

ENEL AND THE WORLD'S FIRST SDG-LINKED BOND

ABSTRACT

WHEN ALESSANDRO CANTA, HEAD OF FINANCE AND INSURANCE AT ENEL, CAME UP WITH AN IDEA THAT WAS SURE TO DISRUPT THE SUSTAINABLE FINANCE AND INVESTMENT MARKET, HE KNEW HE WOULD FACE SOME RESISTANCE - JUST HOW MUCH REMAINED TO BE SEEN.

ENEL Group, also referred to as ENEL, is a leading multinational company operating in the global energy markets in over 34 countries, focusing on Europe and Latin America. Alessandro Canta's idea was to create the first ever Sustainable Development Goals (SDG) strategy-linked bond.

The idea was both exciting and unconventional - but was it feasible? Traditionally, green bonds were used to finance green projects, and he wanted to explore the feasibility of financing a transparent SDG-based strategy. His team was supportive of the idea, but the CFO and CEO needed to be convinced. Moreover, as this was an unconventional concept, investors also needed to be educated about the benefits and potential risks, and ultimately be brought on board.

Faced with the monumental task of getting buy-in from all key stakeholders, internally and externally, Alessandro felt uncertain himself whether the idea would succeed. One thing he did know for certain, however, was that the path forward would be anything but easy.

This case is for educational purposes and is not intended to illustrate either effective or ineffective management of an organisational situation. The situations and circumstances described may have been dramatized or modified for instructional purposes and may not accurately reflect actual events.

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Biography

Paolo teaches Strategy, Consulting and Sustainability at UCL School of Management, where he is also a member of the School's senior management team.

Before UCL, Paolo spent six years at Imperial College London, where he is still a Visiting Professor. Paolo's research on corporate sustainability is internationally recognised, and his books internally appreciated. Outside of the academy, Paolo has significant consultancy experience in the fields of strategy, education, and sustainability. Today, he advises influential organisations in the UK, Italy, the US, Canada, and India.

His projects, quotes, and opinions have been featured over 250 times in media outlets like The Financial Times, Forbes, Sole 24 Ore, Sky News, Mediaset, and CNN.

In 2018, Paolo was chosen by the influential website Poets & Quants as one of the world's top 40 business school professors under the age of 40. In 2021, Paolo was indicated by Italian's leading business daily Sole 24 Ore as the most influential Italian under the age of 40.

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Biography

Chiara is a Ph.D. candidate at Copenhagen Business School and a visiting Ph.D. student at UCL School of Management. Her research focuses on corporate sustainability and social impact measurement.

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