



REMUNERATION REPORT

2019

(approved by the Board of Directors of Enel S.p.A. on April 10, 2019)

(Drawn up pursuant to Articles 123-*ter* of the Consolidated Financial Act and
84-*quater* of CONSOB Issuers' Regulation)

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Remuneration Report

Letter from the Chairman of the Nomination and Compensation Committee

In my capacity as Chairman of the Nomination and Compensation Committee, I am pleased to present Enel's annual remuneration report.

The Nomination and Compensation Committee, composed of Directors Cesare Calari, Paola Girdinio and Alberto Pera, in addition to the Chairman, has prepared and submitted to the Board of Directors the remuneration policy for 2019 aimed at strengthening the interests of the top management be aligned with the main target of creating value for shareholders over the medium/long-term, as well as at attracting, retaining and motivating resources having professional skills required in order to manage successfully the Company and its Group, in line with the provisions set forth for listed companies by the Italian corporate governance Code.

In defining the 2019 remuneration policy set out in the first section of this Report, the Committee has taken into account the best national and international practices, the indications resulting from the favorable vote of the Shareholders' Meeting held on May 24, 2018 on the remuneration policy for financial year 2018 as well as the outcome of the engagement activity on corporate governance topics carried out by the Company in the period between December, 2018 and February, 2019 with the major proxy advisors and institutional investors in Enel's share capital.

It has also been taken into account an update of the benchmark analysis on the remunerative treatment of Enel's Chairman of the Board of Directors and Chief Executive Officer/General Manager for 2017-2019 mandate arranged by the independent advisor Mercer, taking into consideration the data resulting from remuneration reports published on the occasion of 2018 shareholders' meetings by both a peer group composed of European companies operating in the utilities market (selected not only because of business similarity, but also on the basis of dimensional criteria) and a peer group composed of companies belonging to the FTSE MIB Index (selected because of dimensional criteria and/or the business internationalization level and/or for the direct or indirect significant shareholding held by the Ministry of Economy and Finance). This analysis confirmed the competitiveness of Enel's top management remuneration treatment, as shown in the second section of this report. The analysis carried out by Mercer included, *inter alia*, an investigation on the nature of the instruments used in long-term

incentive plans, showing that equity or equity-based instruments are significantly the most used on both the mentioned relevant panels.

In view of such elements, the Nomination and Compensation Committee has therefore deemed to: (i) on the one hand, reaffirm the structure validity and the remunerative treatment level for 2017-2019 mandate of Enel's Chairman of the Board of Directors and Chief Executive Officer/General Manager, therefore maintaining for the latter the pay mix between fixed and variable compensation, and, among the variable one, between the short-term component and the (prevalent) long-term component, and (ii) on the other hand, introduce relevant changes in the long-term incentive plan. Regarding the last-mentioned point, the Committee, in line with the outcome of the benchmark analysis and the engagements with the major proxy advisors and institutional investors in Enel's share capital, has deemed appropriate to introduce a relevant share-based component in the incentive envisaged under 2019 Long-Term Incentive Plan, as well as to align the access threshold to the incentive to the target level of each performance objective of the Plan, therefore abolishing the possibility to disburse the incentive – although for a not significant amount – even though the target level is not reached.

In order to prevent the risk that the 2019 Long Term-Incentive Plan may lose its function of stimulating its beneficiaries to create value in the event of prolonged periods of crisis in the financial markets and/or the utilities sector, the Committee also deemed appropriate to delete the provision, set forth in the previous long-term incentive plans, for a corrective mechanism (the so-called “regressive curve”) of the incentive linked to the Total Shareholders' Return (“TSR”) objective in the event that the Enel share price were to record an absolute negative TSR during the performance period.

The Nomination and Compensation Committee, acknowledging the wishes conveyed by the major proxy advisors on the occasion of 2018 shareholders' meetings, has also deemed appropriate to explicit more analytically compared to last year remuneration report the reasoning and the evaluations carried out by the Board of Directors, upon prior preliminary analysis of the same Committee, in order to determine the remunerative treatment of the top management for 2017-2019 mandate. A specific examination in this respect has therefore been described in the second section of this report.

With regard to the structure of the short-term variable remuneration of the Chief Executive Officer/General Manager, it should be noted the introduction of a variation concerning the objectives,

consisting of the substitution of the Group Cash Cost with the Group Operation Expenses (Opex), carried out since this last parameter, besides being more representative of Enel's economic profitability, aims at strengthening the focus on efficiency as a mean for creating value for shareholders over the long-term. On the other hand, objectives linked to profitability (Ordinary consolidated net income), Cash and debt management (Funds from operations/Consolidated net financial debt) and Safety in the workplace were confirmed.

After the appropriate in-depth analyses, the Nomination and Compensation Committee eventually deemed to confirm, with reference to the long-term variable compensation of the top management, the following performance objectives measured during the 2019-2021 time frame: (i) the trend of Enel's average TSR as compared with the average TSR of Index EUROSTOXX Utilities – EMU, with a total weight equal to 50%; (ii) the Return on Average Capital Employed ("ROACE"), with a total weight equal to 40%; (iii) CO₂ emissions per equivalent KWh produced by the Enel Group, with total weight equal to 10%. With this regard, it should be noted the confirmation of the last-mentioned objective linked to Environmental, Social and Governance (ESG) issues, in line with Enel Group's Strategic Plan for 2019-2021 and the increasingly marked attention of the financial community to issues linked to the ESG aspects, with particular emphasis on the fight against climate change.

Lastly, the Nomination and Compensation Committee considers that the remuneration policy for financial year 2019 takes into appropriate consideration both the outcome of the benchmark analysis and the recommendations of the major proxy advisors and institutional investors in Enel's share capital, providing for the introduction of a significant share-based component into the long-term incentive plan and focusing the attention on the achievement of the business objectives which characterize the Strategic Plan for 2019-2021.

Rome, April 10, 2019

Alberto Bianchi

Chairman of the Nomination and Compensation
Committee

Introduction

This Report, approved by the Board of Directors on April 10, 2019, upon proposal submitted by the Nomination and Compensation Committee, is divided into two sections:

- (i) the first section describes the policy adopted by Enel S.p.A. (“**Enel**” or the “**Company**”) on the remuneration of the members of the Board of Directors, of the General Manager and of the Executives with strategic responsibilities, with reference to the financial year 2019; in accordance with the provisions set forth by Article 123-*ter* of Legislative Decree of February 24, 1998 No. 58 (the “**Consolidated Financial Act**”), such section is submitted to the consultative vote of the ordinary Shareholders’ Meeting called to approve the financial statements as of December 31, 2018;
- (ii) the second section provides for a detailed disclosure on the remuneration paid to the above-mentioned individuals and to the regular Statutory Auditors in the financial year 2018 on the basis of the remuneration policy adopted for such financial year and in execution of previous individual agreements.

The report also provides for information on the shareholdings held in Enel and in its subsidiaries by members of the Board of Directors and of the Board of Statutory Auditors, by the General Manager and by the Executives with strategic responsibilities, as well as their spouses who are not legally separated and their underage children, whether such shareholdings are held directly or indirectly through subsidiaries, trusts or agents.

This Remuneration Report is made available to the public at Enel’s registered office (located in Rome, at Viale Regina Margherita No. 137), on the Company’s website (www.enel.com) and on the authorized storage mechanism called “eMarket Storage” (www.emarketstorage.com).

Summary of the main features of Enel's remuneration policy

Enel's remuneration policy, described in detail in the first section of this report, has been approved on April 10, 2019 by the Board of Directors, upon proposal of the Nomination and Compensation Committee. This policy is aimed at (i) attracting, motivating and retaining those resources that possess the most suitable professional skills to successfully manage the company, (ii) stimulating the achievement of the strategic targets and the company's sustainable growth; as well as (iii) aligning the interests of the management with the main goal of creation of sustainable value for shareholders in the medium-long term and (iv) promoting the corporate values and mission.

In drafting the remuneration policy for 2019, the Nomination and Compensation Committee has taken into account the recommendations set forth under the Italian corporate governance Code, national and international best practices, the

indications resulting out the favorable vote of the Shareholders' Meeting held on May 24, 2018 on 2018 remuneration policy, the outcome of the engagement activity on corporate governance topics carried out by the Company in the period between December, 2018 and February, 2019 with the major proxy advisors and institutional investors in Enel's share capital, as well as an update of the benchmark analysis on the remunerative treatment of Enel's Chairman of the Board of Directors and Chief Executive Officer/General Manager for 2017-2019 mandate arranged by the independent advisor Mercer, taking into consideration the data resulting from remuneration reports published on the occasion of 2018 shareholders' meetings by both a the issuers included in "European Industry Peer Group" and the issuers included in the peer group composed of companies belonging to the FTSE MIB Index, as described in paragraph 1.1.3 of this report.

Illustrated below are the main features of 2019 remuneration policy.

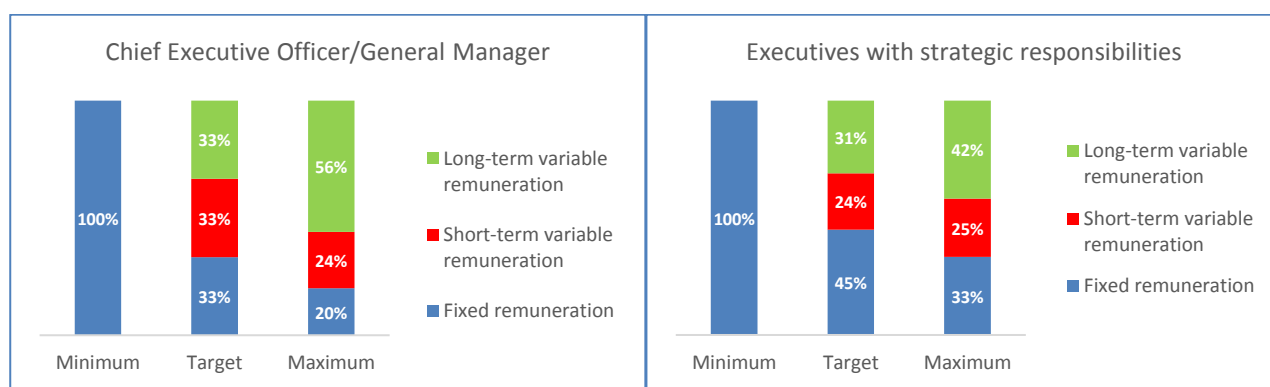
Component	Applicable conditions and payment timeline	Proportional weight ¹
Fixed remuneration	- Not subject to any conditions - Paid on a quarterly basis to the CEO and to the Chairman and on a monthly basis to the GM and to the ESR	Chairman: 100% CEO/GM: 20% ESR: 33%
Short-term variable remuneration (MBO)	Targets for the CEO/GM: - Ordinary consolidated net income (40%) - Funds from operations/Consolidated net financial debt (30%) - Group Opex (20%) - Safety in the workplace (10%) Targets for the ESR: - Individual targets connected to the business and differentiated for each ESR, based on the tasks and the responsibilities assigned - Paid in the financial year in which the level of achievement of annual targets is verified - Clawback right of the Company concerning the amounts paid on the basis of data which are subsequently proved to be manifestly misstated ("clawback")	CEO/GM: 24% ESR: 25%
Long-term variable remuneration (LTI)	- Performance targets: - average TSR (Total shareholders return) of Enel <i>vs.</i> average TSR of EUROSTOXX Utilities Index – EMU (50%) - ROACE (Return on average capital employed) (40%) - CO₂ emissions of Enel Group (10%) 100% of the base amount for the CEO/GM and 50% of the base amount for the other beneficiaries of the Plan is disbursed in Enel shares, to award free of charge, subject and proportionally to the achievement of the performance objectives, to the extent and timings set forth below. - The difference between the incentive determined in the final assessment of the Plan – which can reach up to 280% of the base amount for the CEO/GM and 180% of the	CEO/GM: 56% ESR: 42%

	base amount for the other beneficiaries – and the proportion of incentive (indicated in the point above) distributed in Enel shares is disbursed in cash, subject and proportionally to the achievement of the performance objectives, to the extent and timings set forth below. • The incentive – for both the share-based and the monetary component – will be disbursed, subject and proportionally to the achievement of the performance objectives, (i) by 30% in the first financial year following the end of the three-year performance period, and (ii) by 70% in the second financial year following the end of the three-year performance period (“deferred payment”). • Clawback right of the Company concerning the amounts paid (or right to withhold deferred sums) on the basis of data which are subsequently proved to be manifestly misstated (“clawback” and “<i>malus</i>”).	
Other compensation	• CEO/GM: - Severance indemnities equal to 2 years fixed compensation; such indemnity replaces and derogates the treatments due pursuant to the laws and the national collective bargaining agreement (“CCNL”) - The Board of Directors is not entitled to grant discretionary bonuses • ESR: - In the event of termination of the employment relationship, the conditions provided under the relevant collective contracts apply, without prejudice to previous individual agreements, if any, still in force as of the date of this report	

¹ Percentages calculated based on the highest MBO and LTI disburseable incentive.

