



REPORT OF THE BOARD OF DIRECTORS ON THE SOLE ITEM OF THE EXTRAORDINARY MEETING

Amendment to the Corporate bylaws: deletion of Article 31 (transitory rule on gender balance in the composition of the Board of Directors and of the Board of Statutory Auditors) and integration of Article 21 (power of the Board of Directors to establish among its members committees having proposing and/or consultative functions).

Dear Shareholders,

You have been called in extraordinary meeting in order to discuss and resolve upon amendment proposals of some provisions of the Corporate bylaws of Enel S.p.A. (“**Enel**” or the “**Company**”), hereinafter duly described, concerning the compliance with the gender balance in the composition of the Board of Directors and of the Board of Statutory Auditors, as well as the express provision of the power of the same Board of Directors to establish among its members Committees with proposing and/or consultative functions.

The reason for such amendments to the Corporate bylaws is to be found in the willingness to further improve the corporate governance standard of Enel, simultaneously increasing market approval.

Deletion of the provisional clause which sets a time limit to the effectiveness of the provisions set forth by the Corporate bylaws aimed at ensuring gender balance in the composition of the Board of Directors and of the Board of Statutory Auditors

Currently, Article 31.1 of the Corporate bylaws provides that “*The provisions of Articles 14.3, 14.5, and 25.2 aimed at ensuring the fulfilment of the applicable laws on balance between genders shall apply to the first three appointments, respectively, of the Board of Directors and of the Board of Statutory Auditors, following the coming into force and the effectiveness of the provisions of Article 1*”

of Law July 12, 2011, No. 120, published on the Official Gazette No. 174 of July 28, 2011”.

Such provision was introduced by the Extraordinary Shareholders’ Meeting of Enel held on April 30, 2012, on the occasion of the adjustment of the Corporate bylaws to the provisions introduced by the Law No. 120 of July 12, 2011 (the so-called “Golfo-Mosca”), concerning *“Amendments to the Consolidated Financial Act pursuant to Legislative Decree No. 58 of February 24, 1998 concerning the equality of access to the administrative and supervisory bodies of the companies listed in regulated markets”*.

In particular, in the implementation of the provisions of Articles 147-ter, paragraph 1-ter, and 148, paragraph 1-bis, of Legislative Decree No. 58 of February 24, 1998 (**“Consolidated Financial Act”**) as well as of Article 2 of the above-mentioned Law “Golfo-Mosca”, it was provided that the provisions introduced by the same Shareholders’ meeting held on April 30, 2012 under Article 14 and 25 of the Corporate bylaws shall be applicable only to *“three consecutive offices”* following the coming into force and the effectiveness of the provisions of the same Law “Golfo-Mosca”.

Therefore, the provisions under Articles 14 and 25 of the Corporate bylaws on gender balance applied, until today, to the appointment:

- of the Board of Directors on May 22, 2014 (first implementation) and on May 4, 2017 (second implementation); and
- of the Board of Statutory Auditors on April 30, 2013 (first implementation) and of May 26, 2016 (second implementation).

Thereby, pursuant to the law and the Corporate bylaws, the above-mentioned provisions of the Corporate by-laws on gender balance would apply, for the third and last time, to the next appointment of the Board of Directors and of the Board of Statutory Auditors, after which they would automatically cease to be effective.

Therefore, the proposed elimination of Article 31.1 of the Corporate bylaws aims at repealing the provisional clause provided therein, thus making the principle of gender balance permanently applicable to the composition of the Board of Directors and of the Board of Statutory Auditors of Enel.

Such proposal is consistent with the principles contained in the “Diversity Policy of the Board of Directors of Enel S.p.A.” and in the “Diversity Policy of the Board of Statutory Auditors of Enel S.p.A.” (together, the “**Diversity Policies**”), approved pursuant to Article 123-*bis*, paragraph 2, letter d-*bis*), of the Consolidated Financial Act, respectively, by the Board of Directors on January 18, 2018 and by the Board of Statutory Auditors on January 29, 2018; this indeed because it aims at ensuring gender balance in the composition of the corporate bodies of Enel also after that the Italian law provisions on gender balance will cease to be in force.

Therefore, the proposed elimination of Article 31.1 of the Corporate bylaws ultimately allows to:

- acknowledge in the Corporate bylaws the principles contained in the Diversity Policies, ensuring that the provisions on gender balance currently provided under Article 14 (for the Board of Directors) and under Article 25 (for the Board of Statutory Auditors) of the same Corporate bylaws are applicable also after the period of “*three consecutive offices*” provided for by the law;
- adjust the contents of the Corporate bylaws of Enel to the international best practices, taking into account that several European legal systems have approved measures aimed at ensuring gender balance in the composition of corporate bodies of listed companies without providing for any time limit for the relevant implementation (the so-called “*sunset clause*”).

Please note that the deletion of Article 31.1 also allows to repeal the following Article 31.2 of the Corporate bylaws, which was introduced in order to govern the effectiveness of the application of the provisions under Article 25.1 of the Corporate bylaws concerning the number of members of the Board of Statutory Auditors, which however is non-effective starting from the first appointment of the same Board of Statutory Auditors occurred (on April 30, 2013) following the coming into force and the effectiveness of the provisions of the Law “Golfo-Mosca”.

