



## **INFORMATION DOCUMENT**

Pursuant to article 84-*bis*, paragraph 1, of the Regulation adopted by Consob with Resolution no. 11971 dated May 14, 1999, as subsequently amended and supplemented, related to the

## **LONG-TERM INCENTIVE PLAN 2019**

**OF**

**ENEL S.P.A.**

April 10, 2019

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## GLOSSARY

Where used in this information document, the following terms shall have the meanings set forth below.

<b>Shares</b>	Ordinary shares issued by Enel, listed on the <i>Mercato Telematico Azionario</i> organized and managed by Borsa Italiana S.p.A.
<b>Shareholders</b>	Owners of Shares.
<b>Nomination and Compensation Committee</b>	The Committee of Enel, currently comprised exclusively of Independent Directors, having, <i>inter alia</i> , consultative and proposing functions in connection with the remuneration of Directors and Executives with Strategic Responsibilities.
<b>Beneficiaries</b>	The managers of Enel and/or of companies controlled by Enel pursuant to Article 2359 of the Italian Civil Code who are beneficiaries of the Plan.
<b>Executives with Strategic Responsibilities</b>	The executives that report directly to the Chief Executive Officer of Enel who (depending upon the composition, frequency of meetings and matters discussed within the management committees involving the top management) effectively make, together with the Chief Executive Officer, the decisions that are considered key for the Group.
<b>Information Document</b>	This document drawn pursuant to and for purposes of Article 84- <i>bis</i> , paragraph 1, of the Issuers' Regulation.
<b>Enel or the Company</b>	Enel S.p.A.
<b>Group</b>	Enel and the companies controlled by Enel pursuant to Article 2359 of the Italian Civil Code.
<b>EUROSTOXX Utilities Index – EMU (Euro Area/Economic and Monetary Union)</b>	The Index managed by STOXX Ltd. and including the most relevant utilities companies listed in Euro Area countries (EMU). As of the date of the present document, such index includes A2A, E.On, EdF, EdP, Enagas, Endesa, Enel, Engie, Fortum, Hera, Iberdrola, Innogy, Italgas, Naturgy, Red Electrica, Rubis, Rwe, Suez Environnement, Terna, Uniper, Veolia Environnement e Verbund.
<b>LTI Plan or the Plan</b>	The Long-Term Incentive Plan adopted by the Company for year 2019.
<b>Consob Issuers' Regulation</b>	The Regulation adopted by Consob with Resolution no. 11971 of May 14, 1999, as subsequently amended and supplemented.
<b>Return on Average Capital Employed (ROACE)</b>	Ratio between Ordinary EBIT (Ordinary Operating Results) and average net invested capital.
<b>Total Shareholders Return (TSR)</b>	Index that measures the total return on a share, by taking the sum of the following components:  (i) capital gain: ratio between the change in the market price of the share (difference between the price determined at the end and at the beginning of the relevant period) and the

market price determined at the beginning of the period itself;

- (ii) dividends reinvested: impact of all dividends paid and reinvested in the share as of the ex-dividend date.

**Consolidated Financial  
Act**

Legislative Decree no. 58 of February 24, 1998.

## INTRODUCTION

This Information Document, drawn in accordance with Article 84-*bis*, paragraph 1, of the Consob Issuers' Regulation, is published in order to provide the Shareholders and the market with an extensive and detailed information on the proposal to adopt the LTI Plan.

The LTI Plan provides for the possibility to distribute to its Beneficiaries an incentive, composed of a monetary component and a share-based component. Furthermore, the disbursement of both such components, as well as their total amount, depends, *inter alia*, on the level of achievement of the Total Shareholders' Return, calculated on the basis of the performance of Enel share during the relevant performance period (2019-2021) compared with that of the EUROSTOXX Utilities Index – EMU.

Therefore, for both these features, the LTI Plan, being a “*remuneration plan based on financial instruments*”, pursuant to Article 114-*bis*, paragraph 1, of the Consolidated Financial Act, is subject to the approval of the ordinary Shareholders' Meeting of Enel called on May 16, 2019 on a single call.

The Information Document is available to the public at Enel's registered office (in Rome, Viale Regina Margherita no. 137), as well as on the Company's website ([www.enel.com](http://www.enel.com)) and on the mechanism for the central storage “eMarket Storage” ([www.emarketstorage.com](http://www.emarketstorage.com)).

