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**Safety**

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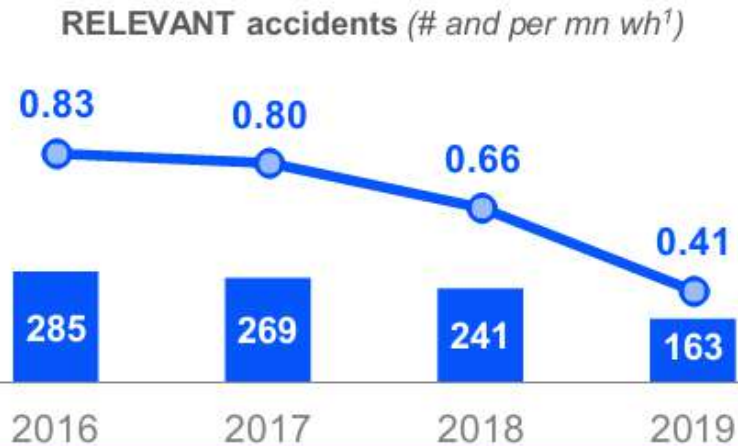
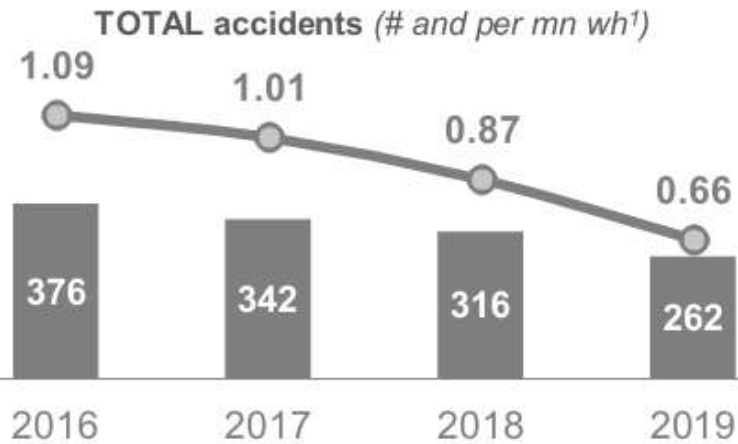
**Leading the energy transition**

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**Procurement Transformation: 2 years later**

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# 2019 Safety KPIs Group Overview



