



# ENEA Capital Group's Development Strategy until 2030 with the perspective towards 2035

*Sustainable transformation*

WARSAW, 16 DECEMBER 2019

# Our values build the identity and strength of the Group



**RESPONSIBILITY**

**COMPETENCE**

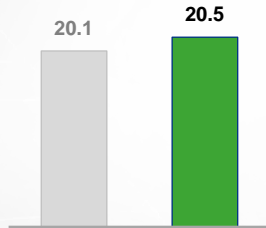
**HONESTY**

**SAFETY**

# A reliable partner for the market



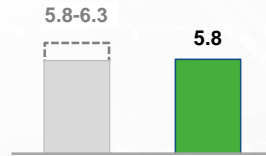
### Sales of electricity



Plan Execution

[TWh]

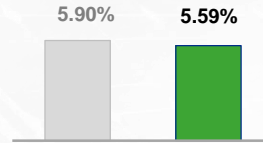
### Installed capacity



Plan Execution

[GW]

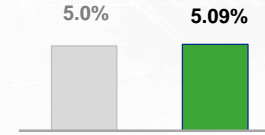
### Grid losses



Plan Execution

[%]

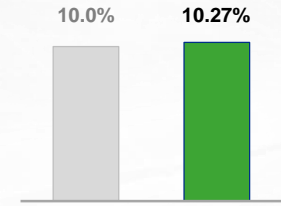
### ROA



Plan Execution

[%]

### ROE



Plan Execution

[%]

**We keep our word**

# Stakeholder environment and key stakeholder expectations



Value growth



Competitive advantage



Climate protection



Green energy



Financial stability

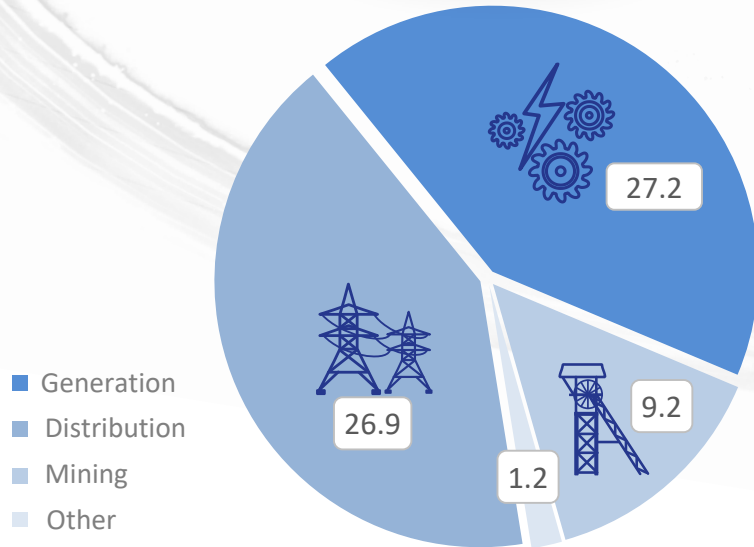


Energy security

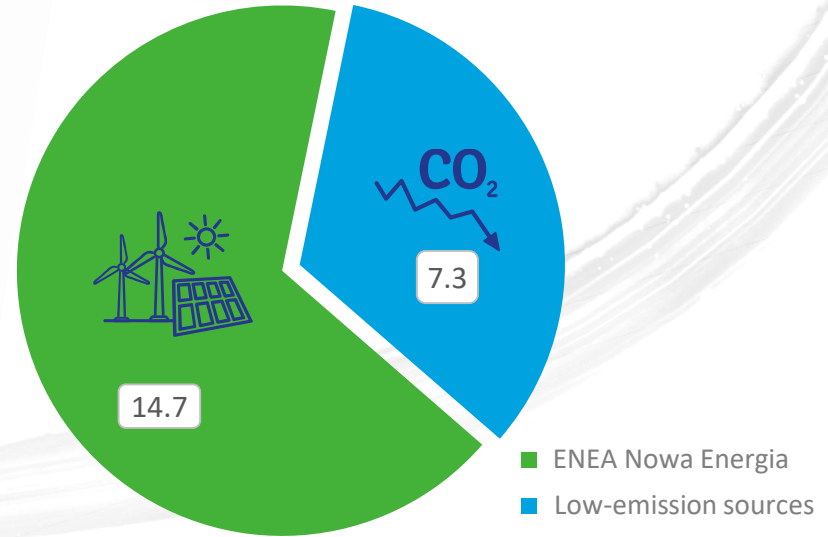
**Dynamic changes require an update of our strategy**

