Enel X Taps Fluence Gridstack Storage Product to Deliver Fast Reserve Services in Italy

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Terna's Fast Reserve auction established regulation to support Italian decarbonization and broader EU climate goals

ERLANGEN, GERMANY – 15 November, 2021 – Fluence, a global market leader in energy storage products and services, and digital applications for renewables and storage, has signed a contract with Enel-X for the delivery of two systems using the Gridstack™ energy storage product to provide Fast Reserve grid services for Terna, the Italian Transmission System Operator in Northern Italy. The systems, totaling 40 MW, are part of the first Fast Reserve auction in Italy and build on the Fluence team's experience in Italy delivering a 1.4 MW / 0.7 MWh battery energy storage system for Terna's 'Storage Lab' in Codrongianos, Sardignia, and a 12 MW / 72 MWh system for Terna's 'Large Scale' project in Ginestra.

Fast Reserve grid services are vital to helping Italy meet its climate goals and supporting broader EU 2030 climate targets. The Italian electricity market is on the precipice of significant change as it prepares to start decommissioning coal plants. Decreased use of thermal generation reduces the amount of inertia available, which can lead to frequency variations on the electric grid if not addressed. By instantaneously charging or discharging power until primary reserves come online, Fast Reserve grid services help mitigate those variations, thereby enhancing grid resiliency and stability. Assets participating in the Fast Reserve service must respond within 1 second of an event and require advanced controls software to manage continuous bidirectional charging and discharging of the energy storage system. Fluence's integrated, edge-based control software, Fluence OS, will provide these fast-response capabilities for Enel X.

Fluence and Enel have a long history of collaborating in Italy to deliver more resilient and sustainable electric systems. Members of the current Fluence team first partnered with Enel in 2012 to deliver the first ever European grid-scale stationary battery energy storage system to Enel Distribiuzone in 2012 at the Isernia substation. In 2015, Fluence team members and ENEL partnered again to deliver the first grid-forming off-grid energy storage system on the island of Ventotene in 2015 for Enel Thermal Generation.

"This award is the latest in the successful, continuous partnership between The Enel Group and Fluence focused on accelerating the speed and guiding the direction of the global clean energy transition," said Panagiotis Stamoulis, Market Director, Southern Europe for Fluence. "As Italy and other countries in Southern Europe adopt innovative technologies to reach their decarbonization targets, energy storage systems with advanced software controls will play an increasingly significant role in enabling that transition while maintaining reliable and resilient electric grids."

Since delivering Europe's first battery energy storage system in 2012, the Fluence team has provided large-scale storage solutions to integrate renewable energy to the grid, enhance transmission and distribution services, and provide numerous other critical grid services in 13 countries in the region. A joint venture of Siemens and The AES Corporation, Fluence's long experience and significant presence in Europe, including regional headquarters and a research lab in Germany, makes the company a preferred technology provider for utilities, IPPs, transmission system operators and financiers in the region.

ABOUT FLUENCE

Fluence, a Siemens and AES company, is a global market leader in energy storage products and services, and digital applications for renewables and storage. The company has more than 3.4 GW of energy storage deployed or contracted in 29 markets globally, and more than 4.5 GW of wind, solar, and storage assets optimized or contracted in Australia and California. Through our products, services and AI-enabled Fluence IQ platform, Fluence is helping customers around the world drive more resilient electric grids and a more sustainable future. For more information about Fluence, please visit: fluenceenergy.com

Cautionary Note Regarding Forward-Looking Statements

This news release contains forward-looking statements within the meaning of the Securities Act of 1933 and of the Securities Exchange Act of 1934. Such forward-looking statements include, but are not limited to, those related to the future business and financial performance and future events or developments involving Fluence. These statements may be identified by words such as "expect," "look forward to," "anticipate," "intend," "plan," "believe," "seek," "estimate," "will," "project" or words of similar meaning, which are generally not historical in nature. We may also make forward-looking statements in other reports, in prospectuses, in presentations, in material delivered to shareholders and in press releases. In addition, our representatives may from time to time make oral forward-looking statements.

Forward-looking statements are not intended to be a guarantee of future results. Such statements are based on the current expectations and certain reasonable assumptions of Fluence's management, many of which are beyond Fluence's control. These assumptions include, but are not limited to, our expectations regarding the successful implementation of the Italy projects described herein.

Actual results could differ materially from those projected in our forward-looking statements due to risks, uncertainties, and other factors. Important factors that could affect actual results include, without limitation, the risks and uncertainties described under the caption "Risk Factors" in Fluence's final prospectus filed with the Securities and Exchange Commission (the "SEC") pursuant to Rule 424(b)(4) on October 29, 2021. Readers are encouraged to read Fluence's SEC filings to learn more about the risk factors associated with its business. Any forward-looking statement speaks only at the date which it is made, and Fluence disclaims any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. Undue reliance should not be placed on forward-looking statements.