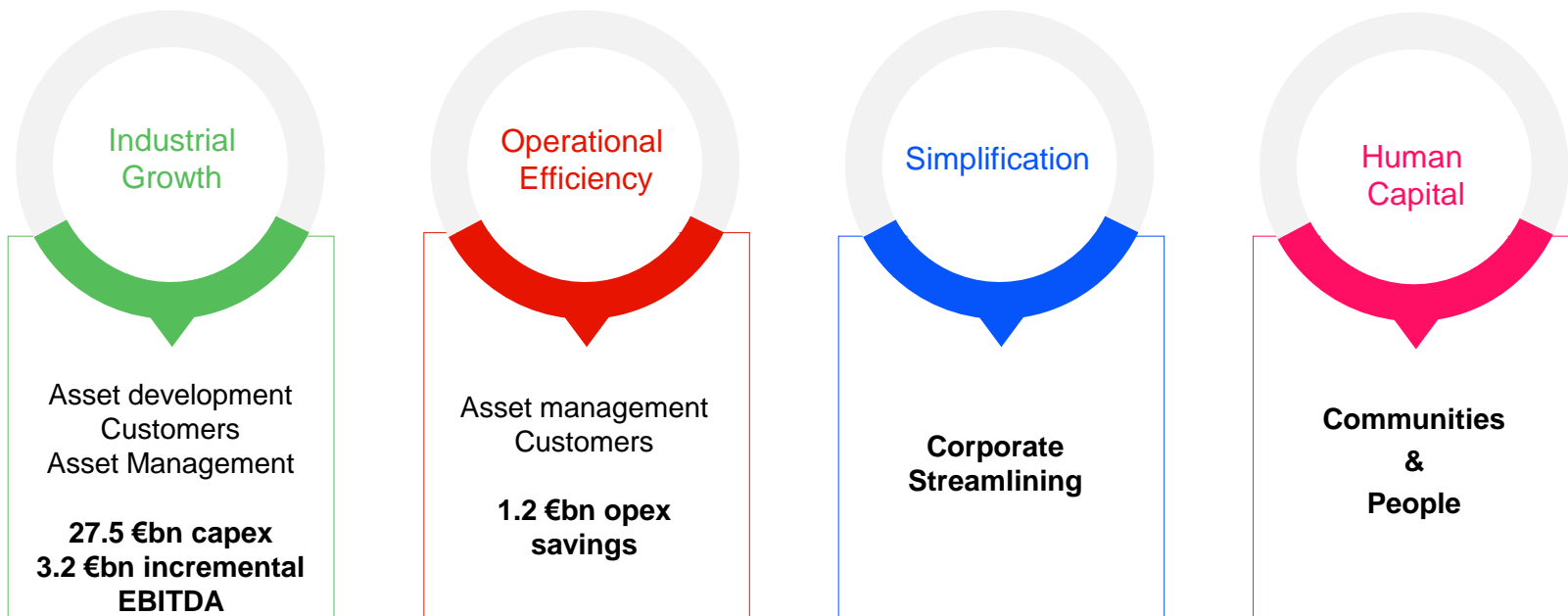
- ~4 €bn for networks digitalization
- Advanced automation of construction and O&M of renewable assets
- Increased flexibility and automation for thermal generation plants
- Process automation and increased offering to customers



**2019-2021**

**Our Pillars**

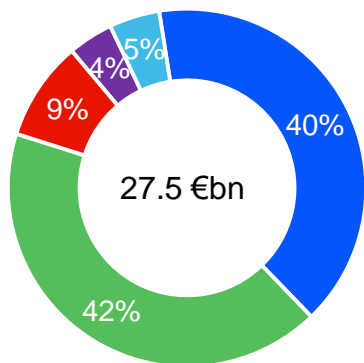
# Sustainable value creation over the long term



# Asset development supports our growth ambitions

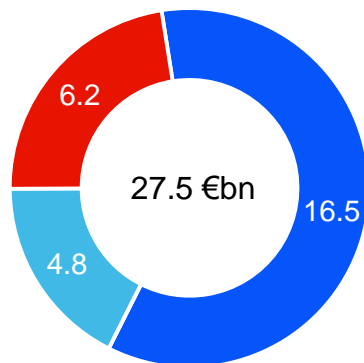


Total gross capex by business and by nature<sup>1</sup> 2019-21

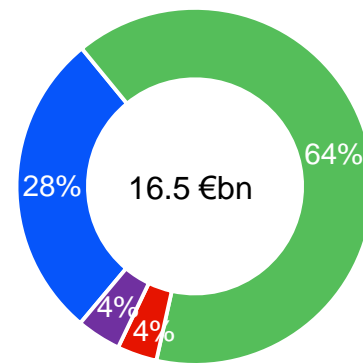


- Networks
- Renewables
- Thermal Generation
- Enel X
- Retail

Asset development by business<sup>1</sup> 2019-21



- Asset development
- Customers
- Asset management



- Networks
- Renewables
- Thermal generation
- Enel X

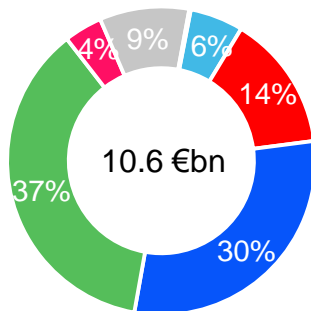
1. Includes 1.6 €bn BSO capex

# Renewables are the driving force of growth



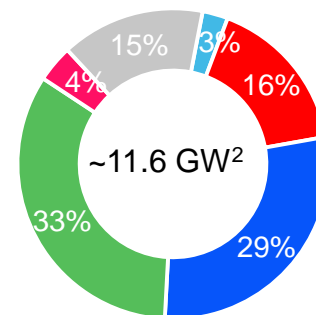
- Higher investments to build 11.6 GW additional capacity
- Focus on markets with integrated presence & on developed countries
- Value creation through decarbonization & integration with retail portfolio
- Maximization of portfolio returns

Asset development capex<sup>1</sup> 2019-21



- Italy
- South America
- North & C. America
- Iberia
- Europe & NA
- Africa, Asia & Oceania

Additional capacity by geography



By technology



1. Includes 1.6 €bn BSO capex  
 2. Of which 1.8 GW related to BSO and 0.8GW related to JVs.

# Networks' investments tailored to maximize asset base value



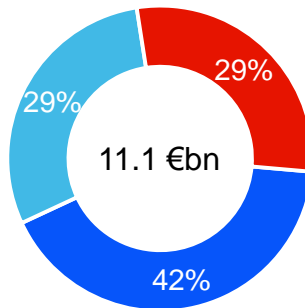
Restructuring of Eletropaulo  
Completion of Goias turnaround

Resiliency and flexibility in Italy and Spain

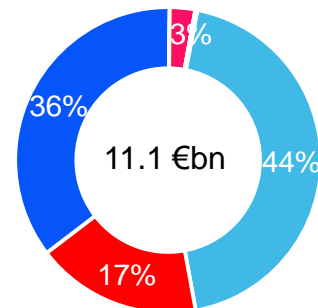
Digitalization to promote efficiencies and improve service quality

2021 RAB ~45 €bn: ~30% South America, ~70% Europe

Gross capex 2019-21 by nature & by geography



- Asset development
- Customers
- Asset Management



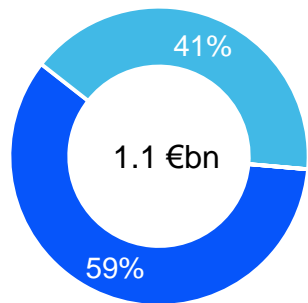
- Italy
- South America
- Iberia
- Europe & NA

# Enel X capital allocation addresses customers' needs

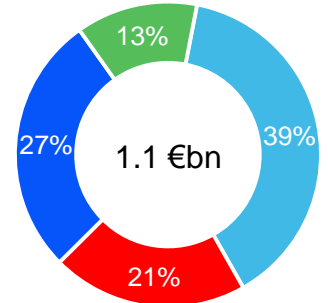


- Smart lighting and fiber optics for cities
- Electric mobility in Italy, Spain, US and Romania
- Demand response and storage solutions for C&I customers
- Energy efficiency solutions

Gross capex 2019-21 by nature & by geography



- Asset development
- Customers

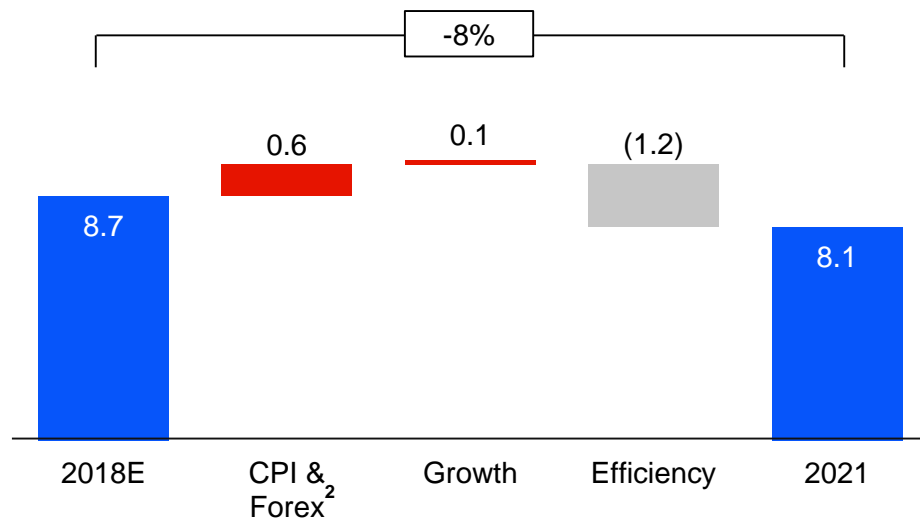


- Italy
- Iberia
- South America
- North & C. America

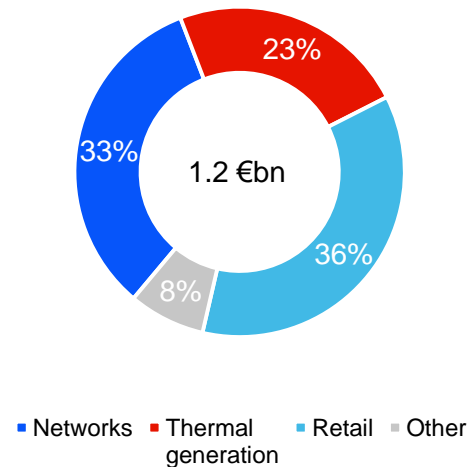
# Driving efficiencies across all businesses



Opex evolution (€bn)<sup>1</sup>



Efficiency by business



1. Total fixed costs in nominal terms (net of capitalization)  
 2. Of which CPI +0.9 €bn and forex -0.3 €bn



# Our commitment to SDGs and Human Capital



## Engaging local communities (mn beneficiaries)

2030<sup>1</sup>

	High-quality, inclusive and fair education	2.5
	Access to affordable and clean energy	10.0
	Employment and sustainable and inclusive economic growth	8.0

## Climate change

2030

	Reduction of CO <sub>2</sub> specific emissions (kg/kWh <sub>eq</sub> )	0.23
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## Innovation and infrastructure/Sustainable cities

2021

	Smart meters (mn)	46.9
	Digitalization capex (€bn)	5.3
	Charging points <sup>2</sup> (th)	455



## Our people

2021

### Talent attraction and retention

Appraise performance of people we work with <sup>3</sup>	100% of people involved 99% of people appraised
Climate corporate survey <sup>3</sup>	100% of people involved 86% of people participating

### Diversity

Global implementation of the diversity and inclusion policy	Recruiting should ensure equal gender splitting of the candidates (c. 50%)
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### Training

Enable digital skills diffusion among people we work with	100% of people involved in digital skills training
-----------------------------------------------------------	----------------------------------------------------

1. Cumulated figures since 2015
2. Public & private charging points installed (public 5.5k in 2018E and 24.1k in 2021)
3. Eligible and reachable people having worked in the Group for at least 3 months

# Sustainable, profitable, digitalized and customer centric

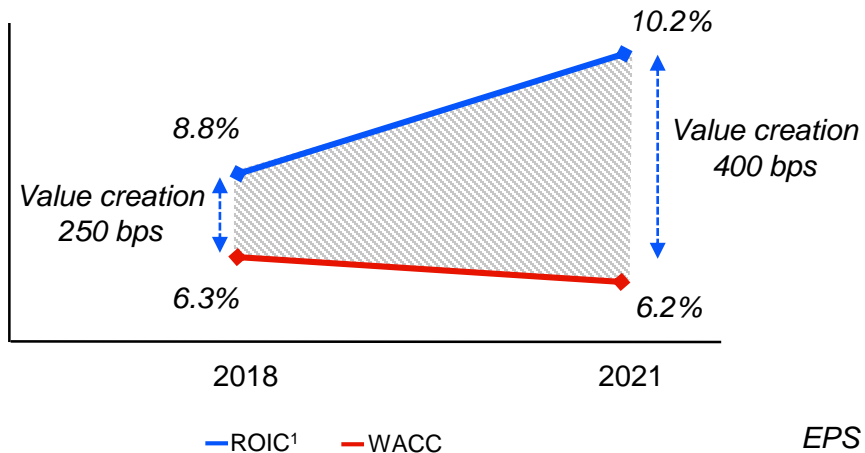


		2015	2018E	2021	
Renewables focus	Owned RES capacity/Total capacity %	41%	45%	55%	
CO2 Footprint	Specific Co2 emissions kg/kWh	0.409	0.390	0.345	
End Users	mn	61	73	75	
Retail customers	Mn customers in the free market	17	22	36	
New businesses	Gross margin Enel X €bn	n.a.	0.5	0.9	
Digital impact	Cumulated EBITDA 2019-21 (€bn)	n.a.		2.5	
Group simplification	Group net income/total net income	64%	70%	71%	
Cash flow generation	FFO – gross capex €bn	1.8	2.4	4.4	~1.8x

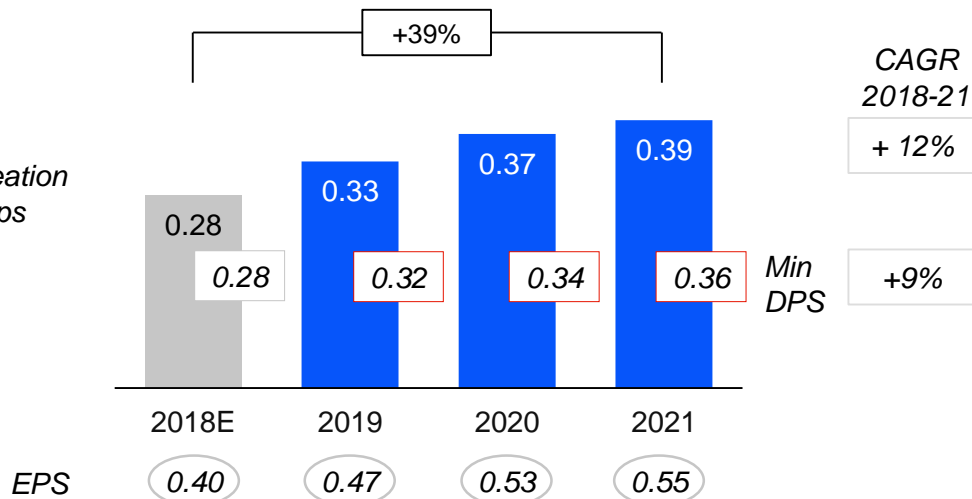
# Improved return on invested capital supporting dividend growth