# SHE: a series of initiatives becoming a process



## Business Lines Integration



**HSE** WITHOUT  
BORDERS  
FROM SYNERGY TO CO-DESIGN



## Contractors Partnership



PARTNERSHIP FOR **SAFETY**,  
**HEALTH** AND **ENVIRONMENT**  
CONTRACTORS ENGAGEMENT FOR A SUSTAINABLE WORKPLACE

**SHE** | OUR WAY OF WORKING  
IN **SAFETY**, **HEALTH**  
AND **ENVIRONMENT**



## Commitment Chain



**FACTORY**  
EXPONENTIAL GROWTH IN **SAFETY**,  
**HEALTH** AND **ENVIRONMENT**



## *NEW* Equipment, tools, processes



**SHE** INTRINSIC  
SAFETY  
EQUIPMENT, TOOLS AND PROCESSES

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Safety

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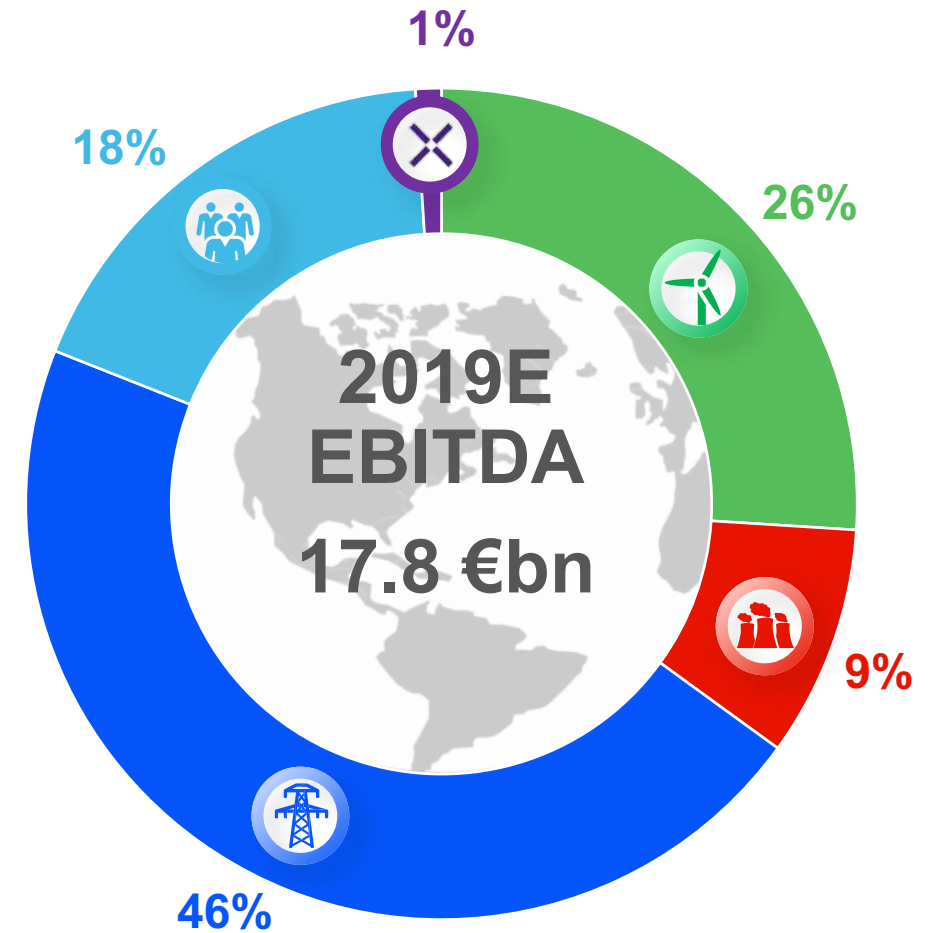
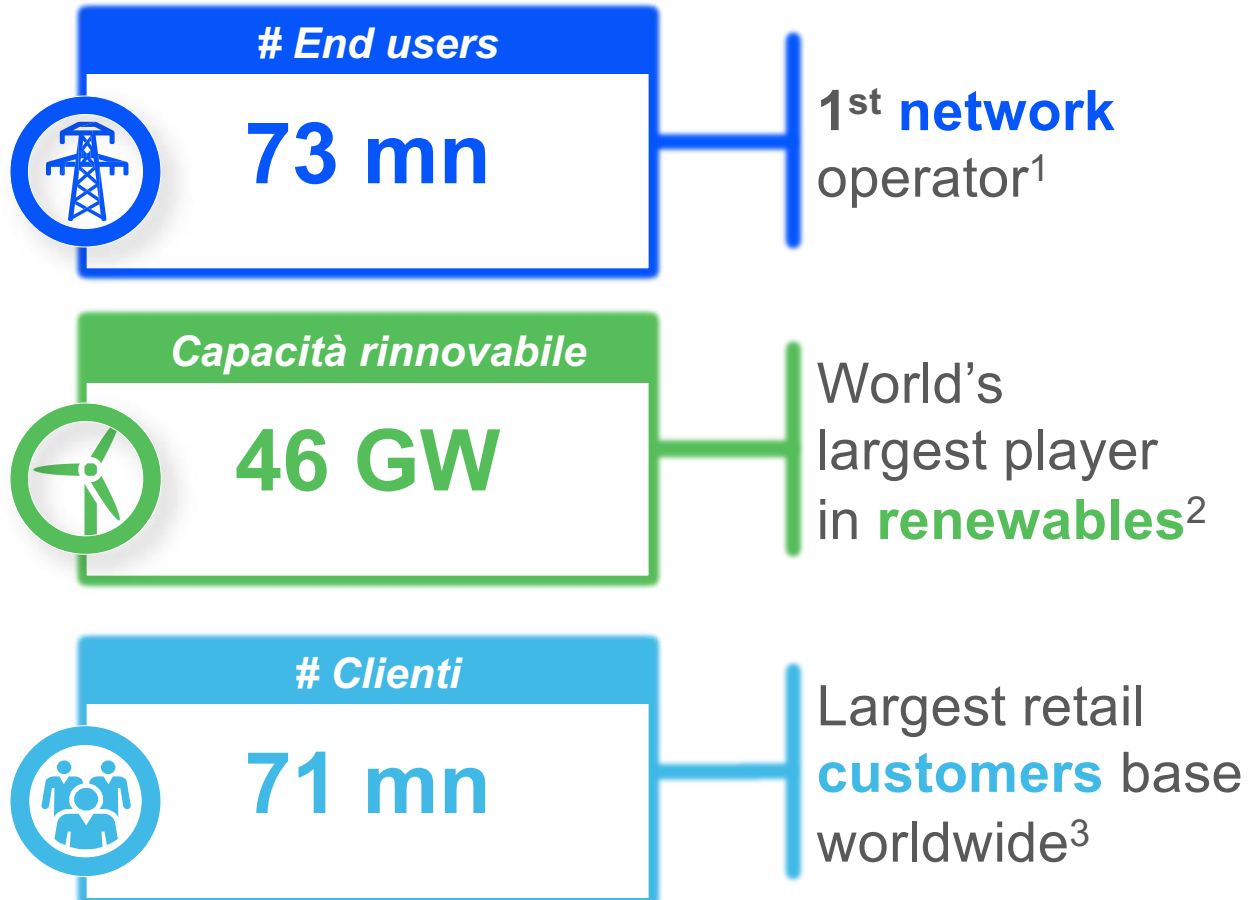
**Leading the energy transition**