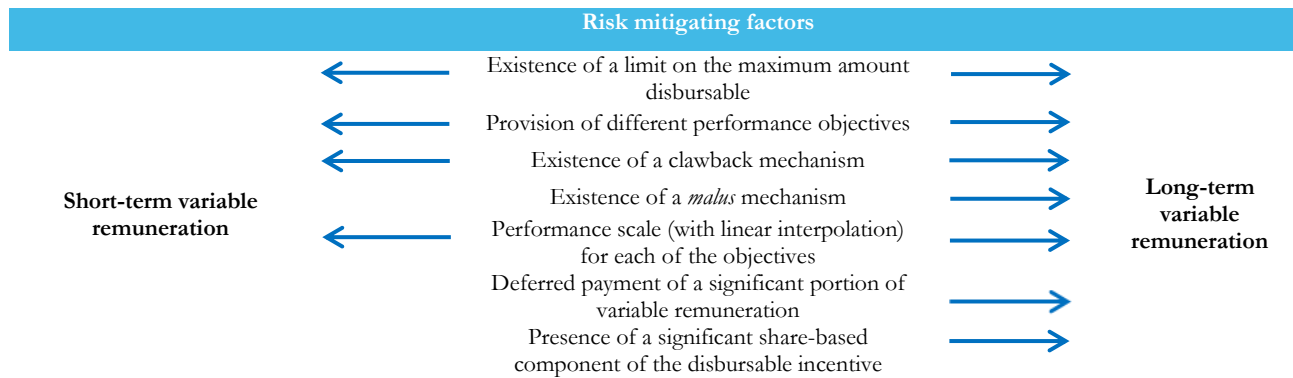
CEO/GM: Chief Executive Officer/ General Manager
ESR: Executives with strategic responsibilities

Change in the remuneration of the Chief Executive Officer/General Manager and of the Executives with strategic responsibilities on the basis of the achievement of the performance objectives



Risk mitigation factors

Set forth below are the safeguards implemented by the Company in order to mitigate risks assumed by the management and to encourage the creation of sustainable value for shareholders over the medium/long-term.



SECTION I: REMUNERATION POLICY FOR THE MEMBERS OF THE BOARD OF DIRECTORS, THE GENERAL MANAGER AND THE EXECUTIVES WITH STRATEGIC RESPONSIBILITIES. PROCEDURES FOR THE ADOPTION AND IMPLEMENTATION OF THE POLICY.

1.1 Procedures for the adoption and implementation of the policy

1.1.1 Bodies or persons involved in the preparation, approval and implementation of the policy.

Enel's remuneration policy has been approved by the Board of Directors, upon proposal submitted by the Nomination and Compensation Committee.

In accordance with the recommendations set forth under article 6.C.5 of the Italian Corporate Governance Code, the adequacy, overall consistency and effective application of the remuneration policy for the Directors are periodically reviewed by the Nomination and Compensation Committee.

The remuneration policy of the Executives with strategic responsibilities is managed by the Chief Executive Officer which, with the support of the Company's People and Organization Function, provides to the Nomination and Compensation Committee the necessary information to allow the latter to periodically monitor the adequacy, overall consistency and effective application of the policy.

1.1.2 Role, composition and functioning of the Nomination and Compensation Committee

As of the date hereof, the Nomination and Compensation Committee is entirely composed of the following independent Directors: Alberto Bianchi (chairman), Cesare Calari, Paola Girdinio and Alberto Pera. The composition, the tasks and the functioning rules of such Committee are governed by a specific organizational regulation approved by the Board of Directors and made available to the public on the Company's website (www.enel.com).

In particular, such Committee is in charge of the following consultative and proposing tasks concerning compensation:

- a) formulating to the Board of Directors proposals on the remuneration policy of Directors and Executives with strategic responsibilities;
- b) periodically assessing the adequacy, overall consistency and effective application of the policy adopted for the remuneration of

Directors and Executives with strategic responsibilities;

- c) submitting proposals to or expressing opinions in favor of the Board of Directors on the remuneration of executive Directors and other Directors holding particular offices, as well as for the identification of performance targets related to the variable component of such remuneration; monitoring the application of decisions adopted by the Board itself and verifying, in particular, the actual achievement of performance targets;
- d) reviewing in advance the annual remuneration report, to be made available to the public prior to the annual Shareholders' Meeting called to approve the financial statements.

The Committee also drafts and submits to the Board of Directors, for its approval, incentive schemes for the management, including stock-based remuneration plans, monitoring the application of the same.

The Committee may also provide support to the Chief Executive Officer and to the competent corporate functions in connection with the optimization of managerial resources, talent scouting and promotion of initiatives with universities in such regard.

The Nomination and Compensation Committee meets as often as appropriate to ensure the proper performance of its functions. The Chairman of the Board of Statutory Auditors attends the Committee meetings and may also designate another regular Statutory Auditor to attend the meeting in his place; the other regular Statutory Auditors may also participate. The Head of the People and Organization Function generally attends the meeting as well. The Chairman may, from time to time, invite to the Committee meetings other members of the Board of Directors or other representatives of corporate functions or third parties whose attendance could be deemed helpful for purposes of optimizing the functioning of the Committee. No Director takes part in the Committee meetings in which proposals are presented to the Board of Directors with regard to his own remuneration, unless such proposals concern all the members of Committees established within the Board of Directors. In order for Committee's meetings to be valid, the attendance of a majority of the members in office is required.

The Committee's resolutions are adopted with the absolute majority vote of those in attendance; in the event of parity, the vote of the chairman prevails. The Chairman of the Committee reports to the first

available meeting of the Board of Directors with regard to the meeting held by the Nomination and Compensation Committee.

In this respect, it is here below illustrated the main activities carried out by the Committee in view of the drafting of this report.

November 2018

- Examination of the results of the votes of the Shareholders' Meeting held on May 24, 2018 concerning 2018 LTI Plan and 2018 Remuneration Report and benchmark analysis on the main critical matters underlined by institutional investors and proxy advisors
- In-depth analysis for the definition of the objectives of 2019 MBO Plan for the Chief Executive Officer/General Manager, in the light of the outcome of the Strategic Summit
- In-depth analysis for the definition of 2019 LTI Plan

December 2018 – March 2019

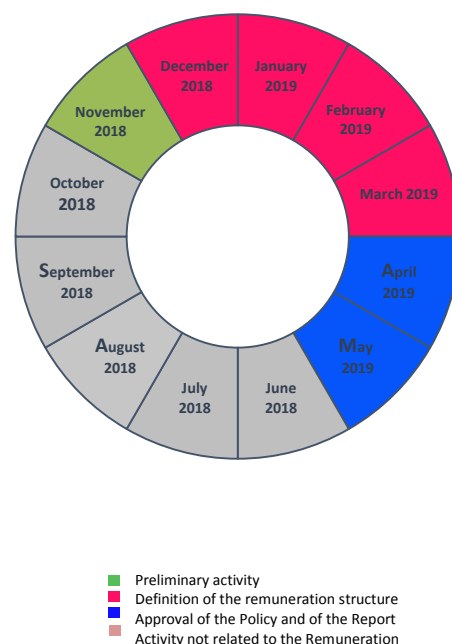
- Evaluation of the adequacy, consistency and application of 2018 Remuneration Policy
- Analysis of the Top Management selection and succession criteria
- Definition of 2019 MBO Plan for the CEO/GM
- Definition of 2019 LTI Plan, also in the light of the voting policies adopted by proxy advisors for 2019 proxy season, as well as in the light of the outcomes of the engagements with proxy advisors and institutional investors on corporate governance topics
- Final assessment of 2018 MBO Plan for the CEO/GM
- Final assessment of 2016 LTI Plan
- Drafting and definition of the Remuneration Policy and Report and of the Information Document on 2019 LTI Plan

April 2019

- Approval by the Board of Directors of the Remuneration Policy and Report and of the Information Document on 2019 LTI Plan

May 2019

- Presentation of the Remuneration Report and of the Information Document on 2019 LTI Plan to the Shareholders' Meeting



1.1.3 Independent experts who took part in the preparation of the policy

In drafting the remuneration policy for the financial year 2019, Enel availed itself of the support of the independent consultancy company Mercer. In particular, Mercer brought to the attention of the Nomination and Compensation Committee an update of the benchmark analyses on the remunerative treatment of Enel's Chairman and Chief Executive Officer/General Manager. The update was carried out by Mercer based on the data resulting from remuneration reports published on the occasion of 2018 shareholders' meetings by the same issuers belonging to the two peer groups selected in 2017 for the definition of the economic and legal treatment of Enel's Chairman and Chief Executive Officer/General Manager for 2017/2019 mandate. In particular, it has been taken into account:

- a peer group composed of European companies operating in the utilities market, selected not only because of business similarity, but also on the basis of dimensional criteria ("European

Industry Peer Group"). The following companies belong to this panel: Centrica, EdF, EdP, Engie, EOn, Gas Natural Fenosa, Iberdrola, Innogy, National Grid, RWE, SSE, Uniper; as well as

- a peer group composed of companies that, as Enel, belong to the FTSE MIB index, selected because of dimensional criteria and/or the business internationalization level and/or for the direct or indirect significant shareholding held by the Ministry of Economy and Finance. The following companies belong to this panel: Assicurazioni Generali, Atlantia, CNH Industrial, Eni, Fiat Chrysler Automobiles, Intesa Sanpaolo, Leonardo, Luxottica, Poste Italiane, Prysmian, SNAM, Terna, TIM, Unicredit.

Mercer has also released opinions supporting the definition of 2019 remuneration policy.

The Company also conducted a benchmark analysis on the remuneration of executives with strategic responsibilities based on the study "2018 Mercer Executive Remuneration Guides – Western Europe", which

analyzed 959 European companies (21,063 individual roles).

The results of the abovementioned benchmark analysis are specifically mentioned in Paragraph 2.1.

1.2 Remuneration policy concerning the members of the Board of Directors, the General Manager and Executives with strategic responsibilities

1.2.1 Purposes of the remuneration policy, its underlying principles and changes compared with the financial year 2018

According with the recommendations set forth in Articles 6.P.2, 6.C.1 and 6.C.3 of the Italian Corporate Governance Code, the remuneration (i) of Enel's executive Director, *i.e.* the Chief Executive Officer (who also holds the role of General Manager; with a provision that such role will automatically cease in the event of termination of the office of Chief Executive Officer), and (ii) of Executives with strategic responsibilities of the Enel Group ("Group"), *i.e.* those persons reporting directly to Enel's Chief Executive Officer who (based upon the composition, the frequency of the meetings and the matters addressed by the executive committees involving the "top management") share with the Chief Executive Officer the main decisions concerning the Group, is defined so as to align their interests with the main target of creating value for shareholders over the medium/long-term, ensuring that the remuneration is based upon results effectively achieved by the persons in question and by the Group as a whole.