## Value creation spread



## Implicit DPS at 70% pay-out (€/sh)



1. Adjusted for IFRS15



# Capital Markets Day

Strategic Plan 2019-21

Alberto De Paoli  
CFO





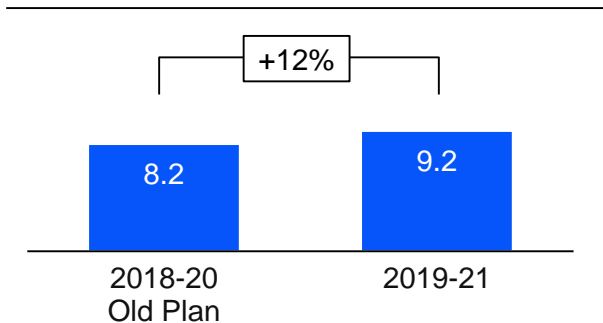
**2019-2021**

**Our Plan**

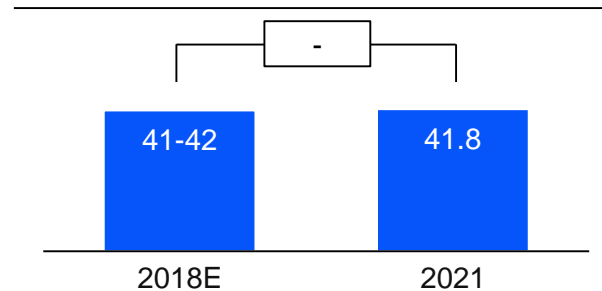
# New investment cycle drives growth while debt remains stable



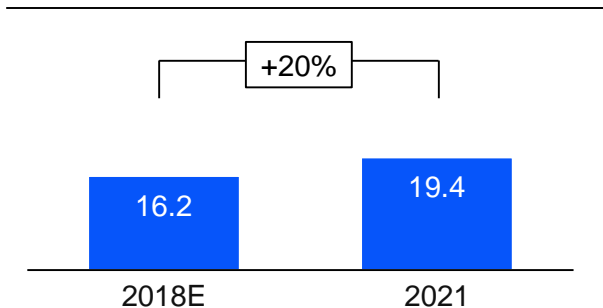
Average capex (€bn)



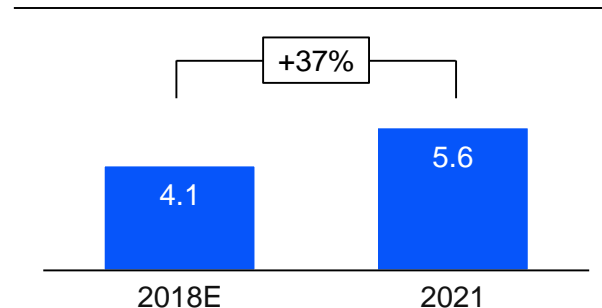
Net Debt (€bn)



EBITDA (€bn)



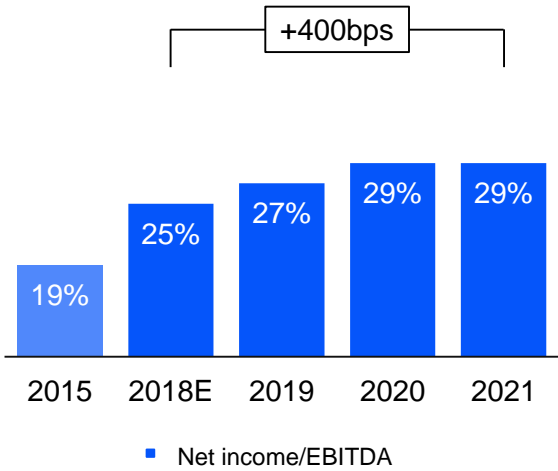
Net income (€bn)



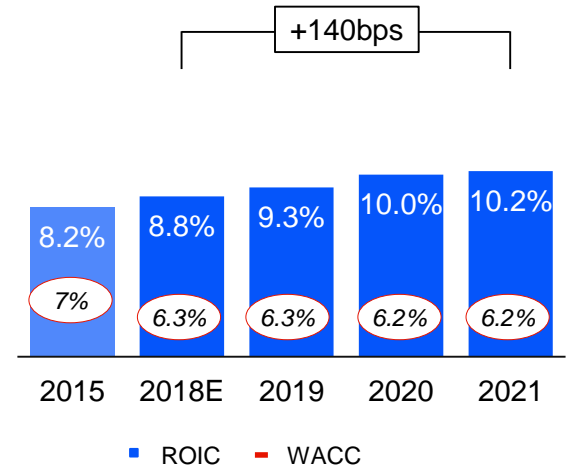
# Solid improvement in profitability, returns, and credit metrics



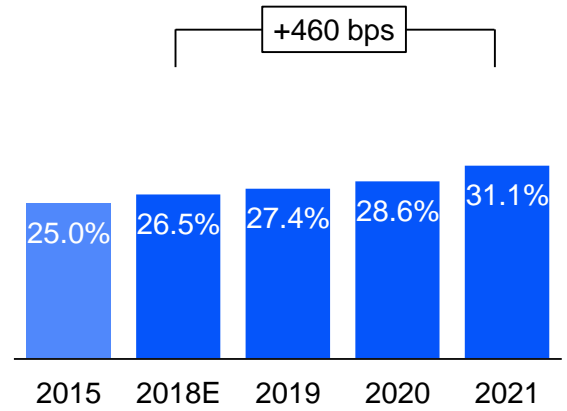
Profitability



Return on invested capital



FFO/Net debt





**2019-2021**

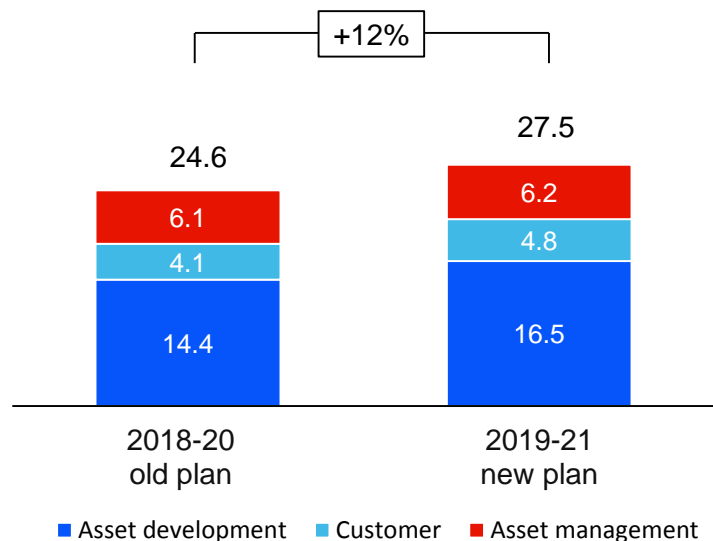
**Capital Allocation**



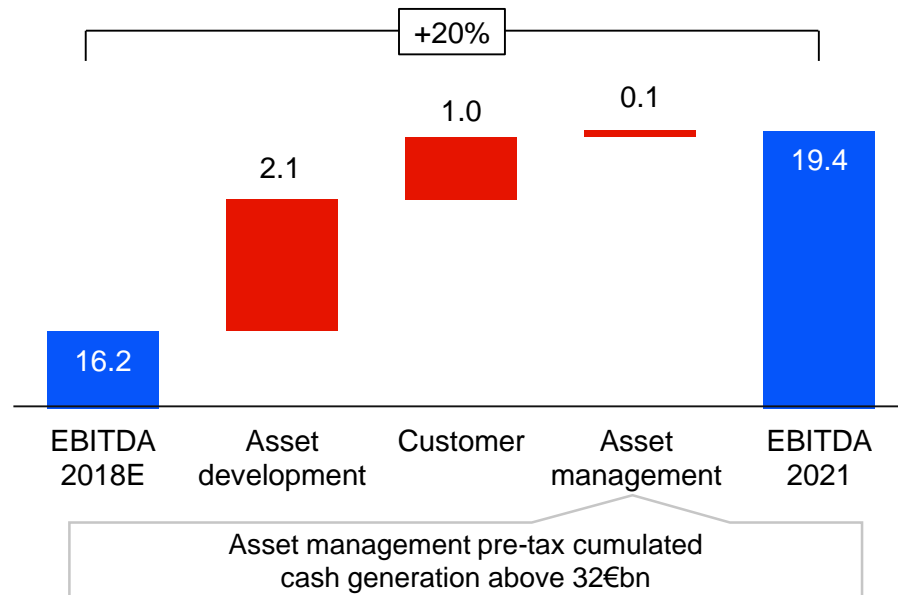
# Increased capex plan focused on asset development and customers



Capex plan<sup>1</sup> (€bn)



EBITDA evolution by investment (€bn)

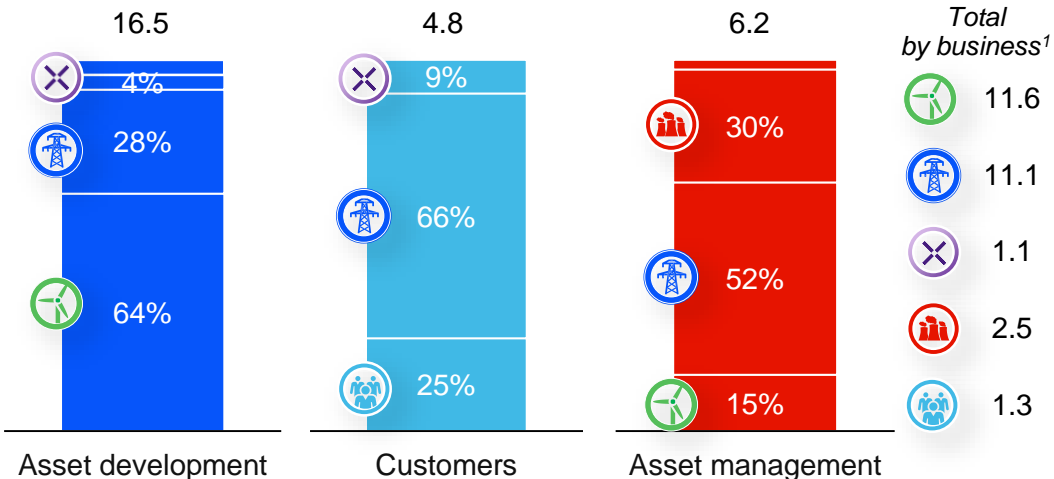


1. It includes 1.6€bn BSO capex

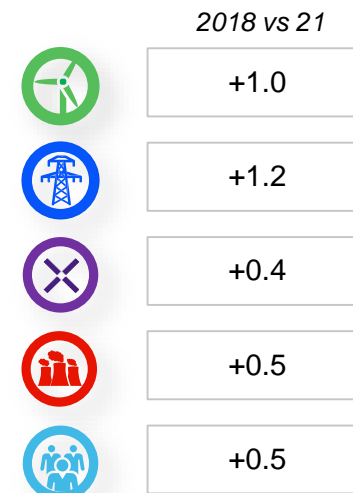
# Growth driven by networks and renewables



Capital allocation 2019-21 (€bn)



Incremental EBITDA<sup>2</sup> (€bn)

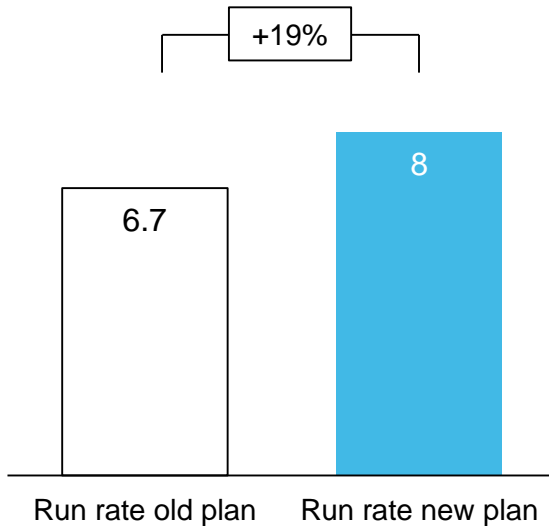


1. It excludes other equal to -0.1 €mn. Thermal generation includes nuclear
2. Excluding the impact of our asset rotation programme

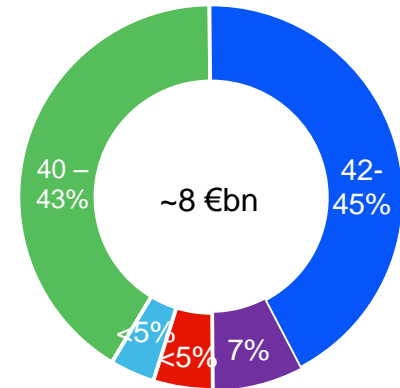
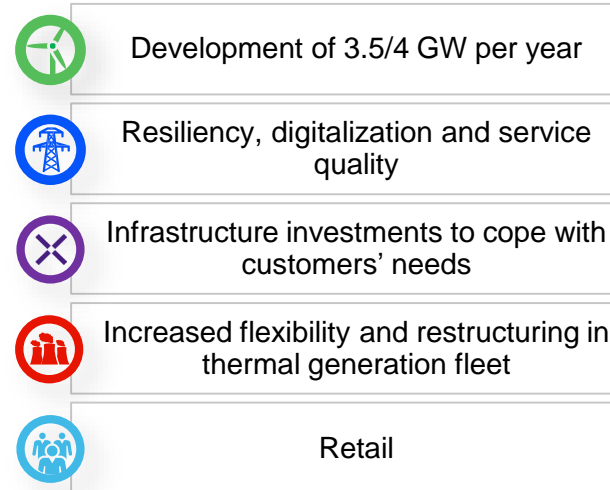
# Beyond plan period, run rate capex grows from 6.7€bn to 8€bn



Capex run-rate (€bn)



Drivers of run rate by business line





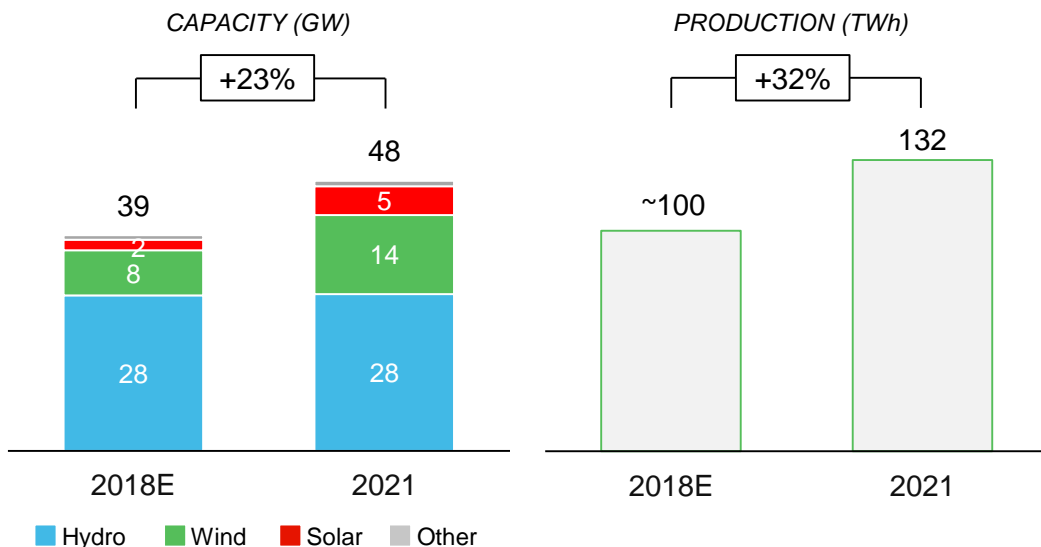
**2019-2021**

# **Business Line Highlights**

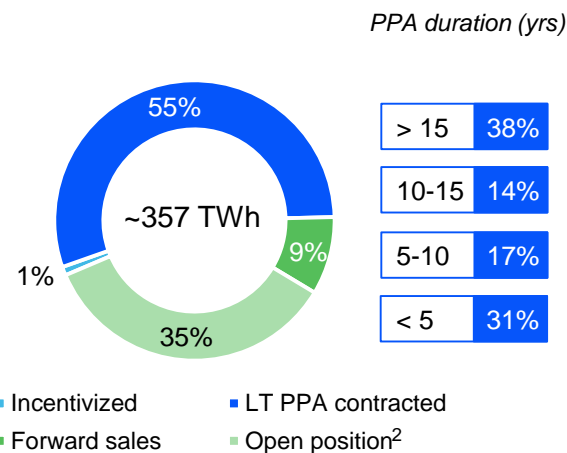
# Renewables: diversifying mix, improved visibility



