



SDG7 Energy Compact of Enel

A next Decade Action Agenda to advance SDG7 on sustainable energy for all, in line with the goals of the Paris Agreement on Climate Change

SECTION 1: AMBITION

1.1. Ambitions to achieve SDG7 by 2030. [Please select all that apply, and make sure to state the baseline of each target]

(Member States targets could be based on their NDCs, energy policies, national five-year plans etc. targets for companies/organizations could be based on their corporate strategy)

<input checked="" type="checkbox"/> 7.1. By 2030, ensure universal access to affordable, reliable, and modern energy services.	<p>Target(s): Increase quality and range of energy connections, electrifying consumption Time frame: 2030 Context for the ambition(s): Distribution networks play an important role in facilitating the energy transition and supporting decarbonization and electrification processes. In the coming years, it will be essential to increase the use of electricity in all those sectors that still rely heavily on fossil fuels, while ensuring at the same time that the grid is capable of carrying an ever higher percentage of electricity from renewable sources. At the same time, to ensure universal access to energy services is essential to expand services even to the most difficult areas, therefore our commitment also covers the ambition to increase connections outside urban areas in the regions we operate.</p>
<input checked="" type="checkbox"/> 7.2. By 2030, increase substantially the share of renewable energy in the global energy mix.	<p>Target(s): Increase proportion of renewable Energy Installed Capacity over company's total installed capacity Time frame: 2023 - 2030 Context for the ambition(s): Enel's efforts are directed towards achieving a sustainable and integrated business model based on renewables, distribution, and advanced energy services. In 2020 our production from renewable sources exceeded that from conventional sources for the first time, growing to 53%, and we aim to keep pushing for higher shares of renewables deployment and gradual closure of coal-fired power plants as part of our journey to achieve the energy transition.</p>
<input type="checkbox"/> 7.3. By 2030, double the global rate of improvement in energy efficiency.	<p>Target(s): Time frame: Context for the ambition(s):</p>
<input type="checkbox"/> 7.a. By 2030, enhance international cooperation to facilitate access to clean energy research and technology, including renewable energy, energy efficiency and advanced and cleaner fossil-fuel technology, and promote investment in energy infrastructure and clean energy technology.	<p>Target(s): Time frame: Context for the ambition(s):</p>
<input type="checkbox"/> 7.b. By 2030, expand infrastructure and upgrade technology for supplying modern and sustainable energy services for all in developing countries, in particular least developed countries, small island developing States, and land-locked	<p>Target(s): Time frame: Context for the ambition(s):</p>

developing countries, in accordance with their respective programs of support.

1.2. Other ambitions in support of SDG7 by 2030 and net-zero emissions by 2050. [Please describe below e.g., coal phase out or reforming fossil fuel subsidies etc.]

Target(s):
Time frame:
Context for the ambition(s):

SECTION 2: ACTIONS TO ACHIEVE THE AMBITION

2.1. Please add at least one key action for each of the elaborated ambition(s) from section 1. [Please add rows as needed].

<p><i>Description of action (please specify for which ambition from Section 1)</i> Regarding ambition related to SDG 7.1: Increase quality and range of energy connections, electrifying consumption</p> <ul style="list-style-type: none"> a) Improve energy supply quality levels b) Increase the spread of electrification solutions, with particular focus on cities c) Increase Demand Response solutions d) Increase number of digitalized users (with access to digital solutions such as smart meters) e) Increase new connections in rural and suburban areas f) Support and deploy Sustainability-linked finance products 	<p><i>Start and end date</i> 2021-2030</p>
<p><i>Description of action (please specify for which ambition from Section 1)</i> Regarding ambition related to SDG 7.2: Increase proportion of renewable Energy Installed Capacity over company's total installed capacity</p> <ul style="list-style-type: none"> a) Triple our operating renewable capacity by 2030 b) Support green, flexible and low carbon technologies deploy c) Coal phase out by 2027 d) Support and deploy Sustainability-linked finance products 	<p><i>Start and end date</i> 2021-2030</p>
<p><i>Description of action (please specify for which ambition from Section 1)</i></p>	<p><i>Start and end date</i></p>
<p><i>Description of action (please specify for which ambition from Section 1)</i></p>	<p><i>Start and end date</i></p>

SECTION 3: OUTCOMES

3.1. Please add at least one measurable and time-based outcome for **each** of the actions from section 2. *[Please add rows as needed].*