### 1. BENEFICIARIES

#### 1.1 Indication by name of the Beneficiaries of the LTI Plan who are members of the Board of Directors of Enel

The LTI Plan includes among its Beneficiaries the Chief Executive Officer/General Manager of Enel, Francesco Starace.

#### 1.2 Indication of the categories of employees or collaborators of Enel and of the Group which are Beneficiaries of the LTI Plan

Approximately 250 managers of Enel and/or companies controlled by Enel pursuant to Article 2359 of the Italian Civil Code, including the General Manager (who is also the Chief Executive Officer) of Enel, who hold positions that are most directly responsible for the company's results or which are of strategic interest, are the Beneficiaries of the LTI Plan. Among such managers are also included those belonging to the Business Line “Global Infrastructure and Networks”, as well as to the “Iberia”, “South America” and “Europe and Euro-Mediterranean Affairs” Regions in favor of some of which are established specific plans <sup>(1)</sup> and objectives linked to the relevant activities of the abovementioned Business Lines and Regions, taking into consideration the requirements to carry on the business on an autonomous basis and the compliance with the unbundling laws in force.

It should be noted that some of the managers who are Beneficiaries of the LTI Plan are currently members of the boards of directors of companies controlled by Enel pursuant to Article 2359 of the Italian Civil Code. Such executives are not indicated by name as described in paragraph 1.1 above since the award under the Plan does not depend on the offices held by them in the above-mentioned companies, being such award solely determined on the basis of their managerial role within the Group.

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<sup>(1)</sup> These plans regard approximately 50 Beneficiaries and they may not envisage the share-based component.

**1.3 Indication by name of the Beneficiaries of the LTI Plan who are general managers or executives with strategic responsibilities (in case they have received during the financial year a total compensation exceeding the highest compensation granted to the members of the board of directors)**

The LTI Plan includes among its Beneficiaries the General Manager (who is also Chief Executive Officer) of Enel, Francesco Starace.

**1.4 Description and numerical indication of the Beneficiaries of the LTI Plan who are executives with strategic responsibilities and any other possible categories of employees or collaborators for whom diverse characteristics of the plan apply**

In addition to the paragraph 1.2 above, the LTI Plan includes among its Beneficiaries the managers who are currently “executives with strategic responsibilities” as defined under article 65, paragraph 1-*quater*, of the Consob Issuers’ Regulation. Reference is made to the heads of:

- the “Administration, Finance and Control” and “People and Organization” Holding Functions, as well as of the “Global Procurement” Function which pertains to the Global Service Functions;
- the Global Business Lines “Global Thermal Generation”, “Global Infrastructure and Networks”, “Global Trading”, “Enel Green Power” and “Enel X”;
- the “Italy”, “Iberia”, “South America” and “Europe and Euro-Mediterranean Affairs” Countries and Regions,

for a total of 12 executive positions.

Without prejudice to what specified in the previous paragraph 1.2, it should be noted that the incentive scheme envisaged under the LTI Plan is the same for all the Beneficiaries, and differentiates only because of:

- (i) the measure of the base amount of the incentive, to be determined at the time of the relevant award in relation to the fixed remuneration of the single Beneficiary, as pointed out in paragraph 2.3 below;
- (ii) the measure of the incentive actually assignable in the final assessment of the Plan which, depending on the level of achievement of the performance objectives envisaged under the same Plan, is equal to maximum (*i.e.*, when the second over-performance threshold is reached):
  - 280% of the base amount, for the Chief Executive Officer/General Manager,
  - 180% of the base amount for the other Beneficiaries; and
- (iii) the incidence of the share-based component on the total base amount of the awarded incentive, which is equal to:
  - 100% of the base amount, for the Chief Executive Officer/General Manager,
  - 50% of the base amount, for the other Beneficiaries of the Plan.

## 2. REASONS SUPPORTING THE ADOPTION OF THE PLAN

### 2.1 Objectives to be achieved through the Plan

The Plan is aimed at:

- aligning the interests of the Beneficiaries with the pursuit of the priority goal consisting in the creation of value for Shareholders over the medium/long-term, also through the introduction of a share-based component into the remuneration plans;
- encouraging the management's commitment to achieving common objectives at the Group level, promoting the coordination and integration of the activities of the various companies belonging to the same Group;
- promoting the loyalty of the Beneficiaries of the Plan, and in particular promoting the retention of those who hold "key" positions within the Group;
- safeguarding the Company's competitiveness on the labor market.