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Procurement Transformation: 2 years later

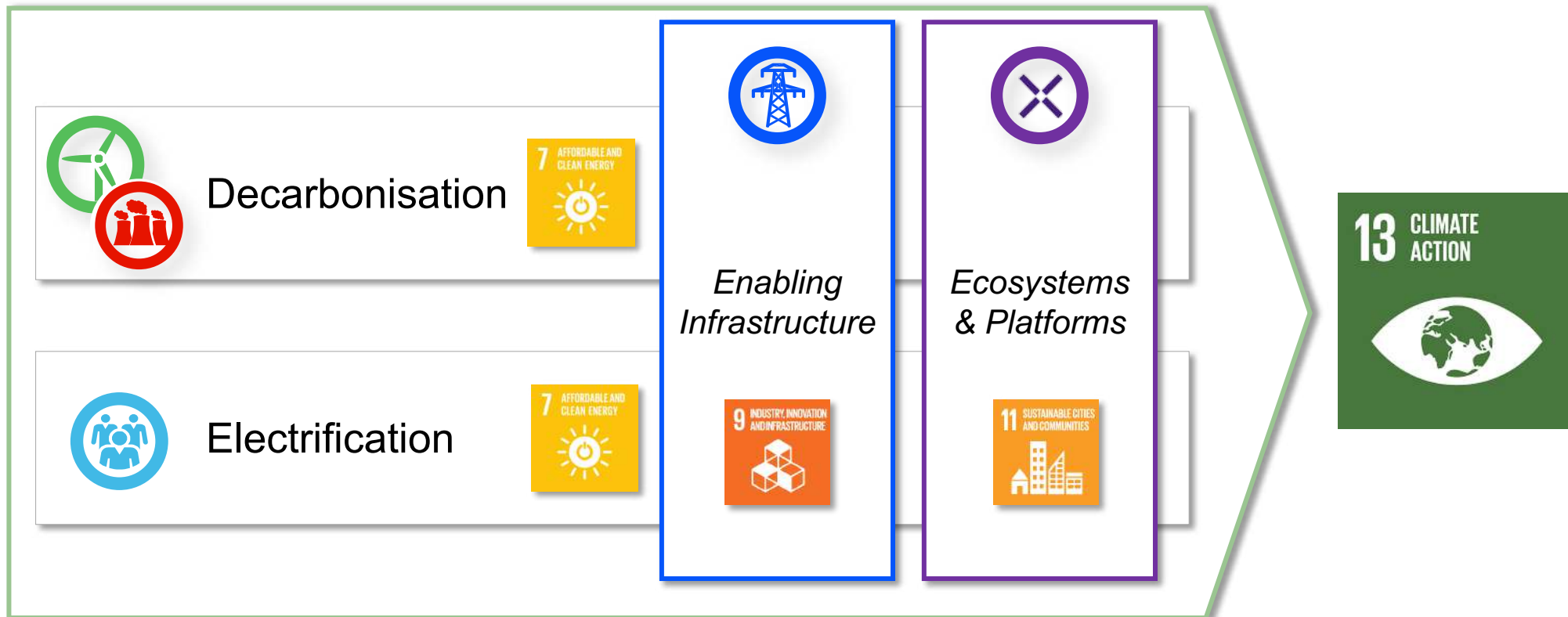
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# Enel's leadership in the new energy world



1. By number of end users. Publicly owned operators not included
2. By installed capacity. Includes managed capacity for 3.4 GW
3. Including customers of free and regulated power and gas markets