<i>Outcome</i>	<i>Date</i>
<p>Regarding ambition related to SDG 7.1: Increase quality and range of energy connections, electrifying consumption</p> <ul style="list-style-type: none"> a) Improve energy supply quality levels <ul style="list-style-type: none"> ● Triple our service quality, reducing the average SAIDI (System Average Interruption Duration Index) to ≈100min in our countries of presence by 2030 b) Increase the spread of electrification solutions, with particular focus on cities <ul style="list-style-type: none"> ● Deployment of Electric Vehicles, reaching more than 10k electric buses by 2030 ● Increase the number of charging points from 186k in 2020 to more than 4 million by 2030 c) Increase Demand Response solutions reaching 20GW by 2030 d) Reach 100% digitalized users by 2030 e) Reach 5.6 million beneficiaries with new connection in rural and suburban areas over the period 2020-2030 <p>Regarding ambition related to SDG 7.2: Increase proportion of renewable Energy Installed Capacity over company's total installed capacity</p> <ul style="list-style-type: none"> a) Triple our operating renewable capacity by 2030 <ul style="list-style-type: none"> ● From 49GW in 2020 to ≈145GW renewable capacity by 2030 ● In 2020, Enel's decarbonization roadmap was upgraded to be consistent with a 1.5oC pathway according to the SBTi (Science Based Targets Initiatives) projections. The new commitment compromises the reduction of Scope 1 Green House Gas emissions from 214 g/kWh in 2020, to equal or less than 148 g/kWh by 2023 and 82g/kWh by 2030 (representing 80% reduction vs. 2017) b) Support green, flexible and low carbon technologies deploy <ul style="list-style-type: none"> ● Increase the battery storage deploy to reach ~20 TWh by 2030 c) Coal phase out by 2027 <ul style="list-style-type: none"> ● In 2020 company's coal capacity amounted for ≈9GW and it allowed Enel to review its Coal Phase out strategy and anticipated it from 2030 to 2027 	<p>2030</p>

SECTION 4: REQUIRED RESOURCES AND SUPPORT

4.1. Please specify required finance and investments for **each** of the actions in section 2.

<p><i>Enel would make available the amount of finance and invest at ambition level:</i></p> <p>Regarding ambition related to SDG 7.1: Increase quality and range of energy connections, electrifying consumption Resources: 28€bn</p> <p>Regarding ambition related to SDG 7.2: Increase proportion of renewable Energy Installed Capacity over company's total installed capacity Resources: 60€bn</p>

4.2. [For countries only] In case support is required for the actions in section 2, please select from below and describe the required support and specify for which action.

[Examples of support for Member States could include: Access to low-cost affordable debt through strategic de-risking instruments, capacity building in data collection; development of integrated energy plans and energy transition pathways; technical assistance, etc.]

<input type="checkbox"/> Financing	<i>Description</i>

<input type="checkbox"/> In-Kind contribution	Description
<input type="checkbox"/> Technical Support	Description
<input type="checkbox"/> Other/Please specify	Description

SECTION 5: IMPACT

5.1. Countries planned for implementation including number of people potentially impacted.

Regarding ambition related to SDG 7.1: Increase quality and range of energy connections, electrifying consumption

- Countries: all countries Enel is present
- Number of people potentially impacted: 225 million people

Regarding ambition related to SDG 7.2: Increase proportion of renewable Energy Installed Capacity over company's total installed capacity

- Countries: all countries Enel is present
- Number of people potentially impacted: 200 million people

* Enel's Energy Compact has the overall potential of impacting around 300 million people, since both targets are very much related and some people, located in specific countries, could benefit from both achievements at the same time.

Enel Countries of presence as of June 2021 (the list may change over the years): Argentina, Australia, Brazil, Canada, Chile, Colombia, Costa Rica, France, Germany, Greece, Guatemala, India, Ireland, Italy, Japan, Mexico, Morocco, Netherlands, New Zealand, Panama, Peru, Poland, Portugal, Romania, Russia, South Africa, South Korea, Spain, UK, USA, Zambia

5.2. Alignment with the 2030 Agenda for Sustainable Development – Please describe how **each** of the actions from section 2 impact advancing the SDGs by 2030.

