



**PROCEDURE FOR  
TRANSACTIONS WITH RELATED PARTIES**

**(PURSUANT TO ARTICLE 2391-BIS OF THE ITALIAN CIVIL CODE AND CONSOB  
REGULATION ADOPTED WITH RESOLUTION No. 17221/2010, AS  
SUBSEQUENTLY AMENDED AND INTEGRATED)**

**Document approved by the Board of Directors of Enel S.p.A. at its meeting  
on November 9, 2010 (following the opinion issued by the Committee of  
Independent Directors at its meeting on November 2, 2010) and lastly  
amended at its meeting on June 17, 2021 (upon proposal of the Related  
Parties Committee at its meeting on June 9, 2021)**

## ARTICLE 1

### *Scope of application*

- 1.1. This Procedure (as defined herein), adopted pursuant to Article 2391-*bis* of the Italian Civil Code and the Related Parties Regulation (as defined herein), establishes the rules that shall govern the approval and execution by Enel S.p.A., directly or through subsidiaries, of transactions with related parties, in order to ensure the transparency and both the substantial and procedural fairness of such transactions.

## ARTICLE 2

### *Definitions*

- 2.1 For the purposes of this Procedure:
- a) **“Advisory Board”**: means the committee composed of the heads of Enel’s Audit, Administration, Finance and Control, and Legal and Corporate Affairs Functions in charge of solving the cases provided under Articles 3.2 and 13.4, subsection c) of this Procedure;
  - b) **“Directors Involved in the Transaction”** or **“Directors Involved”**: means those Enel’s Directors who have an interest in the Transaction, on their own or on behalf of third parties, in conflict with that of the Company;
  - c) **“Independent Directors”**: means those Enel’s Directors deemed independent by the Company pursuant to the Corporate Governance Code;
  - d) **“Unrelated Directors”**: means those Enel’s Directors other than the counterparty of a specific Transaction and the Related Parties of the counterparty;
  - e) **“Corporate Governance Code”**: means the Corporate Governance Code for listed companies, approved in January 2020 by the Italian Corporate Governance Committee promoted by Borsa Italiana S.p.A., as amended and integrated from time to time;
  - f) **“Related Parties Committee”** or **“Committee”**: means the committee indicated in the following Article 5;

- g) **“Market-equivalent or Standard Terms”**: means those terms which are similar to those usually applied to unrelated parties for transactions of the same nature, entity and risk, or which are based on regulated tariffs or fixed prices, or applied to entities with which Enel (or companies which are directly and/or indirectly controlled by Enel) is legally bound to transact at fixed price;
- h) **“Enel”** or the **“Company”**: means Enel S.p.A.;
- i) **“Enel Group”**: means all those companies which fall within the consolidation perimeter of Enel;
- j) **“Related Party/Parties Transaction/s”** or **“Transaction/s”**: means any transfer of resources, services or obligations between Enel (or companies which are directly and/or indirectly controlled by Enel) and one or more Related Parties, regardless of whether for valuable consideration, according to the definition adopted by the International Accounting Standards. By way of example, but not comprehensively, the following transactions shall be considered Related Parties Transactions:
- acts disposing of movable or immovable assets, even gratuitously;
  - the provision of works, services and supplies;
  - granting or obtaining loans and guarantees;
  - mergers, demergers by incorporation or non proportional demergers in strict sense (*i.e. “scissioni in senso stretto”*), if carried out with Related Parties;
  - any decision regarding the allocation of any kind of remuneration and economic benefits, to the members of the Board of Directors and/or to the regular Statutory auditors of Enel, as well as the executives with strategic responsibilities of companies of the Enel Group, as identified by the Chief Executive Officer of Enel;
  - any other act concerning rights connected with assets;
- k) **“Small Transactions”**: means the Transactions with an amount or equivalent-value below the thresholds provided in the following Article 13.3;
- l) **“Major Transactions”**: means the Transactions in which, at least one of the following relevance indexes, applicable depending on the specific

Transaction, is greater than the 5% threshold, as better described under Annex 3 of the Related Parties Regulation:

- (i) equivalent-value relevance ratio: it is the ratio between the equivalent of the Transaction and the net equity drawn from the latest published consolidated balance sheet of the Company or, if greater, the capitalization of the Company at the end of the last trading day included in the period covered by the latest published periodic accounting document;
  - (ii) asset relevance ratio: it is the ratio between the total assets of the entity in the Transaction and the total assets drawn from the latest published consolidated balance sheet of the Company;
  - (iii) liabilities relevance ratio: it is the ratio between the total liabilities of the acquired entity and the total assets drawn from the latest published consolidated balance sheet of the Company;
- m) **“Minor Transactions”**: means the Related Parties Transactions other than Major Transactions and Small Transactions;
  - n) **“Regular Transactions”**: means the Transactions carried out in the course of the regular business and related financial activity of the Company and/or of the companies which are included in the consolidated financial statements prepared by Enel;
  - o) **“Delegated body”**: means the body or individual responsible within Enel for approving and/or evaluating the Transaction on the basis of the scheme of proxies in force within the Company and the Group;
  - p) **“Related Parties”**: means those parties provided in the following Article 3;
  - q) **“International Accounting Standards”**: means the international accounting standards adopted according to the procedure referred to in Article 6 of Regulation (EC) No. 1606/2002 and applicable from time to time;
  - r) **“Procedure”**: means this procedure for Transactions with Related Parties, adopted by Enel pursuant to general principles set forth in the Related Parties Regulation;