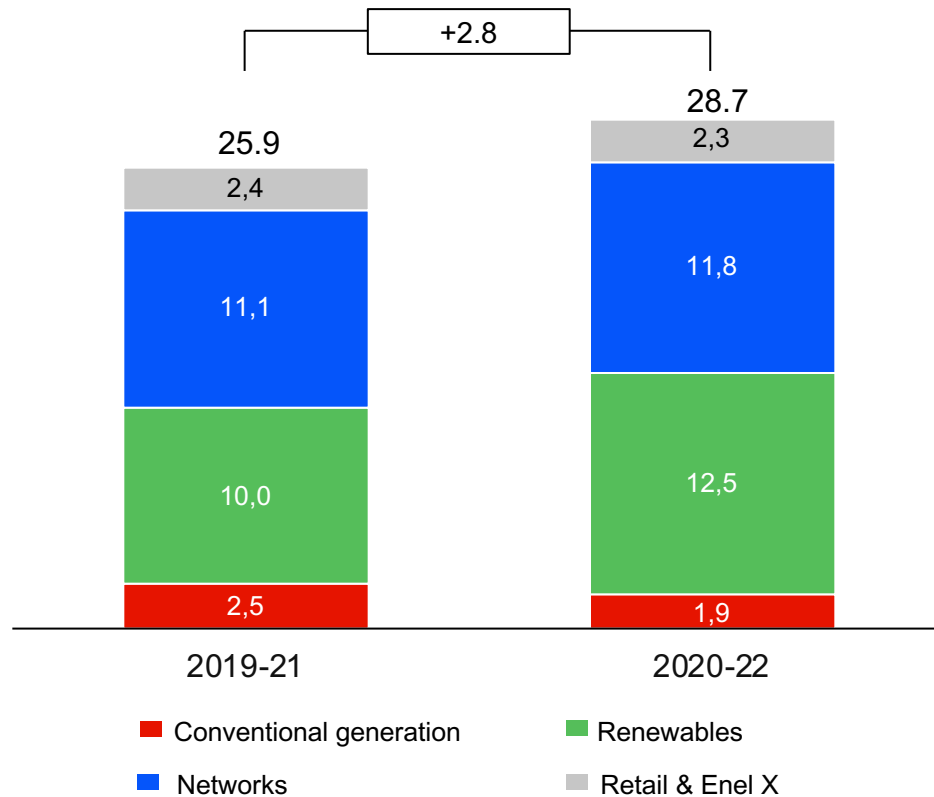
# Our strategy addresses dynamically the evolution of sector trends



# Fully sustainable capex plan



## Organic capex by GBL<sup>1</sup>: 2019-21 vs 2020-22 (€bn)



~ 95% of capex SDGs related

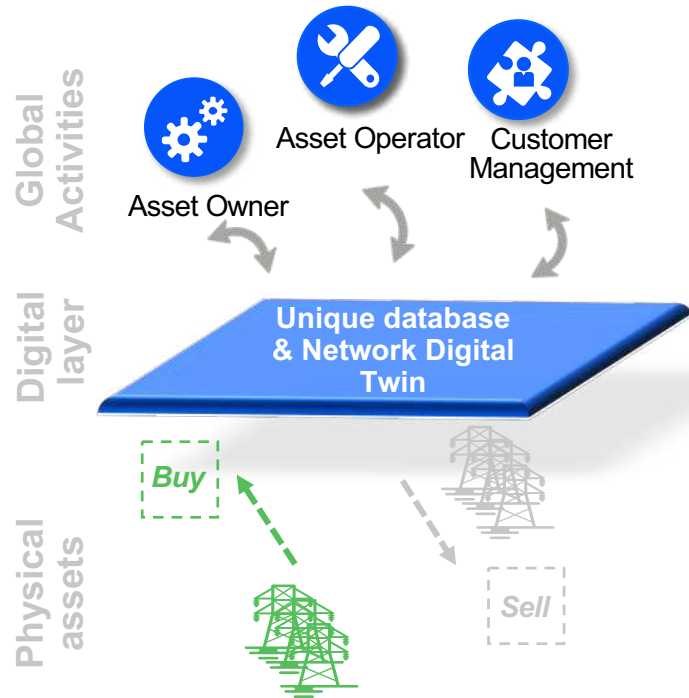
1. 2019-21 net of capex associated with BSO. Total organic capex 2020-22 include 200€mn related to other.