[up to 500 words, please upload supporting strategy documents as needed]

Regarding ambition related to SDG 7.1: Increase quality and range of energy connections, electrifying consumption

- Improve energy supply quality levels: SDG 9 – Industry, innovation and infrastructure
- Increase the spread of electrification solutions, with particular focus on cities: SDG 11 – sustainable cities and communities
- Increase Demand Response solutions: SDG 9 – Industry, innovation and infrastructure
- Increase number of digitalized users: SDG 9 – Industry, innovation and infrastructure
- Increase new connections in rural and suburban areas: SDG 10 – Reduce inequalities
- Support and deploy Sustainability-linked finance products: SDG 17 – Partnerships for the Goals

Regarding ambition related to SDG 7.2: Increase proportion of renewable Energy Installed Capacity over company's total installed capacity

- Triple our renewable operating capacity by 2030: SDG 13 – Climate Action
- Support green, flexible and low carbon technologies deploy: SDG 13 – Climate Action
- Coal phase out by 2027: SDG 13 – Climate Action
- Support and deploy Sustainability-linked finance products: SDG 17 – Partnerships for the Goals

5.3. Alignment with Paris Agreement and net-zero by 2050 - Please describe how **each** of the actions from section 2 align with the Paris Agreement and national NDCs (if applicable) and support the net-zero emissions by 2050.

[up to 500 words, please upload supporting strategy documents as needed]

Regarding ambition related to SDG 7.1: Increase quality and range of energy connections, electrifying consumption

- a) Improve energy supply quality levels: Distribution networks play an important role in facilitating the energy transition and supporting the decarbonization and electrification processes. In the coming years, it will be essential to increase the use of electricity in all sectors that still rely heavily on fossil fuels, while ensuring at the same time that the grid is capable of carrying an ever higher percentage of renewable energy.
- b) Increase the spread of electrification solutions, with particular focus on cities: While cities cover 3% of the Earth’s land surface, they create more than 70% of all carbon emissions, mainly from buildings, energy and transport. As populations grow, so does new constructions, resulting in even higher energy consumption and carbon emissions, therefore solutions for urban areas may enable more resilient, data driven and sustainable centers for large parts of the population and all this data can be used to further improve services and solutions
- c) Increase Demand Response solutions: The takeover of data-driven energy products and services should facilitate renewables adoption, optimize the balance between demand and supply, simplifying customer service offers and creating more open and transparency market models for all to participate in
- d) Increase number of digitalized users: Digitalization will enable improved data quality to inform investment, optimize processes and future proof the whole energy system so that the world is able to complete the energy transition
- e) Increase new connections in rural and suburban areas: A just energy transition should foster social inclusion and the eradication of energy poverty, ensuring that people receive the necessary support to prosper in a zero-carbon future
- f) Support and deploy Sustainability-linked finance products: Sustainability-Linked Financing is the solution to achieve better and more predictable financial results, pursuing lower cost of debt and minimizing risks to achieve sustainability targets. Sustainable finance products allow countries to compete globally at the same level and can play a key role to strengthen emerging markets attractiveness and support governments and private initiative to be aligned on sustainable targets.

Regarding ambition related to SDG 7.2: Increase proportion of renewable Energy Installed Capacity over company’s total installed capacity

- e) Triple our renewable operating capacity by 2030: To stabilize the increase of global average temperature in accordance with the Paris Agreement renewables, energy efficiency and electrification make up around 70% of the emissions reductions required by the energy sector to reach net zero in 2050
- f) Support green, flexible and low carbon technologies deploy: To meet future amount of flexibility needs, batteries and demand response become the primary sources of flexibility. To achieve net zero plans, governments need to address emerging needs for longer duration storages and technologies to complement batteries that in their turn will also support stronger deploy of EV deploy.
- g) Coal phase out by 2027: The energy transition must accelerate at an unprecedented pace and phase out of fossil fuels must be dramatically anticipated. The International Energy Agency (IEA) expects electricity generation to be almost net zero by 2040, while CO₂ emissions from electricity generation must fall to zero in aggregate in advanced economies by 2035
- h) Support and deploy Sustainability-linked finance products: (please see above)

SECTION 6: MONITORING AND REPORTING

6.1. Please describe how you intend to track the progress of the proposed outcomes in section 3. Please also describe if you intend to use other existing reporting frameworks to track progress on the proposed outcomes.

