



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

**Long term incentive Plan 2018 reserved to the management of Enel S.p.A.  
and/or of its subsidiaries pursuant to Article 2359 of the Italian Civil Code**

Dear Shareholders,

You have been called in ordinary session in order to discuss and resolve – according with Article 114-*bis*, paragraph 1, of the Legislative Decree no. 58 of February 24, 1998 (“Consolidated Financial Act”) – on the approval of a cash long term incentive plan reserved to the management of Enel S.p.A. and/or of its subsidiaries pursuant to Article 2359 of the Italian Civil Code (“2018 LTI Plan”), whose framework has been defined by the Board of Directors, upon proposal of the Nomination and Compensation Committee.

Please note that the 2018 LTI Plan, although it does not provide for the assignment of Enel S.p.A. shares to its beneficiaries, provides for the possibility to distribute to the beneficiaries of the 2018 LTI Plan a variable cash remuneration depending, for 50%, on the level of achievement of the “Total Shareholder Return”, calculated on the basis of the performance of Enel S.p.A. stock during the relevant performance period (2018-2020) against that of the Euro Stoxx Utilities-EMU index. For such reason, the 2018 LTI Plan could be qualified as “remuneration plan based on financial instruments” pursuant to Article 114-*bis*, paragraph 1, of the Consolidated Financial Act.

Pursuant to Article 84-*bis*, paragraph 1, of the Issuers’ Regulation adopted by Consob with Resolution no. 11971 of May 14, 1999, the features of the 2018 LTI Plan are detailed in a specific information document made available along with this report and to which reference is made.

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 and the information document concerning the 2018 LTI Plan prepared pursuant to Article 84-*bis*, paragraph 1, of the Issuers' Regulation adopted by Consob with Resolution no. 11971 of May 14, 1999,

### **resolves**

1. to approve the long term incentive Plan 2018 reserved to the management of Enel S.p.A. and/or of its subsidiaries pursuant to Article 2359 of the Italian Civil Code, whose features are described in the relevant information document prepared pursuant to Article 84-*bis*, paragraph 1, of the Issuers' Regulation adopted by Consob with Resolution no. 11971 of May 14, 1999 and made available to the public at the Company's registered office, in the section of the Company's website ([www.enel.com](http://www.enel.com)) reserved to this Meeting and at the officially appointed mechanism for the central storage of regulated information denominated "eMarket Storage" ([www.emarketstorage.com](http://www.emarketstorage.com));
2. to grant the Board of Directors, with the faculty to sub-delegate, all powers necessary for the actual implementation of the Long Term Incentive Plan for year 2018, to be exercised in accordance to the relevant information document. For this purpose, the Board of Directors is entitled to, including but not limited to, identify the beneficiaries of the Plan as well as to approve the regulation for the implementation of the Plan itself.