### 2.2 Key variables and performance indicators considered for purposes of awarding incentives under the Plan

The Plan envisages the disbursement of an incentive composed of a component in Shares and a monetary component, the amount of which may vary depending upon the level of achievement of three-year performance objectives, from 0 (and therefore, if none of the objectives is achieved, no incentive is awarded) up to a maximum of 280% or 180% of the base amount, respectively for the Chief Executive Officer/General Manager or for the other Beneficiaries. The following table indicates the performance objectives upon which the disbursement of incentives under the LTI Plan is conditioned, as well as the related weight:

Performance objective	Weight
Average TSR of Enel vs. average TSR of the EUROSTOXX Utilities Index – EMU 2019-2021	50%
Cumulative ROACE over the three years 2019-2021	40%
CO <sub>2</sub> grams emissions per KWh equivalent produced by the Group in 2021 <sup>(2)</sup>	10%

The decision to condition the LTI Plan upon the prior achievement of specific performance objectives aims at fully aligning the Beneficiaries' interests with those of the Shareholders. In addition, such objectives, which apply in an identical manner to all Beneficiaries of the Plan, have a three-year term in order to encourage the results consolidation and the enhancement of the long-term characteristics of the same Plan.

For further information on the performance objectives upon which the exercise of the incentive right under the LTI Plan is conditioned, see paragraph 4.5 below.

### 2.3 Criteria for determining the amount to be awarded

The amount to be awarded to each Beneficiary of the Plan will be determined by taking as a reference a percentage of the fixed remuneration; this percentage is identified on the basis of each Beneficiary's category. For this purpose, the Beneficiaries of the Plan are divided into 4 categories, which provide for the disbursement of an incentive ranging between 30% and 100% of the fixed remuneration in the event of achievement

<sup>(2)</sup> Emissions linked to Group's plants' production.



of the performance objectives at target level (as referred to in paragraph 4.5 below), in line with the principles of the remuneration policy of Enel. The latter provide that:

- there must be an adequate balance between the fixed component and the variable component and, within the latter, between the short-term variable and the long-term variable;
- the fixed component must be sufficient to remunerate the work done by the person involved (taking into account the responsibilities assigned to the latter) in the event that the variable component was not disbursed due to the failure to achieve the performance objectives;
- the percentage incidence of the incentive on the fixed remuneration must rise on the basis of the role held and the responsibilities assigned.

In particular, it should be noted that the incentive disburseable to the Chief Executive Officer/General Manager of Enel is equal to (i) 100% of the fixed remuneration in the event of achievement of the performance objectives at target level, and (ii) to 280% of the fixed remuneration in the event of achievement of the maximum level of over-performance of such objectives.

If the performance objectives are not achieved, no incentive under the LTI Plan will be disbursed.

## **2.4 Reasons underlying the possible decision to award compensation plans based upon financial instruments not issued by Enel**

Not applicable.

## **2.5 Significant tax and accounting implications which affected the definition of the Plan**

The LTI Plan structure was not influenced by the applicable tax laws or accounting implications.

## **2.6 Support, if any, for the Plan from the Special Fund aimed at incentivizing workers' shareholdings in companies ("*Fondo speciale per l'incentivazione della partecipazione dei lavoratori nelle imprese*"), pursuant to Article 4, paragraph 112, of Law no. 350 dated December 24, 2003**

Not applicable.

## **3. APPROVAL PROCESS AND TIMEFRAME FOR THE AWARD OF THE LTI PLAN**

### **3.1 Powers and functions delegated by the Shareholders' Meeting to the Board of Directors for the implementation of the LTI Plan**

At the ordinary Shareholders' Meeting of Enel called to resolve upon the LTI Plan, it is proposed to grant to the Board of Directors, with the faculty to sub-delegate, the broadest powers necessary to effectively implement the same Plan, to be exercised in accordance with the principles established by the present Information Document, as provided under the explanatory report drawn by the Board of Directors in accordance

with article 125-ter of the Consolidated Financial Act and made available to the public at the registered office of Enel (in Rome, Viale Regina Margherita no. 137), on the Company's website at [www.enel.com](http://www.enel.com) and on the authorized storage mechanism called "eMarket Storage" ([www.emarketstorage.com](http://www.emarketstorage.com)).