# Sustainable CAPEX programme

Estimated capital expenditures  
in the years 2020 to 2035  
[PLN bn]



Estimated capital expenditures  
on new generation capacities  
in the years 2020 to 2035  
[PLN bn]



Optimisation of the structure and sources of financing

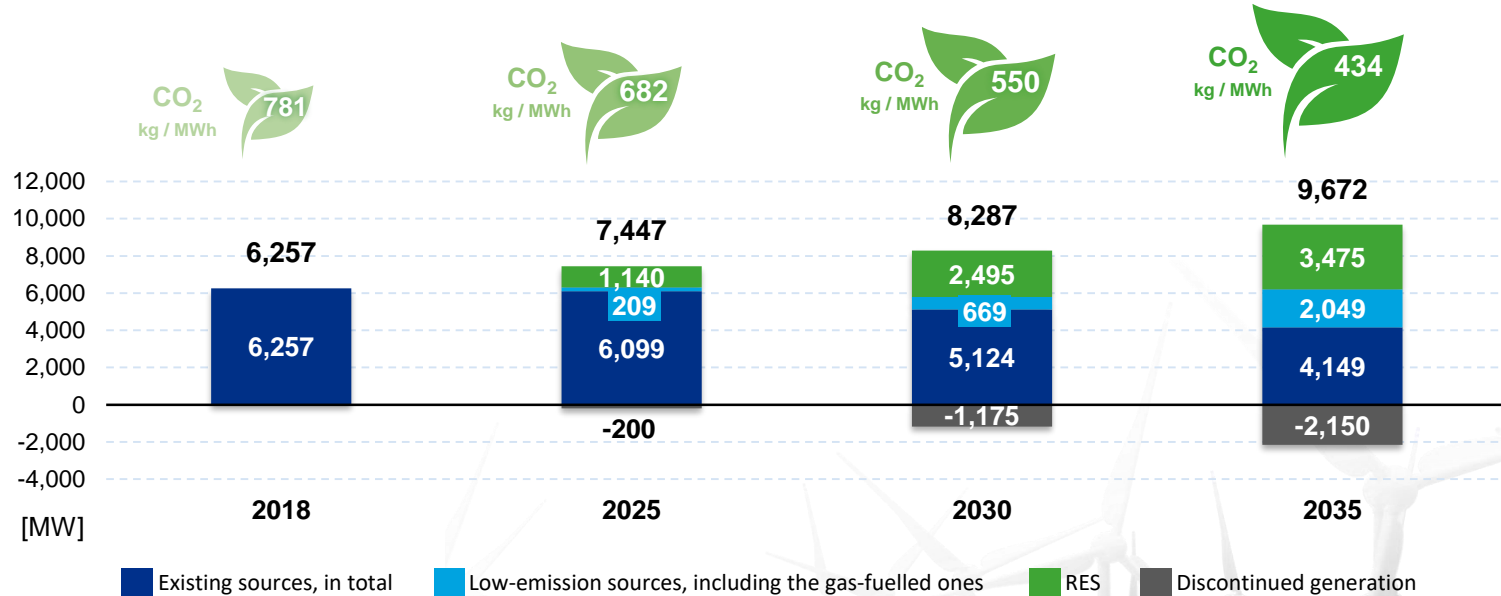
# ENEA Capital Group's response to trends in the sector