Installed capacity and Production by technology<sup>1</sup>



2019-21 Sales portfolio composition



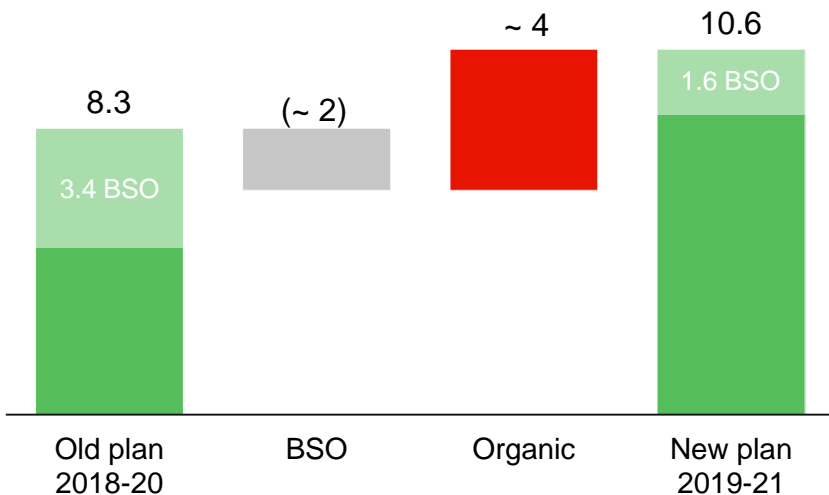
~ 65% of cumulated production sold forward

1. Consolidated capacity only  
 2. Volumes to be sold forward in year n-1

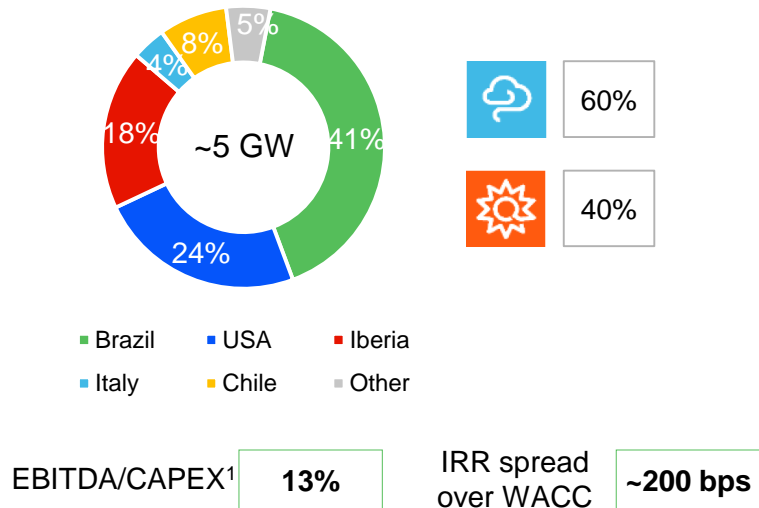
# Incremental asset development capex fully allocated to renewables



Asset development capex evolution (€bn)



Incremental renewable capacity by geography and technology

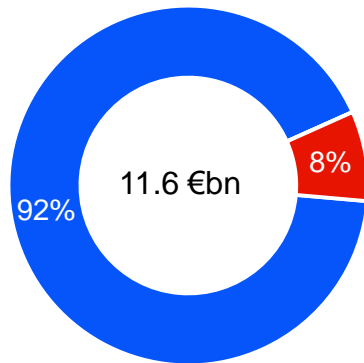


1. Calculated as asset development Ebitda at regime/Capex (net of BSO)

# Renewables: accelerating growth

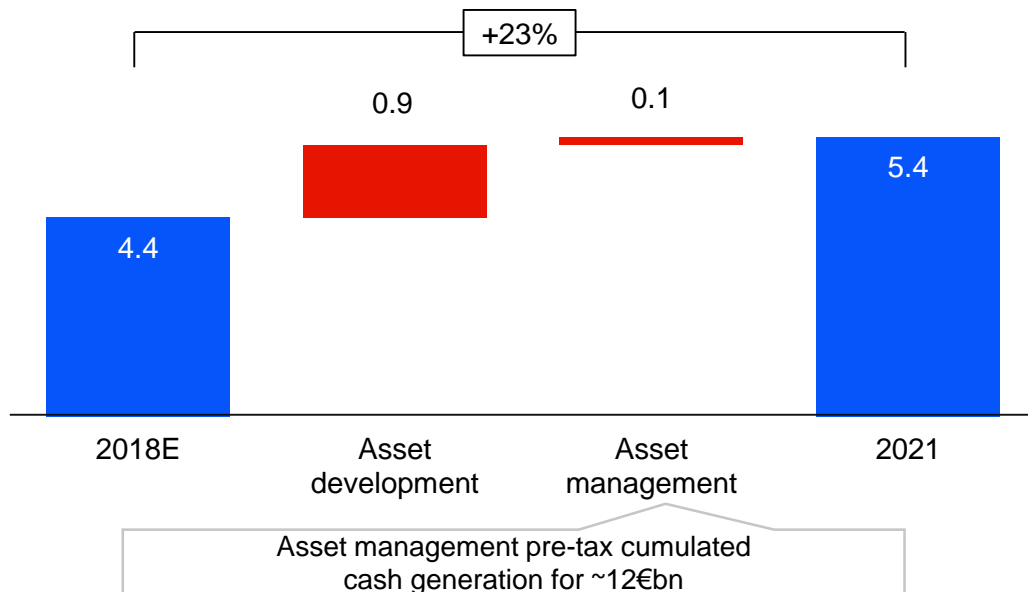


Gross Capex 2019-21



- Asset development
- Asset management

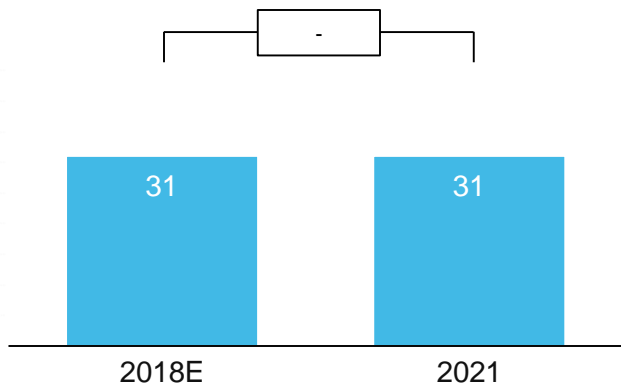
2018-21 EBITDA evolution (€bn)



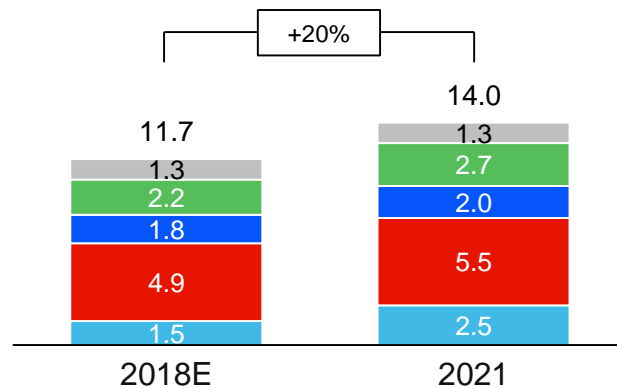
# Networks: 4% total RAB growth



Europe: RAB evolution (€bn)



South America: RAB evolution (€bn)



■ Argentina ■ Brazil ■ Chile ■ Colombia ■ Peru

Energy distributed (TWh)

356

368

116

149

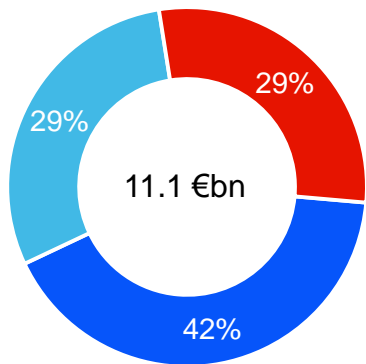
1. WACC nominal pre-tax  
 2. Blend of Rio, Ceará, Goiás and Eletropaulo



# Networks: profitability supported by asset turnaround and efficiencies

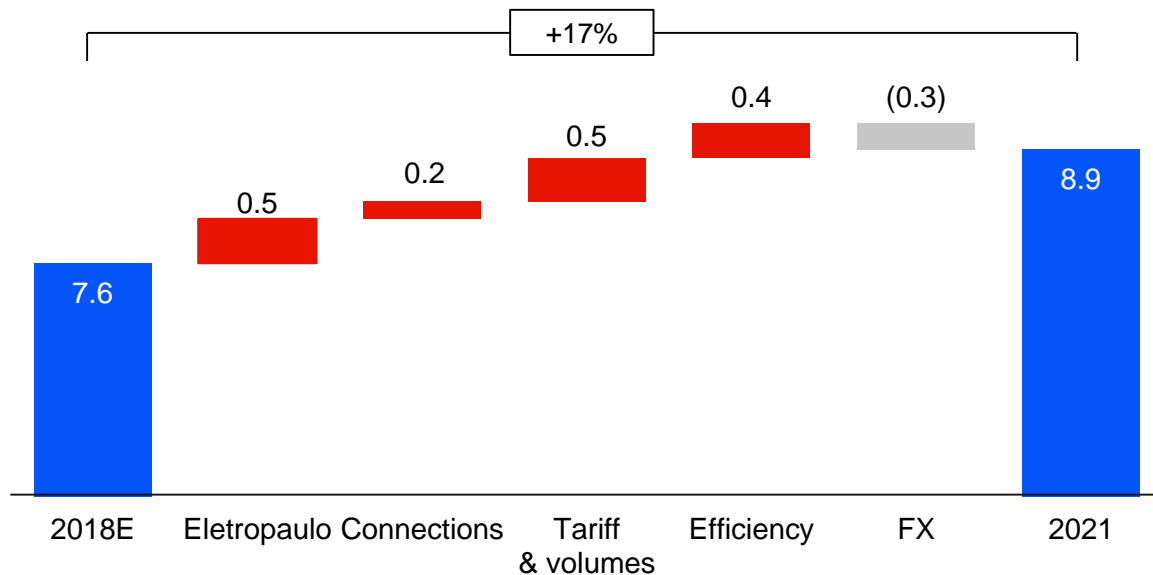


Gross Capex 2019-21



- Asset development
- Customers
- Asset Management

2018-21 EBITDA evolution (€bn)

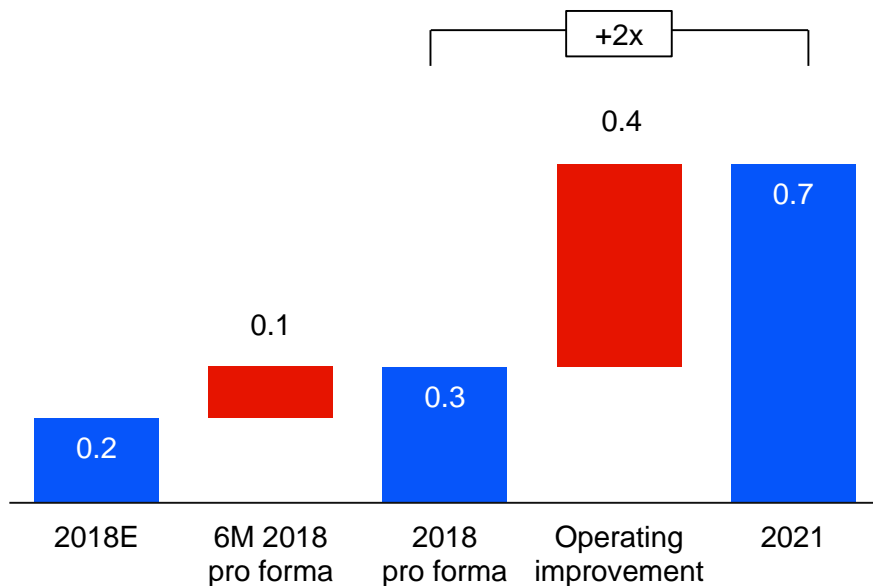




# Networks: Eletropaulo turnaround doubling EBITDA



Eletropaulo asset turnaround (EBITDA €mn)



Eletropaulo operational KPIs

	2018E	2021
Electricity distributed (TWh)	43	+9%
Quality index <sup>1</sup> (%)	-2.8	+170bps
Opex/end user (€/cust)	62	-30%

2021 Networks benchmark

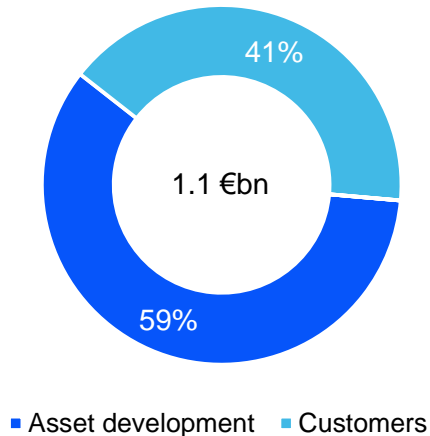
	Eletropaulo 2021	Cearà 2021
RAB/end user (k€/cust)	~255	~275
Opex/end user (€/cust)	~44	~36

1. Quality on service rewards/penalties and losses reduction economic impact on gross margin

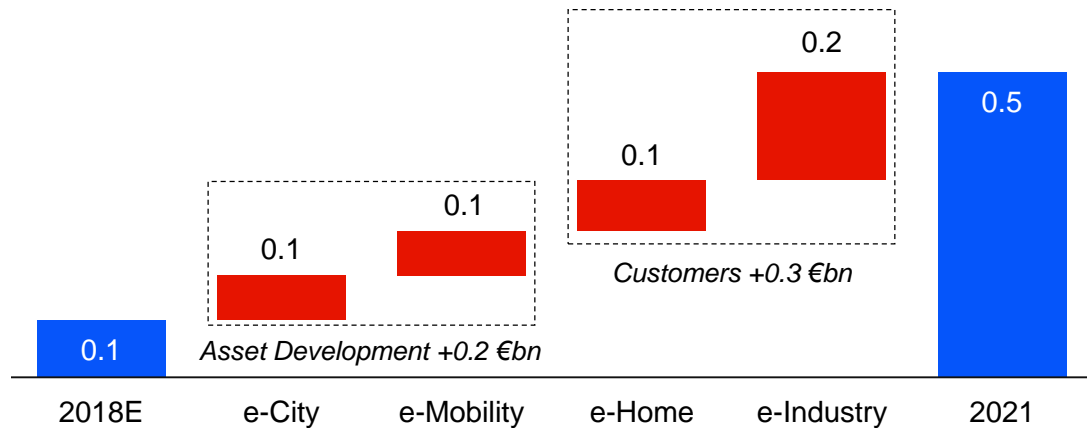
# Enel X: capturing new opportunities with customers



Gross Capex 2019-21



2018-21 EBITDA evolution<sup>1</sup> (€bn)

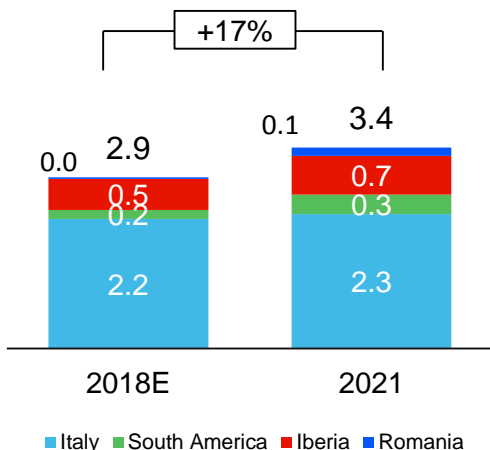


1. Rounded figures

# Retail: further growth on increase in customer base and efficiency



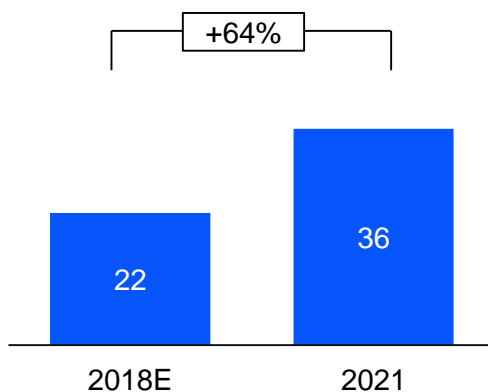
2018-21 EBITDA evolution (€bn)