### **3.2 Subjects in charge for managing the Plan**

The corporate body responsible for decisions related to the LTI Plan – without prejudice to the prerogatives of the Shareholders' Meeting – is the Company's Board of Directors, which oversees the day-to-day management of the Plan, in accordance with the provisions of the relevant implementation rules.

From a strictly operating standpoint, the Plan is managed by the "People and Organization" Function.

### **3.3 Existing Procedures for reviewing the Plan**

No procedures exist for reviewing the LTI Plan, without prejudice for the faculty of the Nomination and Compensation Committee to propose to the Board of Directors possible changes of the level of achievement of the performance objectives in the event of significant changes in the Group's perimeter or in the relevant accounting standards to be used in the calculation of the ROACE objective. It is agreed that the Chief Executive Officer/General Manager of Enel, since he is a Beneficiary of the Plan, will not take part in any board discussion and resolution concerning this matter.

### **3.4 Procedures for determining the availability and award of financial instruments**

The LTI Plan provides for the award to the Beneficiaries of an incentive composed of a component in Shares and a monetary component. The component in Shares is awarded free of charge and disbursed, subject and proportionally to the achievement of the performance objectives (see paragraph 4.5 below), at the end of the three-year performance period, to the extent and timings described in paragraph 4.2 below.

The Shares to be distributed under the Plan will be previously purchased – on the basis of a specific authorization by the Shareholders' Meeting – by Enel and/or its subsidiaries, within the limits and with the methods set forth by the applicable laws.

### **3.5 Role played by each Director in determining the Plan's characteristics**

The entire process of defining the LTI Plan's characteristics was carried out on a jointly basis and with the proposing and consultative support of the Nomination and Compensation Committee, in accordance with the recommendations set forth in the Corporate Governance Code and with the best corporate governance practices in this area. It should also be noted that the resolution through which the Board of Directors adopted the scheme of the LTI Plan to be submitted to the Shareholders' Meeting for approval was unanimously approved; the Chief Executive Officer, as one of the Beneficiaries of the Plan, did not take part in the discussion and resolution on the Plan itself.

### **3.6 Date of the decision made by the competent body to propose the Plan to the Shareholders' Meeting approval and of the proposal, if any, by the Nomination and Compensation Committee**

The resolution of the Board of Directors to submit the LTI Plan to the Shareholders' Meeting for approval is dated March 21, 2019, upon prior approval of the scheme of the same Plan on the same date. The proposal of the Nomination and Compensation Committee on the scheme of the LTI Plan, with regard both to its structure and the incentive curves, is dated March 6, 2019.

### **3.7 Date of the decision made by the competent body on the award of financial instruments and of the proposal, if any, submitted by the Nomination and Compensation Committee**

The LTI Plan is submitted to the approval of the Shareholders' Meeting convened, on single call, on May 16, 2019. After the Meeting, in case of approval of the LTI Plan by the latter, the Board of Directors will hold a meeting in order to take the relevant decisions for the implementation of the Plan, including those regarding the determination of the maximum number of Shares awardable to the Beneficiaries under the Plan.

### **3.8 Market price registered on the above-mentioned dates, for the financial instruments on which the Plan is based**

Shares market price at the moment of the award of the LTI Plan to the Beneficiaries will be communicated pursuant to Article 84-*bis*, paragraph 5, of the Consob Issuers' Regulation.

Illustrated below is the market price of the Shares registered on the dates indicated in paragraph 3.6 above:

- reference price of the Enel share registered on the *Mercato Telematico Azionario* organized and managed by Borsa Italiana S.p.A. on March 6, 2019: Euro 5.398;
- reference price of the Enel share registered on the *Mercato Telematico Azionario* organized and managed by Borsa Italiana S.p.A. on March 21, 2019: Euro 5.580.

