



## ENEL – Società per Azioni

(incorporated with limited liability in Italy)  
as an Issuer and Guarantor and

## ENEL FINANCE INTERNATIONAL N.V.

(a limited liability company incorporated in The Netherlands,  
having its registered office at Herengracht 471, 1017 BS Amsterdam, The Netherlands) as an Issuer

**€35,000,000,000**

### Euro Medium Term Note Programme

On 7 December 2000 ENEL — Società per Azioni (“ENEL” or the “Company”) entered into a Global Medium Term Note Programme (the “Programme”) and issued an offering circular on that date describing the Programme. The Programme was subsequently updated, most recently on 17 December 2018. This base prospectus (the “Base Prospectus”), which provides for the Programme to be a Euro Medium Term Note Programme, supersedes all previous offering circulars. Any Notes (as defined below) issued under the Programme on or after the date of this Base Prospectus are issued subject to the provisions herein. This does not affect any Notes already issued.

Under the Programme, each of ENEL and ENEL Finance International N.V. (“ENEL N.V.”) may from time to time issue notes (the “Notes”) denominated in any currency agreed between the relevant Issuer and the relevant Dealer (as defined below). References in this Base Prospectus to the “relevant Issuer” shall, in relation to any Tranche of Notes, be construed as references to the Issuer which is, or is intended to be, the Issuer of such Notes as indicated in the applicable Final Terms. The payment of all amounts owing in respect of Notes issued by ENEL N.V. will be unconditionally and irrevocably guaranteed by ENEL in its capacity as guarantor (the “Guarantor”).

ENEL N.V. has a right of substitution as set out in Condition 16(a) and Condition 16(c). ENEL N.V. may at any time, without the consent of the Noteholders or the Couponholders, substitute for itself as principal debtor under the Notes and the Coupons either ENEL as Issuer or any of ENEL’s Subsidiaries (as defined below). ENEL or the relevant Subsidiary (failing which, ENEL) shall indemnify each Noteholder and Couponholder against any adverse tax consequences of such a substitution, except that neither ENEL nor the relevant Subsidiary shall be liable under such indemnity to pay any additional amounts either on account of “imposta sostitutiva” or on account of any other withholding or deduction in the event of payment of interest or other amounts paid to a non-Italian resident legal entity or a non-Italian resident individual which is resident in a country which does not allow for a satisfactory exchange of information. When ENEL N.V. is to be substituted by another of ENEL’s Subsidiaries, such substitution may only take place if ENEL continues to guarantee the obligations of such Subsidiary. For further details regarding ENEL N.V.’s right of substitution see Condition 16(a) and Condition 16(c).

ENEL has a right of substitution as set out in Condition 16(b). ENEL may, at any time, without the consent of the Noteholders or the Couponholders, substitute for itself as principal debtor under the Notes and Coupons any of its Subsidiaries provided that ENEL shall guarantee the obligations of such Subsidiary. The relevant Subsidiary (failing which, ENEL) shall indemnify each Noteholder and Couponholder against any adverse tax consequences of such a substitution, except that neither the relevant Subsidiary nor ENEL shall be liable under such indemnity to pay any additional amounts either on account of “imposta sostitutiva” or on account of any other withholding or deduction in the event of payment of interest or other amounts paid to a non-Italian resident legal entity or a non-Italian resident individual which is resident in a country which does not allow for a satisfactory exchange of information. For further details regarding ENEL’s right of substitution, see Condition 16(b).

Notes may be issued in bearer or registered form (respectively “Bearer Notes” and “Registered Notes”). The maximum aggregate nominal amount of all Notes from time to time outstanding under the Programme will not exceed €35,000,000,000 (or its equivalent in other currencies calculated as described herein), subject to increase as described herein.

The Notes may be issued on a continuing basis to one or more of the Dealers specified under “Overview of the Programme” and any additional Dealer appointed under the Programme from time to time by the relevant Issuer (each a “Dealer” and together the “Dealers”), which appointment may be for a specific issue or on an ongoing basis. References in this Base Prospectus to the “relevant Dealer” shall, in the case of an issue of Notes being (or intended to be) subscribed by more than one Dealer, be to all Dealers agreeing to purchase such Notes.

**An investment in Notes issued under the Programme involves certain risks. For a discussion of these see “Risk Factors”.**

This Base Prospectus has been approved as a base prospectus by the Central Bank of Ireland (the “Central Bank”), as competent authority under Regulation (EU) 2017/1129 (the “Prospectus Regulation”). The Central Bank only approves this Base Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Approval by the Central Bank should not be considered as an endorsement of ENEL or ENEL N.V. or of the quality of the Notes. Investors should make their own assessment as to the suitability of investing in the Notes. Such approval relates only to Notes which are to be admitted to trading on the regulated market of the Irish Stock Exchange plc trading as Euronext Dublin (“Euronext Dublin”) or other regulated markets for the purposes of Directive 2014/65/EU (as amended) (“MiFID II”) or which are to be offered to the public in any Member State of the European Economic Area (the “EEA”). Application has been made to Euronext Dublin for Notes issued under the Programme to be admitted to the Official List and trading on its regulated market. Notice of the aggregate nominal amount of Notes, interest (if any) payable in respect of Notes, the issue price of Notes will be set out in the final terms (the “Final Terms”) which, with respect to Notes to be listed on Euronext Dublin, will be filed with the Central Bank.

The Central Bank has been requested to provide a certificate of approval and a copy of this Base Prospectus to the relevant competent authority in Luxembourg.

The Programme provides that Notes may be listed or admitted to trading, as the case may be, on such other or further stock exchanges or markets as may be agreed between the relevant Issuer and the Guarantor (where ENEL is not the relevant Issuer) and the relevant Dealer. Where Notes issued under the Programme are listed or admitted to trading on a regulated market within the EEA or offered to the public in a Member State of the EEA in circumstances which require the publication of a prospectus under the Prospectus Regulation, such Notes will not have a denomination of less than €100,000 (or, in the case of Notes that are not denominated in euro, the equivalent thereof in such other currency). The relevant Issuer may also issue unlisted Notes and/or Notes not admitted to trading on any market. The Notes issued by ENEL will constitute “obbligazioni” pursuant to Article 2410, and the Articles that follow such Article 2410, of the Italian Civil Code, which relate to the issuance of “obbligazioni” by corporations in Italy.

**This Base Prospectus (as supplemented as at the relevant time, if applicable) is valid for 12 months from its date in relation to Notes which are to be admitted to trading on a regulated market in the EEA. The obligation to supplement this Base Prospectus in the event of a significant new factor, material mistake or material inaccuracy does not apply when this Base Prospectus is no longer valid.**

The Notes and the Guarantee have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”), or with any securities regulatory authority of any state or other jurisdiction of the United States, and the Notes may include bearer notes that are subject to U.S. tax law requirements. Subject to certain exceptions, the Notes and the Guarantee may not be offered or sold or, in the case of bearer notes, delivered within the United States or for the account or benefit of U.S. Persons (as defined in Regulation S under the Securities Act (“Regulation S”). The Notes will be offered and sold in offshore transactions to non-U.S. persons outside the United States in reliance on Regulation S under the Securities Act, in transactions exempt from the registration requirements of the Securities Act. For a description of these and

certain further restrictions on offers, sales and transfers of Notes and distribution of this Base Prospectus see “Subscription and Sale and Selling and Transfer Restrictions”.

The relevant Issuer and the Guarantor (where ENEL is not the relevant Issuer) may agree with any Dealer that Notes may be issued in a form not contemplated by the Terms and Conditions of the Notes herein, in which event a Drawdown Prospectus (as defined below), if appropriate, will be made available which will describe the effect of the agreement reached in relation to such Notes.

ENEL’s long-term debt is currently rated “BBB+” (stable outlook) by S&P Global Ratings Europe Limited (France Branch) (“**S&P**”), “A-” (stable outlook) by Fitch Italia S.p.A. (“**Fitch**”) and “Baa2” (positive outlook) by Moody’s France S.A.S. (“**Moody’s**”). Each of Moody’s, S&P and Fitch is established in the European Union (the “**EU**”) and registered under Regulation (EC) No.1060/2009 (as amended) (the “**CRA Regulation**”) and as such is included in the list of credit rating agencies published by the European Securities and Markets Authority (“**ESMA**”) on its website (at <http://www.esma.europa.eu/page/List-registered-and-certified-CRAs>) in accordance with the CRA Regulation. Tranches of Notes to be issued under the Programme will be rated or unrated. Where a Tranche of Notes is to be rated, such rating will not necessarily be the same as the rating assigned to Notes already issued. Where a Tranche of Notes is rated, the applicable rating(s) will be specified in the relevant Final Terms. Whether or not a rating in relation to any Tranche of Notes will be treated as having been issued by a credit rating agency established in the EU and registered under the CRA Regulation will be disclosed in the relevant Final Terms. **A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.**

Amounts payable under the floating rate notes will be calculated by reference to the London Interbank Offered Rate (“**LIBOR**”) or the Euro Interbank Offered Rate (“**EURIBOR**”), as specified in the relevant Final Terms. As at the date of this Base Prospectus, ICE Benchmark Administration Limited (as administrator of LIBOR) and the European Money Markets Institute (as administrator of EURIBOR) are included in the register of administrators maintained by ESMA under Article 36 of Regulation (EU) No. 2016/1011 (the “**Benchmarks Regulation**”).

*Arrangers*

**Deutsche Bank**

**J.P. Morgan**

*Dealers*

**Banca IMI  
BofA Securities  
BNP PARIBAS  
Citigroup  
Crédit Agricole CIB  
Deutsche Bank  
HSBC  
J.P. Morgan  
MUFG  
Morgan Stanley  
NatWest Markets  
Santander Corporate & Investment Banking  
Société Générale Corporate & Investment Banking**

**Banco Bilbao Vizcaya Argentaria, S.A.  
Barclays  
CaixaBank S.A.  
Commerzbank  
Credit Suisse  
Goldman Sachs International  
ING  
Mediobanca  
Mizuho Securities  
NATIXIS  
Nomura  
SMBC Nikko  
UBS Investment Bank  
UniCredit Bank**

**This Base Prospectus comprises a base prospectus in relation to each Issuer for the purposes of Article 8 of the Prospectus Regulation.**

**Each of the Issuers and the Guarantor accepts responsibility for the information contained in this Base Prospectus. To the best of the knowledge of each of the Issuers and the Guarantor the information contained in this Base Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information. Certain third party information has been extracted from external sources as described in this Base Prospectus. Each of the Issuers and the Guarantor confirms that such information has been accurately reproduced and, as far as it is aware and is able to ascertain from published information, no facts have been omitted which would render the reproduced information inaccurate or misleading.**

**Copies of Final Terms will be available from the registered office of the relevant Issuer and the specified office of the Paying Agent (being The Bank of New York Mellon, London Branch, One Canada Square, London E14 5AL, United Kingdom).**

**This Base Prospectus is to be read in conjunction with any supplement hereto and with all documents which are incorporated herein by reference (see “Documents Incorporated by Reference” below) and/or to any supplement hereto. This Base Prospectus shall be read and construed on the basis that such documents are incorporated in, and form part of, this Base Prospectus and/or any supplement hereto and in relation to any Tranche of Notes shall be read and construed together with the relevant Final Terms.**

**No representation, warranty or undertaking, express or implied, is made by any of the Dealers or any of their respective affiliates and no responsibility or liability is accepted by any of the Dealers or any of their respective affiliates as to the accuracy or completeness of the information contained or incorporated in this Base Prospectus or any other information provided by either Issuer or the Guarantor in connection with the Programme.**

**Subject as provided in the applicable Final Terms, the only persons authorised to use this Base Prospectus in connection with an offer of Notes are the persons named in the applicable Final Terms as the relevant Dealer, the Managers or the person named in or identifiable in the applicable Final Terms as the financial intermediaries, as the case may be.**

**No person is or has been authorised by either Issuer or the Guarantor to give any information or to make any representation not contained in or not consistent with this Base Prospectus or any other information supplied in connection with the Programme or the Notes and, if given or made, such information or representation must not be relied upon as having been authorised by either Issuer or the Guarantor or any of the Dealers.**

**Other than in relation to the documents which are deemed to be incorporated by reference (see “Documents Incorporated by Reference”), the information on the websites to which this Base Prospectus refers does not form part of this Base Prospectus and has not been scrutinised or approved by the Central Bank.**

Neither this Base Prospectus nor any other information supplied in connection with the Programme or any Notes (i) is intended to provide the basis of any credit or other evaluation or (ii) should be considered as a recommendation by either Issuer or the Guarantor or any of the Dealers that any recipient of this Base Prospectus or any other information supplied in connection with the Programme or any Notes should purchase any Notes. Each investor contemplating purchasing any Notes should make its own independent investigation of the financial condition, results of operations and affairs, and its own appraisal of the creditworthiness, of the relevant Issuer and ENEL (where the relevant Issuer is not ENEL). Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus and in the Final Terms of the relevant Tranche of Notes and reach their own views, based upon their own judgement and upon advice from such financial, legal and tax advisers as they have deemed necessary, prior to making any investment decision. Neither this Base Prospectus nor any other information supplied in connection with the Programme or the issue of any Notes constitutes an offer or invitation by or on behalf of either Issuer or the Guarantor or any of the Dealers to any person to subscribe for or to purchase any Notes.