# Towards a platform company



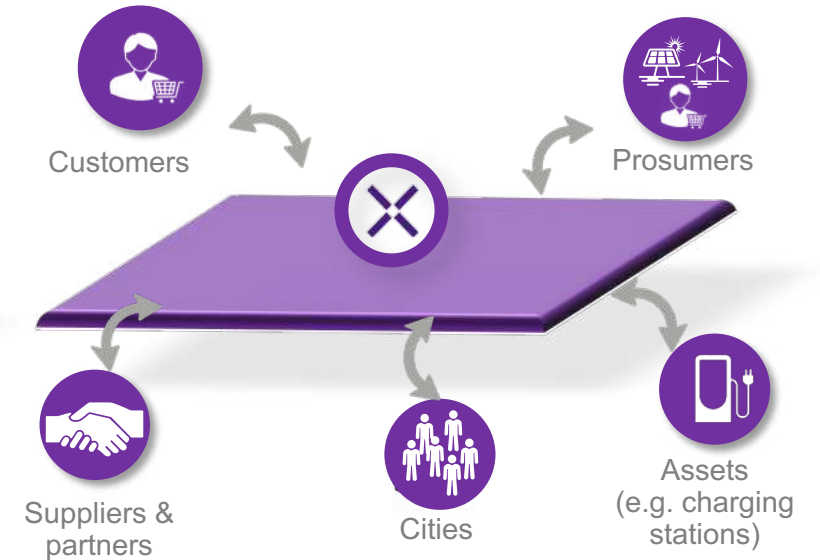
## Distribution



## Retail



## Enel X



Unique Customer Identity



# The new paradigm

Sustainability

=

Value

Definitions

Actions

Metrics

Value  
Drivers

Planning

Financial  
communication

# Enel's stock performance

2015-2020



Enel share price (€)

enel

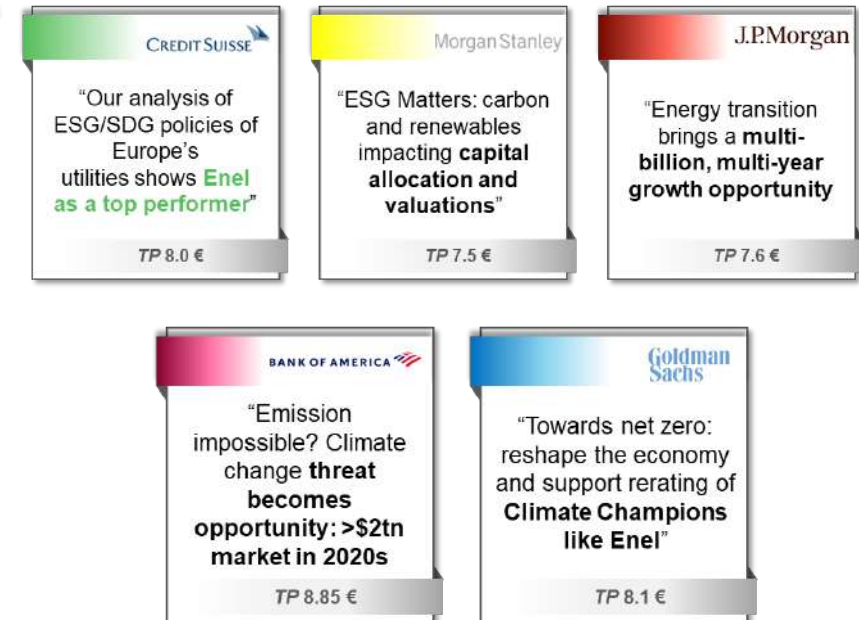
Enel launches the world's  
first "general purpose  
SDG linked bond"

83

market capitalization  
in 2020 (bn€)



January YTD performance: **+12%**



# Enel strategy and the commitment on Sustainability



"C'è perfetto allineamento tra **valori** che tutti condividiamo, **economia** che chiede questo e **finanza** che vuole questo. I nostri investimenti nell'economia verde e sostenibile dimostrano che non è solo una cosa bella da fare ma porta anche risultati."

**Sustainability = Value**

**Our delivery over time**



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Safety

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Leading the energy transition

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**Procurement Transformation: 2 years later**

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# Global Procurement Mission



The goal of Enel Procurement is to **MAXIMIZE THE CREATION OF VALUE** in its many forms (*safety, savings, time, quality, performance, revenue, flexibility, cash flow, risk management*) and to improve the stakeholders' **END-TO-END EXPERIENCE**:

Broadening our **Buyers'** competencies, employing user-friendly technologies, recognizing everybody's contribution in a multicultural work environment based on trust and fired by passion

Engaging **Suppliers** right from the start and working together to develop innovative and sustainable approaches and tools

Improving integration and communications with our **Customers** in order to provide increasingly effective solutions for the business

# Global Procurement Today

2019 main figures

~16  
bn€

Negotiated amount

~11k

Active suppliers

~4800

Qualified suppliers

~ 25 k

Contracts



Processes and  
Standards

Sustainable  
Supply Chain

HSE Partnership

Communication  
and Early  
engagement

New technologies &  
tools

New Qualification process

New tender process

Should contract

Circular Economy: EPD

K Sustainability

Clausola sociale

SHE 365: Safety Support

Evaluation group

Pre-tender workshops

Innovation By Vendor

New Enel Global Procurement Portal

Events for suppliers involvement

Procurement Plan publication

Digital Initiatives (Glassdoor, WeBUY)