### **3.9 Safeguards adopted by the Company with regard to the possibility that the date of the award of the financial instruments or the date of possible decisions in such regard by the Nomination and Compensation Committee may coincide with the date of dissemination of material information within the meaning set forth under Article 17 of the EU Regulation no. 596/2014.**

Decisions regarding the awarding under the LTI Plan will be taken by Enel's Board of Directors, upon prior approval of the same Plan by the Shareholders' Meeting, in compliance with the applicable laws, also on market abuse, as well as the internal regulations and procedures. Therefore, there was no need to arrange a specific safeguard in this regard.

However, it shall be noted that Beneficiaries' right to receive the awarded Shares will arise after a three-year vesting period, as described in paragraph 4.2 below, subject

and proportionally to the achievement of the performance objectives (see paragraph 4.5 below).

## 4. CHARACTERISTICS OF THE LTI PLAN

### 4.1 Structure of the Plan

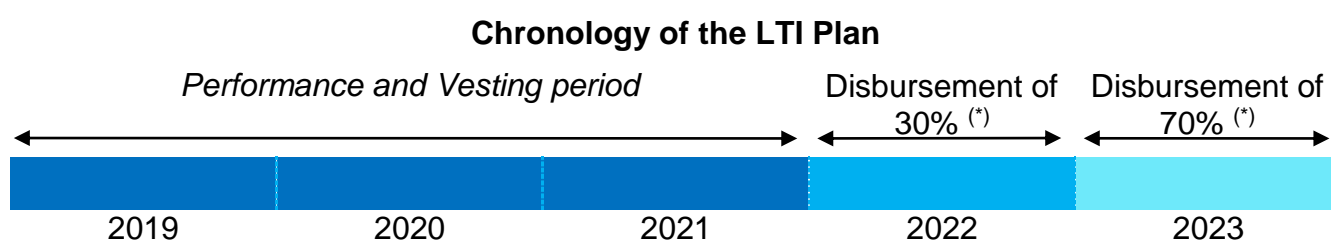
The LTI Plan provides for the award to the Beneficiaries of an incentive composed of a component in Shares and a monetary component, that may vary – depending upon the level of achievement of three-year performance objectives upon which the Plan is conditioned (see paragraph 4.5 below) – from 0 (and therefore, in the event that none of the objectives is achieved, no incentive will be awarded) up to a maximum of 280% or 180% of the base value respectively for the Chief Executive Officer/General Manager of Enel or for the other Beneficiaries.

Without prejudice to the above, with regard to the total amount of the awarded incentive, the Plan envisages that (i) with reference to the Chief Executive Officer/General Manager of Enel the incentive – up to 100% of the base amount – will be entirely disbursed in Shares and (ii) with reference to the other Beneficiaries – up to 50% of the base amount – the incentive will be entirely disbursed in Shares.

The monetary component is calculated as the difference between the total amount of the incentive determined in the final assessment of the Plan and the proportion of incentive to be disbursed in Shares. For this purpose, the value of the share-based component of the incentive is calculated considering the average Enel share price detected on the *Mercato Telematico Azionario* organized and managed by Borsa Italiana S.p.A. in the month preceding the award of the Plan.

### 4.2 Period of implementation of the Plan

The exercise of the LTI Plan is conditioned upon the achievement of specific performance objectives over three-year period 2019-2021 (the “performance period”, coinciding with the “vesting period”). If such objectives are achieved, the awarded incentive will be disbursed to the Beneficiaries – for both the share-based and monetary component – for 30% in 2022 and, with respect to the remaining 70%, in 2023. The disbursement of a significant portion of the long-term variable remuneration (equal to 70% of the total) is therefore deferred to the second financial year after the relevant three-years period of the LTI Plan performance objectives (“deferred payment”).



(\*) In the event the performance objectives are achieved.

### 4.3 Expiry of the Plan

The LTI Plan will expire in 2023.

### 4.4 Maximum number of financial instruments awarded in each fiscal year to the persons identified by name or to the indicated categories

In line with what described above, the LTI Plan envisages that, subject and proportionally to the achievement of the performance objectives, until 100% of the base amount of the incentive – for the Chief Executive Officer/General Manager – and until 50% of the base amount of the incentive – for the other Beneficiaries – will be disbursed in Shares with the timings set forth in the previous paragraph 4.2.