EBIT margin<sup>1</sup>

5%      6%

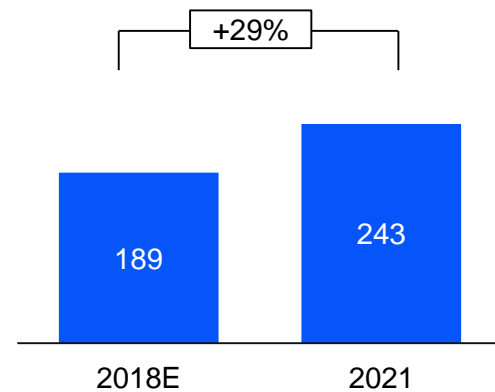
2018-21 Free market customers (mn)



Total customers<sup>2</sup>

64 mn      69 mn

2018-21 volumes sold<sup>3</sup> (TWh)



1. Includes Italy, Spain and Romania  
 2. Resulated and free market power and gas customers  
 3. Free market + PPAs



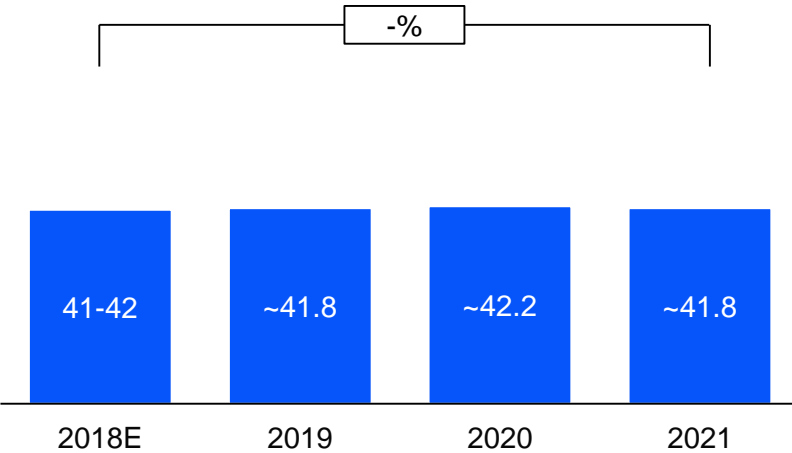
**2019-2021**

**Financial Management**

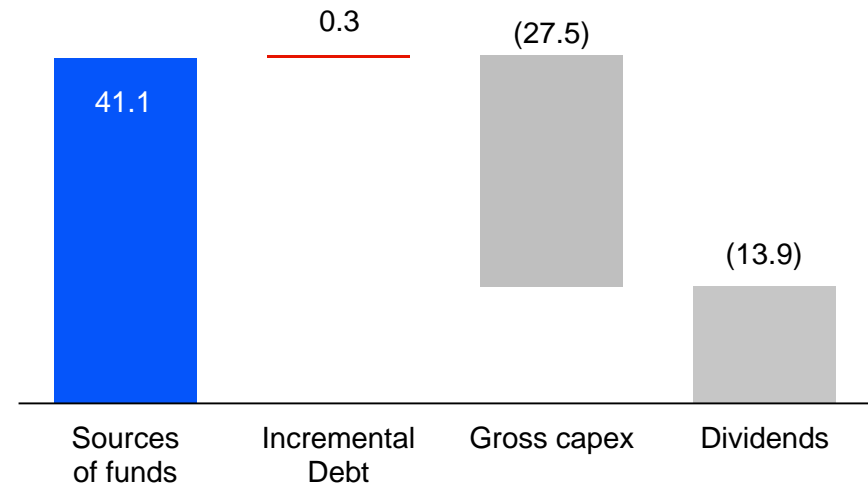
# Stable debt throughout the plan



Net debt evolution (€bn)



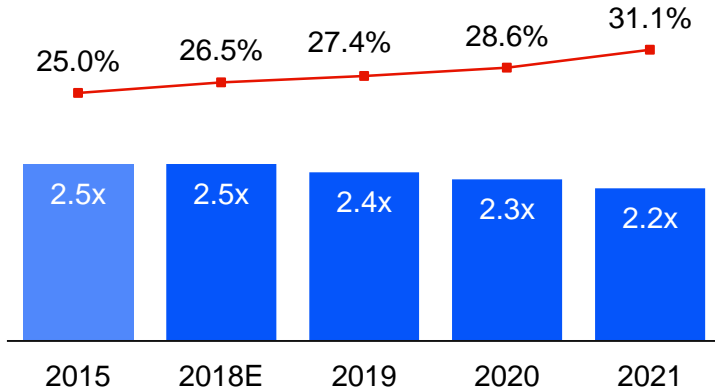
Source of funds allocation 2019-21 (€bn)



# Improving credit metrics



## Credit metrics



■ Net debt/EBITDA ■ FFO/Net debt

## Long term credit rating

	Rating	Outlook
Standard & Poors	BBB+	Stable
Moody's	Baa2	Stable
Fitch	BBB+	Stable

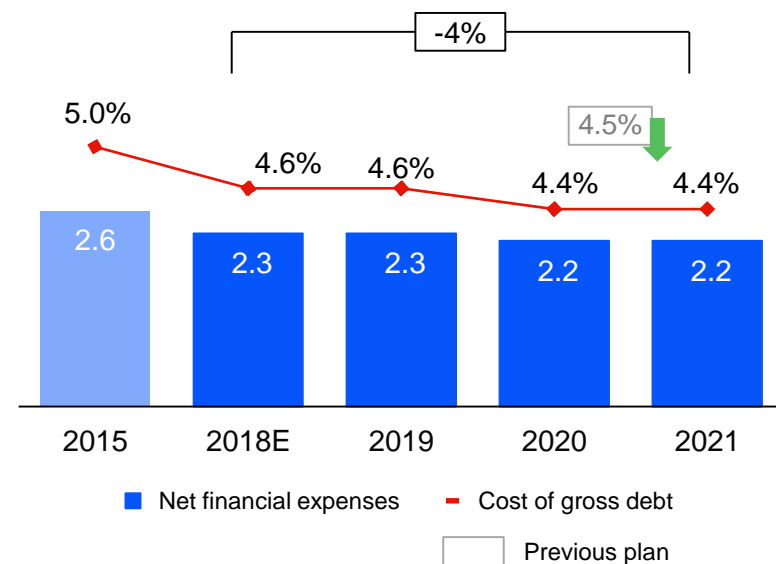
# Continued reduction in cost of debt



Financial strategy for 2019-21 (€bn)

	Amount	Expected cost <sup>1</sup>	Current total cost
Bond refinancing including green bonds	6.2	3%	4.2%
Bank loans and other financing	2.8	2.5%	2.3%
Hybrid refinancing	1.8	4.9%	6.4%
Emerging markets	2.8	7.4%	7.6%
<b>Total</b>	<b>13.6</b>	<b>4.1%</b>	<b>4.8%</b>

Net financial expenses on debt (€bn)



1. Enel estimates on current cost associated with financial instruments





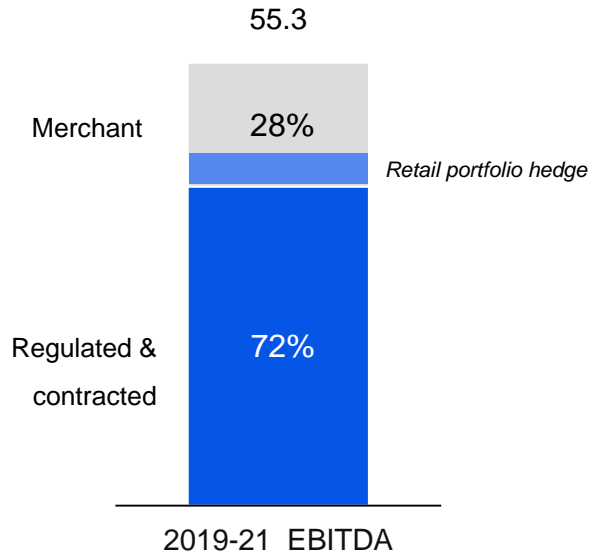
**2019-2021**

**Risk Management**

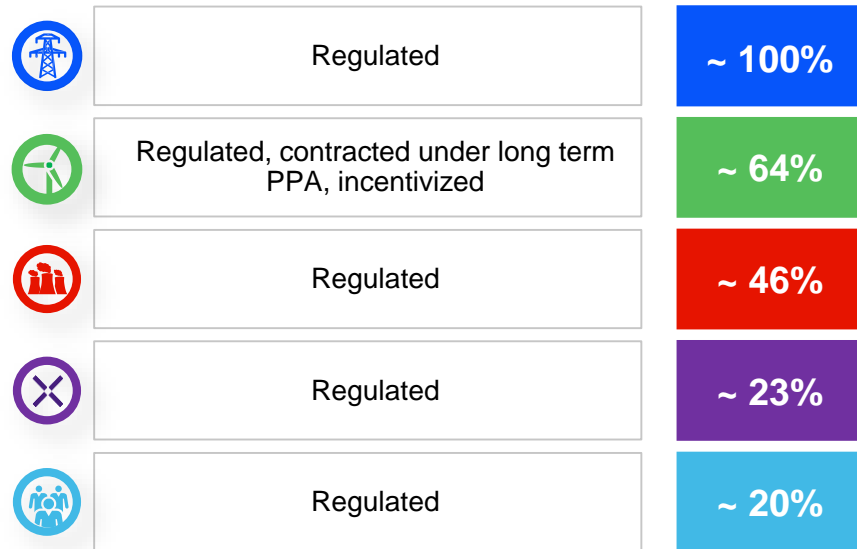
# Operating risk: low EBITDA exposure to merchant risk



EBITDA 2019-21 (€bn)



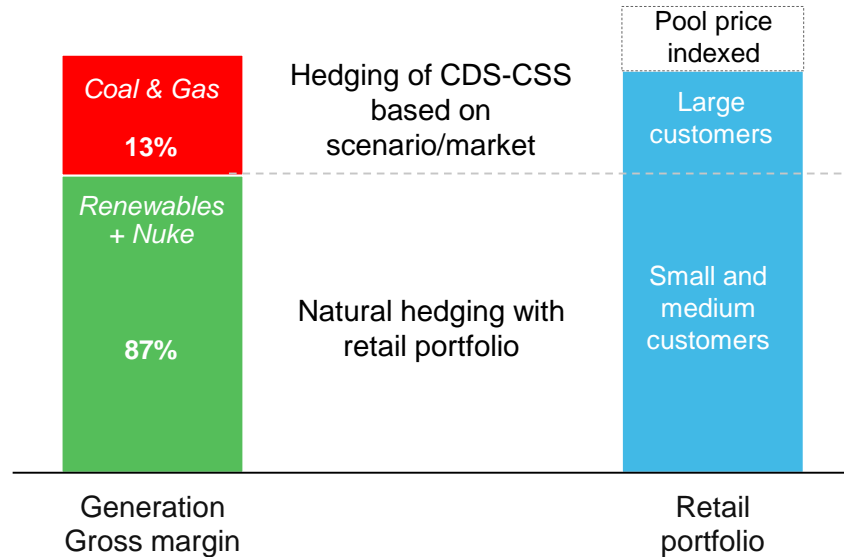
Regulated EBITDA by business 2019-21



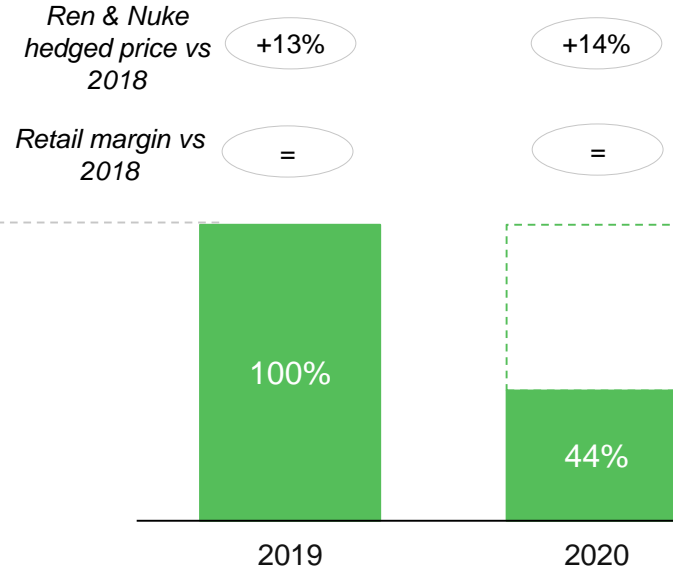
# Operating risk: natural margin hedge from retail portfolio



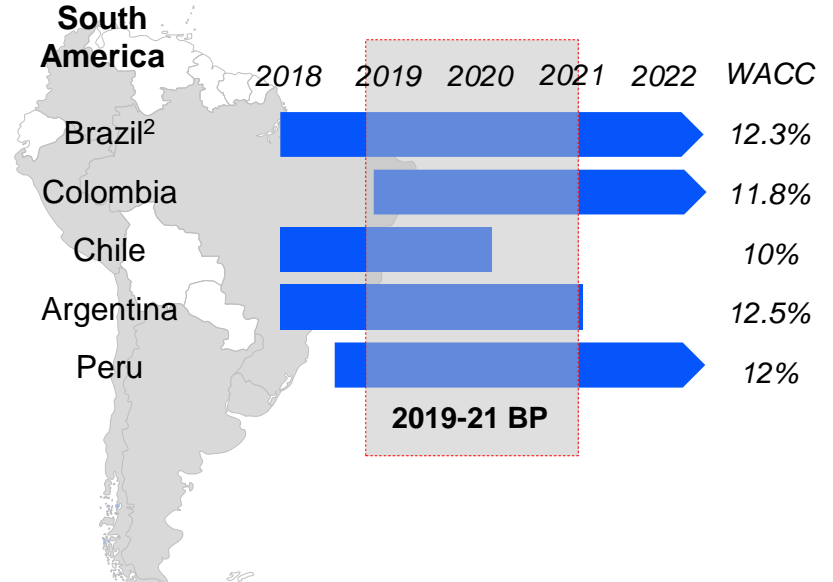
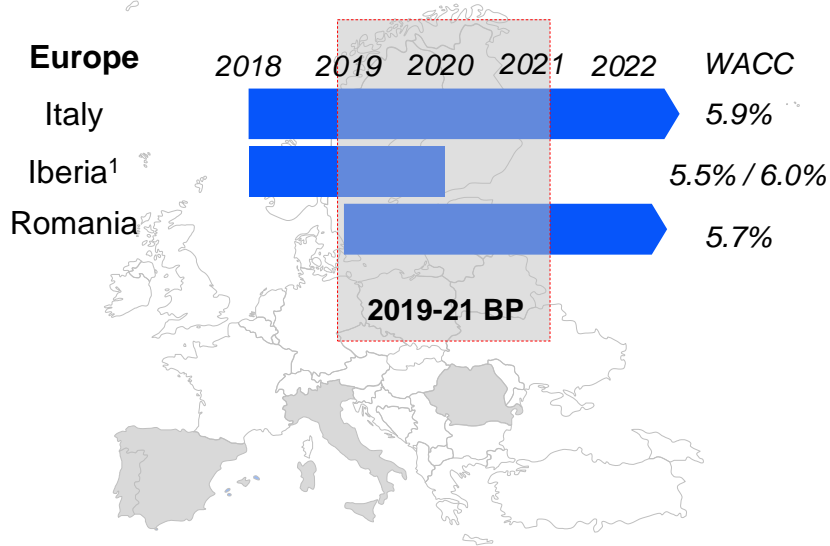
Integrated margin – Generation GM vs retail GM