Neither the delivery of this Base Prospectus nor the offering, sale or delivery of any Notes shall in any circumstances imply that the information contained herein concerning either Issuer or the Guarantor is correct at any time subsequent to the date hereof or that there has been no adverse change in the financial position of either Issuer or the Guarantor since the date hereof or the date upon which this document has been most recently supplemented or that any other information supplied in connection with the Programme is correct as of any time subsequent to the date indicated in the document containing the same. The Dealers expressly do not undertake to review the financial condition or affairs of either Issuer or the Guarantor during the life of the Programme or to advise any investor in the Notes of any information coming to their attention.

This Base Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any Notes in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Base Prospectus and the offer or sale of Notes may be restricted by law in certain jurisdictions. The Issuers, the Guarantor and the Dealers do not represent that this Base Prospectus may be lawfully distributed, or that any Notes may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. In particular, unless specifically indicated to the contrary in the applicable Final Terms, no action has been taken by the Issuers, the Guarantor or the Dealers which is intended to permit a public offering of any Notes or distribution of this document in any jurisdiction where action for that purpose is required. Accordingly, no Notes may be offered or sold, directly or indirectly, and neither this Base Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this Base Prospectus or any Notes may come must inform themselves about, and observe, any such restrictions on the distribution of this Base Prospectus and the offering and sale of Notes. In particular, there are restrictions on the distribution of this Base Prospectus and the offer or sale of Notes in the United States, the EEA (including the United Kingdom, France, Belgium, The Netherlands and Italy), Japan and Singapore, see “Subscription and Sale and Selling and Transfer Restrictions”.

This Base Prospectus has been prepared on the basis that any offer of Notes in any Member State of the EEA will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of Notes. Accordingly, any person making or intending to make an offer in that Member State of Notes which are the subject of an offering contemplated in this Base Prospectus as completed by the applicable Final Terms in relation to the offer of those Notes may only

do so in circumstances in which no obligation arises for the relevant Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer. Neither Issuer nor any Dealer have authorised, nor do they authorise, the making of any offer of Notes in circumstances in which an obligation arises for the Issuers or any Dealer to publish or supplement a prospectus for such offer.

The Notes may not be a suitable investment for all investors. Each potential investor in the Notes must determine the suitability of that investment in light of its own circumstances. In particular, each potential investor should:

- (i) have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Base Prospectus or any applicable supplement;
- (ii) have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- (iii) consider all of the risks of an investment in the Notes, including Notes where the currency for principal or interest payments is different from the potential investor's currency;
- (iv) have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes, including Notes where the currency for principal or interest payments is different from the potential investor's currency;
- (v) understand thoroughly the terms of the Notes and be familiar with the behaviour of any relevant indices and financial markets; and
- (vi) be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks.

Some Notes are complex financial instruments. A potential investor should not invest in Notes which are complex financial instruments unless it has the expertise (either alone or with a financial, tax or legal adviser) to evaluate how the Notes will perform under the changing conditions, the resulting effects on the value of the Notes and the impact this investment will have on the potential investor's overall investment portfolio.

In making an investment decision, investors must rely on their own examination of the relevant Issuer and ENEL (where the relevant Issuer is not ENEL) and the terms of the Notes being offered, including the merits and risks involved. The Notes described herein have not been approved or disapproved by the United States Securities and Exchange Commission or any state securities commission or other regulatory authority in the United States, nor have any of the foregoing authorities passed upon or endorsed the merits of this offering or the accuracy or adequacy of this Base Prospectus. Any representation to the contrary is unlawful.

Legal investment considerations may restrict certain investments. The investment activities of certain investors are subject to legal investment laws and regulations, or review or regulation by certain authorities. Each potential investor should consult its legal advisers to determine whether and to what extent (1) Notes are legal investments, (2) Notes can be used as collateral for various types of borrowing and (3) other restrictions apply to its purchase or pledge of any Notes. Financial institutions should

consult their legal advisers or the appropriate regulators to determine the appropriate treatment of Notes under any applicable risk-based capital or similar rules.

None of the Dealers, the Issuers or the Guarantor makes any representation to any investor in the Notes regarding the legality of its investment under any applicable laws. Any investor in the Notes should be able to bear the economic risk of an investment in the Notes for an indefinite period of time.

**PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (the “Insurance Distribution Directive”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

**MiFID II product governance / target market** – The Final Terms in respect of any Notes will include a legend entitled “MiFID II product governance” which will outline the target market assessment in respect of the Notes and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a “distributor”) should take into consideration the target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the Product Governance rules under EU Delegated Directive 2017/593 (the “MiFID Product Governance Rules”), any Dealer subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arrangers nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

The Notes are not intended to be offered, sold or otherwise made available to and will not be offered, sold or otherwise made available in Belgium to “consumers” (consumenten/consommateurs) within the meaning of the Belgian Code of Economic law (*Wetboek economisch recht/Code de droit économique*).

**SINGAPORE SFA PRODUCT CLASSIFICATION:** In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore, as amended from time to time (the “SFA”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “CMP Regulations 2018”), the Issuers have, unless otherwise stated in the Final Terms in respect of any Notes, determined, and hereby notify all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes issued or to be issued under the Programme are ‘prescribed capital markets products’ (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in the Monetary Authority of Singapore (the “MAS”) Notice SFA 04-N12: Notice on the Sale of Investment Products and the MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

## U.S. INFORMATION

Notwithstanding any limitation on disclosure provided for in this Base Prospectus, its contents, or any associated Final Terms, and effective from the date of commencement of discussions concerning any of the transactions contemplated hereby (the “Transactions”), each recipient of this Base Prospectus or any associated Final Terms (a “Recipient”) (and each employee, representative, or other agent of any such Recipient) may disclose to any and all persons, without limitation of any kind, the tax treatment and tax structure of the Transactions and all materials of any kind (including opinions or other tax analyses) that are provided to it relating to such tax treatment and tax structure, except to the extent that any such disclosure could reasonably be expected to cause this Programme, or any issue of Notes thereunder not to be in compliance with securities laws. For purposes of this paragraph, the tax treatment of the Transactions is the purported or claimed U.S. federal income tax treatment of the Transactions, and the tax structure of the Transactions is any fact that may be relevant to understanding the purported or claimed U.S. federal income tax treatment of the Transaction.

Bearer Notes are not being offered to U.S. persons. A U.S. person who owns a Bearer Note may be subject to limitations under United States income tax laws, including the limitations provided in sections 165(j) and 1287(a) of the United States Internal Revenue Code

## PRESENTATION OF FINANCIAL AND OTHER INFORMATION

ENEL maintains its financial books and records and prepares its financial statements in Euro in accordance with IFRS endorsed by the EU and the Italian regulation implementing Article 9 of Legislative Decree No. 38/05 and ENEL N.V. maintains its financial books and records and prepares its financial statements in Euro in accordance with IFRS endorsed by the EU, and Title 9, Book 2 of the Dutch Civil Code (*Burgerlijk Wetboek*), both of which differ in certain important respects from generally accepted accounting principles in the United States.

All references in this document to “Euro” and “€” refer to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended. In addition, references to “U.S.\$” refer to United States dollars and to “Sterling” and “£” refer to pounds sterling.

Unless otherwise specified, references to the “Group” or the “ENEL Group” are to ENEL S.p.A. together with its subsidiary companies under Article 2359 of the Italian Civil Code and under Article 93 of the Legislative Decree No. 58 of 24 February 1998, as amended (the “Italian Consolidated Financial Act”), unless the context requires otherwise.

### Alternative Performance Measures

This Base Prospectus contains certain alternative performance measures (“APMs”) which are different from the IFRS financial indicators obtained directly from the audited consolidated financial statements for the years ended 31 December 2018 and 2017 and from the unaudited consolidated interim financial report of ENEL for the six month periods ended 30 June 2019 and 2018 and which are useful to present the results and the financial performance of the ENEL Group.

On 3 December 2015, CONSOB issued Communication No. 92543/15, which gives effect to the Guidelines issued on 3 October 2015 by ESMA concerning the presentation of APMs disclosed in regulated information and prospectuses published as from 3 July 2016. These Guidelines, which update the previous CESR Recommendation (CESR/05-178b), are aimed at promoting the usefulness and transparency of APMs in order to improve their comparability, reliability and comprehensibility.

In line with the Guidelines mentioned above, the criteria used to construct the APMs are as follows:

- **Gross operating margin (otherwise referred to as EBITDA):** an operating performance indicator, calculated as “Operating income” plus “Depreciation, amortization and impairment losses”;
- **Net financial debt:** a financial structure indicator, determined by:
  - the sum of “Long-term bank debt (including the short-term portion)”, “Commercial paper”, “Bond issued (including the short-term portion)”, “Other borrowings (including the short-term portion)”, “Short-term bank debt” and certain financial payables included in the line “Other Items” within “Other current financial payables”;
  - net of “Cash and cash equivalents on hand”, “Bank and post office deposits”, “Other investments of liquidity”, “Securities”, “Short-term financial receivables”, “Factoring receivables” and “Long-term financial receivables and securities (including the short-term portion)”;
- **Capital expenditure:** capital expenditure represents the increases in the line items Property, Plant and Equipment and Intangible Assets resulting from new investments of the period. The amount is calculated as the sum of the line Capital Expenditure of the tables of breakdown of Property, Plant and Equipment and Intangible Assets included in the financial statements;
- **Net short term financial position:** a financial structure indicator, determined by:
  - the sum of the short-term portion of “Long-term bank debt”, of “Bond issued” and of “Other borrowings”, “Short-term bank debt”, “Commercial paper” and certain financial payables included in the line “Other Items” within “Other current financial payables”;
  - net of “Cash and cash equivalents on hand”, “Bank and post office deposits”, “Other investments of liquidity”, “Securities”, “Short-term financial receivables”, “Factoring receivables” and “Short-term portion of long-term financial receivables”.

More generally, references to “Net Financial Debt” are to the ENEL Group’s net financial debt, as ascertained pursuant to paragraph 127 of the ESMA/2013/319 Recommendations, and in accordance with the CONSOB instruction of 28 July 2006, netted for financial receivables and long-term securities.

Investors should not place undue reliance on these APMs and should not consider any APMs as: (i) an alternative to operating income or net income as determined in accordance with IFRS; (ii) an alternative to cash flow from operating, investing or financing activities (as determined in accordance with IFRS) as a measure of the ENEL Group’s ability to meet cash needs; or (iii) an alternative to any other measure of performance under IFRS.

Such APMs have been derived from historical financial information of the Group and are not intended to provide an indication on the future financial performance, financial position or cash flows of the Group itself. Furthermore, such APMs have been calculated consistently all over the periods for which financial information is presented in this Base Prospectus. APMs presented in this Base Prospectus should be also read in conjunction with the financial information presented or incorporated by reference in this Base Prospectus and derived from the audited consolidated financial statements for the years ended 31 December 2018 and 2017 and from the unaudited consolidated interim financial report of ENEL for the six month periods ended 30 June 2019 and 2018.

These measures are used by ENEL’s management to monitor the performance of the ENEL Group.



More specifically, ENEL's management believes that:

- Net Financial Debt provides prospective investors with adequate information to evaluate the overall level of the Group's indebtedness;
- EBITDA provides prospective investors with adequate information to evaluate the Group's operating performance and its ability to repay its borrowings through its operating cash flows.

#### Market Information

This Base Prospectus contains statements related to, among other things, the following: (i) the size of the sectors and markets in which the ENEL Group operates; (ii) growth trends in the sectors and markets in which ENEL operates; and (iii) ENEL's relative competitive position in the sectors and markets in which it operates and the position of its competitors in those same sectors and markets.

Whether or not this is stated, where such information is presented, such information is based on third-party studies and surveys as well as ENEL's experience, market knowledge, accumulated data and investigation of market conditions. While ENEL believes such information to be reliable and believes any estimates contained in such information to be reasonable, there can be no assurance that such information or any of the assumptions underlying such estimates are accurate or correct, and none of the internal surveys or information on which ENEL has relied have been verified by any independent sources. Accordingly, undue reliance should not be placed on such information. In addition, information regarding the sectors and markets in which ENEL operates is normally not available for certain periods and, accordingly, such information may not be current as of the date of this Base Prospectus.

#### STABILISATION

In connection with the issue and distribution of any Tranche of Notes, the Dealer or Dealers (if any) named as the stabilising manager(s) (the "Stabilising Manager(s)") (or any person acting on behalf of any Stabilising Manager(s)) in the applicable Final Terms may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilisation action may not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the issue date of the relevant Tranche of Notes and 60 days after the date of the allotment of the relevant Tranche of Notes. Any stabilisation action or over-allotment must be conducted by the relevant Stabilising Manager(s) (or any person acting on behalf of any Stabilising Manager(s)) in accordance with all applicable laws and rules.