In particular, in order to strengthen the link between the remuneration and the Company's long-term interests, the policy on the remuneration of the above-mentioned individuals provides as follows:

- (i) there must be an adequate balance between the fixed component and the variable component and, within the latter, between the short-term and the long-term components, being the variable component still subject to upper limits;
- (ii) the fixed component must be sufficient to remunerate the work done by the person involved in the event that the variable component was not disbursed due to the failure to achieve the performance objectives;
- (iii) a significant portion of the remuneration of such persons shall come from incentive plans lasting overall five-years (considering

performance period, vesting period and deferment period);

- (iv) such plans must be paid subject to the achievement of three-year performance targets;
- (v) such targets are pre-determined, measurable and indicative of the operating efficiency of the Company, as well as of its capacity to remunerate invested capital and generate cash for the shareholders over the long term;
- (vi) a significant portion of the long-term variable compensation shall be disbursed in Enel shares;
- (vii) the payment of a significant portion (equal to 70%) of the long-term variable remuneration is deferred, for both share-based and monetary component, to the second financial year following performance period of the 2019 Long-Term Incentive Plan ("deferred payment");
- (viii) the Company is entitled to request the restitution, in whole or in part, of variable components of the remuneration disbursed (or to withhold the deferred parts of the incentive), determined on the basis of data that later turned out to be manifestly erroneous (clawback and *malus*);
- (ix) the access threshold for the incentive coincides with the target level of each performance objective envisaged under 2019 Long-Term Incentive Plan.

The remuneration policy applicable to such individuals is therefore aimed at enhancing sustainable performance and achieving strategic priorities.

Such policy is also aimed at attracting, motivating and retaining resources who are most qualified to successfully manage the company, and promoting the company's mission and core values (including safety in the workplaces).

The remuneration of non-executive Directors, in accordance with the recommendations set forth in Article 6.P.2 of the Italian Corporate Governance Code, is related to the efforts requested for each of them, also taking into account their respective participation in one or more of the committees established within the Board of Directors.

[Amendments to the remuneration policy for the financial year 2019 compared with financial year 2018](#)

During the first months of 2019, the Nomination and Compensation Committee has considered the

changes to be made to the remuneration policy, taking in account: (i) top management's economic and legal treatment for the 2017/2019 mandate and the 2018 update of the benchmark analysis on its competitive positioning; (ii) the indications resulting from the favorable vote expressed at the Shareholders' Meeting held on May 24, 2018 on 2018 remuneration policy; as well as (iii) the outcome of the engagement activity on corporate governance subjects carried out by the Company in the period between December, 2018 and February, 2019 with the major proxy advisors and institutional investors in Enel's share capital.

We remind you that Chairman's and CEO/GM's economic and legal treatments for the 2017/2019 mandate were defined on the basis of a benchmark analysis which showed lack of competitiveness of Enel's top management remuneration treatment for the 2014-2016 mandate compared to the European Industry Peer Group (considered by the independent consultancy company Mercer the most significant for the definition of the new treatment). It was therefore envisaged for 2017-2019 mandate: (i) an increase of the top management total remuneration, consistent with the positioning of Enel in terms of dimension, profitability and market capitalization compared to the European Industry Peer Group; as well as (ii) a different balance of CEO/GM pay mix, with a significant weight of the long-term variable component. The examination of the reasoning and the evaluations carried out by the Board of Directors, upon prior preliminary analysis of the Nomination and Compensation Committee, in order to determine the remunerative treatment of the top management for 2017-2019 mandate, is illustrated in paragraph 2.1 of this report ("Competitive positioning on the relevant market").

Chairman's and Chief Executive Officer/General Manager's economic and legal treatment (as well as Executives with strategic responsibilities) has been substantially confirmed also for 2019. However, in order to acknowledge some of the outcomes of the benchmark analyses as well as of the above-mentioned engagement activity carried out with the major proxy advisors and institutional investors in Enel's share capital, the following main changes have been made.

	2018 Remuneration Policy	2019 Remuneration Policy
	<u>Performance Objectives</u>	<u>Performance Objectives</u>
Short-term variable remuneration for CEO/GM	• Ordinary consolidated net income, with a weight equal to 40%; • Consolidated cash cost, with a weight equal to 20%; • Funds from operations/ Consolidated net financial debt, with a weight equal to 30%; • Safety in the workplace, with a weight equal to 10%.	• Target and weight remained unchanged; • Group Opex, with a weight equal to 20%; • Target and weight remained unchanged; • Target and weight remained unchanged.
	<u>Performance objectives</u>	<u>Performance objectives</u>
LTI plan for Chief CEO/GM and ESR	(a) Enel's average TSR as compared to the average TSR of the EUROSTO XX Utilities – EMU Index (weight 50%) (b) Return on Average Capital Employed – ROACE (weight 40%) (c) CO₂ grams emissions per equivalent	(a) Target and weight remained unchanged (b) Target and weight remained unchanged (c) Target and weight remained unchanged

	KWh produced by the Group in 2021 (weight 10%)	
	LTI plan's performance scale: a) CEO/GM: 280%, 150%, 100%, 50%, 0% b) ESR: 180%, 150%, 100%, 50%, 0%	LTI plan's performance scale: a) CEO/GM: 280%, 150%, 100%, 0% b) ESR: 180%, 150%, 100%, 0%
	Only monetary-based incentive plan	Both monetary and share-based incentive plan
	Provision of a correction mechanism (so called "regressive scale") for the incentive linked to the TSR target, in case of negative absolute TSR of Enel shares	No provisions related to correction mechanisms for the incentive linked to the TSR target

1.2.2 Chairman of the Board of Directors

Remuneration structure and pay mix

The remuneration granted to the Chairman includes: (i) the base remuneration granted to her on the basis of the resolution approved by the ordinary Shareholders' Meeting (pursuant to Article 2389, paragraph 1, of the Italian Civil Code, and Article 23.1 of the Corporate Bylaws), as member of the Board of Directors; (ii) the remuneration due and the attendance fees due for the participation in the Committees established within the same Board of Directors (pursuant to Article 21.3 of the Corporate Bylaws); as well as (iii) the compensation possibly due for being a member of the board of directors of Enel's non-listed subsidiaries and/or affiliates and/or non-listed companies or entities of interest for the Group, which therefore are waived or repaid to Enel itself. Therefore, the remuneration paid to the Chairman does not comprehend and, thus, may be combined with, the compensation due to the same as member of the boards of directors of listed

subsidiaries (at the moment, Endesa S.A.), taking also into consideration the burden of the required commitment and the responsibilities deriving from such office.

The Chairman remuneration consists only of a fixed component.

Fixed Remuneration

The fixed remuneration granted to the Chairman is equal to Euro 450,000 gross per year.

Other compensation

The policy on non-monetary benefits provides for the undertaking of Enel to: (i) enter into a specific insurance policy to cover risks such as death or permanent disability, the occupational and extra-occupational injury; (ii) pay contributions for supplementary health care; and (iii) adopt protective measures in the event of judicial or administrative proceedings related to the office of Chairman, as well as to other offices (if any) held in subsidiaries or affiliated companies or in third companies or legal entities (when the office has been held on behalf of or for the interest of the Group), except in cases of willful misconduct or gross negligence established by final judgment or acts clearly committed to the detriment of the Company.

It should be noted that no disbursement of discretionary bonuses is envisaged in favor of the Chairman.

1.2.3 Chief Executive Officer / General Manager

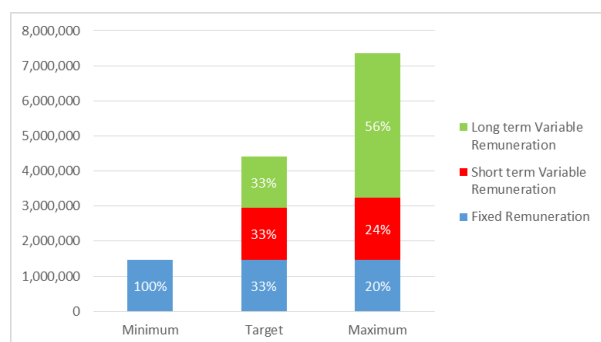
Remuneration structure and pay mix

Based on the current organizational structure of the Company, the office of Chief Executive Officer and of General Manager is held by the same person and the economic and legal treatment applied to him concerns, therefore, both the directorship and executive relationship. To the aforementioned executive relationship – which shall remain in force for the entire duration of the directorship relationship and will expire upon its termination – both the national collective employment contract of executives of companies which produce goods and services, and the supplementary contracts applicable to Enel's executives, apply.

The remuneration granted to the Chief Executive Officer includes the base remuneration granted to him on the basis of the resolution approved by the ordinary Shareholders' Meeting (pursuant to Article 2389, paragraph 1, of the Italian Civil Code, and Article 23.1 of the Corporate Bylaws), as member of the Board of Directors, and the compensation due as member of the board of directors of Enel's

subsidiaries and/or affiliates, which therefore are repaid to or forfeited in favor of Enel itself.

The remuneration of the Chief Executive Officer/General Manager consists of (i) a fixed component, (ii) a short-term variable component and (iii) a long-term variable component, and is subdivided as below:



Fixed Remuneration

The fixed remuneration of the Chief Executive Officer/General Manager is divided into: (i) Euro 690,000 gross per year as compensation for the office of Chief Executive Officer; and (ii) Euro 780,000 gross per year as compensation for the office of General Manager; for a total of Euro 1,470,000 gross per year.

Short-term variable remuneration

The short-term variable remuneration may range from 0 up to a maximum of 120% of the fixed annual remuneration related to both the executive and to the directorship relationship – and, therefore, up to maximum Euro 1,764,000 gross per year – depending upon whether or not the annual performance targets have been met.

The performance objectives to which achievement is subject the payment of the short-term variable remuneration for the financial year 2019, and the related weight, are indicated below:

Performance objective	Weight
Ordinary consolidated net income	40%
Funds from operations/Consolidated net financial debt ⁽¹⁾	30%
Group Opex ⁽²⁾	20%
Reduction of the work-related accident frequency index and simultaneous reduction of fatal accidents in 2019 <i>vs</i> the lower value between (i) the average of the results of the previous three-year period and (ii) the target of the previous year for each of the aforesaid criteria ⁽³⁾	10%

Each objective will be measured individually on the basis of the performance scale set forth below (by linear interpolation).

Objective ⁽⁴⁾	Access threshold	Target	Over
Ordinary consolidated net income	Euro 4.66 billion	Euro 4.75 billion	Euro 4.80 billion
Group Opex	Euro 8.94 billion	Euro 8.76 billion	Euro 8.68 billion
Funds from operations/ Consolidated net financial debt	26.5%	27.3%	27.6%
Reduction of the work-related accident frequency index (FI) 2019 <i>vs.</i> 2018 and concurrent reduction in the number of fatal accidents in the relevant period	Work-related Accident Frequency Index (FI) ⁽⁵⁾ 2019 <= 0.99 and number of fatal accidents during 2019 <= the Group's average of	FI 2019 <= 0.97 and same objective of reduction in number of fatal accidents in 2019 envisaged for the access threshold	FI 2019 <= 0.94 and same objective of reduction in number of fatal accidents in 2019 envisaged for the access threshold

⁽¹⁾ The *Funds from operations* are calculated as the sum of the cash flows prior to the dividends and extraordinary transactions + *gross capex*, while the consolidated net financial debt, net of the quota of activities classified as “held for sale” and “discontinued operations”, will be determined by the “Long-term loans” and by the “Short-term loans and current quotas of long-term loans”, net of “Cash and cash equivalents” and by current and non-current financial assets (financial receivables and titles not deriving from shareholdings) included in the “Other current assets” and “Other non-current assets”.