The information concerning the maximum number of Shares that will be awarded to the Beneficiaries under the LTI Plan will be available only once the Board of Directors, upon prior approval of the same Plan by the Shareholders' Meeting, will provide for the award of the incentive to the Beneficiaries (see paragraph 3.7 above).

As of today, the estimated maximum number of Shares to be awarded under the Plan, for the entire three-year performance period, is approximately equal to 1.8 million <sup>(3)</sup>, representing about 0.02% of Enel's share capital.

### 4.5 Methods of implementing the Plan and related provisions

The award of the incentive set forth by the LTI Plan is conditioned upon the achievement of the following performance objectives:

Performance objective	Weight
Average TSR <sup>(4)</sup> of Enel vs. average TSR of the EUROSTOXX Utilities Index – EMU in the period 2019-2021	50%
Cumulative ROACE for the three years 2019-2021 <sup>(5)</sup>	40%
CO <sub>2</sub> grams emissions per KWh equivalent produced by the Group in 2021 <sup>(6)</sup>	10%

The objective related to TSR will be measured on the basis of the performance scale set forth below (with a linear interpolation between the different thresholds). If the performance of Enel's average TSR does not reach 100% of the average TSR of the EUROSTOXX Utilities Index – EMU, no incentive will be awarded.

<sup>(3)</sup> This figure represents an estimate based on the average Enel share price detected on the *Mercato Telematico Azionario* organized and managed by Borsa Italiana S.p.A. in the 30 days preceding March 6, 2019 as pointed out in paragraph 3.8 above.

<sup>(4)</sup> The average *Total Shareholders Return* (TSR) of Enel and of the EUROSTOXX Utilities Index – EMU is calculated as average value of the TSR in the one-month period preceding the start date and the end date of the performance period (January 1, 2019 – December 31, 2021), in order to sterilize any volatility that may be present on the market.

<sup>(5)</sup> The ROACE is calculated as the *ratio* between: (i) Ordinary EBIT (Ordinary Operating Results), determined excluding the items which cannot be referred to the ordinary business, *i.e.* the capital gains related to asset divestiture and the asset write-downs due to impairment considered as extraordinary for the purpose of determining the Group ordinary net income (Group Net Income) and (ii) average NIC (Net Invested Capital), determined as the semi-sum between the figures at the beginning and at the end of the relevant year, after deducting the Discontinued Operations and the asset write-downs due to impairment, sterilized in determining ordinary EBIT.

For the final assessment, the (positive and negative) impacts arising from variations in the exchange rates, in the scope of consolidation or in the international accounting standards, will be sterilized.

During the final assessment, the extraordinary events which the management deems may have affected the value of the relevant KPI, will be pointed out to the Nomination and Compensation Committee, in order to allow the latter to assess their possible sterilization.

<sup>(6)</sup> Emissions from the Group's plants' production.

Enel's TSR exceeding 115% of the Index's TSR	Enel's TSR between 110% and 115% of the Index's TSR	Enel's TSR between 100% and 110% of the Index's TSR	Enel's TSR lower than 100% of the Index's TSR
280%/180% <sup>(7)</sup>	150%	100%	0%

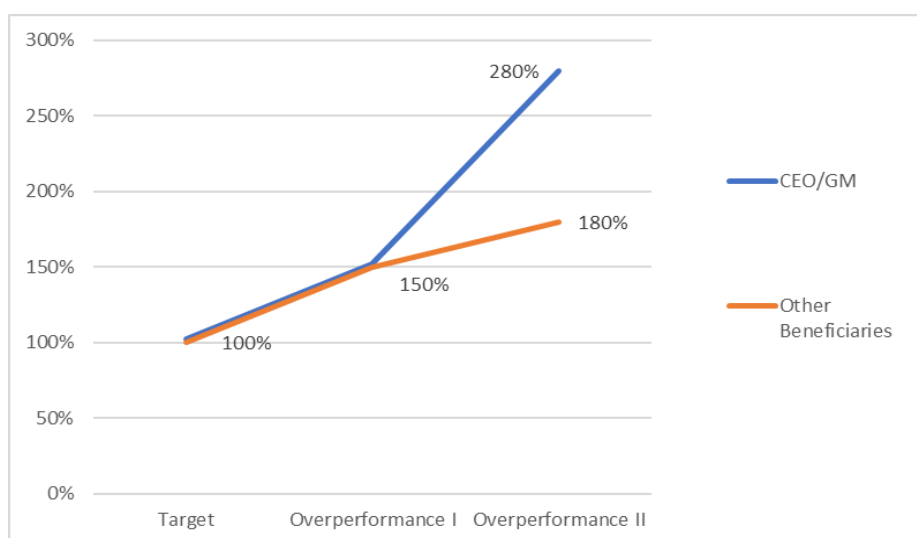
The objective linked to ROACE will be measured on the basis of the performance scale set forth below (with a linear interpolation between the different thresholds). If the performance does not reach the target (whose measure coincides with the one indicated in the Strategic Plan for 2019-2021), no incentive will be awarded.