**NEW**

Supplier Performance Management - SPM

Circular By Design

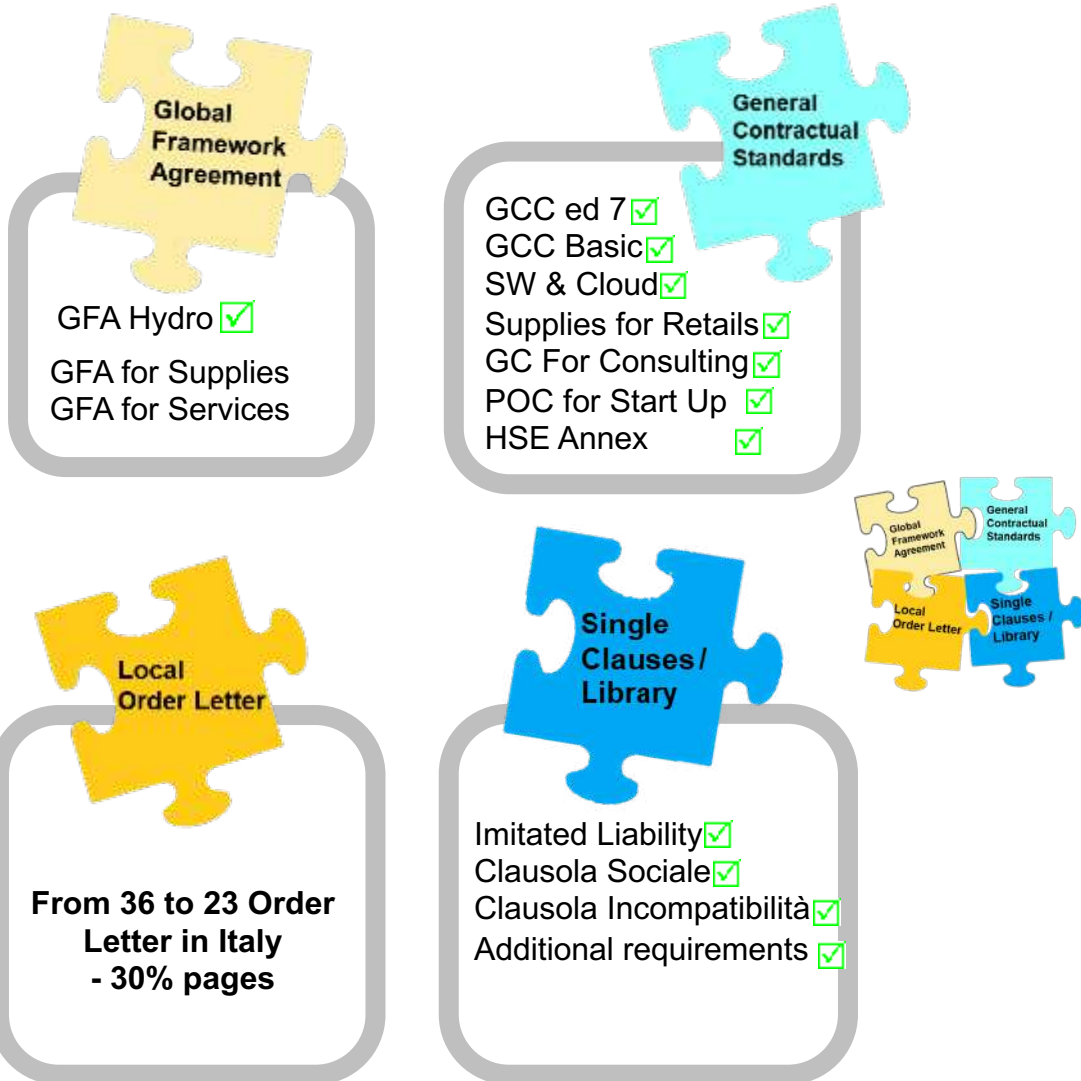
Supplier Development Programme

Supplier Journey

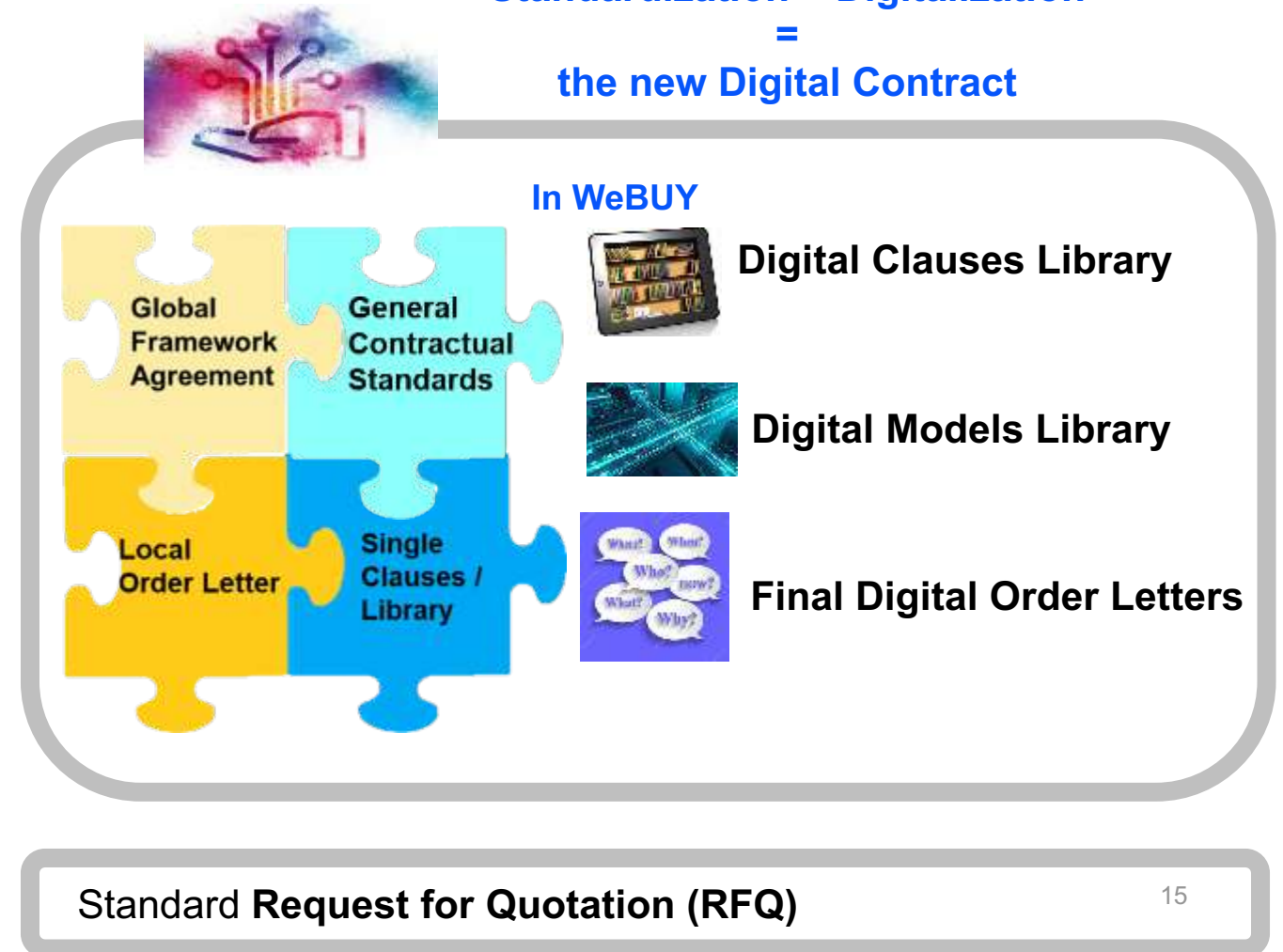


# Contract Optimization

## Results



Standardization + Digitalization  
=  
the new Digital Contract

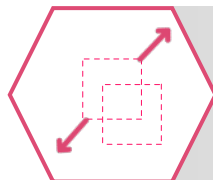




# News on digital initiatives



Glassdoor live from February 2020



WeBUY new qualification suite live from November 2019



New Enel Global Procurement Portal live from February 2020



Track&Rate live from December 2019



Procurement Plan published on line from November 2019

# Supplier Performance Management - SPM



Scope

A Key element to strengthen SRM reducing risks while improving performance as well as rewarding excellences



Dimensions

Supplier Performance Index (SPI) is calculated on 6 Categories.  
Each category is calculated with KPIs based on Business systems and T&R



Quality



Environment



Punctuality



Safety



Human Rights  
& Correctness



Innovability &  
Collaboration



When it starts

SPM module within WeBUY platform is ready since WeBUY go-live! (Nov 2019)  
Consequence management starts on May 2020



Consequence  
management

The performance is evaluated monthly based on current KPIs (short term) as well as considering last 12 months (long term).