- s) **“Issuers’ Regulation”**: means the Regulation adopted by Consob with Resolution No. 11971 of May 14, 1999 as subsequently amended and integrated;
  - t) **“Related Parties Regulation”**: means the regulation providing rules for transactions with related parties adopted by Consob with Resolution No. 17221 of March 12, 2010 as subsequently amended and integrated;
  - u) **“Unrelated Shareholders”**: means those persons having the right to vote, other than the counterparty in a particular Transaction and the Related Parties of both the counterparty in a particular Transaction and the Company itself;
  - v) **“Consolidated Financial Act”** means Legislative Decree No. 58 of February 24, 1998 as subsequently amended and integrated.
- 2.2 Terms which are not specifically defined in this Procedure shall have the same meaning provided in the Related Parties Regulation.

### **ARTICLE 3**

#### *Identification of Related Parties*

- 3.1 For the purposes of this Procedure by Enel’s Related Parties shall be meant those parties identified as such pursuant to the International Accounting Standards, as set out under Annex “A”.
- 3.2 The Advisory Board shall resolve the cases in which the identification of a related party is disputed on the basis of the relevant definition under the International Accounting Standards. If, also after the assessment of the Advisory Board, the identification of a related party remains controversial, such assessment shall be submitted to the Related Parties Committee by the Advisory Board itself.
- 3.3 Pursuant to Article 4, paragraph 2, of the Related Parties Regulation, the Company has decided to extend the application of this Procedure to the executives with strategic responsibilities of companies of the Enel Group, as identified by Enel’s Chief Executive Officer among his direct reports taking into account the functions they carry out within the Group.

## **ARTICLE 4**

### *Register of Related Parties*

- 4.1 Enel shall set up a special register in which Related Parties, identified pursuant to the preceding Article 3, are entered into. The foregoing Register is divided into the following two sections:
- Register Section for Companies/Legal Persons;
  - Register Section for Natural Persons and persons related to them.
- 4.2 The setting up and updating of the Register of Related Parties are made, with the support of the Administration, Finance and Control Function as regards the interpretation of the relevant International Accounting Standards:
- by the Enel's Legal and Corporate Affairs Function, as far as concerns the Register Section for Companies/Legal Persons and the part of the Register Section for Natural Persons regarding Directors, regular Statutory Auditors of Enel, and executives with strategic responsibilities of the entity controlling Enel, as well as those individuals related to them;
  - by the Enel's People and Organization Function, as far as concerns the part of the Register Section for Natural Persons regarding executives with strategic responsibilities of companies of the Enel Group and persons related to them.
- 4.3 The competent Function shall inform, in writing, any Director and regular Statutory Auditor of Enel, as well as the executives with strategic responsibilities of companies of the Enel Group or of the entity which controls Enel, that they have been entered into the register, and at the same time, request the initial submission of the information regarding the close relatives and the entities in which they or their close relatives hold an interest or have a significant position for the purposes of defining the perimeter of Related Parties under the preceding Paragraph 3.1.
- 4.4 Directors and regular Statutory Auditors of Enel, as well as executives with strategic responsibilities of companies of the Enel Group or of the

entity that controls Enel shall promptly notify the competent Company's Function of any relevant change in order to identify their related parties. In any case, the Functions indicated in the preceding Paragraph 4.2 shall update the register at least each six months.

## **ARTICLE 5**

### *Related Parties Committee*

- 5.1 The Related Parties Committee of Enel is composed of at least three Independent Directors appointed by resolution of the Board of Directors, that identifies also the Chair of the Committee.
- 5.2 The Committee's duties are provided by the applicable laws and regulations and by this Procedure. The Committee may propose to the Board of Directors amendments or integrations to this Procedure.
- 5.3 The operation of the Committee is ruled by a special organizational regulation approved by the Board of Directors, available on the Company's website.

## **ARTICLE 6**

### *Procedures for Major Transactions attributed to the competence of the Board of Directors*

- 6.1 Enel's Board of Directors approves Major Transactions following the previous reasoned favorable opinion of the Related Parties Committee and with the abstention from voting of any Director Involved in the Transaction, without prejudice to the provisions of Article 2391 of the Italian Civil Code. Such opinion indicates, clearly and comprehensively, the Committee's assessments on the interest of Enel in the completion of the Transaction, as well as the convenience and the substantial fairness of the relative conditions.

The opinion of the Committee is considered:

- a) favorable, when it indicates that the Committee fully shares the Transaction;

- b) favorable but subject to certain conditions, when it indicates that the Committee fully shares the Transaction provided that specific comments, indicated in the same opinion, are implemented. In this case the Board of Directors may approve the Transaction without being necessary for the Committee to issue a new opinion, provided that the comments of the Committee are implemented when the Transaction is completed or executed;
- c) negative, when it contains comments, even on a single aspect of the Transaction, except if the opinion itself expresses nonetheless a favorable indication as to the completion of the Transaction. In the latter case, the opinion shall indicate the reasons why the comments made do not jeopardize the entire assessment about the interest of the Company on the completion of the Transaction as well as on the convenience and the substantial fairness of its underlying terms.

