



05

Reports



Report of the Board of Auditors to the Shareholders' Meeting of Enel SpA

Report of the Board of Auditors to the shareholders' meeting of Enel SpA called to approve the financial statements for 2017 (pursuant to Article 153 of Legislative Decree 58/1998)

Shareholders,

During the year ended December 31, 2017 we performed the oversight activities envisaged by law at Enel SpA (hereinafter also "Enel" or the "company"). In particular, pursuant to the provisions of Article 149, paragraph 1, of Legislative Decree 58 of February 24, 1998 (hereinafter the "Consolidated Law on Financial Intermediation") and Article 19, paragraph 1 of Legislative Decree 39 of January 27, 2010, as amended by Legislative Decree 135 of July 17, 2016 (hereinafter "Decree 39/2010"), we monitored:

- > compliance with the law and the corporate bylaws as well as compliance with the principles of sound administration in the performance of the company's business;
- > the company's financial reporting process and the adequacy of the administrative and accounting system, as well as the reliability of the latter in representing operational events;
- > the statutory audit of the annual statutory and consolidated accounts and the independence of the audit firm;
- > the adequacy and effectiveness of the internal control and risk management system;
- > the adequacy of the organizational structure of the company, within the scope of our responsibilities;
- > the implementation of the corporate governance rules as provided for by the Corporate Governance Code for Listed Companies (hereinafter, the "Corporate Governance Code"), which the company has adopted;
- > the appropriateness of the instructions given by the company to its subsidiaries to enable Enel to meet statutory public disclosure requirements.

In performing our checks and assessments of the above issues, we did not find any particular issues to report.

In compliance with the instructions issued by CONSOB with Communication DEM/1025564 of April 6, 2001, as amended, we report the following:

- > we monitored compliance with the law and the bylaws and we have no issues to report;
- > on a quarterly basis, we received adequate information from the Chief Executive Officer, as well as through our participation in the meetings of the Board of Directors of Enel, on activities performed, general developments in operations and the outlook, and on transactions with the most significant impact on performance or the financial position carried out by the company and its subsidiaries. We report that the actions approved and implemented were in compliance with the law and the bylaws and were not manifestly imprudent, risky, in potential conflict of interest or in contrast with the resolutions of the Shareholders' Meeting or otherwise prejudicial to the integrity of the company's assets. For a discussion of the features of the most significant transactions, please see the Report on Operations accompanying the separate financial statements of the company and the consolidated financial statements of the Enel Group for 2017 (in the section "Significant events in 2017");
- > we did not find any atypical or unusual transactions conducted with third parties, Group companies or other related parties;
- > in the section "Related parties" of the notes to the separate 2017 financial statements of the company, the directors describe the main transactions with related parties – the latter being identified on the basis of international accounting standards and the instructions of CONSOB – carried out by the company, to which readers may refer for details on the transactions and their financial impact. They also detail the procedures adopted to ensure that related-party transactions are carried out in accordance with the principles of transparency and procedural and substantive fairness. The transactions were carried out in compliance with the approval and execution processes set out in the related procedure – adopted in compliance with the provisions of Article 2391-*bis* of the Italian Civil Code and the implementing regulations issued by CONSOB – described in the Report on Corporate Governance and Ownership Structure for 2017. All transactions with related parties reported in the notes to the separate 2017 financial statements of the company were executed as part of ordinary operations in the interest of the company and settled on market terms and conditions;
- > the company declares that it has prepared its statutory financial statements for 2017 on the basis of international ac-

counting standards (IAS/IFRS) – and the interpretations issued by the IFRIC and the SIC – endorsed by the European Union pursuant to Regulation 2002/1606/EC and in force at the close of 2017, as well as the provisions of Legislative Decree 38 of February 28, 2005 and its related implementing measures, as it did the previous year. The company's separate financial statements for 2017 have been prepared on a going-concern basis using the cost method, with the exception of items that are measured at fair value under the IFRS-EU, as indicated in the accounting policies for the individual items of the consolidated financial statements. The notes to the company's separate financial statements also refer readers to the consolidated financial statements for information on the accounting standards and measurement criteria adopted, with the exception of equity investments in subsidiaries, associates and joint ventures, which are carried in the company's separate financial statements at purchase costs adjusted for any impairment losses. The notes to the company's separate financial statements also refer readers to the consolidated financial statements for information on recently issued accounting standards. The separate financial statements for 2017 of the company underwent the statutory audit by the audit firm, EY SpA, which issued an unqualified opinion, including with regard to the consistency of the Report on operations and certain information in the Report on Corporate Governance and Ownership Structure with the financial statements, as well as the compliance of the Report on Operations with the provisions of law, pursuant to Article 14 of Decree 39/2010 and Article 10 of Regulation 2014/537/EU. The report of EY SpA also includes:

- a discussion of key aspects of the audit report on the company's financial statements; and
 - the declaration provided pursuant to Article 14, paragraph 2(e) of Decree 39/2010 stating that the audit firm did not identify any significant errors in the contents of the Report on operations;
- > the company declares that it has also prepared the consolidated financial statements of the Enel Group for 2017 on the basis of international accounting standards (IAS/IFRS) – and the interpretations issued by the IFRIC and the SIC – endorsed by the European Union pursuant to Regulation 2002/1606/EC and in force at the close of 2017, as well as the provisions of Legislative Decree 38 of February 28, 2005 and its related implementing measures, as it did the previous year. The 2017 consolidated financial statements of the Enel Group are also prepared on a going-concern basis using the cost method, with the exception of items that are measured at fair value under the IFRS-EU (as indicated in the discussion of measurement criteria for the individual items) and non-current assets (or disposal groups) classified as held for sale, which are measured at the lower of carrying amount and fair value less costs to sell. The notes to the consolidated financial statements provide a detailed discussion of the accounting standards and measurement criteria adopted. As regards recently issued accounting standards, the notes to the consolidated financial statements discuss (i) new standards applied in 2017, which according to the notes did not have a material impact in the year under review; and (ii) standards that will apply in the future. The consolidated financial statements for 2017 of the Enel Group underwent statutory audit by the audit firm EY SpA, which issued an unqualified opinion, including with regard to the consistency of the Report on operations and certain information in the Report on Corporate Governance and Ownership Structure with the financial statements, as well as the compliance of the Report on operations with the provisions of law, pursuant to Article 14 of Decree 39/2010 and Article 10 of Regulation 2014/537/EU. The report of EY SpA also includes:
- a discussion of key aspects of the audit report on the consolidated financial statements; and
 - the declaration provided pursuant to Article 14, paragraph 2(e) of Decree 39/2010 and Article 4 of CONSOB Regulation 20267 (implementing Legislative Decree 254 of December 30, 2016) concerning, respectively, a statement that the audit firm did not identify any significant errors in the contents of the Report on operations and that it verified that the Board of Directors had approved the non-financial statement.