# Enel & Suppliers for Sustainable Value

A breakthrough change based on 2 initiatives



## PURPOSE

Unleashing a **sustainable value** @ Enel with our **suppliers**

## VISION

“ We, at Enel, foster a **real step-up** in our attitude with suppliers, **overcoming** a pure **commercial approach** to build sustainable relationships ”

## MISSION

“ We will leverage on the **Open Power** approach, involving a vast network of **partners**, combining our **know how** with suppliers feedback and insights, to improve **suppliers experience** and offer them an **empowering growth path** enriched by a broad array of tailor made **cutting-edge services** ”

$E = S^2$  value



## Supplier Development Program

Strengthen our **supplier base** in **strategic areas**, drawing **together** a **path of empowerment, growth** and **reward**

## Supplier Journey

**Improving Suppliers' experience** in the **interaction with Enel** to achieve higher efficiency and value creation



# Procurement for a sustainable supply chain

Sustainability K – producing a real impact



## Coverage

40% worldwide spending

400+ Tender awarded

## Impacts

Environmental: Carbon Footprint, CO2 mitigation plans, low-emission vehicles

Certifications: ISO 9001, 14001, 45001, 14067, 50001, SA 8000

Circular Economy Projects, EPD

Social: Clausola Sociale, welfare for employees, social projects

Hiring: unemployed, first job, physical disabilities, diversity & inclusion

H&S: innovative projects, remuneration scheme, organization

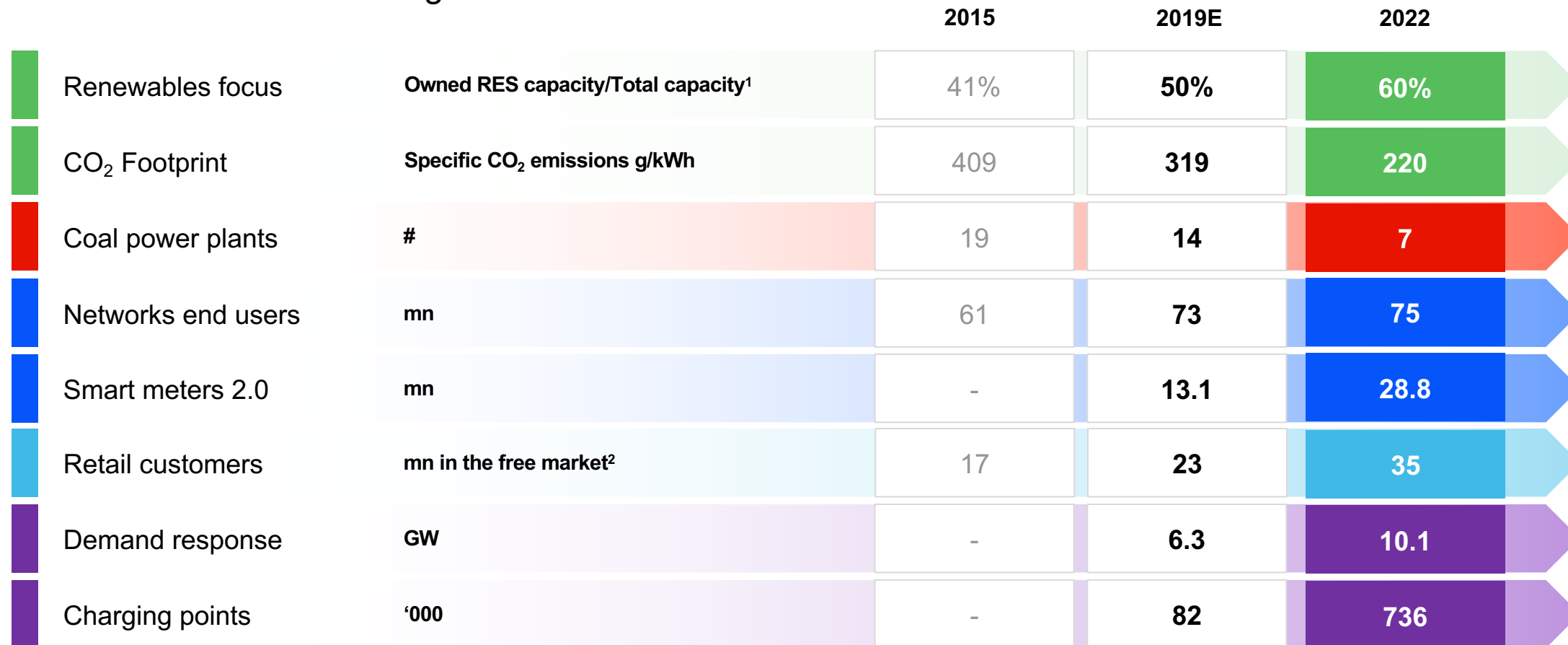
Training & Development: qualified workforce programme

Integrated circularity and sustainability for value creation with suppliers

# A sustainable, profitable, digitalised and customer centric strategy



Enel 2019 – 2022 main goals



1. Including nuke  
2. Power and gas





## Key words

Our common language

**Circularity**

**Platformization**

**SUSTAINABILITY**

**Data Driven**

**Partnership**