6.2 During negotiation and preliminary phases, the Chief Executive Officer of Enel, through the Legal and Corporate Affairs Function, shall provide the Related Parties Committee, promptly – and, in any case within the day following the date in which the Board of Directors of Enel has been informed for first time – complete and adequate information regarding each Major Transaction, as well as any updates thereof it shall deem necessary and/or proper and, in any case, at least on a quarterly basis. Information flows shall regard, in particular, the nature of the relationship, the main terms and conditions of the Transaction, the timing expected for its execution, the assessment process which has been followed, the reasons underlying the Transaction, as well as the possible risks for Enel and its subsidiaries.

6.3 The Related Parties Committee, or one or more of its delegated members, may require information and make comments to the Chief Executive Officer of Enel and to those persons in charge of negotiations or preliminary phase regarding aspects which are subject to the information flows provided under Paragraph 6.2 above, as well as require any other information deemed to be useful for the assessment of the



Transaction. In any case the information required shall be provided to the Committee.

- 6.4 In the exercise of its duties, the Related Parties Committee may avail itself, at the expense of Enel, of the assistance of one or more experts of its choice, identified from among persons of proven professionalism and expertise on the subject matters of the Transaction, whose independence and lack of conflicts of interest shall be verified in advance by the Committee taking into account the relations set out in Paragraph 2.4 of Annex 4 of the Related Parties Regulation.
- 6.5 The Related Parties Committee issues its opinion, in general, at least 5 days before the meeting of the Board of Directors of Enel convened for the approval of the Major Transaction and within the same term it submits the same opinion to the Legal and Corporate Affairs Function of Enel. The opinion is attached to the minutes of the Committee's meeting.
- 6.6 If one or more of the members of the Related Parties Committee is related with regard to a specific Major Transaction, the equivalent measures provided under the following Article 10 shall apply. For this purpose, the members of the Related Parties Committee shall promptly inform the Legal and Corporate Affairs Function of Enel about the existence of any possible situations of relationship regarding each specific Transaction under negotiation. In case of adoption of equivalent measures, the provisions of this Article shall apply to the persons/entities identified pursuant to the following Article 10.
- 6.7 In general the Legal and Corporate Affairs Function of Enel shall provide the members of the Board of Directors and the Board of Statutory Auditors with adequate information regarding Major Transactions, including the Committee's opinion, at least 4 days before the meeting of the Board of Directors of Enel convened for the approval of such Transactions.
- 6.8 In case the Related Parties Committee issues a negative opinion, the Board of Directors of Enel, if set forth in the bylaws of the Company, may submit the Major Transaction to the ordinary Shareholders' Meeting for its authorization. The Shareholders' Meeting, without prejudice to the majorities required by law, bylaws and provisions applicable in cases of

conflicts of interest, approves its resolution with the favorable vote of at least half of the voting Unrelated Shareholders. In any case, the completion of the Major Transaction is prevented only if the Unrelated Shareholders present at the Shareholders' Meeting represent at least 10% of the share capital with voting rights.

- 6.9 Minutes of the resolutions by which the Board of Directors of Enel approves Major Transactions shall include adequate reasons about the interest of Enel in executing the Transactions and the convenience and substantial fairness of their relevant terms.
- 6.10 The Chief Executive Officer of Enel in the periodic report set up pursuant to Article 20.4 of the Company's bylaws, provides the Board of Directors and the Board of Statutory Auditors, at least quarterly, with specific information regarding the execution of Major Transactions approved by the Board of Directors pursuant to this Article.

## **ARTICLE 7**

### *Procedures for Major Transactions attributed to the competence of the Shareholders' Meeting*

- 7.1 In case of Major Transactions attributed to the competence of the Shareholders' Meeting of Enel or which shall be authorized by the latter pursuant to the law or the bylaws, provisions provided in Article 6 above shall apply to negotiation and preliminary phase and to the phase of approval of the proposal of resolution to be submitted to the Shareholders' Meeting.
- 7.2 The proposal of resolution to be submitted to the Shareholders' Meeting of Enel may be approved by the Board of Directors – with the abstention from voting of any Director Involved in the Transaction and without prejudice to the provisions of Article 2391 of the Italian Civil Code – even if the Related Parties Committee issued a negative opinion. In this case, the Shareholders' Meeting – if provided by the Company's bylaws and without prejudice to the majorities required by law, bylaws and provisions applicable in cases of conflicts of interest – approves its resolutions with the favorable vote of at least half of the voting Unrelated Shareholders. In

any case, the completion of the Major Transaction is prevented only if the Unrelated Shareholders present at the Shareholders' meeting represent at least 10% of the share capital with voting rights.

- 7.3 The Chief Executive Officer of Enel, in the periodic report set up pursuant to Article 20.4 of the Company's bylaws, provides the Board of Directors and the Board of Statutory Auditors, at least quarterly, with specific information regarding the execution of Major Transactions, approved or authorized by the Shareholders' Meeting pursuant to this Article.