Under the terms of its engagement, EY SpA also issued unqualified opinions on the financial statements for 2017 of the most significant Italian companies of the Enel Group. Moreover, during periodic meetings with the representatives of the audit firm, EY SpA, the latter did not raise any issues concerning the reporting packages of the main foreign companies of the Enel Group, selected by the auditors on the basis of the work plan established for the auditing of the consolidated financial statements of the Enel Group, that would have a sufficiently material impact to be reported in the opinion on those financial statements;

- > taking due account of the recommendations of the European Securities and Markets Authority issued on January 21, 2013, and most recently confirmed with the Public Statement of October 27, 2015, to ensure greater transparency concerning the methods used by listed companies in testing goodwill for impairment, in line with the recommendations

contained in the joint Bank of Italy - CONSOB - ISVAP document 4 of March 3, 2010, and in the light of indications of CONSOB in its Communication 7780 of January 28, 2016, the compliance of the impairment testing procedure with the provisions of IAS 36 was expressly approved by the Board of Directors of the company, having obtained a favorable opinion in this regard from the Control and Risk Committee in March 2018, i.e. prior to the date of approval of the financial statements for 2017;

- > we examined the Board of Directors' proposal for the allocation of net income for 2017 and the distribution of available reserves and have no comments in this regard;
- > we note that the Board of Directors of the company certified, following appropriate checks by the Control and Risk Committee and the Board of Auditors in March 2018, that as at the date on which the 2017 financial statements were approved, the Enel Group continued to meet the conditions established by CONSOB (set out in Article 15 of the Market Rules, approved with Resolution 20249 of December 28, 2017) concerning the accounting transparency and adequacy of the organizational structures and internal control systems that subsidiaries established and regulated under the law of non-EU countries must comply with so that Enel shares can continue to be listed on regulated markets in Italy;
- > we monitored, within the scope of our responsibilities, the adequacy of the organizational structure of the company (and the Enel Group as a whole), obtaining information from department heads and in meetings with the boards of auditors or equivalent bodies of a number of the main Enel Group companies in Italy and abroad, for the purpose of the reciprocal exchange of material information. As from the second Half of 2014, the organizational structure of the Enel Group is based on a matrix of Global Business Lines and geographical areas. Taking account of the changes implemented in 2017, it is organized into: (i) Global Business Lines, which are responsible for managing and developing assets, optimizing their performance and the return on capital employed in the various geographical areas in which the Group operates. The Global Business Lines are: Infrastructure and Networks, Renewable Energy, Thermal Generation, Trading and E-Solutions; (ii) Regions and Countries, which are responsible for managing relationships with local institutional bodies, regulatory authorities and the media, as well as the development of the customer base with regard to the sale of electricity and gas, in each of the countries in which the Group is present, while also providing staff and other service support to the Global Business Lines. Regions and Countries comprise: Italy, Iberia, Europe and North Africa, South America, North and Central America, and Sub-Saharan Africa and Asia; (iii) Global service functions, which are responsible for managing information and communication technology activities and procurement at the Group level; and (iv) Holding company functions, which are responsible for managing governance processes at the Group level. They include: Administration, Finance and Control, Human Resources and Organization, Communications, Legal and Corporate Affairs, Audit, European Affairs, and Innovation and Sustainability. The Board of Auditors feels that the organizational system described above is adequate to support the strategic development of the company and the Enel Group and is consistent with control requirements;
- > during meetings with the boards of auditors or equivalent bodies of a number of the Group's main companies in Italy and abroad, no material issues emerged that would require reporting here;
- > we monitored the independence of the audit firm EY SpA, having received from them specific written confirmation today that they met that requirement (pursuant to the provisions of Article 6, paragraph 2(a), of Regulation 2014/ 537/EU) and having discussed the substance of that declaration with the audit partner. In this regard, we also monitored – as provided for under Article 19, paragraph 1(e), of Decree 39/2010 – the nature and the scale of non-audit services provided to the company and other Enel Group companies by EY SpA and the entities belonging to its network, the fees for which are reported in the notes to the financial statements of the company. Following our examinations, the Board of Auditors feels that there are no critical issues concerning the independence of the audit firm EY SpA. We held periodic meetings with the representatives of the audit firm, pursuant to Article 150, paragraph 3, of the Consolidated Law on Financial Intermediation, and no material issues emerged that would require mention in this report.

As regards the provisions of Article 11 of Regulation 2014/537/EU, EY SpA today provided the Board of Auditors with the "additional report" for 2017 on the results of the statutory audit carried out, which indicates no significant difficulties encountered during the audit or any significant shortcomings in the internal control system for financial reporting or the Enel accounting system. The Board of Auditors then transmitted that report to the Board of Directors, in accordance with Article 19, paragraph 1(a), of Decree 39/2010.