**Transformation  
of generation  
assets**

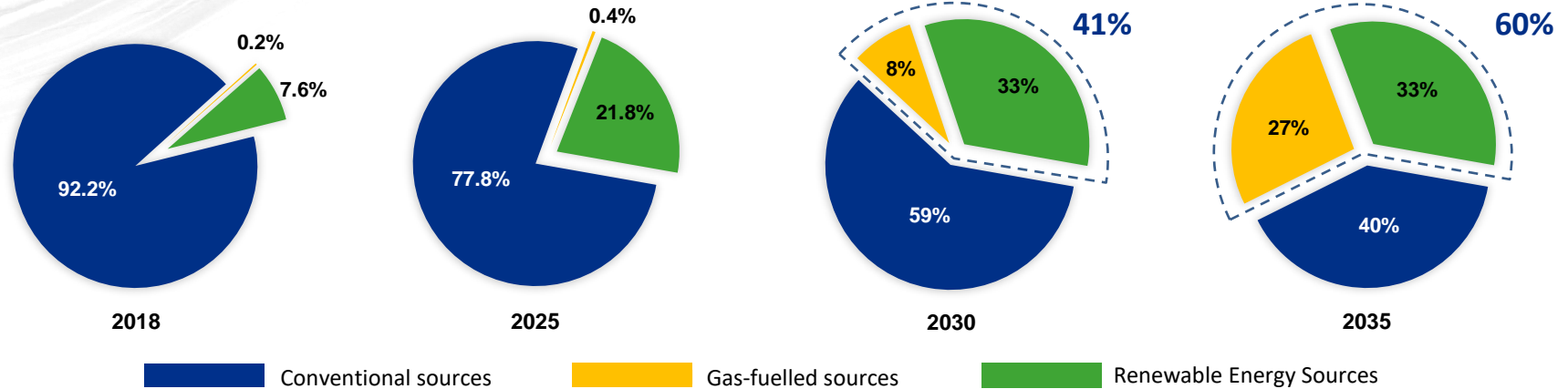
**Customer focus –  
modern service,  
technology,  
innovation**