## **ARTICLE 8**

### *Procedures for Minor Transactions attributed to the competence of the Board of Directors or Delegated bodies*

- 8.1 The Board of Directors of Enel – with the abstention from voting of any Director Involved in the Transaction and without prejudice to the provisions of Article 2391 of the Italian Civil Code – or the competent Delegated body approves Minor Transactions following the non binding reasoned opinion of the Related Parties Committee on the interest of Enel in executing the Transaction, as well as on the convenience and substantial fairness of its relevant terms.
- 8.2 If the relationship exists with the competent Delegated body, or with a Related Party through the latter, the Delegated body shall refrain from approving the Transaction and vest the delegating body with the matter.
- 8.3 The Chief Executive Officer of Enel or the proposing function, through the Legal and Corporate Affairs Function, shall provide the Related Parties Committee, in reasonable advance and, in any case, in general, at least 10 days before the date for the issue of the opinion pursuant to the following Paragraph 8.5, with complete and adequate information about each Minor Transaction, providing any appropriate updates thereof. Information flows shall regard, in particular, the nature of the relationship, the main terms and conditions of the Transaction, the timing expected for its execution, the assessment process which has been followed, the reasons underlying the Transaction, as well as the possible risks for Enel and its subsidiaries.

- 8.4 In the exercise of its duties, the Related Parties Committee may avail itself, at the expense of Enel, of the assistance of one or more experts of its choice, identified from among persons of proven professionalism and expertise on the subject matters of the Transaction, whose independence and lack of conflicts of interest shall be verified in advance by the Committee taking into account the relations set out in Paragraph 2.4 of Annex 4 of the Related Parties Regulation. No specific maximum amount for the expenses incurred in relation to services rendered by independent experts is set out by this Procedure.
- 8.5 The Related Parties Committee issues its opinion, in general, at least 5 days before the meeting of the Board of Directors of Enel convened for the approval of the Minor Transaction or, if the approval of the Transaction falls within the competence of a Delegated body, at least 3 days before the date expected for the approval of the Transaction by the competent Delegated body. Within the same terms, the Committee shall submit the opinion to the Legal and Corporate Affairs Function of Enel. The opinion is attached to the minutes of the Committee's meeting.
- 8.6 If one or more of the members of the Related Parties Committee is related with regard to a specific Minor Transaction, the equivalent measures provided under the following Article 10 shall apply. For this purpose, the members of the Related Parties Committee shall promptly inform the Legal and Corporate Affairs Function of Enel about the existence of any possible situations of relationship regarding each specific Transaction under negotiation. In case of adoption of equivalent measures, the provisions of this Article shall apply to the persons/entities identified pursuant to the following Article 10.
- 8.7 In general at least 4 days before the meeting of the Board of Directors of Enel convened for the approval of Minor Transactions - or, if the approval of the Transactions is attributed to a Delegated body, at least 2 days before the date expected for the approval of the same Transactions - the Legal and Corporate Affairs Function of Enel shall provide the members of the Board of Directors and the Board of Statutory Auditors – or, respectively, the competent Delegated body – with adequate information documentation regarding Minor Transactions, including the Committee's

opinion.

- 8.8 Minutes of the resolutions by which the Board of Directors of Enel approves Minor Transactions – or the decisions of the competent Delegated body – shall include adequate reasons about the interest of Enel in executing the Transactions and the convenience and substantial fairness of their underlying terms.
- 8.9 The Chief Executive Officer of Enel, in the periodic report set up pursuant to Article 20.4 of the Company's bylaws, provides the Board of Directors and the Board of Statutory Auditors, at least quarterly, with specific information regarding the execution of Minor Transactions approved by the Board of Directors or by the competent Delegated body pursuant to this Article.
- 8.10 Without prejudice to disclosure obligations provided under Article 17 of Regulation (EU) No. 596/2014, within 15 days after the close of each quarter of the financial year, Enel shall make available to the public, at the registered office and in the manner set out in Part III, Title II, Chapter I of the Issuers' Regulations, a document containing the indication of the counterparty, the object and the consideration of possible Minor Transactions approved in the reference quarter in case of a negative opinion of the Related Parties Committee, as well as the reasons why it was deemed suitable not to share that opinion. Within the same term, the opinion shall be made available to the public attached to the information document or on the Company's website.

## **ARTICLE 9**

### *Procedures for Minor Transactions attributed to the competence of the Shareholders' Meeting*

- 9.1 In case of Minor Transactions attributed to the competence of the Shareholders' Meeting of Enel or which shall be authorized by the latter pursuant to the law or the bylaws, provisions under Article 8 above shall apply to preliminary phase and to the phase of approval of the proposal of resolution to be submitted to the Shareholders' Meeting.
- 9.2 The Chief Executive Officer of Enel, in the periodic report set up pursuant

to Article 20.4 of the Company's bylaws, provides the Board of Directors and the Board of Statutory Auditors, at least quarterly, with specific information regarding the execution of Minor Transactions, approved or authorized by the Shareholders' Meeting pursuant to this Article.