Hedging position on price driven production



# Operating risk: low regulatory risk over the plan period



Stable and mature regulations

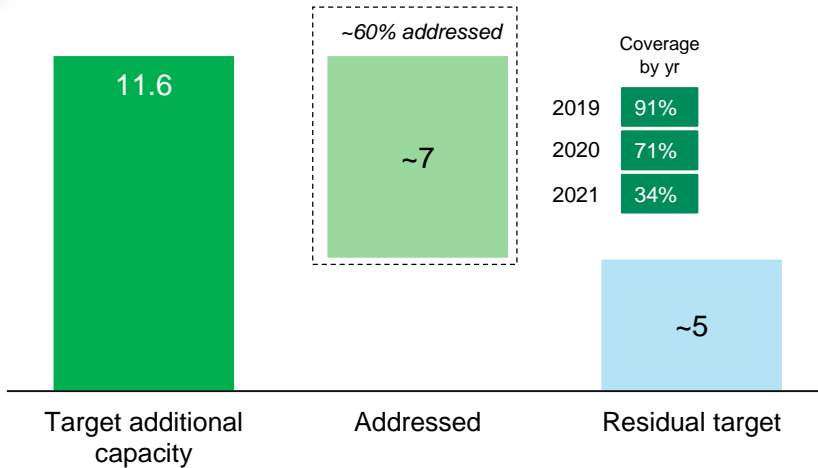
Highly visible frameworks

1. WACC nominal pre-tax  
 2. Blend of Rio, Ceará, Goiás and Eletropaulo

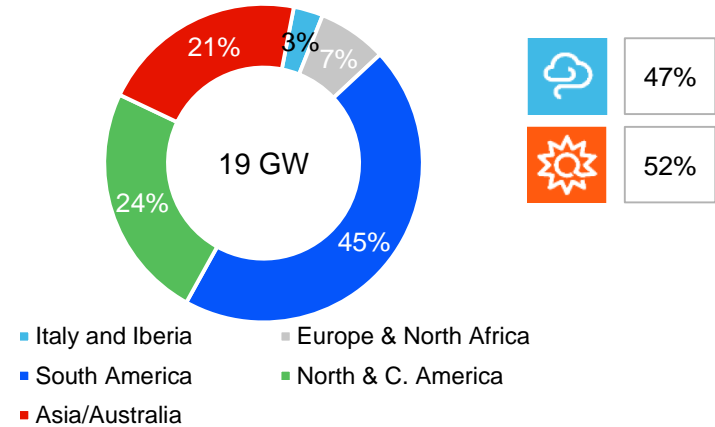
# Operating risk: renewables growth already significantly addressed



2019-21 Additional capacity addressed<sup>1</sup> (GW)



Pipeline by geography and technology<sup>2</sup> (GW)



Total pipeline / residual target ~ 4x

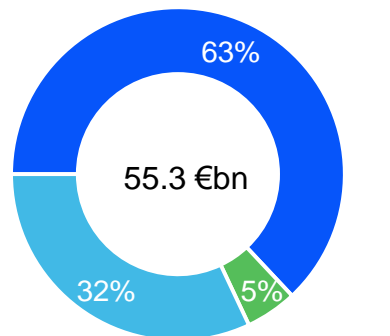
Short term pipeline<sup>3</sup> / residual target ~ 3x

1. It includes managed capacity  
 2. As of September 2018  
 3. Includes 2019-2021 CODs only

# Currency risk: low exposure to volatile currencies

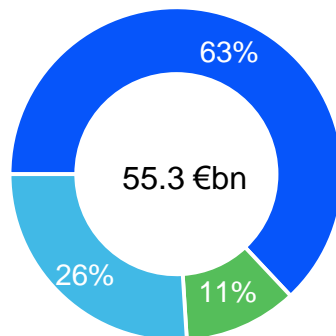


2019-21 EBITDA by geography



- Europe
- South America
- North America

2019-21 EBITDA by currency



- EUR
- USD
- South America

FX sensitivity<sup>1</sup> – Avg. yearly impact 2019-21 (€mn)

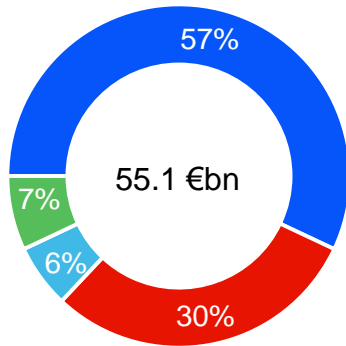
	EBITDA		Group NI	
<i>BRL</i>	(180)	225	(30)	35
<i>ARS</i>	(35)	40	(6)	8
<i>CLP</i>	(6)	6	-	-
<i>COP</i>	(100)	125	(12)	15
<i>PEN</i>	(20)	25	(2)	~3
<b>TOTAL</b>	<b>(340)</b>	<b>420</b>	<b>(50)</b>	<b>60</b>
<b>% on yearly value</b>	<b>(1.8%)</b>	<b>2.3%</b>	<b>(&lt;1.0%)</b>	<b>1.1%</b>

1. Sensitivity based on +/-10% USD/LOC (EUR/USD @Plan). Rounded figures

# Financial risk: gross debt hedges softening FX swings and rates movements

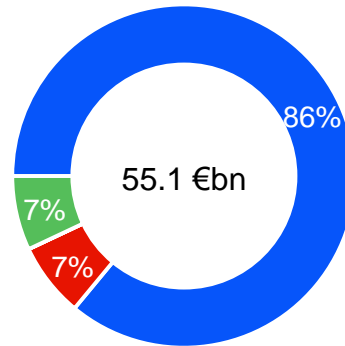


Gross debt by currency at 2021



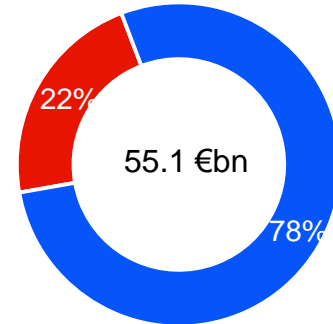
■ EUR ■ USD ■ GBP ■ Other

After swap



■ EUR ■ USD ■ GBP ■ Other

Interest rate composition

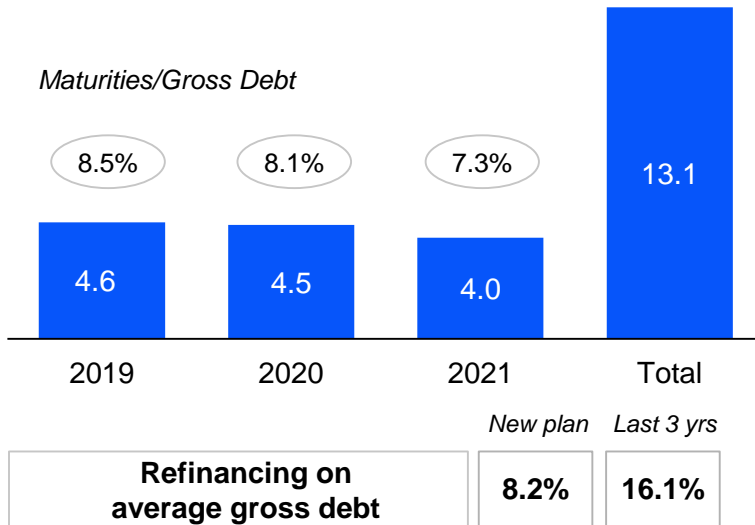


■ Floating ■ Fixed + Hedged

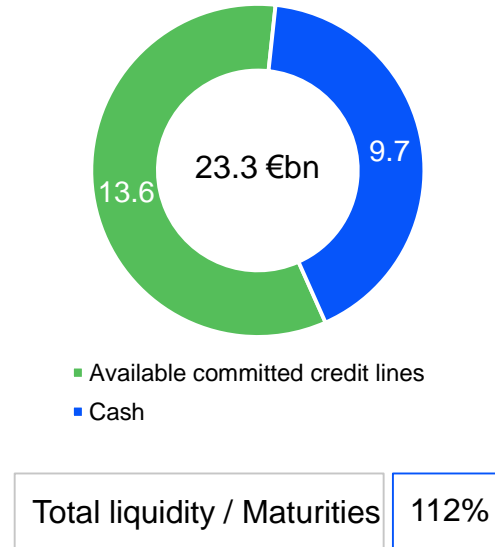
# Financial risk: limited re-financing needs; strong available liquidity



Debt maturity by year<sup>1</sup> (€bn)



2019-21 Liquidity available<sup>1</sup>



1. As of September 2018





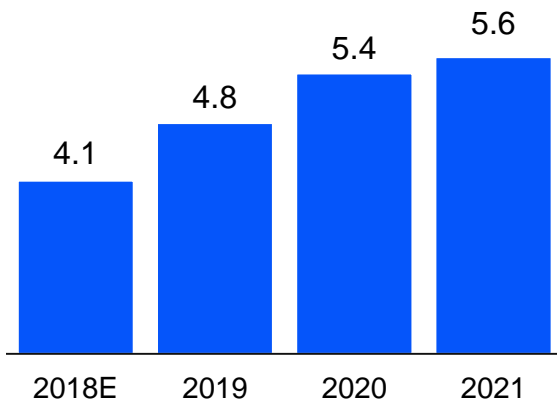
**2019-2021**

**Earnings & Targets**

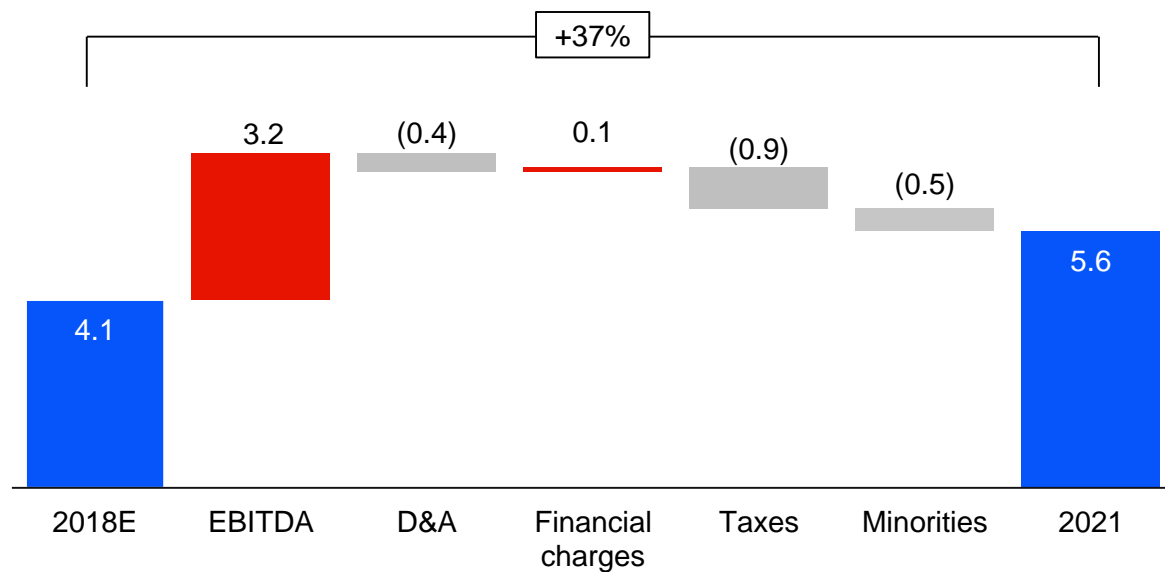
# Strategy driving 37% increase in earnings vs 20% increase in EBITDA



Group net ordinary income (€bn)



2018E-21 Group net ordinary income evolution (€bn)



# Visible value creation for our shareholders



Earnings growth	2018	2019	2020	2021	CAGR (%) 2018-21
Ordinary EBITDA (€bn)	~16.2	~17.4	~18.5	~19.4	~+6%
Net ordinary income (€bn)	~4.1	~4.8	~5.4	~5.6	~+11%
<b>Value creation</b>					
Pay-out ratio	70%	70%	70%	70%	-
Implicit DPS (€/sh)	0.28	0.33	0.37	0.39	~+12%
Minimum dividend per share (€)	0.28	0.32	0.34	0.36	~+9%

**Three years minimum dividend per share**



# Closing remarks

## Closing remarks



Delivering on all targets

Integrated model driving synergies and reducing risk profile

Acceleration of renewables capacity development

Significant value creation for all stakeholders

Three years dividend certainty, with upside potential



**2019-2021**

**Financial annexes**

# Agenda



Macro scenario

Thermal generation

Renewables

Infrastructure & Networks

Retail

Enel Group



**2019-2021**

**Macro scenario**



# GDP, CPI, FX



	GDP (%)			CPI (%)			FX against € <sup>1</sup>		
	2019	2020	2021	2019	2020	2021	2019	2020	2021
<b>Italy</b>	1.2	1.1	1.0	1.5	1.6	1.7	<i>n. m.</i>	<i>n. m.</i>	<i>n. m.</i>
<b>Iberia</b>	2.3	2.0	1.8	1.7	1.7	1.7	<i>n. m.</i>	<i>n. m.</i>	<i>n. m.</i>
<b>South America</b>									
Argentina	3.1	3.1	3.0	20.0	17.0	14.0	36.2	38.6	40.4
Brazil	2.8	3.0	2.8	4.0	4.2	4.2	4.3	4.4	4.5
Chile	3.2	3.2	3.2	3.0	3.0	3.1	744	746	747
Colombia	2.9	3.1	3.1	3.4	3.4	3.4	3,657	3,767	3,859
Peru	4.0	4.1	4.1	2.5	2.6	2.5	4.0	3.9	3.9
<b>Europe and North Africa</b>									
Romania	4.0	3.3	2.9	3.4	2.8	2.4	4.9	4.9	5.0
Russia	1.9	1.7	1.7	4.2	4.3	4.2	74.1	75.6	76.9
<b>North &amp; Central America</b>									
USA	2.3	2.1	1.9	2.2	2.3	2.3	1.2	1.2	1.2
Mexico	2.5	2.6	2.5	3.7	3.4	3.3	22.7	22.9	23.2

# Commodities' prices



	2018E	2019	2020	2021
<b>Gas TTF €/MWh</b>	20.0	19.7	18.9	18.5
<b>Gas Henry Hub \$/mmbtu</b>	2.8	3.0	3.1	3.2
<b>Oil Brent \$/bbl</b>	71.0	69.0	67.5	63.5
<b>Coal API2 \$/ton</b>	88.0	77.0	75.0	74.0
<b>CO<sub>2</sub> €/ton</b>	13.0	16.0	17.5	18.0



**2019-2021**

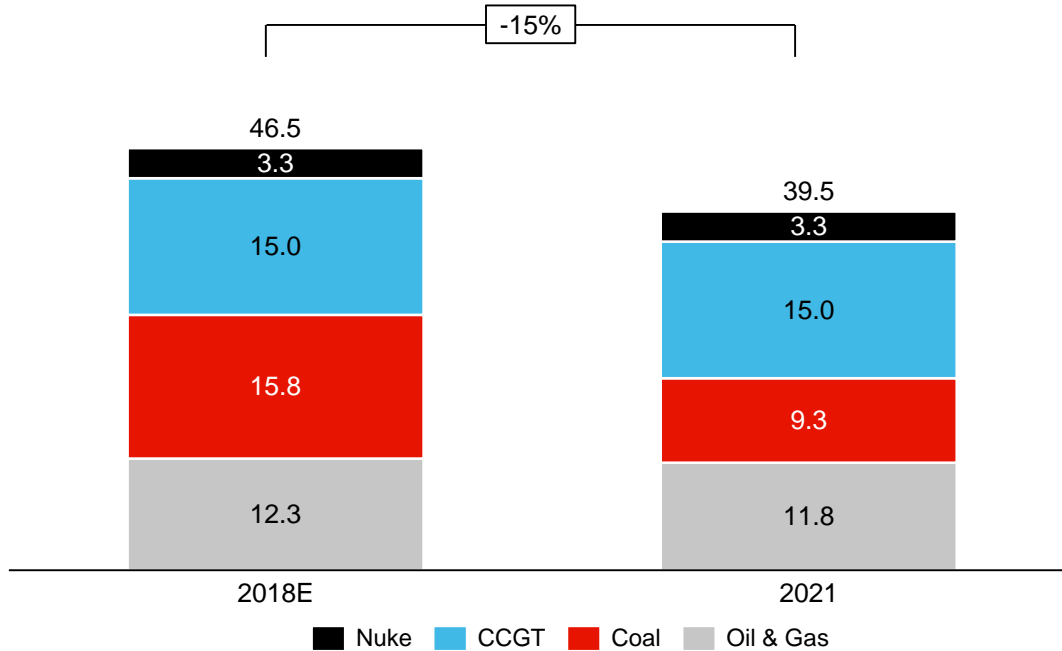
**Thermal generation**

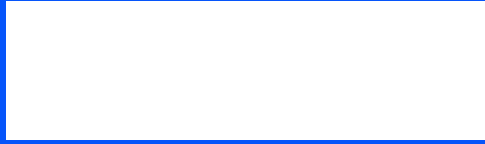
# Final installed Capacity (GW)