The proposed amendments to Article 31 of the Corporate bylaws are set forth here below, with the indication of the current wording of the Corporate Bylaws.

Article 31

Current wording	Proposed wording
31.1 The provisions of articles 14.3, 14.5, and 25.2 aimed at ensuring the fulfilment of the applicable laws on balance between genders shall apply to the first three appointments, respectively, of the Board of Directors and of the Board of Statutory Auditors, following the coming into force and the effectiveness of the provisions of article 1 of Law July 12, 2011, No. 120, published on the Official Gazette No. 174 of July 28, 2011.	31.1 <i>(Repealed)</i>
31.2 The composition of the Board of Statutory Auditors indicated under article 25.1, which is characterized by the presence of three regular Statutory Auditors and three alternate Statutory Auditors, shall apply from the first appointment of the supervisory board following the coming into force and the effectiveness of the provisions of article 1 of Law July 12, 2011, No. 120, published on the Official Gazette No. 174 of July 28, 2011. Until such moment, the Board of Statutory Auditors is composed by three regular Statutory Auditors and two alternate Statutory Auditors.	31.2 <i>(Repealed)</i>

* * * * *

Power of the Board of Directors to establish among its members committees having proposing and/or consultative functions

The second proposed amendment concerns Article 21 of the Corporate bylaws, within which it is intended to acknowledge and clarify – consistently with the established practice adopted by Enel since the listing of its shares on the Stock Exchange – the power of the Board of Directors to establish among its members Committees with proposing and/or consultative functions, as well as to adopt the relevant organizational procedures regulating their composition, their duties, the rules for carrying out of the meetings, appointing the relevant members and establishing their remuneration.

It is also provided to clarify that the Board of Directors shall consider whether to establish such Committees taking into account the need to ensure that the

corporate governance system of Enel is compliant with the applicable laws, with the recommendations set forth in the codes of conduct on corporate governance promoted by the management companies of regulated markets or by trade associations, adopted by the Company, as well as to the best national and international practices.

The proposed amendments to Article 21 of the Corporate Bylaws are set forth here below, with the indication of the current wording of the Corporate Bylaws.

Article 21

Current wording	Proposed wording
<p>21.1 Within the limits set forth in section 2381 of the Civil Code, the Board of Directors may delegate powers to one of its members, determining the content, the limits and any procedures of exercise of the delegation. Upon proposal by the Chairman and in agreement with the Chief Executive Officer, the Board may delegate powers to others among its members for single acts or classes of acts.</p>	<p>21.1 <i>(Unchanged)</i></p>
<p>21.2 Within the limits of the authority conferred on him, the Chief Executive Officer shall have the power to delegate single acts or classes of acts to employees of the Company or to third parties, authorizing sub-delegation.</p>	<p>21.2 <i>(Unchanged)</i></p>
	<p>21.3 The Board of Directors may also establish among its members committees with proposing and/or consultative functions, adopting the relevant organizational procedures regulating their composition, their duties and the rules for the carrying out of the meetings. When assessing the opportunity to establish such committees, the Board of Directors, appointing the relevant members and determining their remuneration, shall take into account the need to ensure that the corporate governance system of Enel is compliant with the applicable laws, with the recommendations set forth in the codes of conduct on corporate governance, promoted by the management companies of regulated markets or by trade associations,</p>

	adopted by the Company, as well as with the best national and international practices.
--	--

* * * * *

Please note that the proposed amendments to the Corporate bylaws do not trigger a right of withdrawal in favor of the Shareholders who do not contribute to the approval of the resolution, as they do not fall into any of the cases set forth under section 2437 of the Italian Civil Code.

Please also note that the votes on such amendments will be casted severally, so as to allow the Shareholders to differentiate their vote on each issue, consistently with the most advanced practices on corporate governance.

* * * * *

In light of the above, we therefore submit to Your approval the following

Agenda

The Shareholders Meeting of Enel S.p.A., having examined the explanatory report of the Board of Directors,

resolves

- to approve the proposed deletion of the entire Article 31 of the Corporate bylaws, containing the provisional clause which sets a time limit to the effectiveness of the provisions set forth by the Corporate bylaws aimed at ensuring gender balance in the composition of the Board of Directors and of the Board of Statutory Auditors;
- to approve the proposed integration of Article 21 of the Corporate bylaws introducing Article 21.3, aimed at clarifying the power of the Board of Directors to establish among its members Committees with proposing and/or consultative functions, as follows:
 - ✓ *“The Board of Directors may also establish among its members committees with proposing and/or consultative functions, adopting the relevant organizational procedures regulating their composition, their duties and the rules for the carrying out of the meetings.*”

When assessing the opportunity to establish such committees, the Board of Directors, appointing the relevant members and determining their remuneration, shall take into account the need to ensure that the corporate governance system of Enel is compliant with the applicable laws, with the recommendations set forth in the codes of conduct on corporate governance promoted by the management companies of regulated markets or by trade associations, adopted by the Company, as well as with the best national and international practices.”

- to grant the Chairman of the Board of Directors and the Chief Executive Officer, severally, with the powers to approve and introduce in the resolutions above any amendment, supplement and deletion which may be deemed necessary or useful for the purpose of the relevant filing with the Companies' Register.