## **ARTICLE 10**

### *Equivalent Measures*

10.1 If one or more members of the Related Parties Committee are the counterparty of a specific Transaction (or Related Party of such counterparty), no matter such Transaction being of Major or Minor importance, the following equivalent measures shall be adopted, in the indicated order:

- (i) if, within the Committee, remain at least three Unrelated Independent Directors, the tasks set forth under Articles 6, 8 and 11 of this Procedure are performed by a board composed of such Directors and chaired by the Chair, if the latter is one of such Directors, or, otherwise, by the oldest member. Meetings are valid if the majority of the members of the foregoing board is present. The opinion is issued with resolution adopted by the absolute majority of the members present at the meeting; in case of a tie, the vote of the person chairing the meeting shall prevail;
- (ii) if, within the Committee, remain two unrelated Independent Directors, the tasks set forth under Articles 6, 8 and 11 of this Procedure are performed by these latter and the opinion is issued with resolution adopted by such Directors unanimously;
- (iii) if, within the Committee, remains only one Unrelated Independent Director, the tasks set forth under Articles 6, 8 and 11 of this Procedure are performed by a board composed of such member of the Committee and the two oldest Unrelated Independent Directors, which issue the opinion with resolution adopted by a majority vote;
- (iv) if the measures provided under the previous items (i), (ii) and (iii) cannot be applied, the tasks set forth under Articles 6, 8 and 11 of this Procedure are performed by the Board of Statutory Auditors;

- (v) if the measures provided under the previous items (i), (ii), (iii) and (iv) cannot be applied, the tasks set forth under Articles 6, 8 and 11 of this Procedure are performed by an expert identified by the Board of Directors from among persons of proven professionalism and expertise on the subject matters of the Transaction, whose independence and lack of conflicts of interest shall be verified in advance by the same Board taking into account the relations set out in Paragraph 2.4 of Annex 4 of the Related Parties Regulation.

## **ARTICLE 11**

### *Transactions carried out through subsidiaries*

11.1 Those Related Parties Transactions carried out by companies directly and/or indirectly controlled by Enel which fall within one or more of the following categories shall be previously assessed by the Board of Directors of Enel – with the abstention from voting of any Director Involved in the Transaction and without prejudice to the provisions of Article 2391 of the Italian Civil Code – or by the competent Delegated body, following a non binding reasoned opinion of the Related Parties Committee:

- a) atypical or unusual transactions, meaning those transactions that, due to their significance/importance, the nature of the counterparties, their object, the way in which the transfer price is determined, the timing of the events (proximity to the closing of the financial year), may give rise to doubts with regard to the fairness/completeness of the information in the financial statements, conflicts of interest, the safeguard of the Company's assets, or the protection of minority shareholders of Enel;
- b) transactions whose equivalent-value exceeds 10 million euro, with the exception of those transactions excluded from the scope of application of this Procedure.

The opinion of the Related Parties Committee indicates the assessments made by the Committee itself on the interest of Enel – and of the companies directly or indirectly controlled by Enel, which are concerned

- in executing the Transactions and on the convenience and substantial fairness of their relevant terms;
- 11.2 If the relationship regards the competent Delegated body of Enel, or a Related Party through the latter, the Delegated body shall refrain from any assessment about the execution of the Transaction by companies directly and/or indirectly controlled by Enel, vesting the delegating body with such assessment.
- 11.3 The Chief Executive Officer of Enel and/or of the involved subsidiary, through the Legal and Corporate Affairs Function, shall provide the Related Parties Committee, in reasonable advance and in any case, in general, at least 10 days before the date for the issue of the opinion pursuant to the following Paragraph 11.5, with complete and adequate information about each of the Related Parties Transactions referred to under the preceding Paragraph 11.1, providing any appropriate updates thereof. Information flows shall regard, in particular, the nature of the relationship, the main terms and conditions of the Transaction, the timing expected for its execution, the assessment process which has been followed, the reasons on which the Transaction is based, as well as the possible risks for Enel and its subsidiaries.
- 11.4 In the exercise of its duties, the Related Parties Committee may avail itself, at the expense of Enel, of the assistance of one or more experts of its choice, identified from among persons of proven professionalism and expertise on the subject matters of the Transaction, whose independence and lack of conflicts of interest shall be verified in advance by the Committee taking into account the relations set out in Paragraph 2.4 of Annex 4 of the Related Parties Regulation. No specific maximum amount for the expenses incurred in relation to services rendered by independent experts is set out by this Procedure.
- 11.5 The Related Parties Committee issues its opinion, in general, at least 5 days before the meeting of the Board of Directors of Enel convened for the assessment of the Transaction or, if a Delegated body is responsible for the Transaction, at least 3 days before the date expected for the assessment of the Transaction by the competent Delegated body. Within the same terms the Committee shall submit the opinion to the Legal and



Corporate Affairs Function of Enel. The opinion is attached to the minutes of the Committee's meeting.

