



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

### **Appointment of the Board of Statutory Auditors**

Dear Shareholders,

You have been convened to discuss and resolve upon the appointment of the Board of Statutory Auditors, whose term expires in concurrence with the approval of the financial statements 2015.

In this regard, we remind you that, according to Article 25 of the Corporate Bylaws and to the applicable regulations:

- the Board of Statutory Auditors of Enel S.p.A. shall consist of three regular Statutory Auditors; the Shareholder's Meeting called to appoint the Board of Statutory Auditors is also called to appoint three alternate Statutory Auditors. The so-appointed Auditors have a three-year term (expiring on the date of the Shareholders' Meeting convened to approve the financial statements for the third accounting period of their term);
- the Statutory Auditors may be re-appointed at the expiration of their term;
- both regular and alternate Statutory Auditors shall be appointed by a Shareholders' Meeting on the basis of the slates presented by Shareholders;
- the slates of candidates may be filed only by the Shareholders who, alone or together with other Shareholders, result to own at least 0.5% of the share capital of Enel S.p.A.; the ownership of the minimum equity interest to the share capital of the Company required for the purpose of filing the slates is determined according to the shares that are registered in the name of the Shareholder on the date on which the slates are filed with the Company;
- the slates shall be divided into two sections: one for the candidates for the office of regular Statutory Auditor and the other one for the candidates for the office of alternate Statutory Auditor; within each section, candidates must be numbered



progressively and their number must not exceed that of the members to be elected. The first candidate on each slate section must be a registered auditor and have practiced the profession of legal auditor for a period of no less than three years;

- according to applicable laws on gender balance, slates which, considering both sections, contain a number of candidates equal to or above three shall also include, both in the first two places of the section of the slate relating to the regular Statutory Auditors, and in the first two places of the section of the slate relating to the alternate Statutory Auditors, candidates belonging to different genders;
- each Shareholder may neither present nor vote, even indirectly through a third person or trust companies, more than one slate. Shareholders which belong to the same group and those who are part of a shareholders' agreement relating to the shares of the Company may neither present nor vote, even indirectly through a third person or trust companies, more than one slate. Each candidate may be presented on only one slate, under penalty of ineligibility;
- two regular Statutory Auditors and two alternate Statutory Auditors shall be drawn – in the numerical order in which they are listed in the respective sections – from the slate that obtains the most votes; the remaining regular Statutory Auditor and the remaining alternate Statutory Auditor shall be drawn from the other slates, in accordance with applicable regulations and with the mechanism set forth in Article 14.3, letter b), of the Corporate Bylaws, which has to be applied separately to each of the sections in which the other slates are divided;
- the Chairman of the Board of Statutory Auditors will be the regular Statutory Auditor appointed according to the procedures provided for by Article 14.3, letter b), of the Bylaws (*i.e.*, the regular Statutory Auditor drawn from the minority slates, as required by Article 148, paragraph 2-*bis*, of the Consolidated Financial Act). In the event of substitution of the Chairman, such office must be filled by the alternate Statutory Auditor appointed according to the procedures provided for by Article 14.3, letter b), of the Corporate Bylaws;
- in the event of the substitution of one of the regular Statutory Auditors drawn from the slate that has obtained the most votes, his or her place must be taken



by the first of the alternate Statutory Auditors drawn from the same slate. If, as a consequence of such substitution, the Board's composition results not compliant with the applicable laws on balance between genders, the second alternate Statutory Auditor shall be drawn from the same slate. In the event of the substitution of the other regular Statutory Auditor drawn from the slate that has obtained the most votes, in any case his or her place must be taken by the other alternate Statutory Auditor drawn from the same slate.

We also remind you that the candidates for the office of Statutory Auditor shall possess the requirements of honorableness and professionalism provided for statutory auditors of listed companies by the Ministry of Justice Decree no. 162 of March 30, 2000, as integrated by the provisions of Article 25.1 of the Corporate Bylaws (for the professionalism requirements only).