All KPIs will be reported in Enel’s Annual Report, Sustainability Report and/or disclosed in the company’s Capital Markets Day, that happens at the end of each year.

SECTION 7: GUIDING PRINCIPLES CHECK LIST

Please use the checklist below to validate that the proposed Energy Compact is aligned with the guiding principles.

I. Stepping up ambition and accelerating action - Increase contribution of and accelerate the implementation of the SDG7 targets in support of the 2030 Agenda for Sustainable Development for Paris Agreement

I. 1. Does the Energy Compact strengthen and/or add a target, commitment, policy, action related to SDG7 and its linkages to the other SDGs that results in a higher cumulative impact compared to existing frameworks?

Yes No

I.2. Does the Energy Compact increase the geographical and/or sectoral coverage of SDG7 related efforts? Yes No

I.3. Does the Energy Compact consider inclusion of key priority issues towards achieving SDG7 by 2030 and the net-zero emission goal of the Paris Agreement by 2050 - as defied by latest global analysis and data including the outcome of the Technical Working Groups? Yes No

II. Alignment with the 2030 agenda on Sustainable Development Goals – Ensure coherence and alignment with SDG implementation plans and strategies by 2030 as well as national development plans and priorities.

II.1. Has the Energy Compact considered enabling actions of SDG7 to reach the other sustainable development goals by 2030? Yes No

II.2. Does the Energy Compact align with national, sectoral, and/or sub-national sustainable development strategies/plans, including SDG implementation plans/roadmaps? Yes No

II.3. Has the Energy Compact considered a timeframe in line with the Decade of Action? Yes No

III. Alignment with Paris Agreement and net-zero by 2050 - Ensure coherence and alignment with the Nationally Determined Contributions, long term net zero emission strategies.

III.1. Has the Energy Compact considered a timeframe in line with the net-zero goal of the Paris Agreement by 2050? Yes No

III.2. Has the Energy Compact considered energy-related targets and information in the updated/enhanced NDCs? Yes No

III.3. Has the Energy Compact considered alignment with reaching the net-zero emissions goal set by many countries by 2050? Yes No

IV. Leaving no one behind, strengthening inclusion, interlinkages, and synergies - Enabling the achievement of SDGs and just transition by reflecting interlinkages with other SDGs.

IV.1. Does the Energy Compact include socio-economic impacts of measures being considered? Yes No

IV.2. Does the Energy Compact identify steps towards an inclusive, just energy transition? Yes No

IV.3. Does the Energy Compact consider measures that address the needs of the most vulnerable groups (e.g. those impacted the most by energy transitions, lack of energy access)? Yes No

V. Feasibility and Robustness - Commitments and measures are technically sound, feasible, and verifiable based a set of objectives with specific performance indicators, baselines, targets and data sources as needed.

V.1. Is the information included in the Energy Compact based on updated quality data and sectoral assessments, with clear and transparent methodologies related to the proposed measures? Yes No

V.2. Has the Energy Compact considered inclusion of a set of SMART (specific, measurable, achievable, resource-based and time based) objectives? Yes No

V.3. Has the Energy Compact considered issues related to means of implementation to ensure feasibility of measures proposed (e.g. cost and financing strategy, technical assistant needs and partnerships, policy and regulatory gaps, data and technology)? Yes No

SECTION 8: ENERGY COMPACT GENERAL INFORMATION

8.1. Title/name of the Energy Compact

Enel's Energy Compact

8.2. Lead entity name (for joint Energy Compacts please list all parties and include, in parenthesis, its entity type, using entity type from below)

8.3. Lead entity type

Government

Local/Regional Government

Multilateral body /Intergovernmental Organization

Non-Governmental Organization (NGO)

Civil Society organization/Youth

Academic Institution /Scientific Community

Private Sector

Philanthropic Organization

Other relevant actor

8.4. Contact Information

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8.5. Please select the geographical coverage of the Energy Compact

Africa Asia and Pacific Europe Latin America and Caribbean North America West Asia Global

8.6. Please select the Energy Compact thematic focus area(s)

Energy Access Energy Transition Enabling SDGs through inclusive just Energy Transitions Innovation, Technology and Data Finance and Investment.

SECTION 9: ADDITIONAL INFORMATION (IF REQUIRED)

Please provide additional website link(s) on your Energy Compact, which may contain relevant key documents, photos, short video clips etc.