The audit firm also reported that it did not prepare any management letter for 2017;

- > we monitored the financial reporting process, the appropriateness of the administrative and accounting system and its reliability in representing operational events, as well as compliance with the principles of sound administration in the performance of the company's business and we have no comments in that regard. We conducted our checks by obtaining information from the head of the Administration, Finance and Control department (taking due account of the head's role as the officer responsible for the preparation of the company's financial reports), examining company documentation and analyzing the findings of the examination performed by EY SpA. The Chief Executive Officer and the officer responsible for the preparation of the financial reports of Enel issued a statement (regarding the company's 2017 financial statements) certifying (i) the appropriateness with respect to the characteristics of the company and the effective adoption of the administrative and accounting procedures used in the preparation of the financial statements; (ii) the compliance of the content of the financial reports with international accounting standards endorsed by the European Union pursuant to Regulation 2002/1606/EC; (iii) the correspondence of the financial statements with the information in the books and other accounting records and their ability to provide a true and fair representation of the performance and financial position of the company; and (iv) that the Report on operations accompanying the financial statements contains a reliable analysis of operations and performance, as well as the situation of the issuer, together with a description of the main risks and uncertainties to which it is exposed. The statement also affirmed that the appropriateness of the administrative and accounting procedures used in the preparation of the financial statements of the company had been verified in an assessment of the internal control system for financial reporting (supported by the findings of the independent testing performed by a qualified external advisor and the company's Audit department, with each focusing on their respective areas of responsibility on the basis of the different nature of the various checks) and that the assessment of the internal control system did not identify any material issues. An analogous statement was prepared for the consolidated financial statements for 2017 of the Enel Group;
- > we monitored the adequacy and effectiveness of the internal control system, primarily through periodic meetings with the head of the Audit department of the company and holding most of the meetings jointly with the Control and Risk Committee as well as with the participation of all members of the Board of Auditors in the sole meeting of the Control and Risk Committee not held jointly with the Board of Auditors. In the light of our examination and in the absence of significant issues, the internal control and risk management system can be considered adequate and effective. In February 2018, the Board of Directors of the company expressed an analogous assessment of the situation and also noted, in November 2017, that the main risks associated with the strategic targets set out in the 2018-2022 Business Plan were compatible with the management of the company in a manner consistent with those targets;
- > in 2017 we received numerous complaints, most of which based on press reports, from a single shareholder holding one share concerning 11 events deemed censurable by that shareholder pursuant to Article 2408 of the Italian Civil Code. In this regard, the Board of Auditors, having conducted appropriate enquiries with the support of the Audit department and the competent company units, found no irregularities to report and notified the shareholder of our findings. No petitions were received by the Board of Auditors during 2017;
- > we monitored the effective implementation of the Corporate Governance Code, which the company has adopted, verifying the compliance of Enel's governance arrangements with the recommendations of the Code. Detailed information on the company's corporate governance system can be found in the Report on Corporate Governance and Ownership Structure for 2017. In March and June 2017 and March 2018, the Board of Auditors verified that the Board of Directors, in evaluating the independence of non-executive directors, correctly applied the assessment criteria specified in the Corporate Governance Code and the principle of the priority of substance over form set out in that Code, adopting a transparent procedure, the details of which are discussed in the Report on Corporate Governance and Ownership Structure for 2017. In March and September 2017 and March 2018, the Board of Auditors conducted a "self-assessment" of the independence of its members. On those occasions, the Board of Auditors verified that the Chairman Sergio Duca and the standing auditor Romina Guglielmetti met the independence requirements established by the Consolidated Law on Financial Intermediation and the Corporate Governance Code with regard to directors. In September 2017 and March 2018, the Board of Auditors found that the standing auditor Roberto Mazzei, while no longer meeting the independence requirements provided for in the Corporate Governance Code for directors (following the hiring of a close family member as head of the "Global Brand and Advertising Management" unit within Enel's Communications department), continues

to meet the independence requirements of the Consolidated Law on Financial Intermediation with regard to the members of the boards of auditors of listed companies;

- > we monitored the first-time adoption of the provisions of Legislative Decree 254 of December 30, 2016 (hereinafter “Decree 254”) concerning the disclosure of non-financial and diversity information by certain large undertakings and groups. In performing that activity, we monitored the adequacy of the organizational, administrative, reporting and control system established by the company in order to enable the accurate representation in the consolidated non-financial statement for 2017 of the activity of the Enel Group, its results and its impacts in the non-financial areas referred to in Article 3, paragraph 1, of Decree 254, and have no comments in this regard. The audit firm, EY SpA, issued, pursuant to Article 3, paragraph 10, of Decree 254 and Article 5 of CONSOB Regulation 20267 of January 18, 2018, its certification of the conformity of the information provided in the consolidated non-financial statement with the requirements of applicable law;
- > since the listing of its shares, the company has adopted specific rules (most recently amended in March 2017) for the internal management and processing of confidential information, which also set out the procedures for the disclosure of documentation and information concerning the company and the Group, with specific regard to inside information. Those rules (which can be consulted on the corporate website) contain appropriate provisions directed at subsidiaries to enable Enel to comply with statutory public disclosure requirements, pursuant to Article 114, paragraph 2, of the Consolidated Law on Financial Intermediation;
- > in 2002 the company also adopted (and has subsequently updated) a Code of Ethics (also available on the corporate website) that expresses the commitments and ethical responsibilities involved in the conduct of business, regulating and harmonizing corporate conduct in accordance with standards of maximum transparency and fairness with respect to all stakeholders;
- > with regard to the provisions of Legislative Decree 231 of June 8, 2001 – which introduced into Italian law a system of administrative (in fact criminal) liability for companies for certain types of offences committed by its directors, managers or employees on behalf of or to the benefit of the company – since July 2002 Enel has adopted a compliance program consisting of a “general part” and various “special parts” concerning the different offences specified by Legislative Decree 231/2001 that the program is intended to prevent. For a description of the manner in which the model has been adapted to the characteristics of the various Italian companies of the Group, as well as a description of the purposes of the “Enel Global Compliance Program” for the Group’s foreign companies, please see the Report on Corporate Governance and Ownership Structure for 2017.

