



***Enel's Board of Statutory Auditors
Guidelines to Shareholders on the composition
of the new Board of Statutory Auditors***

March 22, 2022

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Introduction

At the end of 2021 and in the first two months of 2022 the Board of Statutory Auditors of Enel S.p.A. ("Enel" or the "Company") carried out, with the support of Spencer Stuart Italia S.r.l. – a company specialized in this area and belonging to a network which, during 2021, did not have any further professional relationship with Enel or other Enel Group's companies – an evaluation of the size, composition and functioning of the Board itself (so called "board review"), in analogy with what is done with regard to the Company's Board of Directors since 2004.

The board review is a best practice that the Board of Statutory Auditors has adopted since 2018 – in compliance with the guidelines set forth by Principle Q.1.1. of the Rules of Conduct of the Board of Statutory Auditors of listed companies ("*Norme di comportamento del collegio sindacale di società quotate*") drawn up by the Italian National Council of Chartered Accountants and Accounting Experts ("*Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili*") - edition April 2018 – and even in the absence of a specific recommendation of the Italian Corporate Governance Code ("Corporate Governance Code"). The board review was conducted following the "peer-to-peer review" method, *i.e.* by assessing not only the functioning of the body as a whole, but also the style and content of the contribution provided by each of the Statutory Auditors.

Such decision is particularly appropriate considering the approaching expiry of the term of office of the Board of Statutory Auditors, scheduled at the Enel Shareholders' Meeting called to approve the 2021 financial statements, and the intention of the expiring Board of Statutory Auditors to have an accurate and objective assessment of its functioning on the basis of which it can draw up the guidelines addressed to the Shareholders on the professional figures whose presence in the Board is deemed appropriate.

The expiring Board of Statutory Auditors deems indeed that the invitation addressed to the board of directors of listed companies other than those with concentrated ownership by Recommendation 23 of the Corporate Governance Code – according to

which the same board “sets forth guidelines on board composition deemed optimal before its renewal, considering the outcome of the board evaluation” – could be applied by analogy also in the event of renewal of the board of statutory auditors.

In the light of the above, the expiring Board of Statutory Auditors with this document – given the approaching of the renewal of the control body, scheduled at the Enel Shareholders’ Meeting called to approve the 2021 financial statements – provides to the Shareholders, on the basis of the outcome of the abovementioned “board review” (described in Enel’s Report on corporate governance and ownership structure for the financial year 2021), and also taking into account the provisions of the Diversity Policy of its members (approved on January 29, 2018), its guidelines on the different professional profiles whose presence in the Board is deemed appropriate.

Composition of the Board of Statutory Auditors

The Board of Statutory Auditors – wishing that the renewal will take into account the benefits arising from a composition which ensures continuity in the performance of the delicate supervisory tasks assigned to the Board itself, meeting at the same time the need, underlined by the applicable laws ⁽¹⁾, that the Statutory Auditors have, as a whole, adequate competence in the electric power business in which Enel Group operates – underlines that the personal and professional skills deemed appropriate for the different roles within the Board of Statutory Auditors, in line with those currently existing, are the following:

The Chair should:

- be a person of such authority as to ensure adequate coordination between the activities of the Board of Statutory Auditors and the activities of other bodies and persons involved in various ways in the governance of the internal control and risk management system, in order to maximize the efficiency of the latter and reduce duplication of activities;
- have personal traits which can foster the creation of a strong feeling of cohesion among the members of the Board of Statutory Auditors, in order to ensure an efficient performance of the supervisory duties assigned to the same Board, while representing, just like the other Statutory Auditors, a guarantee for all the

⁽¹⁾ Reference is made to Art. 19, paragraph 3, of the Legislative Decree no. 39 of January 27, 2010.

Shareholders;

- have a proper competence and experience in the economic and financial area, with particular focus on the financial information process, as well as experience and practice to manage specific business issues.

The other two regular Statutory Auditors should be figures with a managerial and/or professional and/or academic and/or institutional profile, in order to create a mix of different and complementary skills and experiences, also taking into account the skills and experiences actually held by the Chair. In this respect, it is reminded that:

- at least one regular Statutory Auditor and one alternate Statutory Auditor must be by law ⁽²⁾ a registered legal auditor and have practiced the profession of legal auditor for a period of no less than three years;
- the other requirements of professionalism set forth by the law ⁽³⁾ and Enel's Corporate Bylaws ⁽⁴⁾ provide that the Statutory Auditors who do not meet the requirement described in the previous point of the list must have an overall experience of at least three years in:
 - a) administration or control activities or executive duties in limited companies with a share capital no lower than Euro 2 million; and/or
 - b) professional activities or tenured university teaching in legal, economic, financial and technical-scientific areas strictly relevant to Enel's business, thus meaning those pertaining to commercial and tax law, business economics and corporate finance, as well as to energy in general, communications, telematics and information technology, and network structures; and/or
 - c) management functions at public institutions or administrations operating in the credit, finance and insurance businesses or, anyway, in sectors strictly related to Enel's business, thus meaning sectors of activities related to energy in general, communications, telematics and information technology, and network structures.

In this regard, it should be noted that the above-mentioned board review showed the

⁽²⁾ As provided for by Article 1, paragraph 1, of Ministerial Decree no. 162 of March 30, 2000.

⁽³⁾ As provided for by Article 1, paragraphs 2 and 3, of Ministerial Decree no. 162 of March 30, 2000.

⁽⁴⁾ As provided for by Article 25.1 of Enel's Corporate Bylaws.

importance of the presence within the Board of Statutory Auditors of:

- profiles with specific expertise in the areas of extraordinary finance and/or corporate governance and sustainability, in addition to skills in accounting, internal control and risk management, as well as legal auditing, which should generally characterize the profile of statutory auditors of listed companies;
- profiles with previous experience acquired in listed companies, and/or with knowledge of foreign markets of interest to Enel and/or with adequate experience in the international context, characterized in any case by good interpersonal skills and speed of learning.

It was also deemed relevant the importance of adequate knowledge of foreign languages and, particularly, of at least the English language.

Lastly, Shareholders are invited, in preparing the slates of candidates for the renewal of the Board of Statutory Auditors, to consider the need to assure:

- that one regular Statutory Auditor and one alternate Statutory Auditor shall belong to the less represented gender, taking into account the composition of Enel's Board of Statutory Auditors (made up, according to the Corporate Bylaws, of three regular Statutory Auditors and three alternate Statutory Auditors);
- in addition to what already underlined above, the international profile of Enel Group activities is duly considered, assuring the presence of at least one regular Statutory Auditor with an adequate experience at international level. Such experience shall be measured on the basis of the managerial, professional, academic or institutional activity carried out by each Statutory Auditor in international contexts;
- a balanced combination of different tenure and ages within the Board of Statutory Auditors, in order to pursue a balance between the needs of continuity and renewal;
- that all the Statutory Auditors devote a sufficient amount of time to the diligent performance of their duties, considering the number and nature of the offices held in management and supervisory bodies of other companies – in compliance with the provisions of the law ⁽⁵⁾ – as well as the commitment they are required for other professional activities and offices held in associations, so that the Board of Statutory Auditors can carry out its activities in the most effective way.

⁽⁵⁾ Reference is made to Article 148-*bis* of Legislative Decree no. 58 of February 24, 1998 and Articles from 144-*duodecies* to 144-*quinquiesdecies* of the Issuers' Regulation approved with Consob's Resolution no. 11971 of May 14, 1999.