



**REPORT OF THE BOARD OF DIRECTORS
ON THE THIRD ITEM ON THE AGENDA OF THE ORDINARY MEETING**

Appointment of a member of the Board of Directors pursuant to Article 2386 of the Italian Civil Code.

Dear Shareholders,

it is reminded that, according to the resolution of the ordinary Shareholders' Meeting held on May 22, 2014, the number of the members of the Company's Board of Directors currently in office has been set at 9 and the term of their office has been established for the financial years 2014, 2015 and 2016, until the approval of the financial statements for year 2016.

Following the resignation, presented on November 2014 by Mr. Salvatore Mancuso – appointed by the Shareholders' Meeting held on May 22, 2014 from the list of candidates presented by the Ministry of Economy and Finance – the Board of Directors is currently composed of 8 Directors and it is therefore necessary to integrate its composition through the appointment of a new member.

The Board of Directors, given its abstention from appointing by cooptation another member of the Board of Directors to replace the resigned Director, requests the Shareholders' Meeting to resolve on the appointment of a Director, leaving to the Shareholders the right to submit appropriate proposals on this matter.

In this respect, please note that, pursuant to Article 14.3 of the Corporate Bylaws:

- for the appointment of a member of the Board of Directors the slate-vote mechanism shall not apply, since it is provided for by the Corporate Bylaws only when the entire Board of Directors is being appointed;
- therefore the Shareholders' Meeting will resolve according to the majorities provided for by the law, ensuring in any case the presence of the necessary number of Directors possessing the requirements of independence established by the law, and the compliance with the applicable laws on balance between genders; requirements

that, moreover, result to be respected by the current composition of the Board of Directors.

Without prejudice to the above, please note that the Directors of Enel S.p.A. must possess the requirements established for such office by the applicable laws and therefore:

- since the Company controls Enel Factor S.p.A., a company registered in the list of the financial intermediaries provided for by Article 106 of Legislative Decree no. 385 of September 1, 1993 (in accordance with the text currently applicable, pending the implementation of the amendments made by Legislative Decree no. 141 of August 13, 2010), the candidates for the office of Director must possess also the requirements of integrity specified by Decree no. 517 of December 30, 1998 of the Minister of the Treasury, the Budget, and Economic Planning, for the representatives of entities which participate into the equity of financial intermediaries;
- pursuant to Article 147-*quinquies* of the Legislative Decree no. 58 of February 24, 1998, the candidates for the office of Director must also possess the requirements of integrity required for statutory auditors of listed companies, currently provided for by Article 2 of the Decree of the Ministry of Justice, no. 162 of March 30, 2000.

Moreover, please note that under Article 14-*bis* of the Corporate Bylaws, whose provisions are subject to an amendment proposal submitted to this Shareholders' Meeting, Directors are required to possess additional requirements of integrity.

In submitting the candidacies, please also take into consideration the "*Guidelines regarding the maximum number of offices that the Directors of Enel S.p.A. may hold*" adopted by the Board of Directors of Enel S.p.A. according to the recommendations set forth under Article 1.C.3 of the Corporate Governance Code for listed companies and published on the Company' website (www.enel.com).

The Shareholders are kindly invited to inform the Company and the market, with adequate advance notice, about any appointment proposal which they might decide to submit to the Shareholders' Meeting, together with the *curriculum vitae* of the candidate and the statement of the latter accepting his/her candidacy and certifying, under his/her own responsibility, not to fall under any cause of ineligibility and incompatibility and to meet all the requirements provided for the office under the applicable laws and the Corporate Bylaws.

The Director who will be appointed by the Shareholders' Meeting to replace Director Mr. Mancuso, will be in office, pursuant to Article 2386 of the Italian Civil Code, until the expiration of the office of the current Board of Directors. The Director will be granted, *pro*

rata temporis, with the same remuneration resolved by the Shareholders' Meeting held on April 22, 2014 for such office (as well as with the same remuneration fixed on July 10, 2014 by the Board of Directors for the attendance at the Board's Committees in which the new Director might be appointed).