



**DIVERSITY POLICY OF
THE BOARD OF DIRECTORS OF ENEL S.P.A.**

**Document approved by the Board of Directors of Enel S.p.A.
on January 18, 2018**

Diversity Policy of the Board of Directors of Enel S.p.A.

Purpose

This Diversity Policy (hereinafter, the “**Policy**”), adopted by the Board of Directors of Enel S.p.A. (hereinafter, “**Enel**” or the “**Company**”) upon proposal of the Corporate Governance and Sustainability Committee and of the Nomination and Compensation Committee, describes the Board’s composition features deemed optimal for allowing it to discharge its tasks in the most effective way, taking decisions which may actually benefit from the contribution of a variety of qualified views so that the issues under discussion are considered from different perspectives.

This Policy is adopted pursuant to Article 123-*bis*, paragraph 2, letter d-*bis*) of Legislative Decree No. 58 of 24 February 1998 (hereinafter, “**Consolidated Financial Act**”).

Scope

The Policy exclusively refers to the composition of the Board of Directors of Enel. A separate policy is provided as to the composition of the Board of Statutory Auditors of the Company. A specific diversity and inclusion policy applies to the employees of the Enel Group.

Underlying principles

The Company’s Board of Directors acknowledges that diversity and inclusion are two key elements in the culture of a multinational Group such as Enel, which operates in over 30 countries worldwide. Specifically, the recognition of diversity as a key element of the business’ medium-long term sustainability represents a paradigm both for the employees of the Enel Group and for the members of Enel’s management and supervisory bodies.

Enel’s Board of Directors, having due regard for the role of the Shareholders in the designation and appointment of its members, wishes that in its composition is pursued an integration between different managerial and professional profiles, also international, and that the importance of a balanced gender representation is taken into account, together with the benefits that could stem from the presence of different ages and tenures.

Enel’s Board of Directors also regards as essential that a frank and cooperative atmosphere is achieved together with an inclusive environment, where each Director may fully express his/her potential and maximize his/her contribution.

In order to allow the effective participation of Directors in the Board’s and the Committees’

activities, the Company provides an adequate induction program as to the business sectors in which the Group operates, the proper risk management principles and the relevant legal framework.

Diversity aspects and objectives

Also taking into account the results of the board review process carried out every year pursuant to Art. 1.C.1, letter g) of the Italian Corporate Governance Code (hereinafter, the “**Corporate Governance Code**”), to which the Company abides, as to its composition Enel’s Board of Directors deems that:

- (i) the majority of Directors should be non-executive and meet the independence requirements provided for by the law and the Corporate Governance Code. Specifically, an optimal composition should see a majority of independent Directors;
- (ii) it is important to ensure that at least a third of the Board of Directors, both upon its election and during the term, is composed by Directors of the less represented gender, also after that the Italian statutory provisions on gender balance cease to be in force;
- (iii) the international profile of the Enel Group’s business should be taken into account, ensuring that at least a third of Directors have gained adequate experience internationally. International profile, assessed on the basis of the managerial, professional, academic or institutional activities carried out in an international context by each Director, is likewise considered important in order to prevent the standardization of opinions and groupthink;
- (iv) a balanced combination of tenure and ages should be ensured within the Board of Directors, in order to strike a balance between continuity and innovation needs in the management;
- (v) non-executive Directors should have managerial and/or professional and/or academic and/or institutional profiles such as to ensure a mix of different and complementary skills and experiences. Specifically:
 - a. the managerial profiles should have gained experience in managerial positions within industrial groups of significant size and/or complexity, should have business judgement skills and a high orientation to strategies and results;
 - b. the professional profiles should have gained experience in managerial positions in prominent professional or advisory firms or in other public or private

- organizations and should have carried out their professional activity with a particular focus on companies' business;
- c. the academic or institutional profiles should have skills which may be useful for pursuing the business of the Enel Group;
- (vi) considering the different roles performed by the Chairman and the Chief Executive Officer, they should have the most appropriate skills for the effective execution of their tasks. Specifically:
- a. the Chairman should be well-respected in order to ensure a fair and transparent leadership of the Board of Directors, where he/she has the task of fostering the creation of a strong team spirit and a strong feeling of cohesion, at the same time representing a guarantor for all Shareholders. He/she should also have a proper background on corporate governance and prior significant experiences, preferably with a leading role, in board of directors of listed companies with a significant complexity and/or size and international profile. He/she should have skills in economic-financial and legal matters, as well as experience and practice to manage strategic and specific business issues within the Board of Directors;
 - b. the Chief Executive Officer should be well-respected and have a recognized strategic vision and a deep knowledge of the energy market and of its evolution. He/she should have gained important and successful experiences as top manager of listed companies of significant complexity and/or size and international profile, as well as have significant knowledge in the economic-financial field. He should also have a recognized leadership and a management approach oriented and driven to creating a team spirit between colleagues.

Where the abovementioned diversity aspects set out quantitative targets as to the composition of the Board of Directors, if the specified quota corresponds to a fractional number, this shall be rounded up to the nearest integer.

In order to allow Enel's Board of Directors to most effectively carry out its tasks, in addition to the abovementioned diversity aspects it is deemed essential that all Directors devote the amount of time necessary to perform their duties diligently, taking into account both the number and nature of the offices they hold on management and supervisory bodies of other companies and the commitment required by other functions or professional activities they carry out and the offices they hold in associations. In this respect, Directors abide by the specific Guidelines adopted by the Board of Directors.

Steps for implementation of the Policy

Due to Enel's ownership structure, the Board of Directors has so far preferred to abstain from submitting its own slate of candidates upon its renewals, since no difficulties for Shareholders in filing slates of candidates have been registered.

Accordingly, this Policy primarily intends to guide the submission of candidacies by the Shareholders upon renewal of the entire Board of Directors, then ensuring an adequate consideration of the benefits deriving from a balanced composition of the Board, in line with the abovementioned diversity aspects.

This Policy will be taken into account by the Nomination and Compensation Committee whenever it is called upon to propose candidates for the office of Director to the Board of Directors, considering the suggestions that may be made by the Shareholders, in the following circumstances indicated in its Organizational Regulations:

- (i) in case of co-optation, should it be necessary to replace independent Directors;
- (ii) in the event, when a new Board is being elected, it is foreseen that it is not possible to obtain the number of Directors required from the slates presented by the Shareholders, so that the outgoing Board can express candidates to submit to the Shareholders' Meeting;
- (iii) in the event, when a new Board of Directors is being elected, the outgoing Board decides to avail itself of the right provided for by the corporate Bylaws to present a slate of its own;
- (iv) in the event, in the event of early cessation of the Chief Executive Officer before the expiry of the ordinary term of office, the Nomination and Compensation Committee is called upon to propose to the Board of Directors, together with the Corporate Governance and Sustainability Committee, the identification of the new Chief Executive Officer, taking into account any instruction arising from the Shareholders from whose slate the Chief Executive Officer that has terminated its office in advance has been drawn.

Monitoring and updating of the Policy

Enel's Board of Directors, with the support of the Corporate Governance and Sustainability Committee and of the Nomination and Compensation Committee, is responsible for the monitoring of the results of the implementation of this Policy and of the updating thereof.

A description of the results of the implementation of this Policy is contained in the report on corporate governance and ownership structure provided for by Article 123-*bis* of the Consolidated Financial Act.