Objective	Target	Over I	Over II
Cumulative ROACE for three years 2019-2021	38.1%	38.6%	39.2%

The objective linked to CO<sub>2</sub> emissions will be measured on the basis of the performance scale set forth below (with a linear interpolation between the different thresholds). If the performance does not reach the target (whose measure coincides with the one indicated in the Strategic Plan for 2019-2021), no incentive will be awarded.

Objective	Target	Over I	Over II
CO <sub>2</sub> Emissions (gCO <sub>2</sub> /KWheq) of the Group in 2021	<=345	<=335	<=325

Upon the achievement of the target of each objective, it is envisaged the disbursement of an incentive equal to 100% of the base amount, whereas upon the achievement of an over-performance, an incentive equal to (i) 150% (at Over I level) or (ii) 280% (for the Chief Executive Officer/General Manager of Enel) or 180% (for other Beneficiaries) of the base amount (at Over II level) would be disbursed, as indicated here below:



<sup>(7)</sup> The LTI Plan provides that, when the second over-performance threshold of objective is reached, it should be granted (i) to the Chief Executive Officer/General Manager of Enel an incentive equal to 280% of the base amount; (ii) to the other Beneficiaries, an incentive equal to 180% of the base amount assigned to each of them.

Therefore if, with regard to the Chief Executive Officer/General Manager, for example:

- all the objectives (TSR, ROACE and reduction of CO<sub>2</sub> emissions) were to reach the target level, the disburseable remuneration would amount to 100% of the fixed remuneration (and the incentive would be entirely disbursed in Shares);
- the only objective achieved was the TSR, at a level equal to the target, the disburseable remuneration would amount to 50% of the fixed remuneration (and the incentive would be entirely disbursed in Shares);
- all the objectives (TSR, ROACE and reduction of CO<sub>2</sub> emissions) were to reach the Over I level, the disburseable remuneration would amount to 150% of the fixed remuneration (and the incentive would be disbursed (i) for 100% in Shares and (ii) for the remaining 50% in cash);
- all the objectives (TSR, ROACE and reduction of CO<sub>2</sub> emissions) were to reach the Over II level, the disburseable remuneration would amount to 280% of the fixed remuneration (and the incentive would be disbursed (i) for 100% in Shares and (ii) for the remaining 180% in cash).

The Company is entitled to claim-back the variable remuneration paid, as well as to withhold the variable remuneration subject to deferral, if the data on the basis of which it has been disbursed or calculated turn out to be clearly erroneous (clawback and *malus* clause).

#### **4.6 Availability restrictions imposed upon the financial instruments distributed**

No availability restriction is envisaged upon the Shares once they are distributed to the Beneficiaries subject and proportionally to the achievement of the performance objectives.

#### **4.7 Conditions subsequent, if any, in connection with the Plan in the event that the Beneficiaries were to conclude hedging transactions that allow for the neutralization of any selling restrictions applicable to the financial instruments**

Not applicable, as no selling restrictions on the Shares are envisaged once they are distributed to the Beneficiaries.

#### **4.8 Effects caused by the termination of the employment relationship**

In the event of termination of the directorship relationship or of termination of the open-ended or fixed-term employment relationship for voluntary resignation, without just cause, or revocation or dismissal for just cause or justified personal reason, the Beneficiary loses any right related to the LTI Plan.