#### DRAWDOWN PROSPECTUS

The relevant Issuer and the Guarantor (where ENEL is not the relevant Issuer) may agree with any Dealer to issue Notes in a form not contemplated in the section of this Base Prospectus entitled "*Form of Final Terms*". To the extent that the information relating to that Tranche of Notes constitutes a significant new factor in relation to the information contained in this Base Prospectus, a separate prospectus specific to such Tranche (a "Drawdown Prospectus") will be made available and will contain such information. Each Drawdown Prospectus will be constituted by a single document containing the necessary information relating to the relevant Issuer and the ENEL Group and the relevant Notes. In the case of a Tranche of Notes which is the subject of a Drawdown Prospectus, references in this Base Prospectus to information specified or identified in the Final Terms shall (unless the context requires

**otherwise) be read and construed as information specified or identified in the relevant Drawdown Prospectus.**

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## OVERVIEW OF THE PROGRAMME

*The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and, in relation to the terms and conditions of any particular Tranche of Notes, the applicable Final Terms. The relevant Issuer and any relevant Dealer may agree that Notes shall be issued in a form other than that contemplated in the Terms and Conditions, in which event a Drawdown Prospectus (as defined above) will be published or such Notes shall not be listed.*

This Overview constitutes a general description of the Programme for the purposes of Article 25(1) of Commission Delegated Regulation (EU) No. 2019/980 supplementing the Prospectus Regulation.

Words and expressions defined in “Form of the Notes” and “Terms and Conditions of the Notes” below shall have the same meanings in this overview.

<b>Issuers</b>	ENEL — Società per Azioni (“ENEL”) ENEL FINANCE INTERNATIONAL N.V. (“ENEL N.V.”)
<b>Issuers’ Legal Entity Identifiers (LEI)</b>	The Legal Entity Identifier (LEI) of ENEL is WOCMU6HCI0JWNPRZS33 and the Legal Entity Identifier (LEI) of ENEL N.V. is 0YQH6LCEF474UTUV4B96.
<b>Guarantor</b>	ENEL
<b>Description</b>	Euro Medium Term Note Programme
<b>Arrangers</b>	Deutsche Bank AG, London Branch J.P. Morgan Securities plc
<b>Dealers</b>	Banca IMI S.p.A. Banco Bilbao Vizcaya Argentaria, S.A. Banco Santander, S.A. Barclays Bank Ireland PLC Barclays Bank PLC BNP Paribas BofA Securities Europe S.A. CaixaBank, S.A. Citigroup Global Markets Europe AG Citigroup Global Markets Limited Commerzbank Aktiengesellschaft Crédit Agricole Corporate and Investment Bank Credit Suisse Securities (Europe) Limited Deutsche Bank AG, London Branch Goldman Sachs International HSBC Bank plc ING Bank N.V. J.P. Morgan Securities plc Mediobanca – Banca di Credito Finanziario S.p.A. Merrill Lynch International Mizuho International plc

Mizuho Securities Europe GmbH  
Morgan Stanley & Co. International plc  
MUFG Securities (Europe) N.V.  
NATIXIS  
NatWest Markets Plc  
Nomura International plc  
SMBC Nikko Capital Markets Europe GmbH  
SMBC Nikko Capital Markets Limited  
Société Générale  
UBS AG London Branch  
UBS Europe SE  
UniCredit Bank AG

and any other Dealers appointed in accordance with the Programme Agreement.

**Certain Restrictions**

Each issue of Notes denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time (see “*Subscription and Sale and Selling and Transfer Restrictions*”).

**Principal Paying Agent**

The Bank of New York Mellon, London Branch

**Registrar**

The Bank of New York Mellon, SA/NV, Luxembourg Branch

**Programme Size**

Up to €35,000,000,000 (or its equivalent in other currencies) outstanding at any time. The Issuers and the Guarantor may increase the amount of the Programme in accordance with the terms of the Programme Agreement.

**Distribution**

Notes may be distributed by way of private or public placement and in each case on a syndicated or non-syndicated basis.

**Currencies**

Subject to any applicable legal or regulatory restrictions, any currency agreed between the relevant Issuer and the relevant Dealer.

**Maturities**

Such maturities as may be agreed between the relevant Issuer and the relevant Dealer, subject to such minimum or maximum maturities as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Issuer or the relevant Specified Currency and save that no Notes having a maturity of less than one year will be issued under the Programme.

**Issue Price**

Notes may be issued on a fully-paid or a partly-paid basis and at an issue price which is at par or at a discount to, or premium over, par. Special tax rules may apply to Notes which are issued at a discount to par, see “Taxation”.

**Form of Notes**

The Notes will be issued in bearer or registered form as described in “Form of the Notes”. Registered Notes will not be exchangeable for Bearer Notes and vice versa.

**Fixed Rate Notes**

Fixed interest will be payable on such date or dates as may be agreed between the relevant Issuer and the relevant Dealer and on redemption and will be calculated on the basis of such Day Count Fraction as may be agreed between the relevant Issuer and the relevant Dealer.

**Floating Rate Notes**

Floating Rate Notes will bear interest at a rate determined:

- (i) on the same basis as the floating rate under a notional interest rate swap transaction in the relevant Specified Currency governed by an agreement incorporating the 2006 ISDA Definitions (as published by the International Swaps and Derivatives Association, Inc., and as amended and updated as at the Issue Date of the first Tranche of the Notes of the relevant Series); or
- (ii) on the basis of a reference rate appearing on the agreed screen page of a commercial quotation service.

The margin (if any) relating to such floating rate will be agreed between the relevant Issuer and the relevant Dealer for each Series of Floating Rate Notes, or as described in Condition 5A (*Benchmark discontinuation*).

**Other provisions in relation to Floating Rate Notes**

Floating Rate Notes may also have a maximum interest rate, a minimum interest rate or both.

Interest on Floating Rate Notes in respect of each Interest Period, as agreed prior to issue by the relevant Issuer and the relevant Dealer, will be payable on such Interest Payment Dates, and will be calculated on the basis of such Day Count Fraction, as may be agreed between the relevant Issuer and the relevant Dealer.

**Step Up Notes**

Fixed Rate Notes and Floating Rate Notes issued by the relevant Issuer may be subject to a Step Up Option if the applicable Final Terms indicates that the Step Up Option is applicable. The Rate of Interest for Step Up Notes will be the Initial Rate of Interest specified in the applicable Final Terms, provided that, for any Interest Period commencing on or after the Interest Payment Date immediately following a Step Up Event, if any, the Rate of Interest shall be increased by the Step Up Margin specified in the applicable Final Terms. For the avoidance of doubt, an increase in the Rate of Interest may occur no more than once in respect of the relevant Step Up Note.

**Zero Coupon Notes**

Zero Coupon Notes will be offered and sold at a discount to their nominal amount and will not bear interest.

**Benchmark discontinuation**

If a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, the relevant Issuer shall use its reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 5A(b)) (*Benchmark Discontinuation*) and any Adjustment Spread and Benchmark Amendments (in accordance with Conditions 5A(c) and 5A(d)) (*Benchmark Discontinuation*) shall apply.

**Redemption**

The applicable Final Terms will indicate either that the relevant Notes cannot be redeemed prior to their stated maturity (other than for taxation reasons or following an Event of Default) or that such Notes will be redeemable at the option of the relevant Issuer and/or the Noteholders upon giving notice to the Noteholders or the relevant Issuer, as the case may be, on a date or dates specified prior to such stated maturity and at a price or prices and on such other terms as may be agreed between the relevant Issuer and the relevant Dealer.

**Clean-Up Call Option and Maturity Par Call Option**

The applicable Final Terms will also indicate whether the relevant Issuer has a Clean-up Call Option or an Issuer Maturity Par Call. See Condition 7(d) (*Redemption at the option of the Issuer (Issuer Maturity Par Call)*) and Condition 7(e) (*Clean-up Call Option*).

**Denomination of Notes**

Notes will be issued in such denominations as may be agreed between the relevant Issuer and the relevant Dealer save that the minimum denomination of each Note will be such as may be allowed or required from time to time by the relevant central bank (or equivalent body) or any laws or regulations applicable to the relevant Specified Currency and save that the minimum denomination of each Note admitted to trading on a regulated market within the EEA will be €100,000 (or, if the Notes are denominated in a currency other than Euro, the equivalent amount in such currency).

**Taxation**

All payments in respect of the Notes will be made without deduction or withholding for or on account of tax imposed by any Tax Jurisdiction (as defined in Condition 8 (*Taxation*)), subject as provided in Condition 8 (*Taxation*). In the event that any such deduction or withholding is made, the relevant Issuer or the Guarantor, as the case may be, will, except in certain limited circumstances provided in Condition 8 (*Taxation*), be required to pay additional amounts to cover the amounts so deducted.

**Negative Pledge**

The terms of the Notes will contain a negative pledge provision as further described in Condition 4 (*Negative Pledge*).

<b>Cross Default</b>	The terms of the Notes will contain a cross default provision as further described in Condition 10 ( <i>Events of Default</i> ).
<b>Status of the Notes</b>	The Notes will constitute direct, unconditional and (subject to the provisions of Condition 4 ( <i>Negative Pledge</i> )), unsecured and unsubordinated obligations of the relevant Issuer and will rank <i>pari passu</i> without any preference among themselves and at least equally with all other outstanding unsecured and unsubordinated obligations of the relevant Issuer, present and future, other than obligations, if any, that are mandatorily preferred by statute or by operation of law.
<b>Guarantee</b>	Notes issued by ENEL N.V. will be unconditionally and irrevocably guaranteed by ENEL. The Guarantee is limited to 120 per cent. of the aggregate principal amount of any Tranche of the Notes which may be issued under the Programme (in each case as specified in the applicable Final Terms) and 120 per cent. of the interest on such Notes accrued but not paid as at any date on which the Guarantor's liability under the Notes falls to be determined. The obligations of ENEL under its guarantee will be direct, unconditional and (subject to the provisions of Condition 4 ( <i>Negative Pledge</i> )) unsecured and unsubordinated obligations of ENEL and will rank at least equally with all other outstanding unsecured and unsubordinated obligations of ENEL, present and future, other than obligations, if any, that are mandatorily preferred by statute or by operation of law.
<b>Rating</b>	The rating of certain series of Notes to be issued under the Programme may be specified in the applicable Final Terms.
<b>Listing</b>	<p>This Base Prospectus has been approved by the Central Bank of Ireland, as competent authority under the Prospectus Regulation. Application has been made to Euronext Dublin for Notes issued under the Programme to be admitted to the Official List and trading on its regulated market. This Base Prospectus constitutes the base prospectus in connection with the application for the Notes to be admitted to the Official List of Euronext Dublin. Notes may also be listed or admitted to trading on such other or further stock exchange(s) as may be agreed between the relevant Issuer and the relevant Dealer in relation to each Series. The Central Bank has been requested to provide a certificate of approval and a copy of this Base Prospectus to the relevant competent authority in Luxembourg.</p> <p>Notes which are neither listed nor admitted to trading on any market may also be issued.</p> <p>The applicable Final Terms will state whether or not the relevant Notes are to be listed and or admitted to trading, and, if so, on which stock exchange(s).</p>
<b>Governing Law</b>	The Notes and any non-contractual obligations arising out of or



in connection with them will be governed by, and construed in accordance with, English law. Provisions relating to the meetings of holders of Notes issued by ENEL and the appointment of a representative of holders of Notes are subject to compliance with the laws of Italy.

### **Selling Restrictions**

There are restrictions on the offer, sale and transfer of the Notes in the United States, the EEA (including, without limitation, the United Kingdom, France, Belgium, The Netherlands and Italy), Japan and Singapore and such other restrictions as may be required in connection with the offering and sale of a particular Tranche of Notes, see “*Subscription and Sale and Selling and Transfer Restrictions*”.

Each Tranche of Notes in bearer form will be issued either in compliance with U.S. Treas. Reg. § 1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”)), (the “**TEFRA D Rules**”) or with U.S. Treas. Reg. § 1.163-5(c)(2)(i)(C) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code) (the “**TEFRA C Rules**”) unless the Notes are only in registered form or do not constitute “registration required obligations” under the United States Tax Equity and Fiscal Responsibility Act of 1982 (the “**TEFRA Rules**”) and the applicable Final Terms specify that the TEFRA Rules are not applicable.