# Transformation of generation assets



**Reduction of CO<sub>2</sub> emissions to 550 kg/MWh in 2030**

# Sustainable and responsible transformation

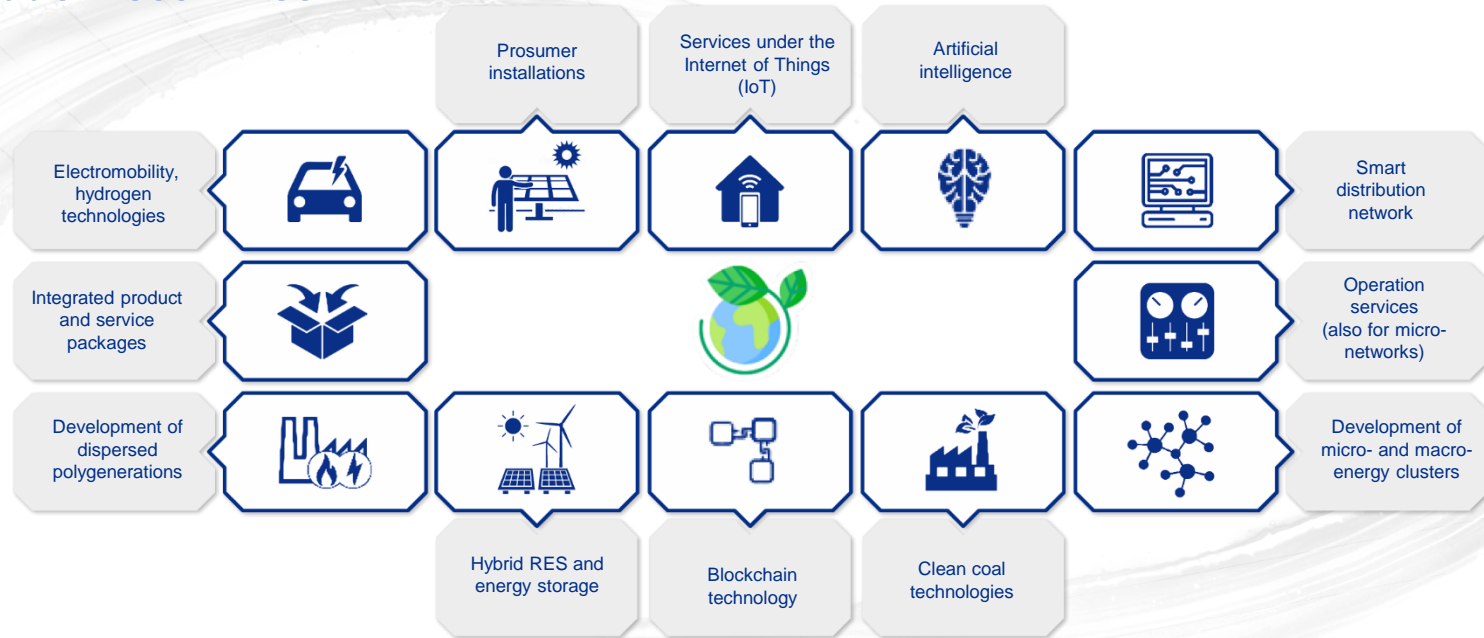


**Profitability maximisation of the RES mix, assuming the target is maintained in 2030**  
→ photovoltaics, wind farms, biomass, biogas

**More than 40% of electricity generation in 2030 from gas-fuelled and renewable sources**



# Better quality customer service: innovative products, services, and business lines



**Diversification of ENEA Group's operations and EBITDA growth in new business lines**

# Key measures for the implementation of strategic objectives



## FINANCIAL

ROE



ROA

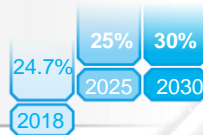


EBITDA



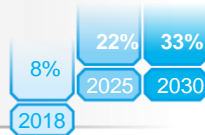
## MINING

Market share



## GENERATION

RES share



Unit CO<sub>2</sub> emissions



## DISTRIBUTION

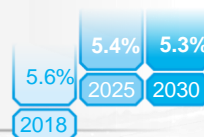
SAIDI



SAIFI

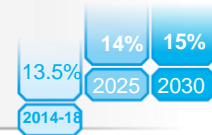


Grid losses

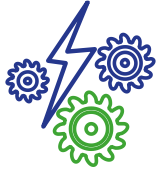


## TRADING

Market share



# Benefits of strategy implementation



**8.3 GWe**

installed generation capacities



**-30%**

reduction of  
unit CO<sub>2</sub> emissions



**> 4 times**

increase in the share of RES  
in electricity generation



**43%**

share of zero- and low-  
emission sources in installed  
capacities



**24.8 TWh**

sales of electricity



**+39%**

EBITDA growth



**7-12%**

contribution to EBITDA  
from New Business Lines



**PLN 360 m**

EBITDA in New Business  
Lines



**-5%**

lower grid distribution losses  
index



**2%**

share of R&D&I expenditures  
in total CAPEX

**Rational and measurable objectives during the transformation of ENEA Capital Group**

# Glossary of terms and abbreviations



Below is a list of terms and abbreviations used in this presentation

Term/abbreviation	Full name/explanation
<b>ROE</b>	Return on equity
<b>ROA</b>	Return on assets
<b>EBITDA</b>	Earnings before interest, tax, depreciation and amortisation
<b>CAPEX</b>	Capital expenditures
<b>Market share [Mining]</b>	Share in the market of coal sales in Poland to the commercial power industry based on sales volumes
<b>RES share</b>	Share of electricity generation from Renewable Energy Sources in total electricity generation in ENEA Capital Group
<b>Unit CO<sub>2</sub> emissions</b>	Unit CO <sub>2</sub> emissions factor [kg CO <sub>2</sub> / MWh] per unit of gross electricity generated in ENEA Capital Group
<b>SAIDI</b>	System Average Interruption Duration Index – indicator of the average system duration of long and very long interruptions in energy supply, planned and unplanned [in minutes]
<b>SAIFI</b>	System Average Interruption Frequency Index – indicator of the average system frequency of long and very long interruptions in energy supply per customer during the year
<b>Grid losses</b>	Grid distribution losses index (energy balance difference)
<b>Market share [Trading]</b>	Share of electricity sales by ENEA S.A. in the electricity sales market in Poland to end customers



ENEA is a leading provider of integrated products and services, valued for their quality, comprehensiveness and reliability

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