With respect to the situations of ineligibility and to the limits to the maximum number of offices that members of the Board of Statutory Auditors may hold on management and supervisory bodies, the provisions, respectively, of Articles 148, paragraph 3, and 148-*bis* of the Consolidated Financial Act and of Articles 144-*duodecies* and subsequent of the Issuers' Regulation approved with Consob's Resolution no. 11971/1999 (the "Issuers' Regulation") shall apply.

The slates shall be filed by Shareholders at the Company's registered office no later than May 2, 2016, by the following: (i) hand delivery of the relevant documentation at the offices of Enel S.p.A., Legal and Corporate Affairs, Viale Regina Margherita no. 137 – 00198, Rome, from Monday to Friday, from 9:00 am to 5:00 pm; (ii) through the specific section of the Company's website ([www.enel.com](http://www.enel.com)) reserved to the Meeting; (iii) by fax to no. +39 06.83055028, Ref. "Filing of the Board of Statutory Auditors slates". Together with the slates, information allowing for the identification of the persons submitting the slates shall also be provided. Slates must be filed with:

- a declaration of the Shareholders filing the slates containing details on their identity and on their overall shareholding in the Company's share capital. The communication certifying the ownership of the aforementioned shareholding may also be provided to the Company after the filing of the slates but, in any



case, no later than twenty-one days before the date of the Meeting (*i.e.* no later than May 5, 2016);

- a declaration of the Shareholders other than those who, also jointly, hold a controlling or relative majority shareholding, certifying the absence of any relationship of affiliation with such Shareholders (pursuant to Article 144-*quinquies* of the Issuers' Regulation), taking also into account the recommendations made by Consob with Communication no. DEM/9017893 of February 26, 2009. To this regard, it should be noted that, on the basis of the communications provided by Article 120 of the Consolidated Financial Act, the Company is subject to the *de facto* control of the Ministry of the Economy and Finance, that, possessing 23.585% of the share capital, has sufficient votes to exercise a dominant influence in the ordinary Shareholders' Meetings of Enel S.p.A. (whilst not exercising any managing and coordinating activity over the Company, in accordance with Article 19, paragraph 6, of Law Decree no. 78/2009, converted into Law no. 102/2009, which clarified that the regulations contained in the Italian Civil Code regarding the management and coordination of companies shall not apply to the Italian Government);
- a detailed information on the personal traits and professional qualifications of the candidates, as well as a declaration certifying their possession of the requirements provided for by the law and their acceptance of the appointment.

Considering that, pursuant to Article 2400, last paragraph, of the Italian Civil Code, after the appointment but before the acceptance of the office, all managing and supervisory offices held in other companies must be disclosed to the Meeting, and taking also into account the limits to the number of offices that members of the Board of Statutory Auditors may hold in management and supervisory bodies pursuant to Article 148-*bis* of Consolidate Financial Act, please provide, together with the slates, the statements of the candidates certifying their compliance with the aforementioned limits as well as the *curricula vitae* disclosing the managing or supervising offices held in other companies, with the recommendation of ensuring their update until the date of the Meeting.

The slates, together with the above-mentioned relating documentation, will be made available to the public by the Company at least twenty-one days before the



date of the Meeting (*i.e.* within May 5, 2016) at its registered office and in the section of the Company's website reserved to this Meeting.

It should be noted that if – at the deadline of the above-mentioned term for filing the slates (*i.e.* May 2, 2016) – only one slate has been filed or if only slates by Shareholders which are in relationship among them pursuant to Article 144-*quinquies* of the Issuers' Regulation have been filed, the term to file slates, pursuant to Article 144-*sexies*, paragraph 5, of the Issuers' Regulation will be postponed up to the third day following the abovementioned deadline set for the filing, and precisely until 5:00 pm of May 5, 2016. Meeting this specific time deadline is required to allow the Company to make public the slates filed by the Shareholders within the term set forth in Article 144-*octies* of the Issuers' Regulation, that also expires on May 5, 2016. It should be also noted that, in such case, the threshold provided for filing the slates shall be reduced by half, thus being equal to the 0.25% of the share capital.

Dear Shareholders, you are thus requested to vote for one of the slates that will be submitted, filed and made public in accordance with the aforesaid provisions of laws and of the Corporate Bylaws.