## RISK FACTORS

*Each Issuer and the Guarantor believes that the following factors may affect its ability to fulfil its obligations under Notes issued under the Programme. Most of these factors are contingencies which may or may not occur.*

*In addition, factors which are material for the purpose of assessing the market risks associated with Notes issued under the Programme are also described below.*

*Each Issuer and the Guarantor believes that the factors described below represent the principal risks inherent in investing in Notes issued under the Programme, but the inability of the Issuers or the Guarantor to pay interest, principal or other amounts on or in connection with any Notes may occur for other reasons which may not be considered significant risks by the Issuers and the Guarantor based on information currently available to them and which they may not currently be able to anticipate. In addition, if any of the following risks, or any other risk not currently known, actually occur, the trading price of the Notes could decline and Noteholders may lose all or part of their investment. Prospective investors should also read the detailed information set out elsewhere in this Base Prospectus including any document incorporated by reference hereto and reach their own views, based upon their own judgement and upon advice from such financial, legal and tax advisers as they have deemed necessary, prior to making any investment decision. Words and expressions defined in the “Terms and Conditions of the Notes” below or elsewhere in this Base Prospectus have the same meanings in this section.*

### **FACTORS THAT MAY AFFECT THE ISSUERS’ AND THE GUARANTOR’S ABILITY TO FULFIL THEIR OBLIGATIONS UNDER NOTES ISSUED UNDER THE PROGRAMME**

#### **1. Risks related to the business activities and industries of ENEL**

##### ***ENEL’s ability to successfully execute its 2020-2022 Strategic Plan is not assured***

On 25 November 2019, ENEL’s Board of Directors approved the Group’s 2020-2022 Strategic Plan (the “**Strategic Plan**”), which contains the strategic guidelines and growth objectives of the Group for the relevant period, as well as some forecasts with regard to the Group’s expected results of operations. The Strategic Plan contemplates, among other things, efficiency by 2022 of 9% (in nominal terms) compared to 2019, an investment program of €28.7 billion between 2020 and 2022 out of which, €17.2 billion is associated with asset development:

- 67% of it, will be devoted to renewables. This will accelerate decarbonisation process with a progressive substitution of thermal capacity in line with the objective of being carbon neutral by 2050.
- 27% will be invested into Networks supporting the digitalisation of the infrastructure, the improvement of resiliency and quality ratios, and the restructuring of recently acquired assets.
- The remaining portion will support the infrastructure development of other power generation and Enel X, both in e-mobility and in e-city.

Moreover, the Strategic Plan confirmed a shareholder remuneration which considers a 70% dividend pay-out based on Group net ordinary income from 2020 onwards with a CAGR of the implicit dividend per share (“**DPS**”) of around +8.4%; a minimum DPS is extended to 2022, ensuring a CAGR of around +7.7%.

The Strategic Plan and the projections contained therein are based on a series of assumptions, including among others the evolution of demand and prices for electricity, gas, fuels and average investment costs for the plants in the markets in which the ENEL Group operates, trends in relevant macroeconomic variables, and the evolution of the regulatory frameworks applicable to the ENEL Group. The strategic priorities set forth in

the Strategic Plan also include an improvement of the operational efficiency (through digitalisation) and an acceleration of industrial growth as well as group simplification and decarbonisation.

In the event that one or more of the Strategic Plan's underlying assumptions proves incorrect or events evolve differently than as contemplated in the Strategic Plan (including because of events affecting the ENEL Group that may not be foreseeable or quantifiable, in whole or in part, as of the date hereof) the anticipated events and results of operations indicated in the Strategic Plan (and in this Base Prospectus) could differ from actual events and results of operations.

The Strategic Plan should not be unduly relied upon in any way by an investor in making an investment decision with respect to any securities offered hereunder. Furthermore, this Base Prospectus contains certain statements and estimates regarding the ENEL Group's competitive position in certain markets, including with respect to its pre-eminence in particular markets. Such statements are based on the best information available to the ENEL Group's management as of the date hereof. However, the ENEL Group faces competitive risks and its market positions may diverge from those expressed herein as a result of a variety of factors. Any failure by the ENEL Group to execute its Strategic Plan or maintain its market positions could have a material adverse effect upon the ENEL Group, its business prospects, its financial condition and its results of operations.

***The Group relies on time-limited government concessions in order to conduct many of its business activities***

ENEL Group companies are concession-holders in Italy for the management of the ENEL Group's electricity distribution networks and hydroelectric power stations. The ENEL Group's hydroelectric power stations in Italy are managed under administrative concessions that are set to expire in 2029 and the distribution network in Italy is managed under administrative concessions that will expire in 2030.

Endesa's hydroelectric power stations in Spain also operate under administrative concessions, which are set to expire at different dates from 2019 to 2067.

Any of the ENEL Group's concessions, including concessions not specifically described above, may not be renewed after they expire or may be renewed on economic terms that are more burdensome for the ENEL Group. In either case, the ENEL Group could experience material and adverse effects upon its business prospects, results of operations and financial condition.

***Risks related to the issuance and revocation of permits, concessions and administrative authorizations for the development, construction and operation of plants***

The development, construction and operation of electric power production plants is subject to complex administrative procedures, which requires the procurement of numerous permits from both national and local relevant authorities.

Procedures for obtaining authorizations vary by country and requests may be rejected by the relevant authorities for various reasons or approved with delays which may be significant. The process of obtaining permits can be further delayed or hindered by changes in national or other legislation or regulation or by opposition from communities in the areas affected by a project.

Any failure or delay to obtain permits, concessions and/or necessary authorizations with regard to plants being built, and any revocation, cancellation or non-renewal of permits and/or authorizations in relation to existing plants, and objections by third parties to the issuance of these permits, concessions and authorization may lead the Group to modify or reduce its development objectives in certain areas or technologies, and may have material adverse effects on the Group's business, financial condition and results of operations.

***The ENEL Group faces risks relating to the variability of weather and seasonality and extreme weather events***

Electricity and natural gas consumption levels change significantly as a result of climatic changes. Changes in weather conditions can result in significant changes in energy demand and the ENEL Group's sales mix, ultimately impacting turnover and performance of the ENEL Group. More specifically, in warmer periods of the year, gas sales decline, while during periods in which factories are closed for holidays, electricity sales decline. In addition, weather changes (for example, low wind or rain levels) affect the ENEL Group's production from certain renewable resources. In particular, ENEL's electric power generation involves hydroelectric generation and, accordingly, ENEL is dependent upon hydrological conditions prevailing from time to time in the geographic regions where the relevant hydroelectric generation facilities are located. Hydroelectric generation performance is particularly high during the winter and early spring given the more favourable seasonable weather conditions. If hydrological conditions result in droughts or other conditions that negatively affect ENEL's hydroelectric generation business, ENEL's results of operations could be materially adversely affected. Also, adverse weather conditions can affect the regular delivery of energy due to power plants and result in networks damage and the consequent service disruption. The Group is exposed to the risk of damage to assets and infrastructures caused by extreme weather events or natural disasters and, consequentially, to the risk of prolonged unavailability of these assets.

Although the Group adopts initiatives to monitor, assess and quantify the impacts of the variability of weather and seasonality and extreme events on the Group, also adopting sophisticated monitoring and mitigation measures consistent with internationally recognized Environmental Management Systems (EMS), significant changes of such nature, and the occurrence of one or more of the events described or other similar events could adversely affect the business prospects, results of operations and financial condition of ENEL.

***The ENEL Group is exposed to risks connected with climate change***

Climate change may affect the ENEL Group through two channels: physical variable and transition scenario changes. With regard to the risks related to climate change associated with physical variables, and taking the IPCC (The Intergovernmental Panel on Climate Change) pathways as points of reference, ENEL analysed the trends in the following variables and associated operational and industrial phenomena with potential risks: (i) change in mean temperatures and potential increase and/or decrease in energy demand; (ii) change in mean rainfall and snow levels with a potential increase and/or decrease in hydroelectric generation; (iii) change in mean solar radiation and wind with a potential increase and/or decrease in solar and wind generation. However, work to perfect these analyses is ongoing. According to the scenarios used, significant, chronic changes in the variables analysed, even in the event of increases, would have a material impact mainly over the long term. In addition to chronic trends, the frequency and impact of these events have been looked at in terms of extreme events potentially resulting in unexpected physical damage to assets that could have material impact. Furthermore, with regard to the transition toward a more sustainable development, ENEL considers that the following sources of risks may have an impact on ENEL Group's operations:

- introduction of laws and regulations for getting through the transition and the Paris Agreement introducing stricter emission limits and/or altering the generation mix not driven by price signals;
- increase in the level of competition and convergence of opportunities from diverse fields with opportunities to access new markets, services and/or partnerships or for the entry of new players in the energy industry; and
- regulatory changes with a view to integrating new digital and renewable technologies and to driving infrastructure resilience with potential introduction of new mechanisms of remuneration tied to environmental performance and innovation.

### ***The Group faces risks relating to interruptions in service at its facilities***

The ENEL Group is continuously exposed to the risk of malfunctions and/or interruptions in service resulting from events outside of the ENEL Group's control, including accidents, natural disasters (including earthquakes, severe storms and major unfavourable weather conditions) defects or failures in machinery or control systems or components of them. It is also subject to the risk of casualties or other similar extraordinary events. Any such events could result in economic losses, cost increases, or the necessity to revise the ENEL Group's investment plans. Additionally, service interruptions, malfunctions or casualties or other significant events could result in the ENEL Group being exposed to litigation, which could generate obligations to pay damages. Although the ENEL Group has insurance coverage, such coverage may prove insufficient to fully offset the cost of paying such damages. Therefore, the occurrence of one or more of the events described above, or other similar events, could have a material adverse effect on the business prospects, results of operations and financial condition of ENEL.

### ***The Group is exposed to disruptions in its information technology and cyber attacks***

The Group depends on its information technology and data processing systems for the efficient operation of its business, including the management of relationships with customers and other parties, and a significant malfunction or disruption in the operation of its systems could disrupt the Group's business and adversely impact its ability to compete. The Group also uses a significant number of systems and other technologies supplied by third parties. Such systems are susceptible to malfunctions and interruptions due to equipment damage, power outages, and a range of other hardware, software and network problems. Breakdowns and interruptions in the IT systems could jeopardize the Group's operations, causing errors in the execution of transactions, inefficient processes, loss of customers, production breakdowns and other business interruptions.

In addition to supporting its operations, the Group uses its information systems to collect and store confidential and sensitive data, including information about its business, clients and employees. As the Group's technology continues to evolve, it is anticipated that the Group will collect and store even more data in the future, and that its systems will increasingly use remote communication features that are sensitive to both willful and unintentional security breaches. In the event of a breach in security that allows third parties access to this personal information, the Group is subject to a variety of ever-changing laws on a global basis that require the Group to provide notification to the data owners, and that subject the Group to lawsuits, fines and other means of regulatory enforcement.

The organizational complexity of the Group exposes the Group's assets to the risk of cyber-attacks, or threats of intentional disruption, which are increasing in terms of sophistication and frequency. Although the Group has adopted a model for managing these risks and, in particular, has adopted a "Cyber Security Framework" to guide and manage cyber security activities, which provides for the involvement of the relevant business areas, compliance with legal requirements and recommendations, the use of the best available technologies, ENEL may be subject to cyber-attacks and other security threats to its IT systems. In such circumstances, the Group could be unable to continue to conduct its business in an effective manner, or to prevent or respond promptly and adequately or to mitigate the adverse effects of breakdowns or interruptions in its IT infrastructure, with possible adverse effects on its reputation, financial condition, assets, business and results of operations.

### ***ENEL is exposed to risks relating to recent and potential future acquisitions***

In 2017, the Group completed several acquisitions, in particular through its new Enel X Global Business Line, which acquired companies operating in the fields of demand response, energy storage and the construction of infrastructure for electric mobility, with an overall investment of approximately €380 million. In 2018, the Group acquired control over the Brazilian power distribution company Eletropaulo Metropolitana Eletricidade de São Paulo SA through a voluntary tender offer launched by ENEL's indirect subsidiary Enel

Brasil Investimentos Sudeste SA, with an overall investment of €1,541 million. With respect to both past and future acquisitions, the Group may be exposed to liabilities not detected during the due diligence process or not covered by contractual provisions. Furthermore, other assessments of the acquired business made at the time of the initial investment could prove to be incorrect.

Acquisitions entail an execution risk – the risk that ENEL will not be able to effectively integrate the purchased assets so as to achieve the benefits and synergies expected from such transactions. In addition, acquisitions entail a financial risk – the risk of not being able to recover the purchase costs of acquired assets. Enel may also incur unanticipated costs or assume unexpected liabilities and losses in connection with companies or assets it acquires.

Any of the above circumstances could have adverse effects on the Group's financial condition, business and results of operations.

***The credit agreements and bond agreements that the ENEL Group has entered into contain restrictive covenants that limit its operations***

The agreements relating to the long-term financial indebtedness of the Group contain covenants that must be complied with by the borrowers (ENEL and the other companies of the Group) and, in certain instances, by ENEL, as guarantor. The failure to comply with any of them could constitute a default, which could have a material adverse effect upon the Group, its business prospects, its financial condition or its results of operations. In addition, covenants such as “negative pledge” clauses, “material change” clauses and covenants requiring the maintenance of particular financial ratios or credit ratings, constrain the Group's ability to acquire or dispose of assets or incur new debt.

***The Group faces risks related to the potential liabilities resulting from energy production through nuclear power plants***

The ENEL Group is in the business of nuclear power generation as a result of the ENEL Group's interests in Endesa and the on-going procedure for future decommissioning related to Slovenské elektrárne (“SE”).

Although ENEL believes that Endesa's and SE's nuclear power plants use technologies that are internationally recognised and that they are managed according to international standards, ownership and operation of nuclear power plants nonetheless exposes the ENEL Group to a series of inherent risks, including those relating to the manipulation, treatment, disposal and storage of radioactive substances and the potential adverse effects thereof on the environment and human health.