- 11.6 If one or more of the members of the Related Parties Committee is related with regard to a specific Related Parties Transaction referred to under Paragraph 11.1 above, the equivalent measures provided under the preceding Article 10 shall apply. For this purpose, the members of the Related Parties Committee shall promptly inform the Legal and Corporate Affairs Function of Enel about the existence of their possible situations of relationship regarding each specific Transaction under negotiation. In case of adoption of equivalent measures, the provisions of this Article shall apply to the persons/entities identified pursuant to Article 10 above.
- 11.7 In general, at least 4 days before the meeting of the Board of Directors of Enel convened for the assessment of the Transaction – or, if a Delegated body is responsible for the Transaction, at least 2 days before the date expected for the assessment of the same Transaction by the competent Delegated body – the Legal and Corporate Affairs Function of Enel shall provide the members of the Board of Directors and the Board of Statutory Auditors – or, respectively, the competent Delegated body – with adequate information documentation regarding the Transaction, including the Committee's opinion.
- 11.8 Minutes of the resolutions by which the Board of Directors of Enel expresses a positive assessment about the execution of the Transactions carried out by companies directly and/or indirectly controlled by Enel falling within one of the categories indicated under Paragraph 11.1 above – or if a Delegated body is responsible for the Transaction – the decisions of the latter shall include adequate reasons about the interest of Enel, and of the companies directly and/or indirectly controlled by Enel which are concerned, in executing the Transactions, as well as the convenience and substantial fairness of its relevant terms.
- 11.9 The Board of Directors of Enel receives adequate information about the execution of the Related Parties Transactions on which it has expressed its evaluation pursuant to this Article. The foregoing information is provided to the Board of Directors and the Board of Statutory Auditors of

Enel in the periodic report prepared by the Chief Executive Officer - pursuant to Article 20.4 of the Company's bylaws – regarding the activity carried out, the general performance of the management and its foreseeable evolution, as well as the most relevant transactions carried out by Enel and by the companies directly and/or indirectly controlled by Enel.

- 11.10 If, notwithstanding the negative opinion of the Related Parties Committee, the Board of Directors of Enel or the competent Delegated body expresses a positive assessment about the execution of Transactions by companies directly and/or indirectly controlled by Enel falling within one or more of the categories indicated under Paragraph 11.1 above, the disclosure obligation set forth under the preceding Paragraph 8.10 shall apply.

## **ARTICLE 12**

### *Framework-resolutions*

- 12.1 For the purposes of this Procedure, the Company may adopt framework-resolutions for series of homogeneous Transactions to be carried out by the Company, directly or through companies directly and/or indirectly controlled, with certain categories of Related Parties, which shall be determined by the Board of Directors of Enel. In this case, framework-resolutions shall:
- a) not be effective for more than a year;
  - b) refer to sufficiently determined Related Parties Transactions, reporting at least the expected maximum amount of Transactions to be performed during the reference period and the reasons for the expected conditions.
- 12.2 Framework-resolutions are adopted pursuant to the provisions under the preceding Articles 6 and 8, according to the expected maximum amount of Transactions falling within the scope of the framework-resolution, cumulatively considered.
- 12.3 The Chief Executive Officer of Enel in the periodic report prepared pursuant to Article 20.4 of the Company's bylaws, provides the Board of

Directors and the Board of Statutory Auditors, at least quarterly, with complete information regarding the state of implementation of the framework-resolutions.

- 12.4 Upon approval of a framework-resolution by the Board of Directors, Enel shall publish an information document pursuant to Article 5 of the Related Parties Regulation, whenever the foreseeable maximum amount of Transactions to be performed during the reference period indicated in the framework-resolution exceeds one of the thresholds identified under the preceding Article 2.1, subsection l) for Major Transactions.
- 12.5 Provisions set forth under the preceding Articles 6, 8 and 11 shall not apply to each Related Parties Transaction carried out in the implementation of a framework-resolution.

### **ARTICLE 13**

#### *Transactions excluded from the scope of application of this Procedure*

- 13.1 Provisions under this Procedure shall not apply to resolutions adopted by the Shareholders' Meeting pursuant to Article 2389, paragraph one, of the Italian Civil Code, regarding compensations for the members of the Board of Directors of Enel, and to resolutions adopted by the Shareholders' Meeting pursuant to Article 2402 of the Italian Civil Code, regarding compensations for the members of the Board of Statutory Auditors of Enel.
- 13.2 Furthermore, provisions under this Procedure shall not apply to Transactions approved by the Company and addressed to all shareholders on equal terms, including:
- a) share capital increases with pre-emptive rights, also to service convertible bonds, and free share capital increases pursuant to Article 2442 of the Italian Civil Code;
  - b) full or partial demergers (in strict sense, *i.e.* "scissioni in senso stretto"), with proportional share allocation criteria;
  - c) share capital reductions by means of repayment to shareholders pursuant to Article 2445 of the Italian Civil Code and purchases of

treasury shares pursuant to Article 132 of the Consolidated Financial Act.