⁽²⁾ Group Opex are determined as the sum of the costs classified as “services”, “materials and supplies”, “costs for leases and rentals”, “personnel recurrent costs” and “other manageable fixed costs”, as well as “taxes and fees”, “personnel non-recurrent costs” and “other manageable fixed costs”.

⁽³⁾ The work-related accident frequency index is calculated as the ratio between the number of accidents occurred and the total of hours worked (Enel + *contractors*), expressed in millions; for this

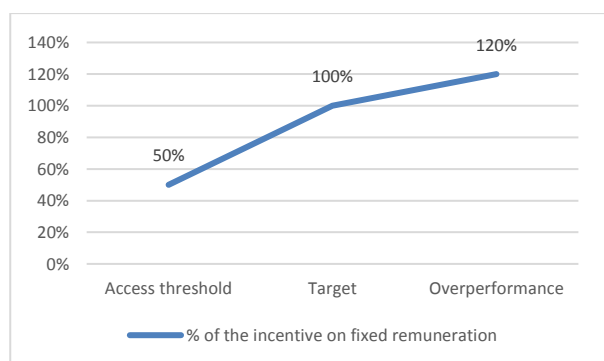
purpose, only injuries that entail at least 1 day of sick leave are considered as accidents. Road events are not included in the count of fatal accidents.

⁽⁴⁾ During the final assessments, impacts arising from the differences due to the evolution of the exchange rate compared to the budget, the amendments of the scope of consolidation compared to budget hypothesis, impacts of hyperinflation, impacts of funds (if any) and of extraordinary releases of funds as well as the impact of extraordinary transactions, always compared to budget hypothesis, will be neutralized. The objectives include the impact of the new international accounting standards.

⁽⁵⁾ The work-related accident frequency index is calculated as the ratio between the number of accidents occurred and the total amount of worked hours (Enel + *contractors*) expressed in millions; to this end, only injuries that entail at least 1 day of sick leave are considered as accidents.

	fatal accidents in 2016-2018 period (equivalent to a reduction of the Group's fatal accidents as compared to 2018 target $\geq$ 1) ⁽⁶⁾		
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Upon the achievement of the access threshold, the disbursement of a sum equal to 50% of the base amount is envisaged, while upon the achievement of the target and over performance, disbursement of a sum equal to, respectively, 100% and 120% of the base amount is envisaged with regard to each objective (with linear interpolation), as set forth below. For performances under the access threshold no incentive is provided.



Therefore, if, for example:

- all the objectives were to reach the target level, the remuneration disbursement would amount to 100% of the fixed remuneration;

⁽⁶⁾ Road events are not included in the count of fatal accidents.

⁽⁷⁾ The average of the *Total Shareholders Return* (TSR) of Enel and of the EUROSTOXX Utilities Index – EMU is calculated in the month preceding the beginning and the end of the *performance period* (January 1, 2019 – December 31, 2021), in order to sterilize any volatility on the market.

⁽⁸⁾ Index managed by STOXX Ltd., which includes the most relevant utilities companies listed in Euro Area countries (EMU). As of the date of this Report, this index comprises, 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 and Verbund.

⁽⁹⁾ 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

- the only objective achieved were the Group Opex at a level equal to the access threshold, the remuneration disbursement would amount to 10% of the fixed remuneration.

In the last year of the mandate, in the event of non-renewal, the variable short-term remuneration is set in an amount equal to the average remuneration received by the person involved for such component in the last two years, *pro rata temporis* (in other words, from January 1 until the date on which he terminates his office).

Long-term variable remuneration

Long-term variable remuneration is linked to the participation in multi-year incentive plans reserved to top management of Enel Group and may range from 0 up to a maximum of 280% of the annual fixed remuneration for both the executive relationship and the directorship relationship (and, therefore, up to maximum Euro 4,116,000 gross per year).

For 2019, the long-term variable remuneration is linked to the participation in the specific 2019 Long Term Incentive Plan (“**LTI Plan 2019**”), which envisages that the incentive possibly awarded is disbursed partly in cash and partly in Enel shares, as illustrated below.

Set forth below are the three-year performance objectives envisaged under 2019 LTI Plan, as well as their relevant weight:

Performance objective	Weight
Average TSR ⁽⁷⁾ Enel <i>vs.</i> average TSR of EUROSTOXX Utilities Index – EMU ⁽⁸⁾ in the 3-year period 2019-2021	50%
ROACE (<i>Return on average capital employed</i>) cumulative for the 3-year period 2019-2021 ⁽⁹⁾	40%
CO ₂ grams emissions per equivalent KWh produced by the Group in 2021 ⁽¹⁰⁾	10%

The objective related to the TSR will be measured on

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.

⁽¹⁰⁾ Emissions from the Group's plants' production.

the basis of the performance scale set forth below (with linear interpolation). For Enel's average TSR performances under the 100% of the average TSR of EUROSTOXX Utilities Index – EMU, no incentive will be awarded.

Enel's TSR exceeding 115% of TSR Index	Enel's TSR from 110% to 115% of TSR Index	Enel's TSR from 100% to 110% of TSR Index	Enel's TSR under 100% of TSR Index
280% ⁽¹⁾	150%	100%	0%

The objective linked to ROACE will be measured on the basis of the performance scale set forth below (with linear interpolation). For performances under the target (whose measure coincides with the one indicated in the Strategic Plan for 2019-2021), no incentive will be awarded.

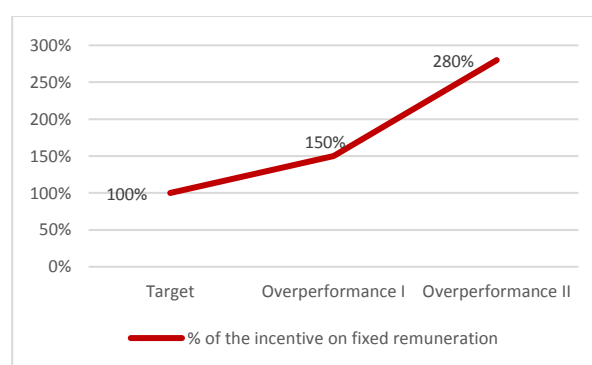
Objective	Target	Over I	Over II
Cumulative ROACE for the three-year period 2019-2021	38.1%	38.6%	39.2%

The objective concerning CO₂ emissions (grams per equivalent KWh produced by the Group in 2021), used for the first time on the occasion of 2018 LTI Plan, has been confirmed considering the positive reaction of the major proxy advisors and institutional investors in Enel's share capital to its introduction and the increasingly marked attention of the financial community to issues linked to the ESG aspects, with particular emphasis on the fight against climate change. Furthermore, it should be noted that such objective is aimed at strengthening the link between the long-term variable remuneration and the Strategic Plan for 2019-2021, that promotes the implementation of a business model sustainable in the long period.

Such objective will be measured on the basis of the performance scale set forth below (with linear interpolation). For performances under 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 ₂ Emissions (gCO ₂ /KW heq) as at 2021	<=345	<=335	<=325

Upon the achievement of the target, it is envisaged the disbursement of 100% of the base amount, whereas upon the achievement of an over-performance, it is envisaged the disbursement of a sum equal to 150% (at Over I level) or to 280% ⁽¹²⁾ (at Over II level) of the base amount with regard to each objective (with linear interpolation), as indicated here below.



Therefore, if, for example:

- all the objectives (TSR, ROACE and reduction of CO₂ emissions) were to reach the target level, the disbursable remuneration would amount to 100% of the fixed remuneration (and the incentive would be entirely disbursed in Enel shares, as specified below);
- the only objective achieved was the TSR, at a level equal to the target, the disbursable remuneration would amount to 50% of the fixed remuneration (and the incentive would be entirely disbursed in Enel shares, as specified below);
- all the objectives (TSR, ROACE and reduction of CO₂ emissions) were to reach the Over I level, the disbursable 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, as specified below);
- all the objectives (TSR, ROACE and reduction of CO₂ emissions) were to reach the Over II level, the disbursable remuneration would amount to 280% of the fixed remuneration (and the incentive would be disbursed (i) for 100%, in

⁽¹¹⁾ For the 2019 LTI Plan's beneficiaries other than the Chief Executive Officer/General Manager, it is provided for the disbursement of 180% of the assigned base amount, once the second over-performance threshold is reached.

⁽¹²⁾ For the 2019 LTI Plan's beneficiaries other than the Chief Executive Officer/General Manager, it is envisaged the disbursement of 180% of the assigned base amount, once the second over-performance threshold is reached.

shares, and (ii) for the remaining 180%, in cash, as specified below).

In the event of expiration of directorship relationship without simultaneous renewal of the same – and, therefore, in the event of automatic termination also of the executive relationship – before the performance period’s conclusion, it is provided that the disbursement of the incentive would take place at the natural expiry of the Plan vesting period, based upon the level of achievement of the performance objectives provided under such Plan; in this case, however, the disbursement will be made *pro rata temporis* until the date of termination of the directorship and executive relationship.

Incentive disbursement method

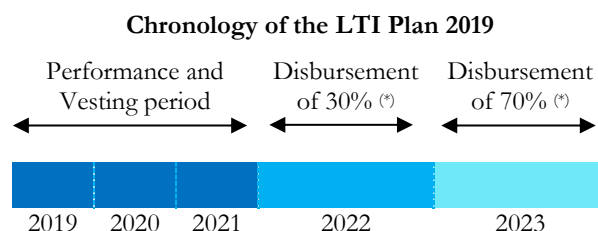
2019 LTI Plan envisages an incentive consisting of a share-based component, which may be joined – depending on the level of achievement of the objectives – by a monetary component.

In particular, it is envisaged that a 100% of the base amount is disbursed in Enel shares, whose number is determined while awarding the 2019 LTI Plan on the basis of 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 same Plan. The share-based component, awarded free of charge, is disbursed subject and proportionally to the achievement of the performance objectives, (i) for 30% in the first year following the end of the three-year performance period, and (ii) for the remaining 70% in the second year following the end of the three-year performance period. Therefore, until 100% of the base amount (which is equal to 100% of the fixed remuneration) is reached, the incentive is entirely disbursed in Enel shares previously purchased by the Company.

The monetary component is calculated as the difference between the amount determined in the final assessment of the Plan – which can reach up to 280% of the base amount for the Chief Executive Officer/General Manager – and the proportion of incentive to be disbursed in Enel shares. Even the monetary component is to be disbursed, subject and proportionally to the achievement of the performance objectives, (i) for 30% in the first year following the end of the three-year performance period, and (ii) for the remaining 70% in the second year following the end of the three-year performance period.

Payment deferral

The disbursement of a significant portion of the long-term variable remuneration (equal to 70% of the total for both the share-based and the monetary component) is therefore deferred to the second financial year after the relevant three-year period of the LTI Plan 2019 performance objectives (“deferred payment”).



(*) In the event of achievement of the performance objectives.

Clawback and *malus*

The Company is entitled to claim back the variable remuneration (both short-term and long-term) paid (or may withhold any deferred long-term variable remuneration), if such remuneration has been paid or calculated on the basis of data which subsequently proved to be clearly erroneous.