Under current Spanish law, the Group may incur liabilities of up to €700 million for any nuclear damages caused during the storage, transformation, management, use or transportation of nuclear substances, regardless of the existence of wilful misconduct or negligence. In addition, in 2011 Spain adopted amendments to the relevant law increasing such liability to €1,200 million; such amendments have not yet entered into force pending a ratification process under related EU legislation.

Any nuclear accident or other harmful incident (including resulting from terrorist attacks) could have a material adverse effect on the business prospects, results of operations and financial condition of ENEL and the ENEL Group.

Potential risks also arise in relation to the decommissioning of nuclear power plants. The Slovakian government has established a fund to finance the present and future costs associated with the decommissioning of nuclear reactors. The deficit of this fund has not been definitively quantified, and the ENEL Group could potentially face future costs relating to decommissioning work at Bohunice or Mochovce, in addition to the amounts that it is already required to contribute to the aforementioned fund (equal to €13,428.26 per installed MW, per year, plus 5.95% of the revenues derived from SE's nuclear generation

plants). Following the disposal of part of its interest in SE in July 2016, ENEL owns indirectly a 33% interest in SE and accounts for such investment pursuant to the equity method.

## **2. Financial risks**

### ***The ENEL Group is burdened by significant indebtedness and it must generate sufficient cash flow to service***

As of 30 June 2019, the ENEL Group's net financial debt was equal to €45,391 million, compared to €41,089 million as of 31 December 2018 and €37,410 million as of 31 December 2017. The ENEL Group's net financial debt is calculated in accordance with paragraph 127 of Recommendation ESMA/2013/319 and in line with the CONSOB instructions of 28 July 2006, net of financial receivables and long-term securities.

As of 30 June 2019, the repayment schedules of the ENEL Group's long-term debt provided for the repayment of €1,452 million in the following 6 months, €4,034 million in 2020 and €3,727 million in 2021. The ENEL Group's net short-term financial debt (including current maturities of long-term debt) showed a net creditor position and amounted to €3,037 million as of 30 June 2019, compared to €4,622 million as of 31 December 2018 and €2,585 million as of 31 December 2017. Any failure by the Group to make any of its scheduled debt repayments, or to reschedule such debt on favourable terms, would have a material adverse effect on the Group, its business prospects, its financial condition and its results of operations. For further information on the performance indicators, see sub-paragraph headed "*Definition of performance indicators*" on pages 12 and 13 of the Half Year Report as of 30 June 2019 that is incorporated by reference hereto.

### ***Changes in the level of liquidity available to ENEL may adversely affect the ENEL Group's results of operations and financial condition***

The ENEL Group may not be able to meet its payment commitments or otherwise it may be able to do so only on unfavourable conditions. This may materially and adversely affect the ENEL Group's results of operations and financial condition should the ENEL Group be obliged to incur extra costs to meet its financial commitments or, in the worst case scenario, threaten the ENEL Group's future as a going concern and lead to insolvency. The ENEL Group's approach to liquidity risk management is to maintain a level of liquidity which is adequate for the ENEL Group to meet its payment commitments over a specific period without resorting to additional sources of financing and to have a prudential liquidity buffer sufficient to meet unexpected cash outlays. In addition, in order to ensure the ability to meet its medium-long-term payment commitments, the ENEL Group pursues a strategy aimed at diversifying its funding sources and optimising the maturity of its debt. However, these measures may not be sufficient to cover such risk. To the extent they are not, this may adversely affect the ENEL Group's results of operations and financial condition.

### ***ENEL conducts its business in several different currencies and is exposed to exchange rate risks, particularly in relation to the rate of exchange between the Euro and the U.S. dollar***

The Group is exposed to exchange rate risks in relation to cash flows connected to the purchase and/or sale of fuels and electricity on the international markets, cash flows related to investments or other financial income or expenses denominated in foreign currencies, such as dividends deriving from non-consolidated foreign subsidiaries, cash flows related to the purchase or sale of equity participations, and indebtedness in currencies different from those used in the countries where the Group has its principal operations. The ENEL Group has significant exposure to fluctuations of the Euro against the U.S. dollar and the currencies of the South American countries in which the ENEL Group is present, which have recently been subject to market volatility. It is worth highlighting that such exchange rate risk is higher in hyperinflationary economies like Argentina (which is a country in which ENEL operates).

With reference to the transaction risk, which is the risk arising from the revaluation of assets and liabilities, the main source of risk is represented by debt denominated in currencies different from the functional currencies of Group companies that hold the debt. At 30 June 2019, 53.0% of the Group long-term debt was

denominated in currencies other than euro, compared to 55.0% as of 31 December 2018. Taking into account the hedging transactions, such percentage amounted to 20.0% at 30 June 2019, compared to 19.0% at 31 December 2018. Furthermore, the residual exposure to currencies other than the functional currencies is negligible. Any future significant variations in exchange rates affecting the currencies in which the Group operates and/or failure of the Group's related hedging strategy could materially and adversely affect ENEL's and the Group's financial conditions and results of operations.

Revenues and costs denominated in foreign currencies may be significantly affected by exchange rate fluctuations, which may have an impact on commercial margins (*i.e.*, economic risk), and commercial and financing payables and receivables denominated in foreign currencies may be significantly affected by conversion rates used for profit and loss computation.

Furthermore, because the ENEL Group's consolidated financial statements are expressed in Euro but the financial statements of several subsidiaries are expressed in other currencies, negative fluctuations, in exchange rates could negatively affect the value of consolidated foreign subsidiaries' assets, income and equity, with a concomitant adverse effect on the Group's consolidated financial statements (*i.e.*, translation risk). For instance, due to the translation effect, an appreciation of the Euro against the Group's other significant currencies, including the U.S. dollar, would adversely affect the Group's results.

Exchange rate risk is managed in accordance with the ENEL Group's financial risk management policies, which provide for the stabilisation of the effects of fluctuations in exchange rates to avoid such risk. To this end, the ENEL Group has developed operational processes that ensure the appropriate coverage of exposures through hedging strategies, which typically involve the use of financial derivatives and the posting of cash collateral to the Group's hedging counterparties. However, hedging instruments may not be successful in protecting the Group effectively from adverse exchange rate movements.

***Changes in the creditworthiness of the ENEL Group's counterparties may adversely affect the ENEL Group's business and financial condition***

The ENEL Group is exposed to credit risk deriving by commercial, commodity and financial operations. Credit risk is intended as the possibility that the ENEL Group's counterparties might not be able to discharge all or part of their obligations due to an unexpected change in the creditworthiness that impacts the creditor position, in terms of insolvency or changes in its market value.

Beginning in the last few years, with the instability and uncertainty of the financial markets and the global economic crisis, average payment times for trade receivables by counterparties have increased.

In this frame, the ENEL Group's general policy calls for the application of criteria in all the main regions/countries/business lines for measuring credit exposures in order to promptly identify any deterioration in credit quality – determining any mitigation actions to implement – and to enable the monitoring and reporting of credit risk exposures at the ENEL Group level. Moreover, in most of the regions/countries/business lines the Group assesses in advance the creditworthiness of each counterparty with which it may establish its largest exposures on the basis of information supplied by independent providers and/or internal models.

In addition, for certain segments of its customer portfolio, the Group also enters into insurance contracts with leading credit insurance companies.

In spite of such risk management policies and insurance, default by one or more significant counterparties of the ENEL Group may adversely affect the ENEL Group's results of operations and financial condition.



***A portion of the ENEL Group's indebtedness is subject to floating interest rates, thus subjecting the Group to the risk of adverse interest rate fluctuations***

Market interest rate affects the ENEL Group's results mainly through possible increase in interest expenses due to floating rate indexed debt. As at 30 June 2019, 31.0% of the Group's gross financial debt was subject to floating interest rates (compared to 30.0% as at 31 December 2018). Taking into account the hedge accounting of interest rates considered effective pursuant to the IFRS-EU, 22.0% of the Group's gross financial debt was exposed to interest rate risk at 30 June 2019 (23.0% at 31 December 2018). Any significant increase in interest rates could therefore lead to an increase in the Group's debt service expenses, which would have a material adverse effect on the Group, its business prospects, its financial condition and its results of operations.

The Group adopted risk management policies that provide for the hedging of interest rate risk exposure in line with limits and targets assigned by the top management of the Group. Hedging activities typically entail the use of derivative instruments aiming at transforming floating rate liabilities into fixed rate liabilities and sometimes require the posting of cash collateral to the Group's hedging counterparties. Nevertheless, the Group has not eliminated its exposures to interest rate risk and ENEL cannot offer assurance that they will function as intended and to the extent the Group fails to adequately manage the risks inherent in interest rate volatility, its results of operations may be adversely impacted. In addition, it is possible that the hedging and derivative instruments used by the Group to establish a fixed rate for certain of its floating rate liabilities may lock the Group into interest rates that are ultimately higher than actual market interest rates. Hedging activities could also entail significant costs.

***If the Group is required to write down goodwill and other intangible assets, the Group's financial results would be negatively affected***

The Group's balance sheet at 30 June 2019 included €33.5 billion of goodwill and other intangible assets for 19.6% of the Group's total assets. Such goodwill and other intangible assets have arisen principally in connection with the Group's acquisition of Endesa as well as other businesses, principally in South America. Goodwill is not amortized, but tested for impairment at the reporting unit level. Intangible assets are generally impaired on a straight line basis over their useful life but are also tested for impairment at least annually. Goodwill is required to be tested for impairment annually and between annual tests if events or circumstances indicate that it is more likely than not that the fair value of a reporting unit is less than its carrying amount. There are numerous risks that may cause the fair value of a reporting unit to fall below its carrying amount, which could lead to the measurement and recognition of goodwill impairment. These risks include, but are not limited to, adverse changes in legal factors or the business climate, an adverse action or assessment by a regulator, the loss of key personnel, a more-likely-than-not expectation that all or a significant portion of a reporting unit may be disposed of, failure to realize anticipated synergies from acquisitions, a sustained decline in market capitalization, significant negative variances between actual and expected financial results, and lowered expectations of future financial results. Should the Group be required to write down its goodwill and other intangible assets following an impairment test, the Group's results of operations in the relevant period may be materially and adversely affected.

***The Group is exposed to the risk related to the fluctuations of fuel, other commodities and electricity prices, and disruptions in their supply***

In the ordinary course of business, the ENEL Group is exposed to adverse price fluctuations of commodities and disruptions in their supply based on events outside ENEL's control. The more relevant risks are related to increases in the purchase prices of electricity, fuel and other commodities. The Group is also exposed to the risk of decreases in the sale prices of electricity and gas in the countries where it operates.

The ENEL Group adopted risk management policies providing principles for the hedging of price risk in line with limits and targets assigned by the top management. Hedging activities typically entail the use of

derivative instruments aiming at reducing the risk. Nevertheless, the Group has not eliminated its exposures to these risks and, in addition, hedging contracts for the price of electricity, gas and other commodities are available in the market only for limited forward periods, hence not protecting against adverse price movements in the medium-long term. Consequently, significant variations in fuel, other commodities and electricity prices, and any relevant interruption in supplies, could have a material adverse effect on the business prospects, results of operations and financial condition of ENEL.

As regards electricity sold, the Group mainly uses fixed-price agreements in the form of bilateral physical contracts (PPAs) and financial contracts (e.g. contracts for difference, in which differences are paid to the counterparty, if the market price exceeds the strike price, or to the Group, in the opposite case). The residual exposure related to the uncontracted volume of electricity to be sold is aggregated by homogeneous risk factors and managed by means of hedging transactions on the energy market. Nevertheless, sales agreements and hedging strategies may be ineffective, and significant changes in electricity prices could adversely affect the business prospects, results of operations and financial condition of ENEL.

### **3. Risks relating to macro-economic conditions and country risks**

#### ***The Group is vulnerable to any severe slowdown in power demand as a consequence of industrial sector weaknesses or potential energy intensity***

The environment in which the Group currently operates is marked by the weakness of macroeconomic conditions worldwide, including low levels of consumption and industrial production.

Electricity and gas consumption are strongly affected by the level of economic activity in a given country.

According to Terna, the Italian transmission system operator, electricity demand in Italy increased by 0.3% during 2018 in comparison to 2017. In mainland Spain, the demand for electricity increased by 0.4% during 2018 in comparison to 2017. However, in prior periods, demand for electricity decreased in those same regions.

The crises in the banking system and financial markets in recent years, together with other factors, have resulted in economic recessions in many of the countries where the Group operates, such as Italy, Spain, Russia, other countries in the EU and the United States. If these economies fail to recover for a significant period of time, or worsen, energy consumption may decrease or continue to decrease in such markets, and this could result in a material adverse effect on the business prospects, results of operations and financial condition of ENEL and the Group.

#### ***Risks related to the adverse financial and macroeconomic conditions within the Eurozone***

Since 2013 the global economy has grown at a modest pace, curbed by the stagnation of economic activity in parts of Europe, as well as the slow-down of several emerging economies. In the Eurozone, the pace of economic recovery has lagged behind that of other advanced economies following the prior global recession, including as a result of the sovereign debt crisis that affected several European countries, including Italy and Spain. In 2017, the Eurozone's economic recovery was stronger and broader than that observed in previous years, but it was underpinned more by positive sentiment than structural factors. In 2019, with global conditions deteriorating, the Eurozone's economic growth rate is expected to revert to a lower level.