The structure that monitors the operation and compliance with the program and is responsible for updating it (hereinafter, “the Supervisory Body”) is a collegial body. In 2017 it was composed of three external members with specific professional expertise on corporate organization matters, and the heads of the Audit and Legal and Corporate Affairs departments. In December 2017, the Board of Directors of the company changed the overall number of members of the Supervisory Body to three in the light of the request of the heads of the Audit and Legal and Corporate Affairs departments to resign as members of that body in order to further enhance the role of the external members with a view to ensuring the full autonomy and independence of the body’s activity. The Board of Auditors received adequate information on the main activities carried out in 2017 by the Supervisory Body, including in meetings with the members of that body. Our examination of those activities found no facts or situations that would require mention in this report;

- > in 2017, the Board of Auditors issued the following opinions:
 - a favorable opinion at the meeting of January 30, 2017, concerning the 2017 Audit Plan in accordance with the provisions of Article 7.C.1, letter c) of the Corporate Governance Code, preliminary to the resolutions pertaining to the Board of Directors in that regard;
 - a favorable opinion at the meeting of July 13, 2017, pursuant to Article 2389, paragraph 3, of the Italian Civil Code, concerning the level of the remuneration of the members of the various committees established within the Board of Directors following the appointment of the latter body by the Shareholders’ Meeting of May 4, 2017;
 - a favorable opinion at the meeting of July 13, 2017 on the attendance fees paid to the magistrate of the State Audit Court delegated to monitor the finance operations of Enel for participating in the meetings of the corporate bodies;
 - a favorable opinion at the meeting of November 8, 2017, pursuant to Article 2389, paragraph 3, of the Italian Civil Code, concerning the remuneration and job conditions of the Chairman of the Board and the Chief Executive Officer/

General Manager during the 2017-2019 term;

- a favorable opinion at the meeting of November 8, 2017, on the findings of the audit firm, EY SpA, in its report on the major issues that arose in the statutory audit in 2016, in accordance with the provisions of Article 7.C.1, letter e) of the Corporate Governance Code, preliminary to the assessments pertaining to the Board of Directors in that regard;
- > a report on the fixed and variable compensation accrued by those who served as Chairman of the Board of Directors, Chief Executive Officer/General Manager and other directors in 2017 for their respective positions and any compensation instruments awarded to them will be contained in the Remuneration Report referred to in Article 123-ter of the Consolidated Law on Financial Intermediation (on the basis of the draft of that document made available to the Board of Auditors), which will be submitted for the approval of the Board of Directors, acting on a proposal of the Nomination and Compensation Committee, and published in compliance with the time limits established by law. The design of these compensation instruments is in line with best practices, complying with the principle of establishing a link with appropriate financial and non-financial performance targets and pursuing the creation of shareholder value over the medium and long term. The proposals to the Board of Directors concerning such forms of compensation and the determination of the associated parameters were prepared by the Nomination and Compensation Committee, which is made up entirely of independent directors, drawing on the findings of benchmarking analyses, including at the international level, conducted by an independent consulting firm. Finally, the Remuneration Report referred to in Article 123-ter of the Consolidated Law on Financial Intermediation will contain, in compliance with the applicable CONSOB regulations, specific disclosures on the remuneration earned in 2017 by key management personnel.

The Board of Auditors' oversight activity in 2017 was carried out in 22 meetings (14 of which held jointly with the Control and Risk Committee) and with participation in the 15 meetings of the Board of Directors, and, together or through the Chairman, in the sole meeting of the Control and Risk Committee not held jointly with the Board of Auditors, in the 8 meetings of the Nomination and Compensation Committee, in the 4 meetings of the Related Parties Committee and in the 8 meetings of the Corporate Governance and Sustainability Committee. The delegated magistrate of the State Audit Court participated in the meetings of the Board of Auditors and those of the Board of Directors.

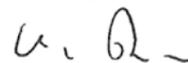
During the course of this activity and on the basis of information obtained from EY SpA, no omissions, censurable facts, irregularities or other significant developments were found that would require reporting to the regulatory authorities or mention in this report.

Based on the oversight activity performed and the information exchanged with the independent auditors EY SpA, we recommend that you approve the company's financial statements for the year ended December 31, 2017 in conformity with the proposals of the Board of Directors.

Rome, April 17, 2018

The Board of Auditors

Chairman
Sergio Duca



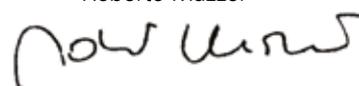
Auditor

Romina Guglielmetti



Auditor

Roberto Mazzei



Report of the independent audit firm on the 2017 financial statements of Enel SpA

Independent auditor's report pursuant to article 14 of Legislative Decree n. 39, dated 27 January 2010 and article 10 of EU Regulation n. 537/2014 (Translation from the original Italian text)

To the Shareholders of
Enel S.p.A.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Enel S.p.A. (the Company), which comprise the balance sheet as at December 31, 2017, and the statement of income, the statement of comprehensive income, the statement of changes in shareholders' equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at December 31, 2017, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with the regulations issued for implementing art. 9 of Legislative Decree n. 38/2005.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the regulations and standards on ethics and independence applicable to audits of financial statements under Italian Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We identified the following key audit matters:

Key Audit Matter	Audit Response
<p>Recoverability of equity investments</p> <p>The financial statements as of December 31, 2017 include within non-current assets equity investments for Euro 42.811 million. The Directors annually assess for impairment indicators each equity investment, consistent with the strategy for managing legal entities within the Group and, if such indicators exist, perform an impairment test on these assets.</p> <p>The processes and methodologies implemented for determining the recoverable amount of each equity investment are based on complex assumptions which, due to their nature, require the Directors to exercise their judgment. Such judgment relates, primarily, to the identification of impairment indicators, the cash flow projections deriving from the Industrial Plan 2018-2022 and the determination of the long-term growth rates and the discount rates applied to such projections.</p> <p>The disclosures related to the impairment of equity investments are included in Note 2. “Accounting policies and measurement criteria - Recoverability of equity investments” and Note 13. “Equity Investments”.</p>	<p>Our audit procedures in response to this Key Audit Matter included, among others:</p> <ul style="list-style-type: none"> • Assessment of the impairment process for equity investments and related controls implemented by the Company; • Assessment of the criteria adopted to identify impairment indicators; • Assessment of the key assumptions underlying the Industrial Plan 2018-2022 and future cash flows, including the comparison with industry data and forecasts; • Assessment of the consistency of the cash flow projections for each equity investment with the Industrial Plan 2018-2022; • Assessment of the management’s ability to make accurate projections, through the comparison of the actual results with the previous forecasts. <p>In performing our procedures we engaged our valuation experts in order to verify the methodologies used in the process, the mathematical accuracy of the model, the reasonableness of the long-term growth rates and the discount rates.</p> <p>Lastly, we reviewed the adequacy of the disclosures provided in the notes to the financial statements relating this Key Audit Matter.</p>

Responsibilities of Directors and Those Charged with Governance for the Financial Statements

The Directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and with the regulations issued for implementing art. 9 of Legislative Decree n. 38/2005, and, within the terms provided by the law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Directors are responsible for assessing the Company's ability to continue as a going concern and, when preparing the financial statements, for the appropriateness of the going concern assumption, and for appropriate disclosure thereof. The Directors prepare the financial statements on a going concern basis unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The statutory audit committee ("Collegio Sindacale") is responsible, within the terms provided by the law, for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we have exercised professional judgment and maintained professional skepticism throughout the audit. In addition:

- we have identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- we have obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- we have evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- we have concluded on the appropriateness of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to consider this matter in forming our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- we have evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We have communicated with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We have provided those charged with governance with a statement that we have complied with the ethical and independence requirements applicable in Italy, and we have communicated with them all matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we have determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We have described these matters in our auditor's report.

Additional information pursuant to article 10 of EU Regulation n. 537/14

The shareholders of Enel S.p.A., in the general meeting held on April 27, 2011, engaged us to perform the audits of the financial statements for each of the years ending December 31, 2011 to December 31, 2019.

We declare that we have not provided prohibited non-audit services, referred to article 5, par. 1, of EU Regulation n. 537/2014, and that we have remained independent of the Company in conducting the audit.

We confirm that the opinion on the financial statements included in this report is consistent with the content of the additional report to the audit committee (Collegio Sindacale) in their capacity as audit committee, prepared pursuant to article 11 of the EU Regulation n. 537/2014.

Report on compliance with other legal and regulatory requirements

Opinion pursuant to article 14, paragraph 2, subparagraph e) of Legislative Decree n. 39 dated 27 January 2010 and of article 123-bis, paragraph 4 of Legislative Decree n. 58, dated 24 February 1998

The Directors of Enel S.p.A. are responsible for the preparation of the Report on Operations and of the Report on Corporate Governance and Ownership Structure of Enel S.p.A. as at December 31, 2017, including their consistency with the related financial statements and their compliance with the applicable laws and regulations.

We have performed the procedures required under audit standard (SA Italia) n. 720B, in order to express an opinion on the consistency of the Report on Operations and of specific information included in the Report on Corporate Governance and Ownership Structure as provided for by article 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998, with the financial statements of Enel S.p.A. as at December 31, 2017 and on their compliance with the applicable laws and regulations, and in order to assess whether they contain material misstatements.



In our opinion, the Report on Operations and the above mentioned specific information included in the Report on Corporate Governance and Ownership Structure are consistent with the financial statements of Enel S.p.A. as at December 31, 2017 and comply with the applicable laws and regulations.

With reference to the statement required by art. 14, paragraph 2, subparagraph e) of Legislative Decree n. 39, dated 27 January 2010, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have no matters to report.

Statement pursuant to article 4 of Consob Regulation implementing Legislative Decree n. 254, dated 30 December 2016

The Directors of Enel S.p.A. are responsible for the preparation of the non-financial information pursuant to Legislative Decree n. 254, dated 30 December 2016. We have verified that non-financial information have been approved by Directors.

Pursuant to article 3, paragraph 10, of Legislative Decree n. 254, dated 30 December 2016, such non-financial information are subject to a separate compliance report signed by us.

Rome, April 17, 2018

EY S.p.A.
Signed by: Massimo Antonelli, partner

This report has been translated into the English language solely for the convenience of international readers.

Report of the independent audit firm on the 2017 consolidated financial statements of the Enel Group

Independent auditor's report pursuant to article 14 of Legislative Decree n. 39, dated 27 January 2010 and article 10 of EU Regulation n. 537/2014
(Translation from the original Italian text)

To the Shareholders of
Enel S.p.A.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of the Enel Group (the Group), which comprise the balance sheet as at December 31, 2017, the income statement, the statement of comprehensive income, the statement of changes in shareholders' equity, the statement of cash flows for the year then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at December 31, 2017, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with the regulations issued for implementing art. 9 of Legislative Decree n. 38/2005.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of Enel S.p.A. in accordance with the regulations and standards on ethics and independence applicable to audits of financial statements under Italian Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We identified the following key audit matters:

Key Audit Matter	Audit Response
<p>Recoverability of non-current assets</p> <p>The consolidated financial statements include, within the non-current assets balance, Property, Plant and Equipment for Euro 74.937 million, Intangible Assets for Euro 16.724 million and Goodwill for Euro 13.746 million.</p> <p>The Directors tested for impairment the carrying values of the Cash Generating Units (CGUs) as of the balance sheet date, which include goodwill, intangible assets with indefinite useful lives and other non-current assets where indication of impairment were noted.</p> <p>The process adopted by management and the methodologies for assessing and determining the recoverable amount of each CGU are sometimes based on complex assumptions which, due to their nature, require the Directors to exercise their judgment. Such a judgment relates, primarily, to the cash flow projections deriving from the Industrial Plan 2018-2022 as well as from the determination of the long-term growth rates and the discount rates applied to these projections.</p> <p>In relation to the above, the key assumptions made by the Directors relate to future economic trends, including future trends of the electricity and gas demand and the related expected prices, the availability of renewable resources as well as certain assumptions such as inflation, exchange and interest rates.</p> <p>Because of the judgment required and the complexity of assumptions used to estimate the recoverable amount of the non-current assets, we identified this area as a Key Audit Matter.</p> <p>The disclosures related to the impairment of non-current assets are included in Note 2. “Accounting policies and measurement criteria - Recoverability of non-current assets”, Note 15. “Property, Plant and Equipment” and Note 20. “Goodwill”.</p>	<p>Our audit procedures in response to this Key Audit Matter included, among others:</p> <ul style="list-style-type: none"> • Assessment of the impairment process of non-current assets and related controls implemented by the Group; • Assessment of the criteria adopted to identify the CGUs and the reconciliation of their carrying amounts to the consolidated financial statements; • Assessment of the key assumptions underlying the Industrial Plan 2018-2022 and relevant future cash flows, including the comparison with industry data and forecasts; • Assessment of the consistency of the cash flow projections for each CGU with the Industrial Plan 2018-2022; • Assessment of the management’s ability to make accurate projections, through the comparison of the actual results with the previous forecasts. <p>In performing our procedures we engaged our valuation experts in order to verify the methodologies used in the process, the mathematical accuracy of the model, the reasonableness of the long-term growth rates and the discount rates as well as the results of the sensitivity analysis performed by the management.</p> <p>Lastly, we reviewed the adequacy of the disclosures provided in the notes to the financial statements relating this Key Audit Matter.</p>

Key Audit Matter	Audit Response
<p data-bbox="193 405 794 465">Revenues from unbilled sale of electricity and gas</p> <p data-bbox="193 533 794 974">Revenues from sales of electricity and gas to retail customers are recognized upon delivery and include, in addition to amounts invoiced based on periodic meter readings or on the volumes notified by distributors and transporters, an estimate of the electricity and gas delivered during the year but not yet invoiced. Revenues accrued between the date of the last meter reading and year-end are based on estimates of the daily consumption of customers, primarily determined on their historical information, adjusted to reflect the climate factors or other matters that may affect the estimated consumption.</p> <p data-bbox="193 1010 794 1133">Because of the complexity of assumptions used to estimate the revenues from unbilled sale of electricity and gas, we identified this area as a Key Audit Matter.</p> <p data-bbox="193 1169 794 1326">The disclosures related to the revenues from unbilled sale of electricity and gas are included in Note 2. “Accounting policies and measurement criteria – Use of estimates – Revenue Recognition”.</p>	<p data-bbox="831 533 1423 593">Our audit procedures in response to this Key Audit Matter included, among others:</p> <ul data-bbox="831 600 1423 1171" style="list-style-type: none"> <li data-bbox="831 600 1423 779">• assessment of the process related to the recognition of revenues from sales of electricity and gas and related key controls, including Information Technology controls, implemented by the entities within the Group; <li data-bbox="831 786 1423 909">• assessment of the algorithms and data in the ERP systems of such Group entities, also with the support of our Information Technology specialists; <li data-bbox="831 916 1423 1106">• testing of a sample of data used by management to determine the accrued revenues, including, whenever applicable, the comparison of quantities entered into the network as made available by transporters and distributors; <li data-bbox="831 1113 1423 1171">• look-back analysis of prior estimates against actual data subsequently reported. <p data-bbox="831 1207 1423 1296">Lastly, we reviewed the adequacy of the disclosures provided in the notes to the financial statements relating this Key Audit Matter.</p>

Key Audit Matter

Audit Response

Legal proceedings

The Group is involved in several civil, administrative and tax disputes arising from the normal course of business, for which final outcomes cannot be easily predicted and could potentially result in significant liabilities. The assessment of the risks associated with the litigations is based on complex assumptions, which, by their nature, require the use of the Directors' judgment. Such judgment relates, primarily, to the assessment of the uncertainties connected to the prediction of the outcome of the proceedings and to the adequacy of the disclosures in the financial statements; it is also based on the assessment made by internal and external legal counsels.

Because of the judgment required, the materiality of such litigations and the complexity of the assessment process, we identified this area as a Key Audit Matter.

The disclosures related to legal proceedings are included in Note 2. "Accounting policies and measurement criteria – Use of estimates – Litigation" and Note 49. "Contingent liabilities and assets".

Our audit procedures in response to this Key Audit Matter included, among others:

- assessment of the process and relevant controls implemented to identify legal and tax litigations, and pending administrative proceedings;
- assessment of the assumptions used in the valuation of potential legal and tax risks performed by the legal and tax departments within the Group;
- inquiry with the legal and tax departments regarding the status of the most significant disputes and inspection of the key relevant documentation, also with the support of our tax and legal experts;
- analysis of the external confirmations received from the external legal and tax counsels assisting the Group entities involved in such disputes, and assessment of the consistency of the information obtained with the risk assessment performed by management and the legal and tax departments.

Lastly, we reviewed the adequacy of the disclosures provided in the notes to the financial statements relating to this Key Audit Matter.