Other compensation

With the termination of the directorship and, consequently, of the executive relationship (since the termination as Chief Executive Officer triggers the termination of the office of General Manager), the Chief Executive Officer/General Manager is entitled to the payment of an indemnity equal to two years of the fixed component for each of the two relationships, for an overall amount of Euro 2,940,000, in line with the provisions of European Commission’s Recommendation No. 385 of April 30, 2009; such indemnity replaces and derogates the treatments due pursuant to the law and the national collective employment contract for executives of companies which produce goods and services. It is provided that such indemnity shall be paid only in the event of (i) revocation or non-renewal of the directorship relationship and/or dismissal without just cause pursuant to Article 2119 of the Italian Civil Code (“Just Cause”); or (ii) resignation of the person in question from the directorship and/or executive relationship due to a Just Cause. The indemnity will not be due if, after the termination of the directorship relationship (and the consequent termination of the executive relationship), the involved person will be hired or appointed in a similar or higher position in a state-owned company. No end-of-term indemnity for the Chief Executive Officer/General Manager linked to cases of variation in Enel’s ownership structures (“change of control”) is envisaged.

The Chief Executive Officer/General Manager has also irrevocably granted the Company, pursuant to Article 1331 of the Italian Civil Code and for a consideration equal to a gross amount of Euro 485,100 (to be paid in three annual installments of equal amount), with the right to activate a non-competition agreement. Should the Company exercise such option right, the person involved undertakes to refrain from engaging in, for a period of 1 year following the termination of the directorship and executive relationships, regardless of the reason – either personally or indirectly through a third party, individual or entity – any activity, even on an occasional or gratuitous basis, in competition with, or in favor of, entities that operate in competition with the Enel Group throughout the entire territory of Italy, France, Spain, Germany, Chile and Brazil. If the Company exercises such option right, it will pay to the person in question, within the 15 days following the end of the term of such obligations (in other words, upon the expiry of 1 year from the termination of the directorship and executive relationships), a consideration equal to a gross amount of Euro 2,748,900. According to this policy, the breach of the non-competition agreement results in the non-payment of the above-mentioned amount or its reimbursement (jointly with the amount paid by the Company as consideration for the right to activate the non-competition agreement), whether Enel has learnt of such breach after the payment. Such breach, furthermore, triggers the duty to indemnify the damage, which amount has been agreed between the parties as equal to the double of the total value of the non-competition agreement (without prejudice to the Company's right to take action to obtain the exact performance of the agreement itself).

It should be noted that the overall amount granted to the Chief Executive Officer/General Manager, in case of occurrence of the circumstances illustrated in this paragraph, for i) severance indemnity, ii) option right and iii) non-competition agreement is lower than the two years amount of fixed and variable short-term remuneration ⁽¹³⁾.

The policy on non-monetary benefits provides that Enel undertakes to: (i) enter into a specific insurance policy to cover risks such as death or permanent disability; and (ii) adopt protective measures in the event of judicial or administrative proceedings related to the office of Chief Executive Officer/General Manager, as well as to the other offices (if any) held in subsidiaries or affiliated companies or in third companies or legal entities (when the office has been held on behalf of or for

the interest of the Group), except in cases of willful misconduct or gross negligence established by final judgment or acts clearly committed to the detriment of the Company. The Company has also entered into an insurance policy aimed at ensuring to the person in question social security and pension benefits that are similar to what he would have received, with reference to both the fixed portion and the variable portion of the directorship relationship, had such relationship been considered equivalent to an executive relationship.

It should be noted that no disbursement of discretionary bonuses is envisaged in favor of the Chief Executive Officer/General Manager.

1.2.4 Non-executive directors

With regard to non-executive Directors, the policy – as indicated in paragraph 1.2.1 above – provides that their remuneration consists solely of a fixed remuneration (approved by the ordinary Shareholders' Meeting pursuant to Article 2389, paragraph 1, of the Italian Civil Code, and Article 23.1 of the Corporate Bylaws), and, for Directors who are also members of one or more committees established within the Board of Directors, of an additional amount determined by the latter (pursuant to Article 21.3 of the Corporate Bylaws), upon proposal of the Nomination and Compensation Committee and subject to the opinion of the Board of Statutory Auditors.

Such directors' remuneration is, therefore, composed only of the fixed component determined by the ordinary Shareholders' Meeting held on May 4, 2017, equal to Euro 80,000 gross per year, not being provided any variable component.

Furthermore, for all Directors who are members of one or more committees established within the Board of Directors, the grant of an additional compensation has been determined by the Board itself at the meeting held on July 13, 2017, upon proposal of the Nomination and Compensation Committee and the opinion of the Board of Statutory Auditors, in line with the recommendations set forth in Article 6.P.2 of the Italian Corporate Governance Code. The above-mentioned remuneration, for participation in each of the committees established within the Board of Directors (*i.e.*, currently, the Control and Risk Committee, the Nomination and Compensation Committee, the Related Parties Committee and the Corporate Governance and

⁽¹³⁾ Considering the incentive paid in case of over-performance for the quota relating to the short-term variable remuneration.

Sustainability Committee), have been established as follows:

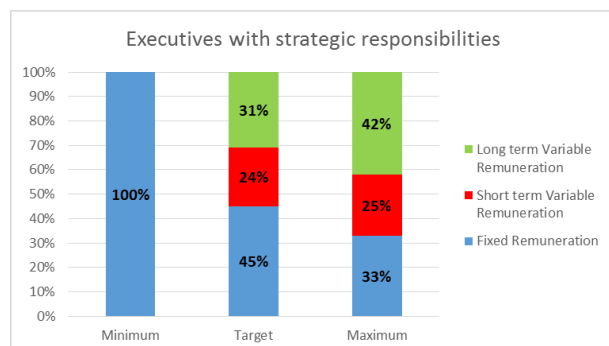
- gross annual compensation for the Chairman of the Committee: Euro 30,000
- gross annual compensation for the other members of the Committee: Euro 20,000
- amount due for each attendance (for all members): Euro 1,000 per meeting

In setting the above-mentioned remuneration, the Board of Directors also set a maximum limit to the total amount that may be paid to each Director for his/her participation in the above-mentioned Committees, providing that such amount may not, under any circumstances, exceed the limit of Euro 70,000 gross per year.

1.2.5 Executives with strategic responsibilities

Remuneration structure and pay mix

With regard to the Executives with strategic responsibilities, the remuneration policy provides that the compensation structure for such individuals consists of (i) a fixed component, (ii) a short-term variable component and (iii) a long-term variable component, as subdivided below:



Fixed remuneration

The fixed remuneration (RAL) of the Executives with strategic responsibilities is aimed at adequately remunerating the skills and expertise that are distinctive and necessary for purposes of performing the office assigned, the scope of responsibilities, and the overall contribution provided in order to achieve business results.

Short-term variable remuneration

The short-term variable remuneration of the Executives with strategic responsibilities is aimed at remunerating the performance from a merit and sustainability standpoint. This remuneration is paid

to the Executives with strategic responsibilities, based on assignments and responsibilities for each of them and it represents, in average, at the target value, 52% of the fixed remuneration. In particular, the short-term variable component is granted subject to the achievement of objective and specific annual targets, based upon the strategic plan and jointly identified by the “Administration, Finance and Control” Function and the “People and Organization” Function. Such targets include (i) economic-financial targets, in line with the strategic targets of the Group as a whole and among the individual Functions / Business Lines / Regions / Countries (*e.g.*: ordinary consolidated net income and the reduction of operating expenses, as well as the assignment of specific targets for the individual Functions / Business Lines / Regions/ Countries); and (ii) technical and/or project-based targets.

It should also be noted that the measurement of the short-term variable remuneration (MBO) may concretely vary, according to the level of achievement of performance targets, from a minimum level (below which the bonus is set to zero) up to a maximum level (predetermined and linked to the event of over-performance connected to the objectives assigned) which is different depending on the specific national contests and on the business where the Group is operating.

Long-term variable remuneration

The long-term variable remuneration consists of the participation in the LTI Plan 2019, which is described in detail in paragraph 1.2.3 of this report and may range from 0 up to a maximum of 126% of the annual fixed remuneration of Executives with strategic responsibilities, based upon the level of achievement of three-year performance objectives characterizing the Plan.

Therefore, if, for example:

- all the objectives (TSR, ROACE and reduction of CO₂ emissions) were to reach the target level, the disburseable remuneration would amount to 70% of the fixed remuneration (and the incentive would be disbursed (i) for 50% in shares and (ii) for the remaining 50% in cash, as illustrated below);
- the only objective achieved was the TSR, at a level equal to the target, the disburseable remuneration would amount to 35% of the fixed remuneration (and the incentive would be entirely disbursed in shares, as illustrated below);
- all the objectives (TSR, ROACE and reduction of CO₂ emissions) were to reach the Over I level, the disburseable remuneration would amount to

105% of the fixed remuneration (and the incentive would be disbursed (i) for 33.3% in shares and (ii) for the remaining 66.6% in cash, as illustrated below);

- all the objectives (TSR, ROACE and reduction of CO₂ emissions) were to reach the Over II level, the disburseable remuneration would amount to 126% of the fixed remuneration (and the incentive would be disbursed (i) for 27.8% in shares and (ii) for the remaining 72.2% in cash, as illustrated below).

Please note that the performance objectives of some managers (and, therefore, also of the Executive with strategic responsibilities) are different from Enel's performance targets, in order to ensure the compliance with the applicable laws and to take in account the relevant activities carried out.

Incentive disbursement methods

2019 LTI Plan envisages for all its beneficiaries – and therefore even for Executives with strategic responsibilities – an incentive consisting of a share-based component, which may be joined – depending on the level of achievement of the objectives – by a monetary component.

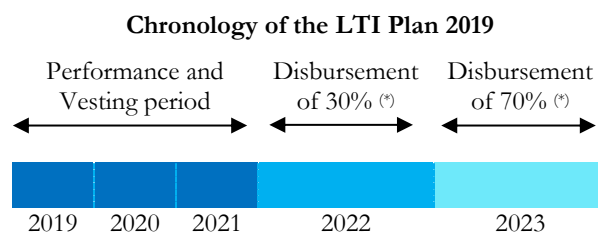
In particular, for all the beneficiaries other than the Chief Executive Officer/General Manager, it is envisaged that 50% of the base amount is disbursed in Enel shares, whose number is determined while awarding the 2019 LTI Plan on the basis of the average Enel share price detected on the *Mercato Telematico Azionario* organized and managed by Borsa Italiana S.p.A. in the month preceding the award of the same Plan. The share-based component, awarded free of charge, is disbursed subject and proportionally to the achievement of the performance objectives, (i) for 30% in the first year following the end of the three-year performance period, and (ii) for the remaining 70% in the second year following the end of the three-year performance period. Therefore, until 50% of the base amount (which is equal to 35% of the fixed remuneration) is reached, the incentive is entirely disbursed in Enel shares previously purchased by the Company.

The monetary component is calculated as the difference between the amount determined in the final assessment of the Plan – which can reach up to 180% of the base amount for beneficiaries other than the Chief Executive Officer/General Manager – and the proportion of incentive to be disbursed in Enel shares. Even the monetary component is to be disbursed, subject and proportionally to the achievement of the performance objectives, (i) for 30% in the first year following the end of the three-year performance period, and (ii) for the remaining

70% in the second year following the end of the three-year performance period.

Payment deferral

The payment of a significant portion of the long-term variable remuneration (equal to 70% of the total for both the share-based and the monetary component) is therefore deferred to the second financial year after the relevant three-years period of the 2019 LTI Plan (“*deferred payment*”).



(*) In the event of achievement of the performance objectives.

Clawback and *malus* clause

The Company is entitled to claim back the variable remuneration (both short-term and long-term) paid (or may withhold any deferred long-term variable remuneration), if such remuneration has been paid or calculated on the basis of data which subsequently proved to be clearly erroneous.

Other compensation

Usually, in the event of termination of the employment relationship, no additional indemnities or payments are due other than those resulting from the application of the provisions of the national collective contract without prejudice to previous individual agreements, if any, still in force as of the date of this report.