13.3 Provisions under this Procedure shall also not apply to Small Transactions, *i.e.* those Transactions characterized by an amount, or an equivalent value below the following thresholds:

- a) Euro 50.000 accumulated on an annual basis, for Transactions carried out with Directors, regular Statutory Auditors of Enel, executives with strategic responsibilities of companies of the Enel Group or of the entity that controls Enel and/or natural persons or legal entities related to them pursuant to the International Accounting Standards;
- b) Euro 100.000 accumulated on an annual basis, for Transactions carried out with the supplementary, collective or individual, Italian or foreign, pension funds, set up for the employees or executives of Enel or of any party related to the latter;
- c) Euro 1.000.000 accumulated on an annual basis, for Transactions carried out with the Related Parties which are legal entities not included in subsections a) and b) above.

13.4 Without prejudice to the obligations relating to periodic financial information referred to under Article 5, paragraph 8, of the Related Parties Regulation, the provisions of this Procedure shall also not apply to:

- a) compensation plans based on financial instruments approved by the Shareholders' Meeting of Enel pursuant to Article 114-*bis* of the Consolidated Financial Act and its executive operations;
- b) resolutions other than those indicated under the preceding Paragraph 13.1, in relation to the remuneration of Enel's Directors holding a special office, together with the remuneration of executives with strategic responsibilities of companies of the Enel Group, provided that:
  - (i) Enel has adopted a remuneration policy approved by the Shareholders' meeting;

- (ii) in the definition of the remuneration policy, a committee consisting solely of non-executive directors - the majority of whom shall be independent - has been involved;
  - (iii) the remuneration awarded is determined in compliance with this policy and calculated on the basis of criteria that do not involve discretionary assessments;
- c) Regular Transactions completed at Market-equivalent or Standard Terms. With this regard, the Advisory Board shall resolve the cases in which the regular nature of the Transaction is disputed. Should the regular nature of the Transaction remain controversial after the analysis of the Advisory Board, the relative assessment is attributed by the Advisory Board itself to the Related Parties Committee.

If the foregoing hypothesis of exclusion applies to Major Transactions, without prejudice to the information obligations set forth under Article 17 of Regulation (EU) No. 596/2014, Enel shall in any case:

- (i) notify Consob and the Related Parties Committee, within 7 days from the approval of the Transaction by the competent body (or, if the competent body resolves to submit a contract proposal, within 7 days from the point at which the contract, even preliminary, is drawn up according to the applicable rules), of the counterparty, the object, the consideration of the Transactions that benefited from the exclusion, as well as the reasons why the Transaction is considered Regular and completed at Market-equivalent or Standard Terms, providing objective elements of confirmation;
- (ii) indicate, in the interim management report and annual report, within the information provided under Article 5, paragraph 8, of the Related Parties Regulation, which Transactions, that are subject to the information obligation provided under the foregoing disposition, have been completed benefitting from the exclusion provided under this subsection c).

The Related Parties Committee shall promptly verify the correct application of the exclusion conditions to Major Transactions defined

as Regular and completed at Market-equivalent or Standard Terms that have been notified to it pursuant to point i) above.

- d) Transactions with or between companies controlled, even jointly, by Enel, as well as Transactions with associates of Enel, provided that in the subsidiaries or associates that are counterparties to the Transaction no significant interests (as defined herein) of other Enel's Related Parties exist.

For the purposes of this Procedure, by significant interest shall be meant any interest of patrimonial nature which is able to provide Enel with incentives in order to complete (or make others complete) a Transaction that is unfavorable to Enel, but favorable to one of its Related Parties.

By way of example, and notwithstanding the need to make an assessment on a case by case basis, a significant interest (as defined above) may be deemed existent if: (i) a Director or an executive with strategic responsibilities both of Enel and of the subsidiary or associate with which the Transaction is carried out, benefits from incentive plans based on financial instruments (or, in any case, from variable remuneration) dependent on the accomplishment of performance goals of the subsidiary or associate; or (ii) the entity which controls Enel has, at the same time, a stake in the subsidiary or associate which is counterparty to the Transaction, if such stake has an effective importance, in weighted terms, higher than the effective importance of the stake that the same Related Party owns, directly and/or indirectly, in Enel.

On the contrary, the interests that derive from mere sharing of one or more Directors or executives with strategic responsibilities among Enel and its subsidiaries or associates shall not be considered as significant.

- 13.5 Without prejudice to the disclosure obligations set forth under Article 5 of the Related Parties Regulation, in cases of urgency, if expressly set forth in the Company's bylaws, Related Parties Transactions which do not fall within the competence of the Shareholders' Meeting of Enel or which shall not be authorized by the latter pursuant to the law or bylaws, may

be approved by the Board of Directors or by the competent Delegated body (except from, with regard to the latter, the hypothesis set forth under Paragraph 8.2 and without any prejudice to the exclusive competence of the Board of Directors in case of Major Transactions and to the obligation to abstain from voting of any Directors Involved in the Transaction as per Paragraphs 6.1 and 8.1 above) notwithstanding the provisions of Articles 6 and 8, provided that:

- a) if the Transactions fall under the responsibility of the Chief Executive Officer of Enel, the Chair of the Board of Directors is informed of the reasons of urgency promptly and, in any case, prior to the closing of the Transactions;
- b) without prejudice to their effectiveness, the foregoing Transactions are subsequently subject to a non-binding resolution adopted by the first ordinary Shareholders' Meeting of Enel;
- c) the Board of Directors of Enel which convenes the Shareholders' Meeting pursuant to the previous subsection b), prepares a report containing a detailed indication of the reasons for urgency. The Board of Statutory Auditors of Enel reports to the Shareholders' Meeting pursuant to the previous subsection b) its assessment on the existence of the reasons for urgency;
- d) the report and the assessments referred to in subsection c) are made available to the public at least 21 days before the date fixed for the Shareholders' Meeting at the registered office of Enel and in the manner set out in Part III, Title II, Chapter I of the Issuers' Regulation;
- e) within the day immediately after the Shareholders' Meeting, Enel makes available to the public in the manner set out in Part III, Title II, Chapter I of the Issuers' Regulation, information on voting results, with particular regard to the number of total votes cast by Unrelated Shareholders.