Core inflation remains subdued, below the European Central Bank's (the "ECB") target, and weak business and consumer confidence are affecting consumption and investment decisions. European monetary policy remains remarkably accommodative in order to support the recovery of the Eurozone's economy. Indeed, the ECB began a new program of Targeted-Long-Term-Refinancing-Operations (TLTRO III) to support the banking sector and reopened the Asset Purchase Program (APP). However, any draining of liquidity may adversely impact growth in Eurozone countries, including the countries in which the Group operates, with potential negatively impact on the Group's business and results of operations.

The economic recovery of the Eurozone may also be jeopardized by the current political instability affecting several countries, ranging from the United Kingdom's (UK) decision to leave the EU (as described in more detail below under "*The UK's decision to withdraw from the EU may have a negative effect on global economic conditions, financial markets and the ENEL Group's business*"), to the possible exit from the EU of more Member States and/or the replacement of the Euro by one or more successor currencies to which the foregoing could lead. These events could have a detrimental impact on the global economic recovery and the repayment of sovereign and non-sovereign debt in certain countries, as well as on the financial condition of European institutions, further increasing the volatility in the European financial markets and may affect demand for ENEL's goods and services.

There can be no assurance that the economy in Europe will not worsen, nor can there be any assurance that current or future assistance packages or measures granted to certain Eurozone countries will be available or, even if provided, will be sufficient to stabilize the affected countries and markets and secure the position of the Euro. These risks are especially significant in Italy and Spain, where a large proportion of the Group's European operations are concentrated. The economic downturn may also impact the Group's customers, may result in their inability to pay the amounts owed to the Group and may affect demand for ENEL's goods and services. Continuation of further worsening of these difficult financial and macroeconomic conditions could have a material adverse effect upon the Group, its business prospects, its financial condition and its results of operations.

***The ENEL Group faces risks relating to political, social or economic instability in some of the countries where the Group operates***

The Group's activities outside of Italy (in particular Russia and certain South American countries) are subject to a range of country-specific business risks, including changes to government policies or regulations in the countries in which it operates, changes in the commercial practice, the imposition of monetary and other restrictions on the movement of capital for foreign corporations, economic crises, state expropriation of assets, the absence, loss or non-renewal of favourable treaties or similar agreements with foreign tax authorities and general political, social and economic instability. Such countries may also be characterised by inadequate creditors' protection due to a lack of efficient bankruptcy procedures, investment restrictions and significant exchange rate volatility.

Systemic (i.e. not diversifiable) risks, referred to as "country risks", could have a material adverse effect on ENEL's business returns and, in order to effectively monitor them, ENEL regularly carries out a qualitative assessment process of the risks associated with each country where the ENEL Group operates. In addition, ENEL has developed a quantitative model using shadow rating approach in order to support capital allocation and investments evaluation processes in the context of industrial planning and business development. This model is aimed at detecting Group exposures to socio-political risk factors, as in Latin America.

There can be no assurance that these policies cover all of the potential liabilities which may arise in connection with country risks. Therefore, the occurrence of an event not covered, or only partially covered, could have a material adverse effect upon the ENEL Group, its business prospects, financial condition and results of operations.

***Changes in macro-economic, geo-political and market conditions, globally and in the countries in which the ENEL Group operates, as well any regulatory changes, may adversely affect the ENEL Group's business and financial condition***

Given the international span of the Group's operations, changes in the political situation in a country or region or political decisions that have an impact on a specific activity or geographic area, could have a significant impact on demand for the Group's products and services. Additionally, uncertainties regarding future trade arrangements and industrial policies in various countries or regions, both within and outside Europe, such as policies on energy savings and the possible introduction of new customs duties, may create additional

macroeconomic risk. In 2018, the U.S. administration began introducing tariffs on various categories of goods, and threatened to introduce further tariffs; in response, the EU, China and other jurisdictions have introduced tariffs on U.S. goods. An escalating trade war may have material adverse effects on the industry in which ENEL operates and on the Group's business, results of operations and financial condition.

Any developments involving the above mentioned factors could have an adverse impact on the Group's business and operating results as well as the Group's financial condition, assets, business and results of operations.

***The Group faces risks relating to the process of energy market liberalisation, which continues to unfold in many of the markets in which the Group operates. The Group may face new competition in the markets in which it operates, also due to the evolution of the energy sector***

The energy markets in which the ENEL Group operates are undergoing a process of gradual liberalisation, which is being implemented through different approaches and on different timetables in the various countries in which the ENEL Group operates. As a result of the process of liberalisation, new competitors have entered and may in the future continue to enter many of the ENEL Group's markets. It cannot be excluded that the process of liberalisation in the markets in which the ENEL Group operates might continue in the future and, therefore, the ENEL Group's ability to develop its businesses and improve its financial results may be affected by such new competition. In particular, competition in Italy is increasing particularly in the electricity business, in which ENEL competes with other producers and traders within Italy and from outside of Italy who sell electricity in the Italian market to industrial, commercial and residential clients. This could have an impact on the prices paid or received in ENEL's electricity production and trading activities. The ENEL Group may moreover be unable to offset the financial effects of decreases in production and sales of electricity through efficiency improvements, or expansion into new business areas or markets. Moreover, since the energy market is in continuous evolution, the ENEL Group may also face risks related to the technological progress in the sector, such as: (i) the entry in the market of new production processes and innovative products, aimed at replacing the traditional technologies; (ii) the relationship between the costs of technologies and their components; and (iii) a more stringent regulatory framework demanding that market operators adopt technologies necessary to comply with the applicable laws.

Furthermore, as a result of such rapid evolution of the energy sector, new entrants seeking to gain market share by introducing new technology and new products could create increased pricing pressure, in turn reducing profit margins, slowing the pace of any sales increases, increasing marketing expenses or reducing market share, any of which may significantly affect the Group's operating results and financial condition.

Although the ENEL Group has sought to face the challenge of liberalisation and market evolution by increasing its presence and client base in free (non-regulated) areas of the energy markets in which it competes and by focusing on technological progress and research of business innovation of strategic importance, it may not be successful in doing so.

***The UK's decision to withdraw from the EU may have a negative effect on global economic conditions, financial markets and the ENEL Group's business***

On 29 March 2017, the UK delivered to the European Council notice of its intention to withdraw from the EU, pursuant to Article 50 of the Treaty on the European Union. The delivery of such notice started a two-year period during which the UK negotiated with the EU the terms of its withdrawal and of its future relationship with the EU (the "**Article 50 Withdrawal Agreement**"). The Article 50 Withdrawal Agreement has not yet been ratified by the UK or the EU. In October 2019, the parties agreed to a third extension of the period referred to in Article 50 of the Treaty on the European Union to allow for the ratification of the Article 50 Withdrawal Agreement no later than 31 January 2020. If the parties fail to reach an agreement, all EU treaties cease to apply to the UK, unless the European Council, in agreement with the UK, unanimously decides to further extend this period. Absent such further extension and subject to the terms of any future

withdrawal agreement, the UK will withdraw from the EU no later than 31 January 2020. There are a number of uncertainties in connection with such negotiations, including the timing of the negotiations and the future of the UK's relationship with the EU. In addition, the UK's decision to withdraw from the EU has also given rise to calls for the governments of other EU member states to consider withdrawal. These developments, or the perception that any of them could occur, have had and may continue to have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets, which could in turn depress economic activity and restrict ENEL's access to capital. Until the terms and timing of the UK's exit from the EU are clearer, it is not possible to determine the impact that the UK's departure from the EU and/or any related matters may have on the stability of the Eurozone or the EU and, ultimately, on the business of the Group. As such, no assurance can be given that such matters would not adversely affect the Group, its business prospects, its financial condition, its results of operations, the ability of the ENEL Group to satisfy the relevant obligations under the Notes and/or the market value and/or the liquidity of the Notes in the secondary market.

***ENEL is subject to risks associated with residents' opposition***

Searching for shared value for ENEL and its stakeholders provides an opportunity to combine competitiveness with the creation of long-term social value. Operating in such a vast geographical area necessarily requires engagement with different businesses and a thorough knowledge of the local area and the needs of the various stakeholders in order to identify targeted solutions. Each infrastructure project is therefore considered in view of observations from the communities, which in some cases (in particular involving relocations) can result in criticism or limited uptake. In the latter cases, the Group could be exposed to reputational risk, delays in project execution or closure, with repercussions also on the supply chain.

**4. Legal and regulatory risks**

***The ENEL Group is subject to different regulatory regimes in all the countries in which it operates. These regulatory regimes are complex and their changes could potentially affect the financial results of the Group***

The Group is subject to the laws of various countries and jurisdictions, including Italy, Spain and the EU, as well as the regulations of particular regulatory agencies, including, in Italy, the Authority for Electricity and Gas (*Autorità per l'Energia Elettrica, il Gas e il Sistema Idrico*) (the "Authority") and, in Spain, the *Comisión Nacional de los Mercados y la Competencia* ("CNMC").

These laws and regulations may change and the Group may become subject to new legislation or regulatory requirements that could have a material effect on the Group's business, results of operations and financial condition.

Sectorial regulation affects many aspects of the Group's business and, in many respects, determines the manner in which the Group conducts its business and sets the fees it charges or obtains for its products and services. For further details on the legislative and regulatory context in which the ENEL Group operates, see also the paragraph entitled "Regulation" in the "Description of ENEL" section below. Changes in applicable legislation and regulation, whether at a national or European level, and the manner in which they are interpreted, could negatively impact the ENEL Group's current and future operations, its cost and revenue-earning capabilities and in general the development of its business.

Future changes in the directives, laws and regulations issued by the EU, the Italian Republic, Spain, the Authority, CNMC or governments or authorities in the other countries and/or markets in which the Group operates could materially and adversely affect ENEL's and the Group's business prospects, financial condition and results of operations.

***ENEL is subject to a large variety of litigation and regulatory proceedings and cannot offer assurances regarding the outcomes of any particular proceedings***

In the ordinary course of its business, the Group is subject to numerous civil (including in relation to antitrust and tax violations) and administrative proceedings, as well as criminal (including in connection with environmental violations, manslaughter and omission of accident prevention measures) and arbitral proceedings. ENEL made provisions in its consolidated financial statements for contingent liabilities related to particular proceedings in accordance with the advice of internal and external legal counsel. Such provisions amounted to €1,088 million as of 30 June 2019, compared to €1,506 million as of 31 December 2018 and €931 million as of 31 December 2017. Such increase from 31 December 2017 to 30 June 2019 mainly reflected the consolidation of provisions following acquisitions.

The Group confirms that the assessment of any liability arising from or in connection with a litigation and its potential description in the financial statement is carried out in full compliance with and according to the applicable international accounting principles and, in particular, pursuant to IAS 37. For further information, see “*Description of ENEL - Litigation*” in which the Group provides updated and relevant information concerning the above-mentioned potential liabilities related to litigations.

Notwithstanding the foregoing, the Group has not recorded provisions in respect of all of the proceedings to which it is subject. In particular, it has not recorded provisions in cases in which it is not possible to quantify any negative outcome and in cases in which it currently believes that negative outcomes are not likely. There can be no assurance, therefore, that the Group will not be ordered to pay an amount of damages with respect to a given matter for which it has not recorded an equivalent provision, or any provision at all. For further information, see “*Description of ENEL - Litigation*”. The variability in the outcomes of the existing judicial proceedings may determine a situation in which the provisions set aside may not be sufficient to cover the relevant losses. As a consequence, if future losses arising from the pending judicial proceedings are materially in excess of the provisions made, there may be a material adverse effect on the Group’s business, cash flow, financial condition and results of operations.

In addition, although the Group maintains internal monitoring systems (including an internal control model pursuant to Italian Legislative Decree No. 231 of 8 June 2001), it may be unable to detect or prevent certain crimes including, *inter alia*, bribery, corruption, environmental violations, manslaughter, violations of rules regarding health and safety in the workplace committed by its directors, officers, employees or agents, which could lead to civil, criminal and administrative liability for the Group (including in the form of pecuniary sanctions and operational bans), as well as reputational damages.

***The Group faces significant costs associated with environmental laws and regulation and may be exposed to significant environmental liabilities***

The ENEL Group’s businesses are subject to extensive environmental regulation on a national, European, and international scale. Applicable environmental regulations address, among other things, carbon dioxide (“CO<sub>2</sub>”) emissions, water pollution, the disposal of substances deriving from energy production (including as a result of the decommissioning of nuclear plants), and atmospheric contaminants such as sulphur dioxide (“SO<sub>2</sub>”), nitrogen oxides (“NO<sub>x</sub>”) and particulate matter, among other things.

The ENEL Group incurs significant costs to keep its plants and businesses in compliance with the requirements imposed by various environmental and related laws and regulations. Such regulations require the ENEL Group to adopt preventative or remedial measures and influence the ENEL Group’s business decisions and strategy. Failure to comply with environmental requirements in the countries where the ENEL Group operates may lead to fines, litigation, loss of licences, permits and authorisations and, in general, to temporary or permanent curtailment of operations. For instance, Law No. 68/2015 has introduced a number of new criminal offences related to environmental liabilities (so called “*ecoreati*”) – in particular the environmental pollution, environmental damage, trade and dereliction of radioactive material, criminal

conspiracy aiming to carry out an “*ecoreato*” (art. 452-*octies* of the Italian Criminal Code) – implying new liabilities and, therefore, additional potential expenses, for companies subject to the environmental regulation such as entities belonging to the ENEL Group.