During the employment relationship it is envisaged (i) the assignment of an automobile for business and personal use; (ii) the entering into insurance policies to cover the risk of occupational and extra-occupational injury; (iii) the payment by Enel of contributions for the supplementary pension fund, based on the relevant employment agreement, for the Group's executives; (iv) the payment by Enel of contributions for the supplementary healthcare coverage in accordance with the contractual provisions. Such benefits are also granted to the Chief Executive Officer/General Manager, in consideration of its executive relationship.

SECTION II: REPRESENTATION OF ITEMS WHICH COMPRISE THE REMUNERATION AND FEES PAID DURING THE RELEVANT FINANCIAL YEAR

2.1 Compensation paid in 2018

Please find here below detailed information on the compensation paid to the members of the Board of Directors and of the Board of Statutory Auditors, to the General Manager and to the Executives with strategic responsibilities, on an accrual basis. These compensations have been paid in compliance with the principles set forth in the remuneration policy submitted to the consultative vote of the ordinary Shareholders' Meeting held on May 24, 2018.

In this regard, the economic treatment for the Chairman of the Board of Directors includes the remuneration and the attendance fees for participation in the committees established within the Board of Directors of the Company, as well as the remuneration possibly due for participating in the boards of directors of Enel's non-listed subsidiaries and/or affiliated companies and/or non-listed companies or entities of interest for the Group, that thus shall be waived or repaid to Enel. Thus, the remuneration due to the Chairman does not comprehend and, therefore, may be combined with, the compensation due to the same as member of the boards of directors of listed subsidiary (at moment, Endesa S.A.), in consideration of the burden of the required commitment and the responsibilities deriving from such office.

The economic treatment for the Chief Executive Officer/General Manager includes the compensations (if any) due to him for participating in the boards of directors of Enel's subsidiaries and/or affiliated companies, that thus shall be waived or repaid to Enel itself.

- **Fixed Remuneration**

The fixed remuneration of the Chairman and of the Chief Executive Officer/General Manager has been approved (pursuant to Article 2389, paragraph 3, of the Italian Civil Code, and Article 23.2 of the Corporate Bylaws), by the Board of Directors, upon proposal submitted by the Nomination and Compensation Committee, subject to the opinion of the Related Parties Committee and of the Board of Statutory Auditors. Such remuneration absorbs the base compensation assigned to the persons involved, on the basis of the ordinary Shareholders' Meeting resolution (pursuant to Article 2389, paragraph

1, of the Italian Civil Code and Article 23.1 of the Corporate Bylaws), in their capacity as members of the Board of Directors.

The compensation of non-executive directors has been approved by the ordinary Shareholders' Meeting (pursuant to Article 2389, paragraph 1, of the Italian Civil Code, and Article 23.1 of the Corporate Bylaws) as well as, for the Directors who are also members of one or more Committees established within the Board of Directors, by the latter corporate body (pursuant to Article 21.3 of the Corporate Bylaws) upon proposal of the Nomination and Compensation Committee and heard the Board of Statutory Auditors.

- **Short-term variable compensation**

The Board of Directors, upon proposal of the Nomination and Compensation Committee, has verified the achievement by the Chief Executive Officer/General Manager of a score equal to 100 points on the *performance* scale used, that is equivalent to the maximum amount of the short-term variable remuneration (equal to 120% of the fixed remuneration). The chart below indicates the level of achievement of each target.

Performance objectives assigned to the Chief Executive Officer/General Manager	Maximum score	Points assigned
Ordinary consolidated net income	40	40
Funds from operations/Consolidated net financial debt	30	30
Consolidated cash cost	20	20
Reduction of the 2018 vs. 2017 work-related accident frequency index (FI) and concomitant reduction of the number of fatal accidents in the relevant period	10	10
Total assessment	Maximum of the short-term variable remuneration (equal to 120% of the fixed remuneration)	

In the table below are illustrated, for each performance objective, the exact values set for the different levels of the performance scale and the relative final assessment, as well as the pay-out associated to each level.

Performance objectives assigned to the CEO/GM	Access threshold	Target objective	Maximum objective	Achieved performance	Access threshold payout	Target objective payout	Maximum objective payout	Achieved payout
Ordinary consolidated net income	3,850 €Mln	4,053 €Mln	4,150 €Mln	4,177€Mln (**)	20%	40%	48%	48%
<i>Funds from operations/</i> Consolidated net financial debt	26.2%	26.9%	27.6%	28.1%	15%	30%	36%	36%
Consolidated cash cost	11.5 €bn	11.35 €bn	11.25 €bn	11.23 €bn	10%	20%	24%	24%
Reduction of the 2018 vs 2017 work-related accident frequency index (FI) and concomitant reduction of the number of fatal accidents in the relevant period (*)	<= 1.17	<= 1.15	<= 1.11	0.87	5%	10%	12%	12%
Total Payout					50%	100%	120%	120%

(*) As far as fatal injuries are concerned, the reduction has been approximately equal to 18%

(**) In application of the rules established for the final assessment of the various objectives concerning the short-term variable remuneration of the Chief Executive Officer/General Manager, the ordinary consolidated net income for 2018 (equal to Euro 4,060 million) has been adjusted to take into account (i) the impact of the different scope of consolidation compared to the budget (+ Euro 25 million), (ii) the evolution of exchange rates compared to the budget and Argentine hyperinflation (+ Euro 58 million), as well as (iii) the effect of extraordinary allowances and funds releases (Euro + 34 million).

With regard to the Chairman, no short-term variable remuneration is envisaged.

The short-term variable component of the remuneration payable to the Executives with strategic responsibilities has been paid on the basis of the performance of each of them in relation to the different targets assigned.

- Long-term variable compensation

The Board of Directors, upon proposal of the Nomination and Compensation Committee, has verified the achievement, in the level specified in the table below, of the performance targets provided for by the 2016 LTI Plan in which were

involved both the Chief Executive Officer/General Manager and the Executives with strategic responsibilities, and has therefore provided for the disbursement to them of 169.50% of the base amount set forth under the Plan itself.

Performance objectives assigned to the beneficiaries of 2016 LTI Plan	Access threshold	Target objective	I Over objective	II Over objective	Achieved performance	Access threshold payout	Target objective payout	I Over payout	II Over payout	Achieved payout
Average Enel TSR vs average TSR of Index EUROSTOXX Utilities – EMU	Between 90% and 100%	Between 100% and 110%	Between 110% and 115%	More than 115%	174%	30%	60%	90%	108%	108.00%
Return on average capital employed (ROACE)*	30.3	31.1	32.4	33.2	32.5	20%	40%	60%	72%	61.50%
Total Payout						50%	100%	150%	180%	169.50%

* Based on the achieved results, ROACE final assessment was determined according to the interpolation curve between I and II Over.

With regard to the Chairman, no long-term variable remuneration is envisaged.

- **Competitive positioning on the relevant market**

We remind you that during the last period of 2017 and the first months of 2018, the Board of Directors determined Chairman's and CEO/GM's economic and legal treatments for the 2017/2019 mandate, upon proposal of the Nomination and Compensation Committee and prior opinion of the Related Parties Committee and the Board of Statutory Auditors.

In view of defining such treatment, the Nomination and Compensation Committee has verified, with support of the independent advisor Mercer, that top management's treatment for the previous 2014-2016 mandate was positioned on levels significantly lower than the ones of the benchmark represented by the European Industry Peer Group, considered by Mercer the most significant for the definition of the new treatment compared to the peer group composed of companies belonging to the FTSE MIB Index and later on used for defining 2019 remuneration policy (for the composition of the European Industry Peer Group as well as the peer group composed of companies belonging to the FTSE MIB Index please refer to paragraph 1.1.3 of the present report). In particular, it was found that top management's overall treatment for the previous 2014-2016 mandate didn't show Enel's positioning in terms of dimension, profitability and market capitalization compared to the same Industry European Peer Group ⁽¹⁴⁾.

Such misalignment is due, to a certain extent, to the fact that Chief Executive Officer/General Manager's remuneration for previous 2014-2016 mandate was fixed – pursuant to Article 84-ter of Law Decree of June 21, 2013, no. 69, converted with amendments by Law of August 9, 2013, no. 98, and to the specific resolution adopted pursuant to such Law by the Shareholders' Meeting held on May 22, 2014 – at an amount not exceeding 75% of the total economic treatment of the holder of such office during the previous 2011-2013 mandate. On the other hand, in response to the recommendation made during the same Shareholders' Meeting by the shareholder Ministry of Economy and Finance, the Board of Directors set Chairman's total remuneration for 2014-2016 mandate to

⁽¹⁴⁾ In particular, on the basis of 2016 consolidated financial reports of the companies belonging to the European Industry Peer Group, Enel was positioned in the first place within that panel in terms of revenues, operating result and market capitalization and in the third quartile as for personnel size. This position has remained unchanged with regard to 2017 consolidated financial reports of the same companies belonging to the European Industry Peer Group.

⁽¹⁵⁾ In particular, between 2014 and 2017, Enel Group registered a growth in ordinary net income of approximately 25%, with approximately 60% of Ebitda realized abroad. During the same period,

Euro 238,000 per year, by analogy with that of other listed companies subject to the control of the same Ministry.

Considering the abovementioned legal restrictions and recommendations – dictated by contingent reasons and bound for operating for a transitory period – were not applicable anymore, the Board of Directors, upon proposal of the Nomination and Compensation Committee, has therefore deemed appropriate for 2017-2019 mandate to realign to the market values *(i)* of Chairman's and Chief Executive Officer's remuneration and *(ii)* of the balance of the latter's pay mix. In coming to such conclusion, the Board of Directors has taken into account Enel Group's significant growth in terms of operating, economic, financial results and of internationalization, as well as of market capitalization and total shareholders' return since the current Chief Executive Officer/General Manager took the office ⁽¹⁵⁾.

Illustrated below are the key components of the economic treatment for the Chairman of the Board of Directors and the Chief Executive Officer/General Manager for 2017-2019 mandate, along with their relevant positioning for 2018 compared to the relevant market. It is also illustrated the positioning for 2018 of the economic treatment for the Executives with strategic responsibilities in office with respect to the relevant market.

Chairman

In defining Chairman's economic treatment for 2017-2019 mandate, the Board of Directors, upon proposal of the Nomination and Compensation Committee, has taken into account the outcome of the benchmark analysis carried out by the independent advisor Mercer and evaluated also the following circumstances:

- the current Chairman, in line with the powers delegated, does not hold an executive role and, furthermore, substantially fulfills the role of guarantor of the Group's corporate governance;
- the analysis of the Group's governance highlighted a very articulated organizational framework, with 14 listed companies controlled by Enel in 7

the capacity installed from renewable sources has grown by more than 4 GW and an increase of approximately 5 million in end users has been registered, particularly in South America, while in terms of total shareholders' return Enel share price has performed +86% compared to the +38% of the Index EUROSTOXX Utilities – EMU, which allowed Enel to firmly position on the first place among European utilities in terms of market capitalization at the end of 2017.

countries of 3 continents, characterized by minorities heterogeneity and the existence of a large number of supervisory authorities. In this connection, is particularly important the role of guarantor of the Group's corporate governance played by the Chairman.

Consequently, it has been deemed appropriate to grant to the Chairman a remuneration composed only by the fixed component, equal to Euro 450,000 gross per year, which – on the basis of the data indicated in the remuneration reports published on the occasion of 2018 shareholders' meetings – is slightly above the median remuneration of non-executive chairmen of the European Industry Peer Group ⁽¹⁶⁾.