Key Audit Matter	Audit Response
<p data-bbox="193 405 794 465">Impact of the first time adoption of IFRS 15 “Revenue from contracts with customers”</p> <p data-bbox="193 499 794 1585">Effective January 1, 2018, the Group adopted the international accounting standard IFRS 15 “Revenue from contracts with customers”. The new standard introduces, among others, a new framework for the recognition and measurement of revenues based on the transfer of the control over goods and services to the clients for an amount that reflects the expected consideration in exchange for those goods and services. The new standard introduces, additionally, new revenue recognition criteria for separate performance obligations or the combination of such obligations for recognizing revenues. At the transition date, the Group elected to adopt the modified retrospective application criteria and recognize retrospectively the cumulated effect deriving from the adoption as an adjustment to the opening balance of Equity as of January 1, 2018, for circumstances that existed at that date, which does not require the restatement of previously reported figures. The Group identified as most significant impacts from the application of the new standard the deferral of revenues deriving from certain connection arrangements to the electric network, and the recognition as an asset of the incremental costs of obtaining a contract with customers only related to agents sale commissions. The impacts mentioned above will drive a decrease of the Net Equity of the Group for Euro 3.7 billion as of January 1, 2018, net of tax effect.</p> <p data-bbox="193 1619 794 1776">Because of the significance of the expected impacts deriving from the adoption of the new standard and the significance of the related disclosures, we identified this area as a Key Audit Matter.</p> <p data-bbox="193 1809 794 1939">The disclosures related to the adoption of the accounting standard IFRS 15 are included in Note 3. “Accounting standards taking effect at a future date”.</p>	<p data-bbox="815 499 1410 560">Our audit procedures in response to this Key Audit Matter included, among others:</p> <ul data-bbox="815 566 1410 1664" style="list-style-type: none"> • assessment of the analysis performed by the Directors aimed at identifying the differences from the previous accounting standards, as well as the relevant key controls; • assessment of the information collected by the management from the Italian and foreign components through specific questionnaires aimed at identifying the different types of arrangements and such details relevant for the provisions of the new standard IFRS 15; • assessment of the impacts identified by management as a result of obtaining the above mentioned questionnaires, and the benchmarking analysis against the industry practice; • assessment of the main types of arrangements, and of the arrangements executed with key customers of the Group; • assessment of the consistency, on a sample basis, of the information collected by the Group from contracts with customers, including the relevant amounts; • assessment of the process adopted by the Group to measure revenues in accordance with IFRS 15 for those contracts impacted by the new standard, and relevant key controls; • assessment of adequacy of the transition method to the new standard at the date of first adoption; • completeness check of the information collected from the components and testing of the mathematical accuracy of the impacts from the first time adoption of the new standard. <p data-bbox="815 1697 1410 1787">Lastly, we reviewed the adequacy of the disclosures provided in the notes to the financial statements relating this Key Audit Matter.</p>

Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements

The Directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and with the regulations issued for implementing art. 9 of Legislative Decree n. 38/2005, and, within the terms provided by the law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Directors are responsible for assessing the Group's ability to continue as a going concern and, when preparing the consolidated financial statements, for the appropriateness of the going concern assumption, and for appropriate disclosure thereof. The Directors prepare the consolidated financial statements on a going concern basis unless they either intend to liquidate the Parent Company Enel S.p.A. or to cease operations, or have no realistic alternative but to do so.

The statutory audit committee ("Collegio Sindacale") is responsible, within the terms provided by the law, for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we have exercised professional judgment and maintained professional skepticism throughout the audit. In addition:

- we have identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- we have obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- we have evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- we have concluded on the appropriateness of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to consider this matter in forming our opinion. Our conclusions are

based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- we have evaluated the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- we have obtained sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We have communicated with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We have provided those charged with governance with a statement that we have complied with the ethical and independence requirements applicable in Italy, and we have communicated with them all matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we have determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We have described these matters in our auditor's report.

Additional information pursuant to article 10 of EU Regulation n. 537/14

The shareholders of Enel S.p.A., in the general meeting held on April 29, 2011, engaged us to perform the audits of the consolidated financial statements for each of the years ending December 31, 2011 to December 31, 2019.

We declare that we have not provided prohibited non-audit services, referred to article 5, par. 1, of EU Regulation n. 537/2014, and that we have remained independent of the Company in conducting the audit.

We confirm that the opinion on the consolidated financial statements included in this report is consistent with the content of the additional report to the audit committee (Collegio Sindacale) in their capacity as audit committee, prepared pursuant to article 11 of the EU Regulation n. 537/2014.

Report on compliance with other legal and regulatory requirements

Opinion pursuant to article 14, paragraph 2, subparagraph e) of Legislative Decree n. 39 dated 27 January 2010 and of article 123-bis, paragraph 4 of Legislative Decree n. 58, dated 24 February 1998

The Directors of Enel S.p.A. are responsible for the preparation of the Report on Operations and of the Report on Corporate Governance and Ownership Structure of Enel S.p.A. as at December 31, 2017, including their consistency with the related consolidated financial statements and their compliance with the applicable laws and regulations.

We have performed the procedures required under audit standard (SA Italia) n. 720B in order to express an opinion on the consistency of the Report on Operations and of specific information included in the Report on Corporate Governance and Ownership Structure as provided for by article 123-bis, paragraph 4 of Legislative Decree n. 58, dated 24 February 1998, with the consolidated financial statements of the Enel Group as at December 31, 2017 and on their compliance with the applicable laws and regulations, and in order to assess whether they contain material misstatements.

In our opinion, the Report on Operations and the above mentioned specific information included in the Report on Corporate Governance and Ownership Structure are consistent with the consolidated financial statements of the Enel Group as at December 31, 2017 and comply with the applicable laws and regulations.

With reference to the statement required by art. 14, paragraph 2, subparagraph e) of Legislative Decree n. 39, dated 27 January 2010, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have no matters to report.

Statement pursuant to article 4 of Consob Regulation implementing Legislative Decree n. 254, dated 30 December 2016

The Directors of Enel S.p.A. are responsible for the preparation of the non-financial information pursuant to Legislative Decree n. 254, dated 30 December 2016. We have verified that non-financial information have been approved by Directors.

Pursuant to article 3, paragraph 10, of Legislative Decree n. 254, dated 30 December 2016, such non-financial information are subject to a separate compliance report signed by us.