	Nuke		CCGT		Coal		Oil & Gas		Total	
	2018E	2021	2018E	2021	2018E	2021	2018E	2021	2018E	2021
Italy	-	-	4.5	4.5	6.3	5.5	2.8	2.4	13.6	12.6
Iberia	3.3	3.3	5.4	5.4	5.1	3.0	2.4	2.3	16.2	14.1
South America	-	-	4.2	4.2	0.8	0.8	2.7	2.7	7.7	7.6
Europe and North Africa	-	-	0.8	0.8	3.6	-	4.4	4.4	8.9	5.3
North & Central America	-	-	-	-	-	-	-	-	-	-
Africa, Asia & Oceania	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>3.3</b>	<b>3.3</b>	<b>15.0</b>	<b>15.0</b>	<b>15.8</b>	<b>9.3</b>	<b>12.3</b>	<b>11.8</b>	<b>46.5</b>	<b>39.5</b>

# Installed Capacity (GW)





**2019-2021**

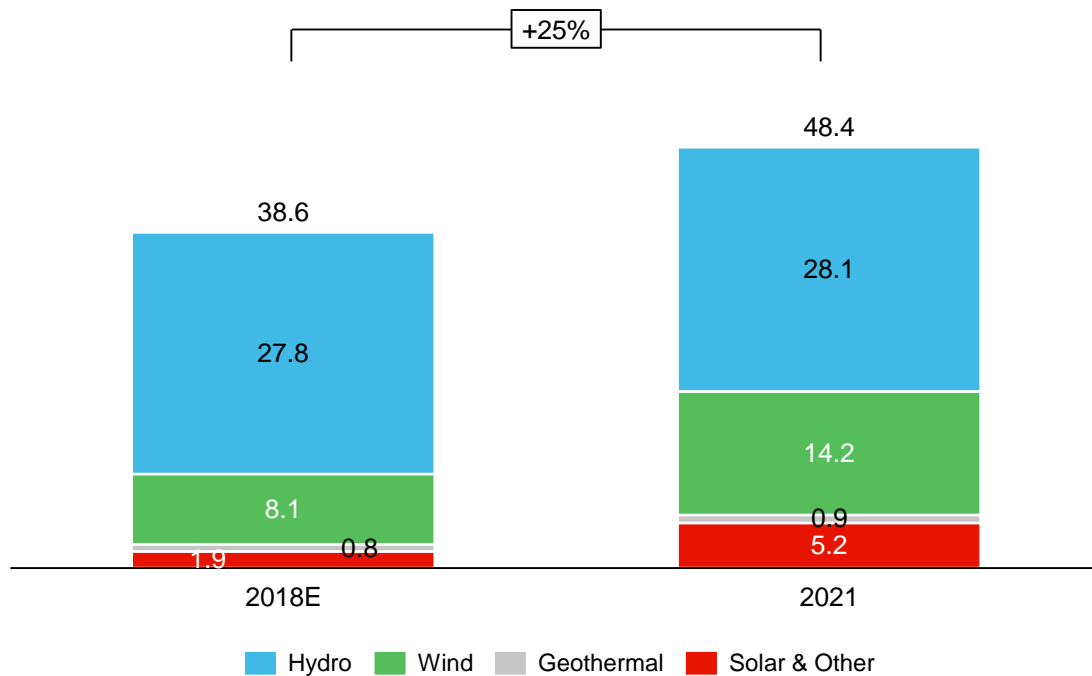
**Renewables**

# Final Consolidated capacity (GW)



	Hydro		Wind		Geothermal		Solar & Other		Total	
	2018E	2021	2018E	2021	2018E	2021	2018E	2021	2018E	2021
Italy	12.4	12.4	0.8	1.0	0.8	0.8	-	0.1	14.0	14.3
Iberia	4.8	4.8	1.8	2.6	-	-	-	1.1	6.5	8.4
South America	10.0	10.2	1.6	3.1	-	0.1	1.1	2.6	12.8	15.9
Europe and North Africa	-	-	0.7	1.1	-	-	0.1	0.1	0.8	1.3
North & Central America	0.6	0.6	2.9	5.8	0.0	0.1	0.3	0.5	3.8	7.0
Africa, Asia & Oceania	-	-	0.4	0.7	-	-	0.3	0.8	0.7	1.4
<b>Total</b>	<b>27.8</b>	<b>28.1</b>	<b>8.1</b>	<b>14.2</b>	<b>0.8</b>	<b>0.9</b>	<b>1.9</b>	<b>5.2</b>	<b>38.6</b>	<b>48.4</b>

# Consolidated capacity (GW)







**2019-2021**

**Infrastructure & Networks**

# Electricity distributed, End users, Smart meters



	Electricity distributed (TWh)		End users (mn)		Smart meters (mn)	
	2018E	2021	2018E	2021	2018E	2021
Italy	226.0	233.0	31.5	31.6	31.3	31.6
Iberia	113.9	119.0	12.2	12.4	11.7	12.3
South America	115.8	149.2	26.5	27.7	0.5	2.2
Europe and North Africa	15.6	16.4	2.9	3.0	0.5	0.9
<b>Total</b>	<b>471.3</b>	<b>517.6</b>	<b>73.0</b>	<b>74.7</b>	<b>44.0</b>	<b>46.9</b>



**2019-2021**

**Retail**

# Power & gas customers and volumes<sup>1</sup>



	Power				Gas			
	Customers (mn)		Volumes (TWh)		Customers (mn)		Volumes (bsmc)	
	2018E	2021	2018E	2021	2018E	2021	2018E	2021
Italy	25.3	18.4	111.9	92.3	4.2	4.8	4.9	5.1
Iberia	10.9	10.9	103.5	105.7	1.6	1.9	6.1	6.3
South America	19.2	28.2	110.3	184.1	0.0	0.0	0.1	0.7
Europe and North Africa	3.1	4.1	10.4	13.3	0.1	0.3	0.2	0.4
<b>Total</b>	<b>58.5</b>	<b>61.6</b>	<b>336.1</b>	<b>395.3</b>	<b>5.9</b>	<b>7.0</b>	<b>11.3</b>	<b>12.4</b>

1. Net of "Salvaguardia"

# Power unitary margin, cost to acquire, opex & capex per client



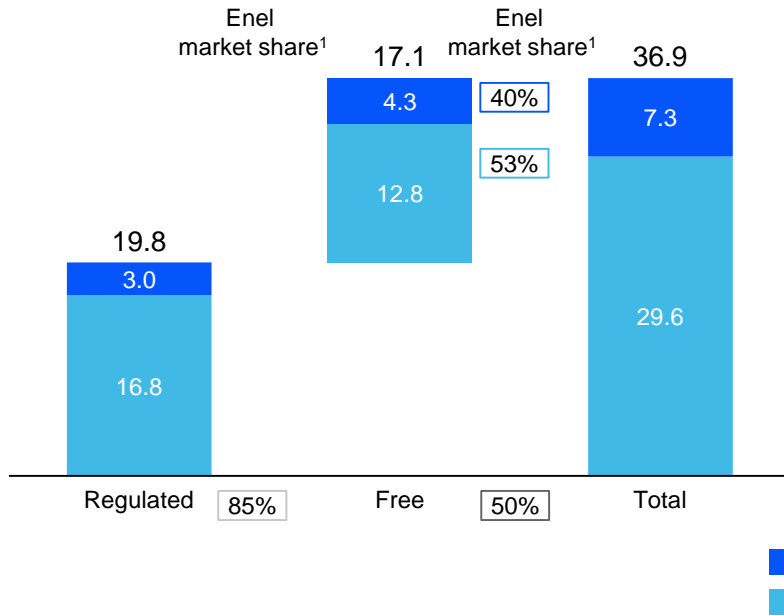
	Power unitary margin (€/MWh) <sup>1</sup>		Opex per client (€/customer)		Capex per client (€/customer)	
	2018E	2021	2018E	2021	2018E	2021
Italy	20.2	19.9	29.4	23.0	8.5	10.8
Iberia	7.9	8.6	27.8	25.0	8.6	6.7
Europe and North Africa	4.6	9.0	13.8	10.6	9.0	6.5

1. Includes only power free market

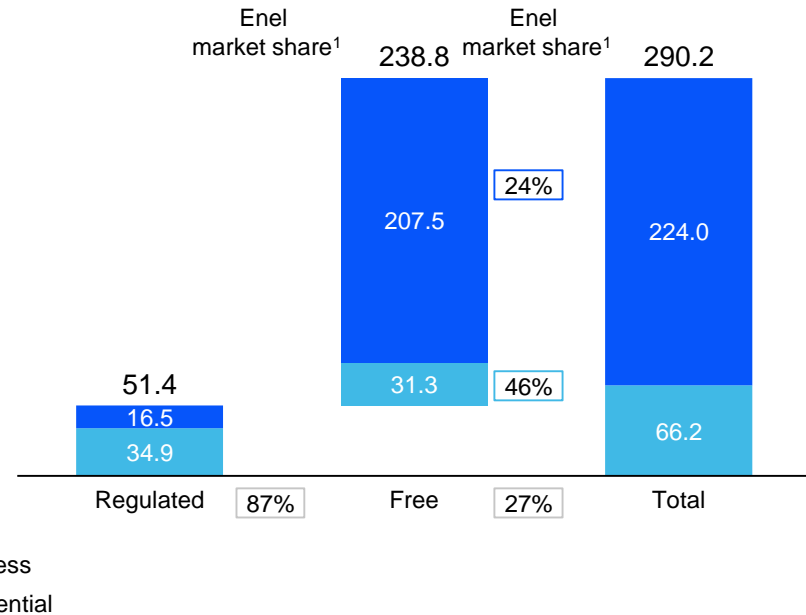
# Italian power market 2018



## Customers (mn)



## Energy sold (TWh)

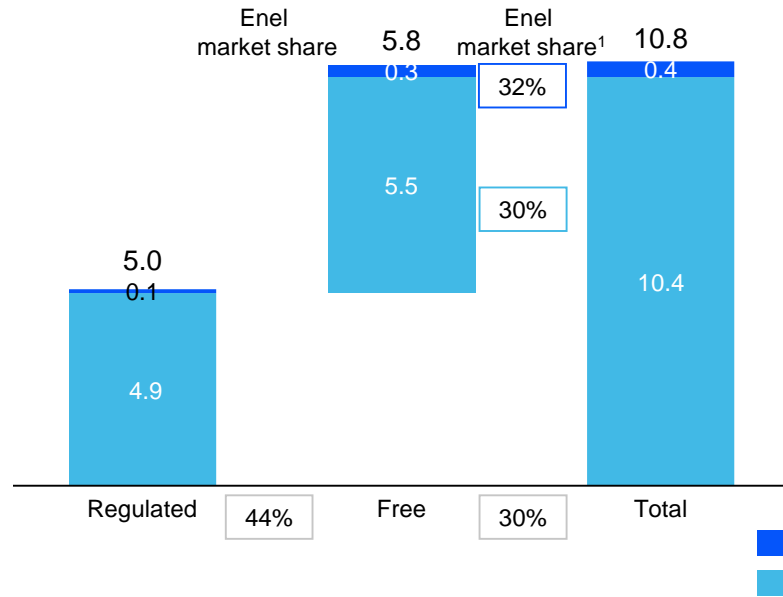


<sup>1</sup> Enel estimate based on FCST 2018, not including Last Resort ("Salvaguardia")

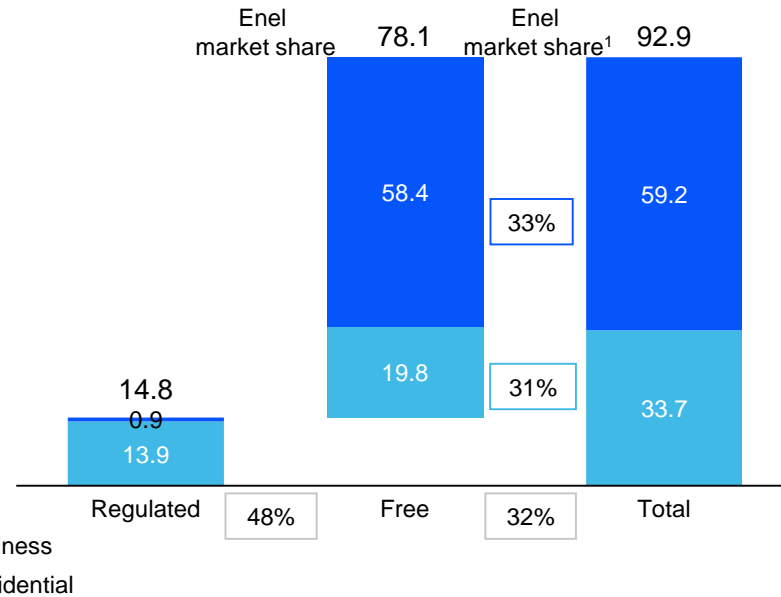
# Spanish power market 2018



## Customers (mn)



## Energy sold (TWh)



1. Internal estimates for Business and Residential Enel market share

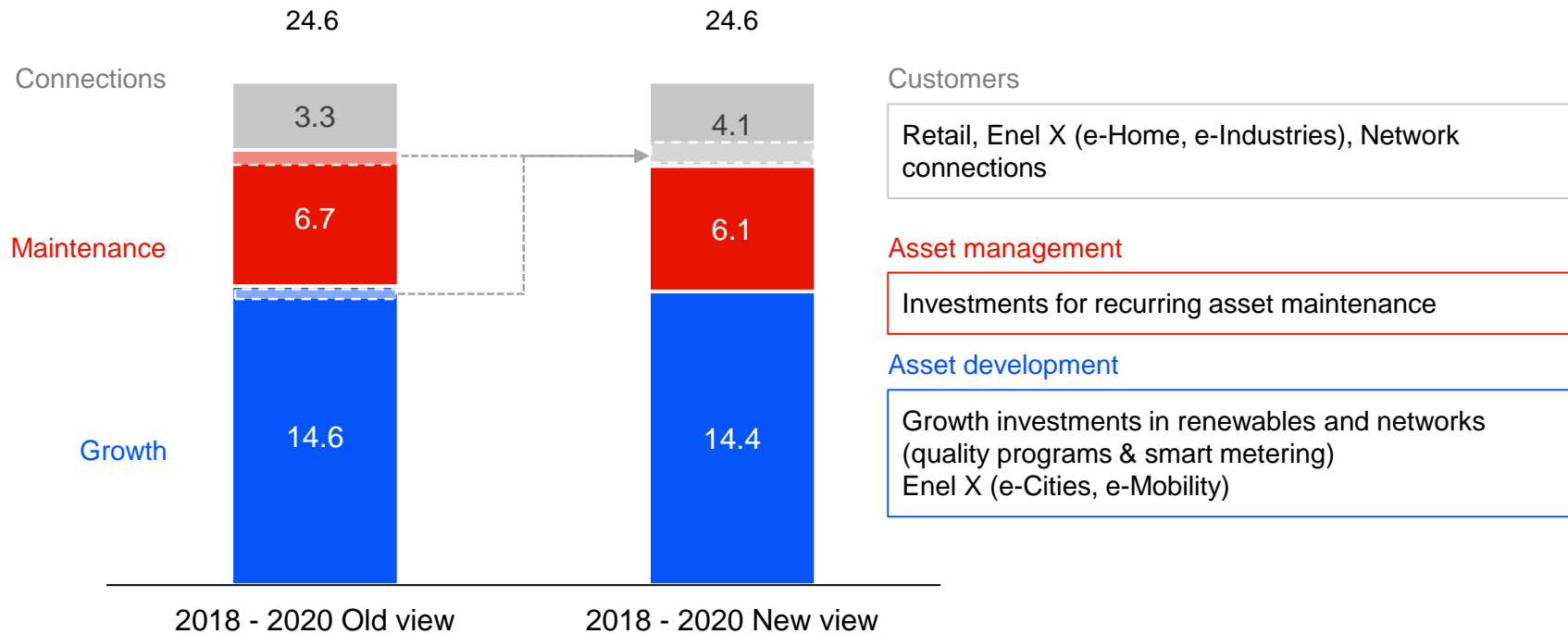


**2019-2021**

**Enel Group**



# Old Plan Capex reconciliation (€bn)



# Gross Capex (€bn)



	Global Generation & Trading			Global Infrastructures & NetworNs			Renewable Energies			Retail			Enel X			Services & Other			Total		
	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Italy	0.2	0.1	0.1	1.7	1.7	1.5	0.3	0.3	0.4	0.3	0.3	0.3	0.1	0.2	0.2	0.1	0.1	0.1	2.5	2.6	2.5
Iberia	0.4	0.5	0.5	0.7	0.6	0.6	0.7	0.5	0.5	0.1	0.1	0.1	0.1	0.1	0.1	-	-	-	2.0	1.7	1.8
South America	0.2	0.2	0.2	1.3	1.4	1.2	1.1	1.3	1.1	-	-	-	0.1	0.1	0.1	-	-	-	2.8	3.0	2.6
Europe and North Africa	-	-	-	0.1	0.1	0.1	0.2	0.1	0.1	-	-	-	-	-	-	-	-	-	0.4	0.3	0.2
North & Central America	-	-	-	-	-	-	1.7	1.2	1.1	-	-	-	0.1	-	0.1	-	-	-	1.8	1.2	1.2
Africa, Asia & Oceania	-	-	-	-	-	-	0.2	0.4	0.4	-	-	-	-	-	-	-	-	-	0.2	0.4	0.4
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.2)	(0.1)	0.1	(0.3)	(0.2)
<b>Total</b>	<b>0.8</b>	<b>0.8</b>	<b>0.8</b>	<b>3.8</b>	<b>3.8</b>	<b>3.5</b>	<b>4.2</b>	<b>3.8</b>	<b>3.5</b>	<b>0.5</b>	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>	<b>0.1</b>	<b>(0.1)</b>	<b>-</b>	<b>9.8</b>	<b>9.1</b>	<b>8.6</b>
<b>Total Capex 2019 - 2021</b>	<b>2.5</b>			<b>11.1</b>			<b>11.6</b>			<b>1.3</b>			<b>1.1</b>			<b>(0.1)</b>			<b>27.5</b>		