Chief Executive Officer/General Manager

In defining Chief Executive Officer/General Manager's economic treatment for 2017-2019 mandate, the Board of Directors, upon proposal of the Nomination and Compensation Committee, on the basis of the outcome of the benchmark analysis carried out by the independent advisor Mercer, has deemed appropriate to apply the following changes with regard to the treatment for the previous 2014-2016 mandate:

- the fixed remuneration has been raised from Euro 1,155,000 gross per year to Euro 1,470,000 gross per year, with an increase of 27.3% compared to the previous mandate, therefore reaching a level substantially equivalent to the one applicable before the reduction set forth by the Shareholders' Meeting held on May 22, 2014, in implementation of Law Decree no. 69/2013, converted with amendments by Law no. 98/2013;
- the short-term variable remuneration has been confirmed at the target level equal to 100% of the fixed remuneration (*i.e.* at the level equal to the third quartile of the European Industry Peer Group) and equal to 120% of the fixed remuneration (which is slightly below the median of the European Industry Peer Group) at the maximum performance level;
- the long-term variable remuneration has been raised (*i*) from 80% to 100% of the fixed remuneration (which is slightly below the median of the European Industry Peer Group), with regard to the achievement of the

⁽¹⁶⁾ For the sake of completeness, it should be noted that the Chairman's remuneration is instead positioned – always on the basis of the data indicated in the remuneration reports published on the occasion of 2018 shareholders' meetings – below the median remuneration of non-executive chairmen of the peer group composed of companies belonging to the FTSE MIB Index.

target level, and (*ii*) from 144% to 280% of the fixed remuneration (which is at the median level of the European Industry Peer Group), with regard to the achievement of the maximum performance level.

The changes thus applied to the Chief Executive Officer/General Manager's remuneration structure are also aimed at re-balancing the pay-mix, which in the previous 2014-2016 mandate was characterized by the predominance of the short-term variable component over the long-term one, in countertrend with the European Industry Peer Group and with what is recommended in the policies of the major proxy advisors and institutional investors in Enel's share capital .

Furthermore, it should be noted that, in the light of the abovementioned change in the incentive curve of the long-term variable remuneration, it has been provided for the introduction of the *pro rata temporis* payment rule in the event of possible misalignment between the Long-Term Incentive Plans' performance period and the duration of the office of the Chief Executive Officer/General Manager resulting from the expiry of the latter's mandate not followed by the renewal of the office. Compared to the previous provisions, such rule will determine a significant saving for Enel, quantifiable overall in approximately Euro 1,470,000 in the event the target level is achieved and approximately Euro 4,116,000 in the event the maximum performance level is achieved.

In the light of the above, the Total Direct Compensation Target (constituted by fixed remuneration and long and short-term variable remuneration at the target level) for the Chief Executive Officer/General Manager is positioned – on the basis of the data indicated in the remuneration reports published on the occasion of 2018 shareholders' meetings – slightly below the ninth market decile of the European Industry Peer Group ⁽¹⁷⁾.

Executives with strategic responsibilities

With reference to the Executives with strategic responsibilities, the total remuneration results to be, compared to the relevant benchmark ("*2018 Mercer Executive Remuneration Guides – Western Europe*"), which analyzed the remuneration of executives in 959 European companies), between the median and the third quartile.

⁽¹⁷⁾ For the sake of completeness, it should be noted that the Total Direct Compensation Target of the Enel's Chief Executive Officer/General Manager is instead positioned – always on the basis of the data indicated in the remuneration reports published on the occasion of 2018 shareholders' meetings – between the median and the third market quartile of the peer group composed of companies belonging to the FTSE MIB Index.

2.2 Overall shareholders' return (for every 100 Euro invested on January 1, 2018)

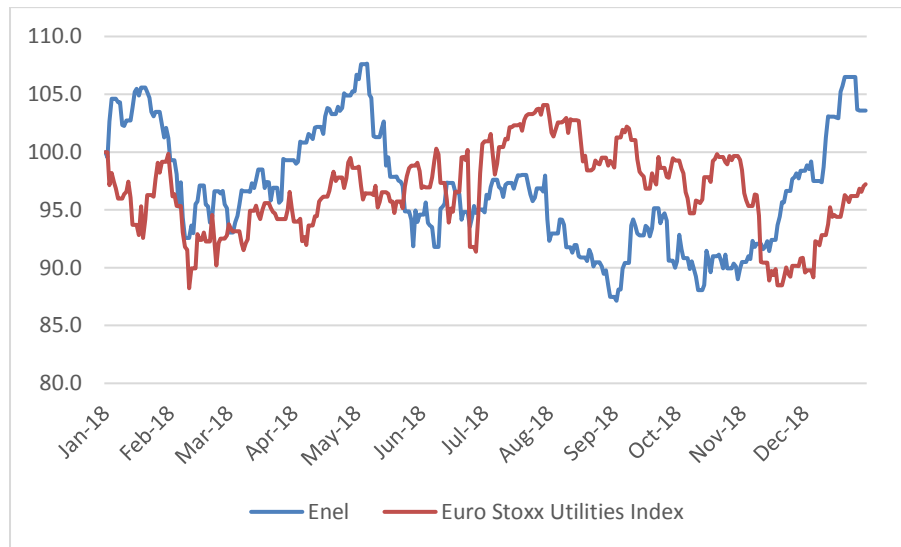


Table 1: Compensation paid to the members of the Board of Directors, the Board of Statutory Auditors, to the General Manager and to Executives with strategic responsibilities

The following chart sets forth compensation paid in 2018, on an accrual basis, to the Directors, to the Regular Statutory Auditors, to the General Manager and

to the Executives with strategic responsibilities, in compliance with Annex 3A, Table 7-bis, of Consob Issuers' Regulation. This chart includes all the persons holding the aforementioned offices even only for a fraction of the year.

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
First name and last name	Office	Period during which office was held	Expiration date of the office	Fixed compensation	Compensation for participation in committees	Non-equity variable compensation		Non-monetary benefits	Other compensation	Total	Fair value of equity compensation	Indemnity for severance / termination of employment relationship
						Bonuses and other incentives	Profit sharing					
(I) Compensation of the company that drafts the financial statements												
Maria Patrizia Grieco ⁽¹⁾	Chairman	01/2018-12/2018	Approval of 2019 financial statements	450,000 ^(a)	-	-	-	8,685 ^(b)	-	458,685	-	-
Francesco Starace ⁽²⁾	CEO/GM	01/2018-12/2018	Approval of 2019 financial statements	1,470,000 ^(a)	-	3,398,094 ^(b)	-	75,742 ^(c)	161,700 ^(d)	5,105,536	-	-
Alfredo Antoniozzi ⁽³⁾	Director	01/2018-12/2018	Approval of 2019 financial statements	80,000 ^(a)	50,000 ^(b)	-	-	-	-	130,000	-	-
Alberto Bianchi ⁽⁴⁾	Director	01/2018-12/2018	Approval of 2019 financial statements	80,000 ^(a)	60,000 ^(b)	-	-	-	-	140,000	-	-
Cesare Calari ⁽⁵⁾	Director	01/2018-12/2018	Approval of 2019 financial statements	80,000 ^(a)	50,000 ^(b)	-	-	-	-	130,000	-	-
Paola Girdinio ⁽⁶⁾	Director	01/2018-12/2018	Approval of 2019 financial statements	80,000 ^(a)	60,000 ^(b)	-	-	-	-	140,000	-	-
Alberto Pera ⁽⁷⁾	Director	01/2018-12/2018	Approval of 2019 financial statements	80,000 ^(a)	59,000 ^(b)	-	-	-	-	139,000	-	-
Anna Chiara Svelto ⁽⁸⁾	Director	01/2018-12/2018	Approval of 2019 financial statements	80,000 ^(a)	68,000 ^(b)	-	-	-	-	148,000	-	-
Angelo Taraborrelli ⁽⁹⁾	Director	01/2018-12/2018	Approval of 2019 financial statements	80,000 ^(a)	70,000 ^(b)	-	-	-	-	150,000	-	-
Sergio Duca ⁽¹⁰⁾	Chairman of the Board of Statutory Auditors	01/2018-12/2018	Approval of 2018 financial statements	85,000 ^(a)	-	-	-	-	-	85,000	-	-
Romina Guglielmetti ⁽¹¹⁾	Regular Statutory Auditor	01/2018-12/2018	Approval of 2018 financial statements	75,000 ^(a)	-	-	-	-	-	75,000	-	-

Roberto Mazzei ⁽¹²⁾	Regular Statutory Auditor	01/2018-12/2018	Approval of 2018 financial statements	75,000 ^(a)	-	-	-	-	-	75,000	-	-
(I) Sub-total				2,715,000	417,000	3,398,094	-	84,427	161,700	6,776,221	-	-
(II) Compensation from subsidiaries and affiliated companies												
Maria Patrizia Grieco ⁽¹³⁾	Director Endesa S.A.	01/2018-12/2018	Approval of 2021 financial statements	207,244 ^(a)	-	-	-	-	-	207,244	-	-
(II) Sub-total				207,244	-	-	-	-	-	207,244	-	-
(III) Total				2,922,244	417,000	3,398,094	-	84,427	161,700	6,983,465	-	-

Notes:

(1) Maria Patrizia Grieco – Chairman of the Board of directors

- (a) Fixed remuneration approved, pursuant to Article 2389, paragraph 3, of the Italian Civil Code, by the Board of Directors, upon proposal submitted by the Nomination and Compensation Committee, after having received the Related Parties Committee's opinion and having heard the Board of Statutory Auditors. Such remuneration includes the compensation approved for the members of the Board of Directors by the ordinary Shareholders' Meeting of May 4, 2017, as well as the compensation and attendance fees due for participation in the Committees established within the same Board of Directors. Such compensation also includes remuneration for the offices held at non-listed Enel's subsidiaries and/or affiliates, which are waived or repaid to the same Enel.
- (b) Benefits related to: (i) insurance policies covering the risk of non-work-related accidents and life insurance policies; (ii) social contribution payments to be made by Enel with respect to Asem - *Associazione Assistenza Sanitaria Integrativa Dirigenza Energia e Multiservizi* (Supplementary Healthcare Association for Executives in the Energy and Multi-services Sector).

(2) Francesco Starace – Chief Executive Officer/General Manager

- (a) Fixed emolument approved, pursuant to Article 2389, paragraph 3, of the Italian Civil Code, upon proposal submitted by the Nomination and Compensation Committee, after having received the Related Parties Committee's opinion and having heard the Board of Statutory Auditors, of which Euro 690,000 pertains to the office of Chief Executive Officer and Euro 780,000 pertains to the office of General Manager. Such remuneration includes the compensation approved for the members of the Board of Directors by the ordinary Shareholders' Meeting of May 4, 2017, as well as the compensation for the offices held at Enel's affiliates and/or subsidiaries, which are waived or repaid to the same Enel.
- (b) Variable remuneration: (i) short-term component for the office of Chief Executive Officer equal to Euro 828,000 (highlighted in the chart) and for the office of General Manager equal to Euro 936,000 (highlighted in the chart), established by the Board of Directors, upon proposal submitted by the Nomination and Compensation Committee, following the verification performed, at the meeting held on March 21, 2019, on the level of achievement of the annual objectives for 2018, impartial and specific targets, that had been assigned to the person involved by the Board itself; (ii) long-term component relating to: (a) 2015 LTI Plan equal to Euro 1,663,200, of which 30% equal to Euro 498,960 (already highlighted in the relevant chart of the remuneration report, which illustrated the compensations for 2017) has been disbursed in 2018, and the remaining 70% equal to Euro 1,164,240 (highlighted in the chart), disbursable in 2019; (b) 2016 LTI Plan equal to Euro 1,566,180 of which 30% equal to Euro 469,854 (highlighted in the chart) disbursable in 2019 and the remaining 70% equal to Euro 1,096,326 (which will be highlighted in the chart of the remuneration report, which will illustrate the compensations for 2019), deferred to 2020.
- (c) Benefits related to: (i) the company car awarded for mixed use (personal and business) for the directorship relationship (on the basis of the value subject to pension contributions and taxes, as provided under the ACI tables); (ii) the insurance policies covering the risk of accidents that are not work-related; (iii) the contributions borne by Enel for the supplementary Pension Fund for the group's executives; (iv) the contributions borne by Enel for ASEM - *Associazione Assistenza Sanitaria Integrativa Dirigenza Energia e Multiservizi* (Supplementary Healthcare Association for Executives in the Energy and Multi-services Sector).
- (d) Amount paid, for year 2018, in exchange for the right (option) granted to Enel for the activation of a non-competition agreement.