In light of the current public focus on environmental matters, it is not possible to exclude the possibility that more rigorous environmental rules may be introduced at the Italian, Spanish or European level or that more rigorous measures may be introduced in other countries where the Group operates, which could increase costs or cause the Group to face environmental liabilities. Such environmental liabilities could increase costs, including clean-up costs, for the Group. ENEL is not able to foresee the nature or the potential effects of future regulations on its results of operations. Due to tariff regulations and market competition in Italy and other countries in which the Group operates, increases in costs that the Group incurs for environmental protection may not be fully offset by the increases in ENEL’s prices. As a result, new environmental regulation could have a material adverse effect on the Group’s business prospects, results of operations and financial condition.

Legislation and other regulation concerning CO<sub>2</sub> emissions is one of the key factors affecting the ENEL Group’s operations, and is also one of the greatest challenges the ENEL Group faces in safeguarding the environment. With respect to the control of CO<sub>2</sub> emissions, EU legislation governing the CO<sub>2</sub> emissions trading scheme imposes costs for the electricity industry, which could rise substantially in the future. In this context, the instability of the emission allowance market accentuates the difficulties of managing and monitoring the situation. The ENEL Group monitors the development and implementation on EU and Italian legislation, diversifies its generation mix towards the use of low-carbon technologies and resources with a focus on renewables and nuclear power, develops strategies to acquire allowances at competitive prices and enhances the environmental performances of its generation plants, increasing their energy efficiency. However, these measures and strategies undertaken by the ENEL Group to mitigate risks associated with CO<sub>2</sub> regulation and to reduce its CO<sub>2</sub> emissions may be ineffective or insufficient, which could have a material adverse effect on the business prospects, results of operations and the financial condition of ENEL and the ENEL Group. See “*Description of ENEL - Regulation*” for more information about CO<sub>2</sub>-related regulations.

In addition, the current U.S. administration has taken a number of steps that eliminate or reduce various clean energy programs, industries and initiatives, such as the decision to repeal or replace the Clean Power Plan and the notification of the United States’ withdrawal from the Paris Agreement on climate change, designed to curtail global warming. If the United States take further steps to eliminate or further reduce, repeal or eliminate other existing programs, incentive legislation and regulations supporting renewable energies, such actions may result in a decrease in demand for renewable energies in the United States and other geographical markets and materially harm ENEL’s business, financial condition and results of operations.

The Group is also subject to numerous EU, international, national, regional and local laws and regulations regarding the impact of its operations on the health and safety of employees, contractors, communities and properties. Breaches of health and safety laws expose the Group’s employees to criminal and civil liability and the Group to the risk of liabilities associated with compensation for health or safety damage, as well as damage to its reputation.

***The ENEL Group is exposed to a number of different tax uncertainties, which would have an impact on its tax expenses***

The ENEL Group is required to pay taxes in multiple jurisdictions in which it operates. The ENEL Group determines the taxes it is required to pay, based on its interpretation of the applicable tax laws and regulations in the jurisdictions in which it operates. Therefore, and as a result of its presence and operation in multiple jurisdictions (including, in addition to Italy and The Netherlands, countries of incorporation of ENEL and ENEL N.V., also, inter alia, Spain, South America, Romania, Russia and The United States), the ENEL Group may be subject to unfavourable changes in the applicable tax laws and regulations, or in the interpretation of

such tax laws and regulations by the competent tax authorities. The financial position of the ENEL Group and its ability to service the obligations under its indebtedness, including the Notes, may be adversely affected by new laws or changes in the interpretation of existing tax laws.

## **5. Risks relating to ENEL's credit ratings and shareholding**

### ***ENEL's ability to access credit and bond markets on acceptable terms is in part dependent on its credit ratings, which have come under scrutiny due to its level of debt***

ENEL's long-term debt is currently rated "BBB+" (stable outlook) by S&P, "A-" (stable outlook) by Fitch and "Baa2" (positive outlook) by Moody's. The credit ratings included or referred to in this Base Prospectus will be treated for the purposes of the CRA Regulation as having been issued by S&P, Moody's and Fitch upon registration pursuant to the CRA Regulation. S&P, Moody's and Fitch are established in the EU and registered under the CRA Regulation. Each of Moody's, S&P and Fitch is included in the list of registered credit rating agencies published by the ESMA on its website in accordance with the CRA Regulation. The ratings of S&P and Moody's are near the low-end of the respective rating agency's scale of investment-grade ratings. Fitch's rating is in the upper medium part of the rating agency's scale. ENEL's ability to access the capital markets and other forms of financing (or refinancing), and the costs connected with such activities, depend on the credit ratings assigned to ENEL. In addition, any future downgrade of the sovereign credit rating of Italy and/or Spain or the perception that such a downgrade may occur may adversely affect the markets' perception of ENEL's creditworthiness and have a negative impact on the Group's credit ratings. Any worsening of credit ratings could limit ENEL's ability to access capital markets and other forms of financing (or refinancing), or increase the costs related thereto, with related adverse effects on ENEL's and the Group's business prospects, financial condition and results of operations as well as its ability to implement the 2020-2022 Strategic Plan, which contemplates a significant amount of capital expenditure (see "*—ENEL's ability to successfully execute its 2020-2022 Strategic Plan is not assured*").

Certain credit agreements entered into by companies belonging to the ENEL Group, state that the overall pricing applicable to the loans thereunder may vary according to ENEL's credit rating by S&P or Moody's. Any downgrade could thus adversely affect the amount of interest payable by ENEL. In addition, the possibility of access to the capital markets and to other forms of financing and the associated costs are also dependent, amongst other things, on the rating assigned to the Group. Therefore, any downgrade of such ratings could limit ENEL's access to the capital markets and could increase the cost of borrowing and/or of the refinancing of existing debt. Any downgrade could therefore have adverse effects on the Company's and the Group's business prospects, financial condition and results of operations.

### ***ENEL is subject to the de facto control of the Italian Ministry of the Economy and Finance (the "MEF"), which can exercise significant influence over matters requiring shareholder approval***

As of the date of this Base Prospectus, ENEL is controlled by the MEF – pursuant to Article 2359, first paragraph, no. 2) of the Italian Civil Code, as recalled by Article 93 of the Financial Services Act – which holds a 23.585% direct stake in ENEL's ordinary shares.

As long as the MEF remains ENEL's principal shareholder, it can exercise significant influence in matters requiring shareholder approval. More importantly, the MEF's vote, when exercised, has been to date decisive in appointing the majority of the directors of ENEL, in accordance with the slate-based voting mechanism set forth in Article 14 of ENEL's articles of association. As a result, other shareholders' ability to influence decisions on matters submitted to a vote of ENEL's shareholders may be limited. However, the MEF is not involved in managing and coordinating ENEL, and ENEL makes its management decisions on a fully independent basis in accordance with the structure of duties and responsibilities assigned to its corporate bodies.



## **FACTORS WHICH ARE MATERIAL FOR THE PURPOSE OF ASSESSING THE MARKET RISKS ASSOCIATED WITH NOTES ISSUED UNDER THE PROGRAMME**

### **1. Risks Related to the Structure of a Particular Issue of Notes**

A wide range of Notes may be issued under the Programme. A number of these Notes may have features which contain particular risks for potential investors. Set out below is a description of the most common such features (which however are not intended to be an exhaustive description):

#### ***Notes subject to optional redemption by the relevant Issuer***

An optional redemption feature of Notes is likely to limit their market value. During any period when the relevant Issuer may elect to redeem Notes, the market value of those Notes generally will not rise substantially above the price at which they can be redeemed. This also may be true prior to any redemption period.

The relevant Issuer may be expected to redeem Notes when its cost of borrowing is lower than the interest rate on the Notes. At these times, an investor generally would not be able to reinvest the redemption proceeds at an effective interest rate as high as the interest rate on the Notes being redeemed and may only be able to do so at a significantly lower rate. Potential investors should consider reinvestment risk in light of other investments available at that time.

In addition, with respect to the Clean-up Call Option (Condition 7(e)), there is no obligation on the relevant Issuer to inform investors if and when 80% or more of original aggregate principal amount of the relevant Tranche of Notes has been redeemed or is about to be redeemed, and the relevant Issuer's right to redeem will exist notwithstanding that immediately prior to the serving of a notice in respect of the exercise of the Clean-up Call Option the Notes may have been trading significantly above par, thus potentially resulting in a loss of capital invested.

#### ***Fixed/Floating Rate Notes***

Certain Fixed/Floating Rate Notes may bear interest at a rate that converts from a fixed rate to a floating rate, or from a floating rate to a fixed rate. Where the relevant Issuer has the right to effect such a conversion, this will affect the secondary market and the market value of the Notes since the relevant Issuer may be expected to convert the rate when it is likely to produce a lower overall cost of borrowing. If the relevant Issuer converts from a fixed rate to a floating rate in such circumstances, the spread on such Fixed/Floating Rate Notes may be less favourable than the prevailing spreads on comparable Floating Rate Notes tied to the same reference rate. In addition, the new floating rate at any time may be lower than the rates on other Notes. If the relevant Issuer converts from a floating rate to a fixed rate in such circumstances, the fixed rate may be lower than then prevailing rates on its Notes.

#### ***Notes issued at a substantial discount or premium***

The market value of securities issued at a substantial discount or premium from their principal amount tend to fluctuate more in relation to general changes in interest rates than do prices for conventional interest-bearing securities. Generally, the longer the remaining term of the securities, the greater the price volatility as compared to conventional interest-bearing securities with comparable maturities.

#### ***Reform of LIBOR and EURIBOR and other interest rate index and equity, commodity and foreign exchange rate index "benchmarks"***

The London Interbank Offered Rate ("LIBOR"), the Euro Interbank Offered Rate ("EURIBOR") and other indices which are deemed "benchmarks" ("Benchmarks") are the subject of recent national, international and other regulatory guidance and proposals for reform. Some of these reforms are already effective while others are still to be implemented. These reforms may cause such Benchmarks to perform differently than in the

past, or to disappear entirely, or have other consequences which cannot be predicted. Any such consequence could have a material adverse effect on any Notes linked to or referencing such a Benchmark.

Key international reforms of Benchmarks include the International Organization of Securities Commission's ("IOSCO") proposed Principles for Financial Market Benchmarks (July 2013) (the "**IOSCO Benchmark Principles**") and the EU's Regulation (EU) 2016/1011 of the European Parliament and of the Council of 8 June 2016 on indices used as Benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014.

The IOSCO Benchmark Principles aim to create an overarching framework of principles for Benchmarks to be used in financial markets, specifically covering governance and accountability, as well as the quality and transparency of Benchmark design and methodologies. A review published in February 2015 on the status of the voluntary market adoption of the IOSCO Benchmark Principles noted that, as the Benchmarks industry is in a state of change, further steps may need to be taken by IOSCO in the future, but that it is too early to determine what those steps should be. The review noted that there has been a significant market reaction to the publication of the IOSCO Benchmark Principles, and widespread efforts being made to implement the IOSCO Benchmark Principles by the majority of administrators surveyed.

On 17 May 2016, the Council of the EU adopted the Benchmarks Regulation. The Benchmarks Regulation was published in the Official Journal of the EU on 29 June 2016 and entered into force on 30 June 2016. Subject to various transitional provisions, the Benchmarks Regulation has applied since 1 January 2018, except that the regime for "critical" Benchmarks has applied from 30 June 2016 and certain amendments to Regulation (EU) No 596/2014 (the "**Market Abuse Regulation**") have applied from 3 July 2016. The Benchmarks Regulation applies to "contributors", "administrators" and "users of" Benchmarks in the EU, and, among other things, (i) requires Benchmark administrators to be authorised or registered (or, if non-EU-based, to be subject to an equivalent regulatory regime or otherwise recognised or endorsed) and to comply with extensive requirements in relation to the administration of "benchmarks" and (ii) bans the use of Benchmarks of unauthorised administrators. The scope of the Benchmarks Regulation is wide and, in addition to so-called "critical benchmark" indices such as LIBOR and EURIBOR, could also potentially apply to many other interest rate indices, as well as equity, commodity and foreign exchange rate indices and other indices (including "proprietary" indices or strategies) which are referenced in listed financial instruments (including listed Notes), financial contracts and investment funds.

The Benchmarks Regulation could also have a material impact on any listed Notes linked to a Benchmark index, including in any of the following circumstances:

- (i) an index which is a Benchmark could not be used as such if its administrator does not obtain appropriate EU authorisations or is based in a non-EU jurisdiction which (subject to any applicable transitional provisions) does not have equivalent regulation. In such event, depending on the particular Benchmark and the applicable terms of the Notes, the Notes could be delisted (if listed), adjusted, redeemed or otherwise impacted; or
- (ii) the methodology or other terms of the Benchmark related to a series of Notes could be changed in order to comply with the terms of the Benchmarks Regulation, and such changes could have the effect of reducing or increasing the rate or level of the Benchmark or of affecting the volatility of the published rate or level, and could lead to adjustments to the terms of the Notes, including Calculation Agent determination of the rate or level in its discretion.