# Asset development capex (€bn)



	Global Generation & Trading			Global Infrastructures & NetworNs			Renewable Energies			Retail			Enel X			Services & Other			Total		
	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Italy	-	-	-	0.8	0.8	0.7	0.1	0.2	0.3	-	-	-	0.1	0.1	0.2	-	-	-	1.1	1.2	1.2
Iberia	-	0.1	0.2	0.3	0.2	0.3	0.7	0.5	0.4	-	-	-	-	-	-	-	-	-	1.0	0.8	0.9
South America	-	-	-	0.5	0.6	0.4	1.0	1.2	1.0	-	-	-	0.1	0.1	0.1	-	-	-	1.6	1.9	1.4
Europe and North Africa	-	-	-	-	-	-	0.2	0.1	0.1	-	-	-	-	-	-	-	-	-	0.3	0.2	0.1
North & Central America	-	-	0.1	-	-	-	1.7	1.2	1.1	-	-	-	-	-	-	-	-	-	1.7	1.2	1.2
Africa, Asia & Oceania	-	-	-	-	-	-	0.2	0.4	0.4	-	-	-	-	-	-	-	-	-	0.2	0.4	0.4
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.2)	-	0.1	(0.2)	(0.1)
<b>Total</b>	<b>0.1</b>	<b>0.2</b>	<b>0.3</b>	<b>1.6</b>	<b>1.7</b>	<b>1.3</b>	<b>3.9</b>	<b>3.5</b>	<b>3.2</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.2</b>	<b>0.2</b>	<b>0.2</b>	<b>-</b>	<b>(0.1)</b>	<b>-</b>	<b>5.9</b>	<b>5.5</b>	<b>5.1</b>
<b>Total Capex 2019 - 2021</b>	<b>0.6</b>			<b>4.6</b>			<b>10.6</b>			<b>-</b>			<b>0.7</b>			<b>(0.1)</b>			<b>16.5</b>		

# Asset management capex (€bn)



	Global Generation & Trading			Global Infrastructures & NetworNs			Renewable Energies			Retail			Enel X			Services & Other			Total		
	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Italy	0.1	0.1	0.1	0.4	0.4	0.4	0.1	0.1	0.1	-	-	-	-	-	-	-	-	-	0.7	0.7	0.6
Iberia	0.4	0.4	0.3	0.2	0.2	0.2	0.1	0.1	0.1	-	-	-	-	-	-	-	-	-	0.6	0.6	0.5
South America	0.2	0.1	0.1	0.4	0.4	0.4	0.1	0.1	0.1	-	-	-	-	-	-	-	-	-	0.7	0.6	0.6
Europe and North Africa	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-	-	-	-	-	-	0.0	0.0	0.0	0.1	0.1	0.1
North & Central America	0.0	0.0	0.0	-	-	-	0.0	0.0	0.0	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
Africa, Asia & Oceania	0.0	0.0	0.0	-	-	-	0.0	0.0	0.0	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-	-	-	-	-	-	0.0	0.0	0.0	0.1	0.0	0.0
<b>Total</b>	<b>0.7</b>	<b>0.6</b>	<b>0.5</b>	<b>1.1</b>	<b>1.0</b>	<b>1.0</b>	<b>0.3</b>	<b>0.3</b>	<b>0.3</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.1</b>	<b>0.0</b>	<b>0.0</b>	<b>2.3</b>	<b>2.0</b>	<b>1.9</b>
<b>Total Capex 2019 - 2021</b>			<b>1.9</b>			<b>3.2</b>			<b>0.9</b>			<b>-</b>			<b>-</b>			<b>0.2</b>			<b>6.2</b>

# Customers capex (€bn)



	Global Generation & Trading			Global Infrastructures & NetworNs			Renewable Energies			Retail			Enel X			Services & Other			Total		
	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Italy	-	-	-	0.4	0.4	0.4	-	-	-	0.3	0.3	0.3	-	-	-	-	-	-	0.7	0.7	0.7
Iberia	-	-	-	0.2	0.2	0.2	-	-	-	0.1	0.1	0.1	0.1	0.1	0.1	-	-	-	0.4	0.3	0.4
South America	-	-	-	0.4	0.4	0.4	-	-	-	-	-	-	-	-	-	-	-	-	0.5	0.5	0.5
Europe and North Africa	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1	0.1	0.1
North & Central America	-	-	-	-	-	-	-	-	-	-	-	-	0.1	-	-	-	-	-	0.1	-	-
Africa, Asia & Oceania	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.1)	(0.1)	-	(0.1)	(0.1)
<b>Total</b>	-	-	-	1.1	1.1	1.1	-	-	-	0.5	0.4	0.4	0.2	0.1	0.2	-	(0.1)	(0.1)	1.7	1.6	1.6
<b>Total Capex 2019 - 2021</b>			-			3.3			-			1.3			0.5			(0.1)			4.8

# Ordinary EBITDA



	Global Generation & Trading				Global Infrastructures & NetwOrNs				Renewable Energies				Retail				Enel X				Services & Other				Total							
	2018E	2019	2020	2021	2018E	2019	2020	2021	2018E	2019	2020	2021	2018E	2019	2020	2021	2018E	2019	2020	2021	2018E	2019	2020	2021	2018E	2019	2020	2021	2018E	2019	2020	2021
Italy	-	0.1	0.2	0.2	3.6	3.7	3.7	3.6	1.2	1.2	1.3	1.4	2.2	2.2	2.3	2.3	-	-	0.1	0.2	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	7.0	7.5	7.7	7.6
Iberia	0.4	0.6	0.6	0.7	1.9	2.0	1.9	1.9	0.4	0.4	0.5	0.5	0.5	0.5	0.6	0.7	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	3.4	3.6	3.7	3.9	
South America	0.5	0.5	0.6	0.6	2.0	2.5	2.9	3.2	2.0	2.0	2.2	2.4	0.2	0.3	0.3	0.3	-	0.1	0.1	0.1	0.1	(0.1)	(0.1)	(0.1)	(0.1)		4.7	5.3	6.0	6.7		
Europe and North Africa	0.2	0.1	0.2	0.1	0.1	0.1	0.2	0.2	0.1	0.1	0.2	0.2	-	0.1	0.1	0.1	-	-	-	-	-	-	-	-	-	-	0.5	0.4	0.6	0.6		
North & Central America	-	-	-	-	-	-	-	-	0.6	0.8	0.8	0.8	-	-	-	-	-	-	-	0.1	-	-	-	-	-	-	0.6	0.7	0.9	1.0		
Africa, Asia & Oceania	-	-	-	-	-	-	-	-	0.1	0.1	0.1	0.2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.1	0.1	0.1	0.2		
Other	-	-	-	0.1	-	-	-	-	0.1	(0.1)	(0.1)	(0.1)	-	-	-	-	-	-	-	-	(0.2)	(0.1)	(0.5)	(0.5)		(0.1)	(0.2)	(0.5)	(0.5)			
Total	1.2	1.4	1.6	1.6	7.6	8.3	8.7	8.9	4.4	4.5	5.0	5.4	2.9	3.1	3.3	3.4	0.1	0.1	0.3	0.5	-	-	(0.4)	(0.4)		16.2	17.4	18.5	19.4			
Total EBITDA 2019 - 2021			4.7				25.8				15.0				9.7				0.9				(0.8)							55.3		

# Baseload power price & production sold forward



	Baseload price			
	2018E	2019	2020	2021
Italy (€/MWh)	54.2	56.9	56.2	55.1
Iberia (€/MWh)	50.9	56.5	55.0	55.4

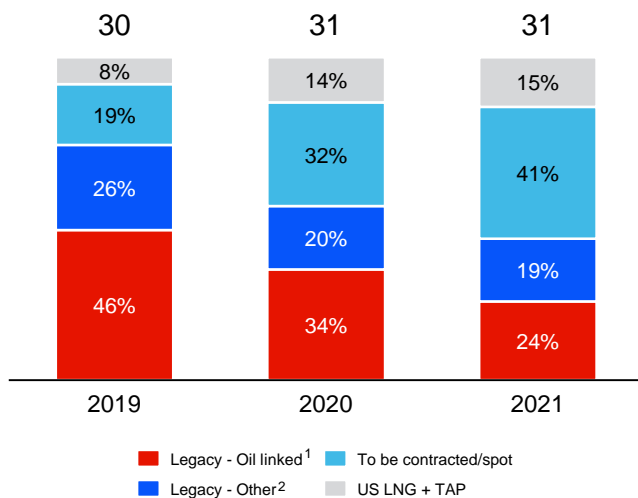
	Production sold forward							
	2018E		2019		2020		2021	
	price	%	price	%	price	%	price	%
Italy (€/MWh) <sup>1</sup>	46.0	90%	53.0	80%	55.8	20%	-	-
Iberia (€/MWh) <sup>1</sup>	67.1	100%	73.5	70%	77.2	40%	-	-
Brazil (USD/MWh)	63.0	100%	65.9	100%	69.5	100%	68.9	100%
Chile (USD/MWh)	79.0	100%	80.7	100%	84.9	100%	86.4	100%
Colombia (USD/MWh)	59.0	100%	65.1	100%	69.7	90%	74.7	60%
Peru (USD/MWh)	51.2	100%	53.5	100%	55.6	100%	58.2	100%

1. Average hedged price; wholesale price for Italy, retail price for Spain.

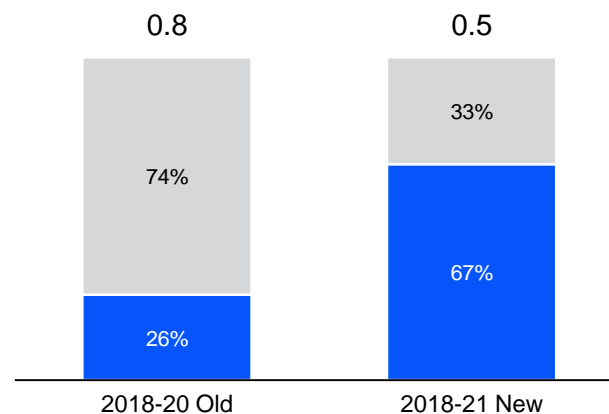
# Delivery on gas contract renegotiation



Portfolio evolution (bcm, %)



Price review impact (€bn, %)



1. Italy, Spain, Chile  
2. Rest of the World





**2019-2021**

**Environmental Social and  
Governance annexes**

# Agenda



Our 2018 ESG delivery

Our 2019-21 ESG targets

Our ESG pillars and backbones

Our commitment to Sustainable Development Goals

Growth across low carbon technologies and services

Operational improvement for a better service

Engaging local communities

Engaging the people we work with

Digitalization and cyber security

Innovation boost

Our Corporate governance



# Our 2018 ESG delivery

# Our commitment to low carbon growth



## Plan actions – 2018-2020

## 2018E

Development of renewable capacity and reduction of thermal capacity



43 GW renewable capacity<sup>1</sup>



46.5 GW thermal capacity

Implementation of environmental international best practices to selected coal plants

94 €mn of investments for environmental retrofit

Reduction of CO<sub>2</sub> specific emissions

-16% vs 2007

Electrification, storage & demand response



5.7 GW demand response



3 MW/yr storage

1. Includes managed capacity for 4.2 GW

# Assets optimization and innovation



## Plan actions – 2018-2020

## 2018E

Large scale infrastructure innovation mostly in grid digitization, smart meters and charging points

- 48k charging points<sup>1</sup>
- 44 mn smart meters installed<sup>2</sup>

Foster global partnerships and 'high potential' startups to reap new technologies and ways to 'service' energy

- 13 projects with startups in deployment in the business
- 2 new Innovation Hubs (Catania, Pisa)

1. Public and private charging points installed  
2. Includes replacement of smart meters

# Engaging local communities



## Plan actions – 2018-2020

## 2018E<sup>1</sup>

High-quality, inclusive and fair education

0.9 mn beneficiaries

Access to affordable and clean energy, mainly in Africa, Asia and Latin America

2.2 mn beneficiaries<sup>2</sup>

Employment and sustainable and inclusive economic growth

1.8 mn beneficiaries

1. Cumulated figures since 2015
2. In the whole Group perimeter, 4.9 mn beneficiaries were reached

# Engaging people we work with



## Plan actions – 2018-2020

## 2018E

Appraise performance of people we work with <sup>1</sup>	<ul style="list-style-type: none"> <li>• 100% of people involved</li> <li>• 99% of people appraised</li> </ul>
Climate corporate survey <sup>1</sup>	<ul style="list-style-type: none"> <li>• 100% of people involved</li> <li>• 85% of people participating</li> </ul>
Global implementation of the diversity and inclusion policy	38% women involved in recruiting processes
Enable digital skills diffusion among people we work with	36% of people involved in digital skills training

1. Eligible and reachable people having worked in the Group for at least 3 months

# Digitalization and cyber security



## Plan actions – 2018-2020

## 2018E

Single strategy approach based on business risk management

85% of internet web applications protected through advanced cyber security solutions

Business lines involved in key processes: risk assessment, response and recovery criteria definition and prioritization of actions

Enel's CERT<sup>1</sup> acknowledgement in deployment in 8 countries<sup>2</sup> of presence and affiliation with international organizations<sup>3</sup>

Integrated information systems (IT), industrial systems (OT) and Internet of Things (IoT) assessment and management

15 cyber security knowledge sharing events held

'Cyber security by design' to define and spread secure system development standards