Rome, April 17, 2018

EY S.p.A.

Signed by: Massimo Antonelli, partner

This report has been translated into the English language solely for the convenience of international readers.

Summary of the resolutions of the Ordinary and Extraordinary Shareholders' Meeting

The Shareholders' Meeting of Enel SpA held in Rome in single call on May 24, 2018 at the Enel Conference Center at 125, Viale Regina Margherita, adopted the following resolutions during the ordinary session:

1. approved the financial statements of Enel SpA for the year ended December 31, 2017, having acknowledged the results of the consolidated financial statements of the Enel Group, which closed with Group's net income of €3,779 million, together with the consolidated non-financial statement, both referred to the financial year 2017;
2. resolved:
 - (i) to allocate Enel SpA's net income for the year 2017, amounting to €2,269,988,186.84, as follows:
 - a) to earmark for the distribution to the shareholders:
 - €0.105 for each of the 10,166,679,946 ordinary shares in circulation on the ex-dividend date, to cover the interim dividend payable from January 24, 2018, the ex-dividend date of coupon no. 27 having fallen on January 22, 2018 and the "record date" (i.e. the date of the title to the payment of the dividend) on January 23, 2018, for an overall amount of €1,067,501,394.33;
 - €0.118 for each of the 10,166,679,946 ordinary shares in circulation on July 23, 2018 (i.e. on the scheduled ex-dividend date), as the balance of the dividend, for an overall amount of €1,199,668,233.63;
 - b) to earmark for "retained earnings" the remaining part of the net income, for an overall amount of €2,818,558.88;
 - (ii) to earmark for the distribution to the shareholders, always as the balance of the dividend, also a part of the available reserve named "retained earnings" allocated in the financial statements of Enel SpA (amounting as of December 31, 2017 to €4,424,283,417.19), for an amount of €0.014 for each of the 10,166,679,946 ordinary shares in circulation on July 23, 2018 (i.e. on the scheduled ex-dividend date), for an overall amount of €142,333,519.24;

paying, before withholding tax, if any, the overall balance of the dividend of €0.132 per ordinary share – of which €0.118 as distribution of part of the remaining 2017 net income and €0.014 as partial distribution of the available reserve named "retained earnings" – as from July 25, 2018, with the ex-dividend date of coupon no. 28 falling on July 23, 2018 and the "record date" (i.e. the date of the title to the payment of the dividend) coinciding with July 24, 2018;

3. resolved:
 - (i) to revoke the resolution concerning the authorization for the acquisition and the disposal of own shares approved by the Ordinary Shareholders' Meeting held on May 4, 2017;
 - (ii) to authorize the Board of Directors to acquire, in one or more instalments and for a period of eighteen months starting from the date of the Shareholders' Meeting resolution, a maximum number of 500 million ordinary shares of the company, representing approximately 4.92% of the share capital of Enel SpA, up to a maximum amount of €2 billion; and
 - (iii) to authorize the Board of Directors to dispose, in one or more instalments and for an unlimited period of time, of all or part of the own shares held in portfolio, also before having reached the maximum amount of shares that can be purchased, as well as, as the case may be, to buy-back the shares, provided that the own shares held by the company and, if applicable, by its subsidiaries, do not exceed the limit set by above-mentioned authorization to the purchase;

4. resolved:

- (i) to approve an increase of the fees due to the audit company EY SpA for the statutory audit of Enel SpA with reference to the financial years from 2011 to 2019 – as resolved by the Ordinary Shareholders' Meeting held on April 29, 2011 – since "circumstances exceptional and/or unforeseeable" at the moment of the appointment of EY SpA have occurred, in accordance with the provisions of CONSON Communication 96003556 of April 18, 1996;
- (ii) consequently, to grant the audit company EY SpA, within the framework of the performance of the statutory audit of the annual financial statements of Enel SpA and the consolidated financial statements of the Enel Group as of December 31, 2018 and as of December 31, 2019:
 - an increase of €25,000 per year (equal to 560 working hours) for the drafting of the audit report on the basis of the new contents requested by Article 10 of Regulation 2014/537/EU;
 - an increase of €15,000 per year (equal to 336 working hours) for the drafting of the additional report to be submitted to the Board of Statutory Auditors (in its capacity as audit committee pursuant to Article 19, paragraph 2, letter a), of Legislative Decree 39 of January 27, 2010, as amended by Legislative Decree 135 of July 17, 2016);
 - an increase of €25,000 per year (equal to 560 working hours) for the issuance of the opinion on the compliance of the management report and of certain information contained in the report on corporate governance of Enel SpA with the applicable laws;

5. approved the Long-term Incentive Plan for 2018 reserved to the management of Enel SpA and/or of its subsidiaries pursuant to Article 2359 of the Italian Civil Code, whose features are described in the relevant information document prepared pursuant to Article 84-bis, paragraph 1, of the Issuers Regulation adopted by CONSOB with Resolution 11971/1999, and to grant the Board of Directors, with the faculty to sub-delegate, all powers necessary for the actual implementation of the aforesaid Plan;

6. resolved in favor of the first section of the remuneration report drawn up pursuant to Article 123-ter of Legislative Decree 58 dated February 24, 1998, and Article 84-quater of the Issuers Regulation adopted by CONSOB with Resolution 11971/1999, containing the description of the policy for the remuneration of directors, general manager and executives with strategic responsibilities adopted by Enel SpA for the financial year 2018, as well as the procedures used for the adoption and implementation of such policy.

In the extraordinary session, the Shareholders' Meeting resolved:

- (i) the repeal of Article 31 of the corporate bylaws, which includes a transitional clause limiting timewise the application of the provisions that ensure gender balance in the composition of the Board of Directors and Board of Statutory Auditors;
- (ii) the amendment of Article 21 of the corporate bylaws, which aims to incorporate and clarify – in line with the practice followed by the company since the listing of its shares – the power of the Board of Directors to establish internal committees with proposing and/or consultative functions.