In the event where, before the end of the performance period, the termination of the directorship relationship occurs for the expiry of the mandate, without the simultaneous renewal of the same, and/or a fixed term employment relationship should expire, the disbursement under the incentive would take place at the natural expiry of the Plan vesting period, depending upon the level of achievement of the performance objectives envisaged under the Plan itself; in this case, however, the disbursement will be made

*pro rata temporis* until the date of termination of the directorship or of the employment relationship.

#### **4.9 Indications of any other causes for the cancellation of the Plan**

No causes for cancellation of the Plan apply.

#### **4.10 Reasons underlying the possible redemption of financial instruments granted under the Plan**

No redemption clauses in favor of Enel related to the Shares are envisaged.

#### **4.11 Loans or other assistance, if any, for the purchase of the financial instruments**

Not applicable.

#### **4.12 Estimated expected cost for Enel as of the date of the award**

With regard to the monetary component of the incentive, the total maximum economic cost of the LTI Plan (borne by Enel and/or its subsidiaries), estimated as of the date of this Information Document, amounts to approximately Euro 45 million.

With regard to the share-based component of the incentive, the total maximum economic cost of the LTI Plan (borne by Enel and/or its subsidiaries) will be determinable once the maximum number of Shares awardable under the Plan is known (see paragraph 3.7 above). That being said, on the basis of (i) the maximum number of Shares indicated – by way of illustration – in paragraph 4.4 above and (ii) the average Enel share price detected on the *Mercato Telematico Azionario* organized and managed by Borsa Italiana S.p.A. in the 30 days preceding March 6, 2019 (pointed out in paragraph 3.8 above), it is estimated the overall maximum cost (borne by Enel and/or its subsidiaries) to be approximately equal to Euro 10 million.

Further information will be communicated pursuant to Article 84-*bis*, paragraph 5, of the Consob Issuers' Regulation.

#### **4.13 Dilution effects, if any, caused by the Plan**

As of today, no dilution effects on the share capital are envisaged, since the Shares necessary to implement the LTI Plan will be purchased as indicated in paragraph 3.4 above.

#### **4.14 Any limits established for the exercise of the voting right and for the allocation of the economic rights**

The LTI Plan does not provide for any limit to the exercise of the voting right or the economic rights associated with the Shares once they are distributed to the Beneficiaries, subject and proportionally to the achievement of the performance objectives.



**4.15 If the shares are not traded on regulated markets, any useful information for a full assessment of the value attributable to them**

Not applicable.

**4.16 – 4.23**

Paragraphs related to stock options award are not applicable.

**4.24 Annex**

Please find attached table n.1, Framework 1, Section 2, set forth by paragraph 4.24 of Scheme 7 of Annex 3A to the Consob Issuers' Regulation.

Name and surname or category	Office	BOX 1						
		Free of charge share allocation plan – “Long-term incentive plan 2019 of Enel S.p.A.”						
		Section 2						
		Newly-awarded shares on the basis of the decision of the Board of Directors of proposal for the Shareholders’ Meeting						
		Date of the relevant Shareholders’ Meeting resolution <sup>(8)</sup>	Type of financial instruments	Number of financial instruments assigned	Assignment date	Possible purchase price of the financial instruments	Market price at the assignment date	Vesting period
Francesco Starace	Chief Executive Officer/General Manager of Enel S.p.A.	May 16, 2019	Enel S.p.A. Shares	Not available	Within December 31, 2019	Not available	Not available	Three-year period 2019-2021 <sup>(9)</sup>
Approximately no. 250 managers <sup>(10)</sup> of Enel S.p.A. and/or companies controlled by Enel S.p.A. pursuant to Article 2359 of the Italian Civil Code <sup>(11)</sup>		May 16, 2019	Enel S.p.A. Shares	Not available	Within December 31, 2019	Not available	Not available	Three-year period 2019-2021 <sup>(9)</sup>

<sup>(8)</sup> The date is referred to the Shareholders’ Meeting called for the approval of the Plan.

<sup>(9)</sup> The exercise of the Plan is subject to the achievement of specific performance objectives during the three-year period 2019-2021 (performance period), corresponding to the vesting period.

<sup>(10)</sup> Within this group, approximately 50 managers may not be beneficiaries of the share-based component of the incentive.

<sup>(11)</sup> These are managers who hold positions that are most directly responsible for the company’s results or which are of strategic interest, including the “Executives with Strategic Responsibilities” of Enel S.p.A.