(3) Alfredo Antoniozzi – Independent director

- (a) Fixed remuneration approved by the ordinary Shareholders' Meeting held on May 4, 2017.
- (b) Compensations, including the related attendance fees, for participation in the Corporate Governance and Sustainability Committee (for an amount of Euro 26,000) and for participation in the Related Parties Committee (for an amount of Euro 24,000).

(4) Alberto Bianchi – Independent director

- (a) Fixed remuneration approved by the ordinary Shareholders' Meeting held on May 4, 2017.
- (b) Compensations, including the related attendance fees, for participation in the Nomination and Compensation Committee as chairman (for an amount of Euro 36,000) and in the Related Parties Committee (for an amount of Euro 24,000).

(5) Cesare Calari – Independent director

- (a) Fixed remuneration approved by the ordinary Shareholders' Meeting held on May 4, 2017.
- (b) Compensations, including the related attendance fees, for participation in the Nomination and Compensation Committee (for an amount of Euro 26,000), and in the Related Parties Committee (for an amount of Euro 24,000).

(6) Paola Girdinio – Independent director

- (a) Fixed remuneration approved by the ordinary Shareholders' Meeting held on May 4, 2017.
- (b) Compensations, including the related attendance fees, for participation in the Nomination and Compensation Committee (for an amount of Euro 26,000) and in the Control and Risk Committee (for an amount of Euro 34,000).

(7) Alberto Pera – Independent director

- (a) Fixed remuneration approved by the ordinary Shareholders' Meeting held on May 4, 2017.
- (b) Compensations, including the related attendance fees, for participation on the Nomination and Compensation Committee (for an amount of Euro 26,000) and in the Control and Risk Committee (for an amount of Euro 33,000).

- (8) **Anna Chiara Svelto – Independent director**
 - (a) Fixed remuneration approved by the ordinary Shareholders' Meeting held on May 4, 2017.
 - (b) Compensations, including the related attendance fees, for participation in the Related Parties Committee as chairman (for an amount of Euro 34,000) and in the Control and Risk Committee (for an amount of Euro 34,000).
- (9) **Angelo Taraborrelli – Independent director**
 - (a) Fixed remuneration approved by the ordinary Shareholders' Meeting held on May 4, 2017.
 - (b) Compensations, including the related attendance fees, for participation in the Control and Risk Committee as chairman (for an amount of Euro 44,000) and in Corporate Governance and Sustainability Committee (for an amount of Euro 26,000).
- (10) **Sergio Duca – Chairman of the Board of Statutory Auditors**
 - (a) Fixed remuneration approved by the ordinary Shareholders' Meeting held on May 26, 2016.
- (11) **Romina Guglielmetti – Regular Statutory Auditor**
 - (a) Fixed remuneration approved by the ordinary Shareholders' Meeting held on May 26, 2016.
- (12) **Roberto Mazzei – Regular Statutory Auditor**
 - (a) Fixed remuneration approved by the ordinary Shareholders' Meeting held on May 26, 2016.
- (13) **Maria Patrizia Grieco – Director of Endesa S.A.**
 - (a) Fixed remuneration approved by the Board of Directors of Endesa S.A. including the attendance fees for the participation in the meetings of the Board itself.

(A)	(B)	(C)	(D)	(1)	(2)	(3)		(4)	(5)	(6)	(7)	(8)
First name and last name	Office	Period during which office was held	Expiration date of the office	Fixed compensation	Compensation for participation in committees	Non-equity variable compensation		Non-monetary benefits	Other compensation	Total	Fair value of equity compensation	Indemnity for severance, termination of employment relationship
						Bonus and other incentives	Profit sharing					
(I) Compensation of the company that drafts the financial statements												
-	Executives with strategic responsibilities ⁽¹⁾	-	-	2,612,526	-	5,005,385	-	221,828 ⁽²⁾	73,510	7,913,249	-	1,950,000 ⁽³⁾
(II) Compensation from subsidiaries and affiliates												
-	Executives with strategic responsibilities ⁽¹⁾	-	-	3,840,851	-	6,802,512	-	721,966 ⁽²⁾	32,721	11,398,050	-	-
(III) Total				6,453,377	-	11,807,897	-	943,794 ⁽²⁾	106,231	19,311,299	-	1,950,000 ⁽³⁾

Notes:

- (1) The data set forth in the chart include all persons who, during the financial year 2018, held the role of Executive with Strategic Responsibilities (for an overall number of 12 positions).
- (2) Benefits related to (i) the company car awarded for mixed use (personal and business, on the basis of the value subject to pension contributions and taxes, as provided under the ACI tables); (ii) the insurance policies executed in favor of Executive with strategic responsibilities covering the risk of accidents that are not work-related; (iii) the contributions borne by Enel for the supplementary Pension Fund for the Group's executives; and (iv) the contributions borne by the companies belonging to the Group for Supplementary Healthcare Assistance (*Assistenza Sanitaria Integrativa*).
- (3) Severance indemnity paid in line with the criteria set forth under the national collective employment contract for executives of companies which produce goods and services.

Table 2: Monetary incentive plan for the members of the Board of Directors, for the General Manager and for the Executives with strategic responsibilities

The following chart sets forth compensations arising from the monetary incentive plans, on an accrual basis, for the members of the Board of Directors,

for the General Manager and for the Executives with strategic responsibilities, in compliance with Annex 3A, Table 7-bis, of Consob Issuers' Regulation.

A	B	(1)	(2)			(3)			(4)
Last name and first name	Office	Plan	Bonus for the year			Bonus for past years			Other bonuses
			(A)	(B)	(C)	(A)	(B)	(C)	
			Disbursable/Disbursed	Deferred	Deferral period	No longer disbursable	Disbursable/disbursed	Still deferred	
Francesco Starace	Chief Executive Officer / General Manager	MBO 2018	1,764,000	-	-	-	-	-	-
		LTI 2015	-	-	-	-	1,164,240 ⁽¹⁾	-	-
		LTI 2016	-	-	-	-	469,854	1,096,326 ⁽²⁾	-
A	B	(1)	(2)			(3)			(4)
Last name and first name	Office	Plan	Bonus for the years			Bonus for past years			Other bonuses
			(A)	(B)	(C)	(A)	(B)	(C)	
			Disbursable/Disbursed	Deferred	Deferral period	No longer disbursable	Disbursable/disbursed	Still deferred	
--	Executives with strategic responsibilities								
(I) Compensation in the company that drafts the financial statements		MBO 2018	1,963,650	-	-	-	-	-	-
		LTI 2015	-	-	-	-	1,956,772 ⁽³⁾	-	-
		LTI 2016	-	-	-	-	1,034,963	2,414,913 ⁽²⁾	-
(I) Sub-total			1,963,650	-	-	-	2,991,735	2,414,913	50,000
(II) Compensation from subsidiaries and affiliates		MBO 2018	3,049,037	-	-	-	-	-	-
		LTI 2015	-	-	-	-	2,458,471 ⁽³⁾	-	-
		LTI 2016	-	-	-	-	1,145,004	2,671,676 ⁽²⁾	-
(II) Sub-total			3,049,037	-	-	-	3,603,475	2,671,676	150,000
(III) Total			5,012,687	-	-	-	6,595,210	5,086,589	200,000

Notes:

- (1) Quota of the 2015 LTI Plan that will be paid in 2019 (for an amount equal to 70% of the final bonus, as provided by the 2015 LTI Plan Regulation). The final assessment of 2015 LTI Plan is resulted to be equal to 180% of the assigned base amount. The total bonus awarded for such Plan, therefore, is equal to Euro 1,663,200 of which 30%, equal to Euro 498,960 (already highlighted in the relevant chart of the remuneration report which illustrated the compensations for 2017), has been paid in 2018 and the remaining 70%, equal to Euro 1,164,240 (highlighted in the chart), payable in 2019.
- (2) Quota of the 2016 LTI Plan that will be paid in 2020 (for an amount equal to 70% of the final bonus, as provided by the 2016 LTI Plan Regulation).
- (3) Quota of the 2015 LTI Plan that will be paid in 2019 (for an amount equal to 70% of the final bonus, as provided by the 2015 LTI Plan Regulation). The final assessment of 2015 LTI Plan is resulted to be equal to 180% of the assigned base amount.

2.3. Shareholdings held by members of the Board of Directors, of the Board of Statutory Auditors, of the General Manager and of Executives with strategic responsibilities

The following chart sets forth the shares in Enel and its subsidiaries held by the members of the Board of Directors and of the Board of Statutory Auditors, by the General Manager and by Executives with strategic responsibilities, as well as by their spouses who are not legally separated and minor children, either directly or through subsidiaries, trusts or agents, as set

forth in the shareholders' ledger, based on the communications received and on the information gathered from the persons involved. The data related to the Executives with strategic responsibilities are provided on an aggregate basis, in compliance with Annex 3A, Table 7-ter, of Consob Issuers' Regulation.

The chart is filled out only with reference to the persons who held, during the 2018, shares in Enel or companies controlled by it, including those who were in office for a fraction of the year.

Last Name and First Name	Office	Company in which shares are held	Number of shares held at the end of 2017	Number of shares purchased in 2018	Number of shares sold in 2018	Number of shares held at the end of 2018	Title of possession
Members of the Board of Directors							
Starace Francesco	Chief Executive Officer/ General Manager	Enel S.p.A.	313,623 ⁽¹⁾	200,000 ⁽²⁾	135	513,488 ⁽³⁾	Ownership
		Endesa S.A.	10	-	-	10	Ownership
Calari Cesare	Director	Enel S.p.A.	4,104	-	-	4,104	Ownership
Girdinio Paola	Director	Enel S.p.A.	784 ⁽⁴⁾	-	-	784 ⁽⁴⁾	Ownership
Members of the Board of Statutory Auditors							
Tono Alfonso	Alternate Auditor	Enel S.p.A.	507	-	-	507	Ownership
Tutino Franco	Alternate Auditor	Enel S.p.A.	262 ⁽⁵⁾	-	262 ⁽⁵⁾	0	Ownership
Executives with strategic responsibilities							
No.12 positions	Executives with strategic responsibilities	Enel S.p.A.	171,276 ^{(6) (7)}	36,185 ⁽⁷⁾	-	207,461 ⁽⁸⁾	Ownership
		Endesa S.A.	4,884 ⁽⁹⁾	-	-	4,884	Ownership

⁽¹⁾ Of which 194,003 personally and 119,620 by his spouse.

⁽²⁾ Of which 100,000 personally and 100,000 by his spouse.

⁽³⁾ Of which 293,868 personally and 219,620 by his spouse.

⁽⁴⁾ Of which 392 personally and 392 by his spouse.

⁽⁵⁾ Shareholding entirely held by his spouse.

⁽⁶⁾ Of which 166,944 personally and 4,332 by the spouse.

⁽⁷⁾ Of which 33,185 personally and 3,000 by the spouse.

⁽⁸⁾ Of which 200,129 personally and 7,332 by the spouse.

⁽⁹⁾ It should be noted that the number of the shares is referred to the participations held at the end of 2017 by those who during 2018, also, for a fraction of the year, have been Executives with strategic responsibilities.