13.6 The Company does not avail itself of the possibility, provided under Article 11, paragraph 5 of the Related Parties Regulation, to exclude the application of the provisions set forth in Articles 7 and 9 for the Transactions which fall within the competence of the Shareholders' Meeting of Enel or which shall be authorized by the latter pursuant to the

law or the bylaws and that shall be completed in case of urgency related to corporate crisis.

- 13.7 The cases of exclusion provided in this Article shall also apply to Transactions carried out through subsidiaries referred to in the preceding Article 11.
- 13.8 The Related Parties Committee receives, on an annual basis, information on the application of the cases of exclusion set out in this Article 13 – with the sole exception of Small Transactions as per Paragraph 13.3 above – in relation to Major Transactions as well as, in aggregate form, in relation to Minor Transactions.

## **ARTICLE 14**

### *Final provisions*

- 14.1 In order to ensure coordination with the administrative and accounting procedures pursuant to Article 154-*bis* of the Consolidated Financial Act, the periodic information regarding Major Transactions, Minor Transactions and Transactions carried out through subsidiaries referred to in Articles 6.10, 7.3, 8.9, 9.2 and 11.9 are also submitted to Enel's manager charged with preparing the financial reports.
- 14.2 The Board of Directors of Enel assesses periodically, and at least every three years, whether to review this Procedure taking into account, among others, the effectiveness in its enforcement and the amendments to the ownership structure of the Company that might have occurred. The amendments to this Procedure are approved by the Board of Directors of Enel upon proposal or prior favorable opinion of the Related Parties Committee. Notwithstanding the foregoing, the Chief Executive Officer may directly amend Annex "A" of this Procedure in order to ensure its constant alignment with the regulations and International Accounting Standards in force from time to time, subsequently informing the Board of Directors at the first meeting.
- 14.3 The Board of Statutory Auditors monitors the compliance of this Procedure with the general principles set out in the Related Parties Regulation as well as the observance of this Procedure and reports to



the Shareholders' Meeting of the Company pursuant to Article 153 of the Consolidated Financial Act.

- 14.4 This Procedure is available to the public on the Company's website and is indicated, by reference to such website, in the annual report on operations. The amendments to the same Procedure approved by Enel's Board of Directors at its meeting of June 17, 2021 shall apply as of July 1, 2021.
- 14.5 To the extent not expressly regulated in this Procedure, the provisions of laws and regulations in force from time to time – in particular those of the Related Parties Regulation – shall apply.

## **ANNEX “A”**

### **Definition of Related Parties and functional definitions according to the International Accounting Standards**

#### **Related Parties**

A related party is a person or entity that is related to the entity that is preparing its financial statements.

- (a) A person or a close member of that person’s family is related to a reporting entity if that person:
  - (i) has control or joint control over the reporting entity;
  - (ii) has significant influence over the reporting entity; or
  - (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- (b) An entity is related to a reporting entity if any of the following conditions applies:
  - (i) The entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
  - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
  - (iii) Both entities are joint ventures of the same third party.
  - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
  - (v) The entity is a post-employment defined benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity.
  - (vi) The entity is controlled or jointly controlled by a person identified in (a).
  - (vii) A person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity *[IAS 24, paragraph 9]*.

In the definition of a related party, an associate includes subsidiaries of the associate and a joint venture includes subsidiaries of the joint venture. Therefore, for example, an associate's subsidiary and the investor that has significant influence over the associate are related to each other *[IAS 24, paragraph 12]*.

### **Functional definitions to that of Related Parties**

- The terms “control”, “joint control” and “significant influence” are defined in IFRS 10, IFRS 11 (Joint Arrangements) and IAS 28 (Investments in Associates and Joint Ventures) and are used with the meanings specified in those IFRSs *[IAS 24, paragraph 9]*.
- “Key management personnel” [*i.e. Executives with strategic responsibilities*] are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity *[IAS 24, paragraph 9]*.
- “Close members of the family of a person” [*i.e. Close relatives*] are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity and include:
  - (a) that person's children and spouse or domestic partner;
  - (b) children of that person's spouse or domestic partner;
  - (c) dependants of that person or that person's spouse or domestic partner*[IAS 24, paragraph 9]*.

### **Principles on the interpretation of the definitions**

- In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely its legal form *[IAS 24, paragraph 10]*.
- The above definitions are interpreted with reference to the International Accounting Standards as a whole.