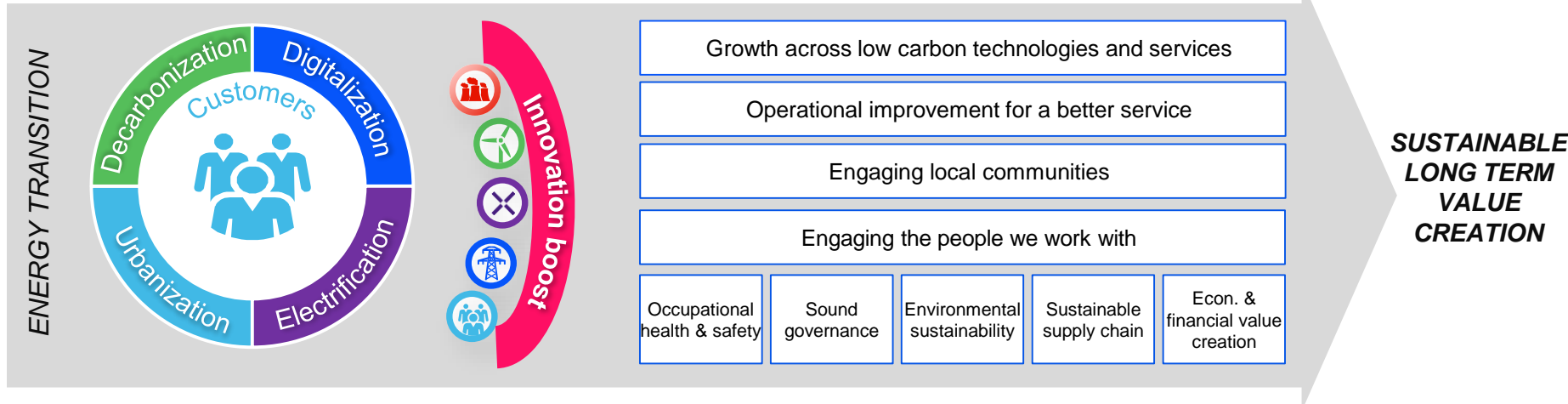
1. Computer Emergency Response Team
2. Italy, Spain, Romania, Argentina, Brazil, Peru, Colombia, Chile
3. First and Trust introducer





# Our 2019-21 ESG targets

# Our ESG pillars and backbones to capture opportunities from energy transition



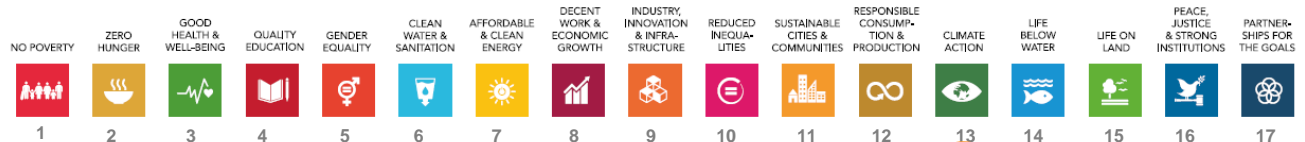
<p><b>4</b> QUALITY EDUCATION</p>	<p>2015-2030</p> <p>2.5</p>	<p><b>7</b> AFFORDABLE AND CLEAN ENERGY</p>	<p>2015-2030</p> <p>10.0</p>	<p><b>8</b> DECENT WORK AND ECONOMIC GROWTH</p>	<p>2015-2030</p> <p>8.0</p>	<p><b>13</b> CLIMATE ACTION</p>	<p>2030</p> <p>0.23</p>	<p><b>9</b> INDUSTRY INNOVATION AND INFRASTRUCTURE</p>	<p>2021</p> <p>46.9</p> <p>5.3</p> <p>455</p>
<p>High-quality, inclusive and fair education (mn beneficiaries)</p>		<p>Access to affordable and clean energy (mn beneficiaries)</p>		<p>Employment and sustainable and inclusive economic growth (mn beneficiaries)</p>		<p>Reduction of CO<sub>2</sub> specific emissions (kg/kWh<sub>eq</sub>)</p>		<p>Smart meters installed<sup>1</sup> (mn)</p> <p>Digitalization capex (€bn)</p> <p>Charging points<sup>2</sup> (k)</p>	

1. Includes replacement of smart meters  
 2. Public and private charging stations

# Our commitment to Sustainable Development Goals



Our targets are set across the board of the 17 UN SDGs



	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	
<b>Pillars</b>	Growth across low carbon technologies & services						●		●		●		enel				●	
	Operational improvement for a better service						●		●		●						●	
	Engaging local communities	●	●	●	enel	●		enel	enel	●	●						●	
	Engaging the people we work with			●	●	●			●									●
<b>Backbones</b>	Occupational Health & Safety			●														
	Sound governance																●	●
	Environmental sustainability						●						●	●	●	●		
	Sustainable supply chain												●					
	Economic and financial value creation							●	●									
<b>Cross boosts</b>							●		●		●	●					●	

# Growth across low carbon technologies and services



## Plan actions



Development of renewable capacity and reduction of thermal capacity in 2019-21

Implementation of environmental international best practices to selected coal plants

Reduction of CO<sub>2</sub> specific emissions



Electrification, storage & demand response

## Related targets/commitments

 +11.6 GW renewable capacity<sup>1</sup>  
 -7GW thermal capacity

340 €mn of investments for environmental retrofit in 2019-21

0.23 kg/kWh<sub>eq</sub> in 2030<sup>2</sup>

 9.9 GW demand response  
 173 MW/yr storage

**New products and services and new power production technologies** – Electric mobility; home and business solutions; marine energy; data valorization; integrated storage solutions

Innovation  
boost

1. Includes managed capacity
2. CO<sub>2</sub> specific emissions will be <0.345 kg/kWh<sub>eq</sub> in 2021

# Operational improvement for a better service



## Plan actions

Large scale infrastructure innovation mostly in grid digitization, smart meters and charging stations

## Related targets/commitments

46.9 mn smart meters installed<sup>1</sup>

5.3 €bn digitalization capex in 2019-21

455k charging stations<sup>2</sup>

**E&C<sup>3</sup> and O&M<sup>4</sup> automation and IoT applied to O&M** – Generation assets flexibility and digitalization; networks efficiency; PV panels manufacturing automation; trading automation

**Customer centricity** – New products and services co-creation and sales increase leveraging on cross countries synergies

Innovation  
boost

1. Includes replacement of smart meters
2. Public and private charging stations

# Engaging local communities



## Plan actions

## Related targets/commitments<sup>1</sup>

High-quality, inclusive and fair education

2.5 mn beneficiaries in 2030<sup>1</sup>

Access to affordable and clean energy

10.0 mn beneficiaries in 2030<sup>1</sup>

Employment and sustainable and inclusive economic growth

8.0 mn beneficiaries in 2030<sup>1</sup>

1. Cumulated figures since 2015

# Engaging people we work with



## Plan actions

## Related targets/commitments

Appraise performance of people we work with<sup>1</sup>

- 100% of people involved
- 99% of people appraised

Climate corporate survey<sup>1</sup>

- 100% of people involved
- 86% of people participating

Global implementation of the diversity and inclusion policy

Recruiting should ensure equal gender splitting of the candidates (c. 50%)

Enable digital skills diffusion among people we work with

100% of people involved in digital skills training

1. Eligible and reachable people having worked in the Group for at least 3 months

# Cross boosts

## Digitalization and cyber security



### Plan actions

### Related targets/commitments

Single strategy approach based on business risk management

100% of internet web applications protected through advanced cyber security solutions

Integrated information systems (IT), industrial systems (OT) and Internet of Things (IoT) assessment and management

15 cyber security knowledge sharing events per year

'Cyber security by design' to define and spread secure system development standards



# Cross boosts Innovation



Innovation  
boost

## Plan actions

Bosting Group's innovation through a tools portfolio composed by innovation hub network, crowdsourcing platforms, intelligence, internal innovation communities active on forefront topics, internal entrepreneurship, innovation with startups and larger companies, suppliers, universities and research centers

## Related targets/commitments

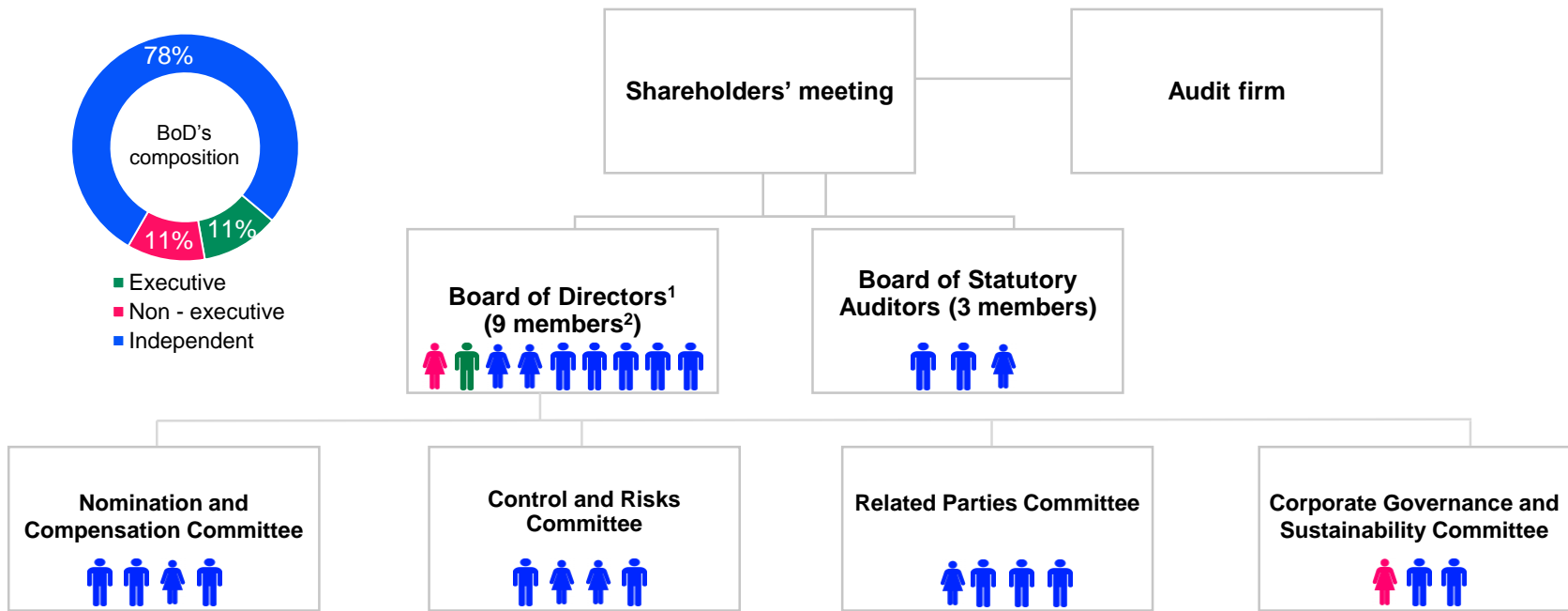
Implementation in the business of 60 projects with startups in 2019-21

Opening of a new Innovation Hub in 2019-21



# Our Corporate governance

# Corporate governance structure



1. Chairperson can be considered independent in accordance with TUF criteria  
 2. Out of which 3 directors drawn from minority slates

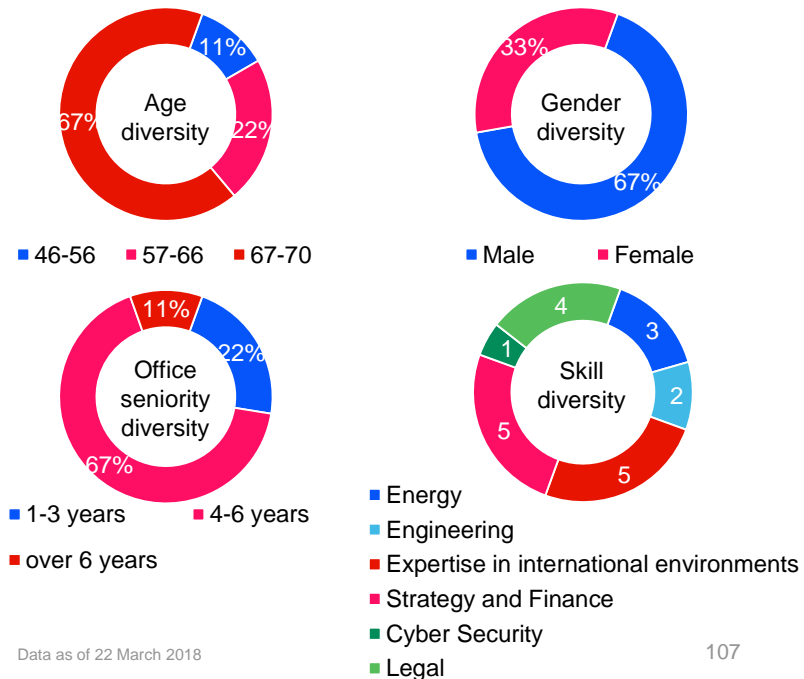
# Board composition



## BoD's members

P. Grieco		Non ex (Chairperson) CGSC
F. Starace		Executive (CEO and General Manager)
A. Antoniozzi		Independent CGSC RPC
A. Bianchi		Independent NCC RPC
C. Calari		Independent NCC RPC
P. Girdinio		Independent CRC NCC
A. Pera		Independent CRC NCC
A. Svelto		Independent CRC RPC
A. Taraborrelli		Independent CRC CGSC

## BoD's Diversity<sup>1</sup>



# Short-term variable remuneration<sup>1</sup>



Objective	Type of target			Macro objective	
	Entry level (50%)	Target (100%)	Over (120%)		
<b>Ordinary consolidated net income</b> <small>40%<sup>2</sup></small>	3.9 €bn	4.1 €bn	4.2 €bn	Economic	Profitability
<b>FFO/Consolidated net financial debt</b> <small>30%<sup>2</sup></small>	26%	27%	28%	Financial	Cash and debt management
<b>Consolidated cash cost</b> <small>20%<sup>2</sup></small>	11.5 €bn	11.4 €bn	11.3 €bn	Economic	Efficiency
<b>Safety in the workplace</b> <small>10%<sup>2</sup></small>	FI <sup>3</sup> 2018=1.17 & FA <sup>4</sup> <=9	FI <sup>3</sup> 2018=1.15 & FA <sup>4</sup> <=9	FI <sup>3</sup> 2018=1.11 & FA <sup>4</sup> <=9	ESG	Safety

1. Management by objectives (MBO) 2018
2. (%) Weight in the variable remuneration
3. FI: Work-related accident Frequency Index
4. FA: Number of Fatal Accidents during 2018, except for road events

# Long-term variable remuneration<sup>1</sup>



Objective					Type of target	Macro objective
	Entry (50%)	Target (100%)	Over I (150%)	Over II (280%) <sup>5</sup>		
<b>TSR<sup>2</sup></b> 50% <sup>3</sup>	Enel's TSR from 90% to 100% of TSR Index	Enel's TSR from 100% to 110% of TSR Index	Enel's TSR from 110% to 115% of TSR Index	Enel's TSR > 115% of TSR Index	Market	Performance
<b>ROACE<sup>4</sup></b> 40% <sup>3</sup>	36.4%	37.5%	38.0%	>8.6%	Financial	Profitability
<b>CO<sub>2</sub> emissions reduction</b> 10% <sup>3</sup>	≤ 380 gCO <sub>2</sub> /KWheq <sup>6</sup>	≤ 350 gCO <sub>2</sub> /KWheq <sup>6</sup>	≤ 340 gCO <sub>2</sub> /KWheq <sup>6</sup>	≤ 330 gCO <sub>2</sub> /KWheq <sup>6</sup>	ESG	Environmental

1. Long-Term Incentive Plan (LTI) 2018-2020. 30% payment (if any) in the 4th year. 70% payment (if any) in the 5th year (deferred payment)
2. Average TSR Enel compared to average TSR EUROSTOXX Utilities Index-EMU. In case of negative absolute TSR of Enel, the incentive (if any) is reduced – on the basis of a regressive scale – of the same negative percentage of the absolute TSR of Enel share, multiplied for a constant value equal to 1.5
3. (%) Weight in the variable remuneration
4. Cumulative for the period 2018-2020
5. For the CEO/General manager. 180% for the other beneficiaries of the LTI Plan 2018-2020
6. In 2020

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Pursuant to art. 154-bis, paragraph 2, of the Italian Unified Financial Act of February 24, 1998, the executive in charge of preparing the corporate accounting documents at Enel, Alberto De Paoli, declares that the accounting information contained herein correspond to document results, books and accounting records.

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