Any of the international, national or other reforms (or proposals for reform), the discontinuation of or the general increased regulatory scrutiny of Benchmarks could increase the costs and risks of administering or

otherwise participating in the setting of a Benchmark and complying with any such regulations or requirements.

It is not possible to predict with certainty whether, and to what extent a Benchmark will continue to be supported going forwards. This may cause certain Benchmarks to perform differently than they have done in the past, and may have other consequences which cannot be predicted. The reform of EURIBOR to adopt a hybrid methodology and to provide a fallback by reference to a euro risk-free rate (based on a euro overnight risk-free rate as adjusted by a methodology to create a term rate), or the elimination of LIBOR or any other Benchmark, or changes in the manner of administration of any Benchmark, could require an adjustment to the conditions of the Notes or result in other consequences in respect of any Notes referencing such Benchmarks.

Such factors may have the effect of discouraging market participants from continuing to administer or participate in certain Benchmarks, triggering changes in the rules or methodologies used in certain Benchmarks or leading to the disappearance of certain Benchmarks. Any of the above changes, including the disappearance of a Benchmark or changes in the manner of administration of a Benchmark could result in adjustment to the terms and conditions, early redemption, discretionary valuation by the Calculation Agent, delisting (if listed) or other consequence in relation to Notes linked to such Benchmark. Any such consequence could have a material adverse effect on the value of and return on any such Notes.

### ***Floating Rate Notes***

Reference rates and indices, including interest rate Benchmarks, such as LIBOR or EURIBOR, which are used to determine the amounts payable under financial instruments or the value of such financial instruments, have, in recent years, been the subject of political and regulatory scrutiny as to how they are created and operated. This has resulted in regulatory reform and changes to existing Benchmarks, with further changes anticipated. These reforms and changes may cause a Benchmark to perform differently than it has done in the past or to be discontinued, or Benchmarks to be eliminated entirely, or other consequences which cannot be predicted. For example, on 12 July 2018, the UK Financial Conduct Authority (the “**FCA**”) announced that the LIBOR benchmark might cease to be a regulated benchmark under the Benchmark Regulation (the “**FCA Announcement**”). The FCA Announcement indicated that steps are being taken to transition from the LIBOR benchmark to alternative interest rate benchmarks following the FCA’s announcement on 27 July 2017 that it will no longer persuade or compel banks to submit rates for the calculation of the LIBOR benchmark after 2021. The potential elimination of the LIBOR benchmark or any other Benchmark, or changes in the manner of administration of any Benchmark, could require or result in an adjustment to the interest provisions of the Conditions, or result in other consequences, in respect of any Notes linked to such Benchmark (including but not limited to Floating Rate Notes whose interest rates are linked to LIBOR which may, depending on the manner in which the LIBOR benchmark is to be determined under the terms and conditions, result in the effective application of a fixed rate based on the rate which applied in the previous period when LIBOR was available). Amendments to the Conditions and/or relevant fall-back provisions may be required to reflect such discontinuance and there can be no assurance that any such amendments will fully or effectively mitigate all future relevant interest rate risks. Any change in the performance of a Benchmark or its discontinuation, could have a material adverse effect on any Notes referencing or linked to such Benchmark.

On 29 November 2017, the Bank of England and the FCA announced that, from January 2018, its Working Group on Sterling Risk-Free Rates has been mandated with implementing a broad-based transition to the Sterling Overnight Index Average (“**SONIA**”) over the next four years across sterling bond, loan derivative markets, so that SONIA is established as the primary sterling interest rate benchmark by the end of 2021.

Separate workstreams have also been implemented in Europe to reform EURIBOR using a hybrid methodology and to provide a fallback by reference to a euro risk-free rate (based on a euro overnight risk-free rate as adjusted by a methodology to create a term rate). On 13 September 2018, the working group on

euro risk-free rates recommended Euro Short-term Rate (“€STR”) as the new risk-free rate. €STR was published by the ECB for the first time on 2 October 2019. In addition, on 21 January 2019, the euro risk-free rate working group published a set of guiding principles for fallback provisions in new euro denominated cash products (including bonds). Continuing to enter into new contracts referencing EURIBOR without more robust fallback provisions may increase the risk to the financial system.

Where Screen Rate Determination is specified as the manner in which the Rate of Interest in respect of Floating Rate Notes is to be determined, the Conditions provide that the Rate of Interest shall be determined by reference to the Relevant Screen Page (or its successor or replacement). In circumstances where such Original Reference Rate is discontinued, neither the Relevant Screen Page, nor any successor or replacement may be available.

Where the Relevant Screen Page is not available, and no successor or replacement for the Relevant Screen Page is available, the Conditions provide for the Rate of Interest to be determined by the Calculation Agent by reference to quotations from banks communicated to the Calculation Agent.

Where such quotations are not available (as may be the case if the relevant banks are not submitting rates for the determination of such Original Reference Rate), the Rate of Interest may ultimately revert to the Rate of Interest applicable as at the last preceding Interest Determination Date before the Original Reference Rate was discontinued. Uncertainty as to the continuation of the Original Reference Rate, the availability of quotes from reference banks, and the rate that would be applicable if the Original Reference Rate is discontinued may adversely affect the value of, and return on, the Floating Rate Notes.

If a Benchmark Event (as defined in Condition 5A) (which, amongst other events, includes the permanent discontinuation of an Original Reference Rate) occurs, the relevant Issuer shall use its reasonable endeavours to appoint and consult with an Independent Adviser. The Independent Adviser shall act in good faith and in a commercially reasonable manner as an expert and in consultation with the relevant Issuer and shall endeavour to determine a Successor Rate or Alternative Rate to be used in place of the Original Reference Rate. The use of any such Successor Rate or Alternative Rate to determine the Rate of Interest will result in Notes linked to or referencing the Original Reference Rate performing differently (which may include payment of a lower Rate of Interest) than they would do if the Original Reference Rate were to continue to apply in its current form.

If a Successor Rate or Alternative Rate is determined by the Independent Adviser, the Conditions also provide that an Adjustment Spread may be determined by the Independent Adviser and applied to such Successor Rate or Alternative Rate. The aim of the Adjustment Spread is to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders and Couponholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate. However, it may not be possible to determine or apply an Adjustment Spread and even if an Adjustment Spread is applied, such Adjustment Spread may not be effective to reduce or eliminate economic prejudice to Noteholders and Couponholders. If no Adjustment Spread can be determined, a Successor Rate or Alternative Rate may nonetheless be used to determine the Rate of Interest. The use of any Successor Rate or Alternative Rate (including with the application of an Adjustment Spread) will still result in Notes linked to or referencing the Original Reference Rate performing differently (which may include payment of a lower Rate of Interest) than they would if the Original Reference Rate were to continue to apply in its current form.

Furthermore, if any Successor Rate, Alternative Rate or Adjustment Spread is determined by the Independent Adviser, the Conditions provide that the Issuers shall vary the Conditions, if determined by the Independent Adviser, to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread, without any requirement for consent or approval of the Noteholders.

***The relevant Issuer may be unable to appoint an Independent Adviser or the Independent Adviser may not be able to determine a Successor Rate or Alternative Rate in accordance with the terms and conditions of the Notes***

Where the relevant Issuer is unable to appoint an Independent Adviser in a timely manner, or the Independent Adviser is unable, to determine a Successor Rate or Alternative Rate before the next Interest Determination Date, the Rate of Interest for the next succeeding Interest Period will be the Rate of Interest applicable as at the last preceding Interest Determination Date before the occurrence of the Benchmark Event or, where the Benchmark Event occurs before the first Interest Determination Date, the Rate of Interest will be the initial Rate of Interest.

Applying the initial Rate of Interest, or the Rate of Interest applicable as at the last preceding Interest Determination Date before the occurrence of the Benchmark Event will result in Notes linked to or referencing the relevant Benchmark performing differently (which may include payment of a lower Rate of Interest) than they would do if the relevant Benchmark were to continue to apply, or if a Successor Rate or Alternative Rate could be determined.

If the relevant Issuer is unable to appoint an Independent Adviser or, the Independent Adviser fails to determine a Successor Rate or Alternative Rate for the life of the relevant Notes, the initial Rate of Interest, or the Rate of Interest applicable as at the last preceding Interest Determination Date before the occurrence of the Benchmark Event, will continue to apply to maturity. This will result in the Floating Rate Notes, in effect, becoming fixed rate Notes.

Where ISDA Determination is specified as the manner in which the Rate of Interest in respect of Floating Rate Notes is to be determined, the Conditions provide that the Rate of Interest in respect of the Notes shall be determined by reference to the relevant Floating Rate Option in the 2006 ISDA Definitions. Where the Floating Rate Option specified is an “IBOR” Floating Rate Option, the Rate of Interest may be determined by reference to the relevant screen rate or the rate determined on the basis of quotations from certain banks. If the relevant IBOR is permanently discontinued and the relevant screen rate or quotations from banks (as applicable) are not available, the operation of these provisions may lead to uncertainty as to the Rate of Interest that would be applicable, and may, adversely affect the value of, and return on, the Floating Rate Notes.

***Notes issued, if any, as “Green Bonds” may not be a suitable investment for all investors seeking exposure to green assets***

In connection with the issue of “Green Bonds” under the Programme, the relevant Issuer or the Guarantor may request a sustainability rating agency or sustainability consulting firm to issue a second-party opinion confirming that the Eligible Green Projects (as defined under “*Use of Proceeds*” below) have been defined in accordance with the broad categorisation of eligibility for green projects set out by the International Capital Market Association (ICMA) Green Bond Principles (GBP) and/or a second-party opinion regarding the suitability of the Notes as an investment in connection with certain environmental and sustainability project (any such second-party opinion, a “**Second-party Opinion**”). A Second-party Opinion may not reflect the potential impact of all risks related to the structure, market, additional risk factors discussed above and other factors that may affect the value of the Notes or the projects financed or refinanced toward an amount corresponding the net proceeds of the relevant issue of Notes in the form of “Green Bonds”. A Second-party Opinion would not constitute a recommendation to buy, sell or hold securities and would only be current as of the date it is released. In addition, although ENEL and ENEL N.V. may agree at the time of issue of any Green Bonds to certain reporting and use of proceeds (including in the case of certain divestments described under “*Use of Proceeds*”) it would not be an event of default under the Notes if ENEL or ENEL N.V. were to fail to comply with such obligations. A withdrawal of the Second-party Opinion may affect the value of such Notes and/or may have consequences for certain investors with portfolio mandates to invest in green assets.

***Step Up Notes may not be a suitable investment for all investors seeking exposure to assets with sustainability characteristics***

Although the interest rate relating to the Step Up Notes is subject to upward adjustment in certain circumstances specified in the Conditions, such Notes may not satisfy an investor's requirements or any future legal or quasi legal standards for investment in assets with sustainability characteristics. The Notes described above are not being marketed as green bonds since ENEL expects to use the relevant net proceeds for general corporate purposes and therefore ENEL does not intend to allocate the net proceeds specifically to projects or business activities meeting environmental or sustainability criteria, or be subject to any other limitations associated with green bonds.

In addition, the interest rate adjustment in respect of the above-mentioned Step Up Notes depends on a definition of Renewable Energy Installed Capacity or, as the case may be, Direct Green House Gas Emissions, that may be inconsistent with investor requirements or expectations or other definitions relevant to renewable energy and/or green house emissions. ENEL includes within Renewable Energy Installed Capacity electricity generation facility exclusively using any of the following technologies: wind, solar, hydro (including large hydro) and geothermal and any other non-fossil fuel source of generation deriving from natural resources (excluding, for the avoidance of doubt, nuclear energy). ENEL defines Direct Green House Gas Emissions as the Group Scope 1 CO<sub>2</sub> equivalent emissions (grams per kWh) from the production of electricity and heat as of a given date reported by ENEL, in its Sustainability Report – Non Financial Statement. In each case, ENEL has not obtained third-party analysis of its definition of Renewable Energy Installed Capacity or Direct Green House Gas Emissions or how such definitions relate to any sustainability-related standards other than the relevant External Verifier's confirmation of (i) the Renewable Installed Capacity Percentage of ENEL and its consolidated subsidiaries as of 30 June and 31 December in the relevant year and (ii) the Direct Green House Gas Emissions of ENEL and its consolidated subsidiaries as of 31 December in the relevant year, each according to ENEL's definition thereof.

Although ENEL targets (i) increasing the proportion of its total installed capacity constituted by renewable sources and (ii) decreasing its direct green house gas emissions, there can be no assurance of the extent to which it will be successful in doing so or that any future investments it makes in furtherance of these targets will meet investor expectations or any binding or non-binding legal standards regarding sustainability performance, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact. Adverse environmental or social impacts may occur during the design, construction and operation of any investments ENEL makes in furtherance of this target or such investments may become controversial or criticized by activist groups or other stakeholders. Indeed, a Direct Green House Gas Emissions Event shall not occur in the case of the failure of ENEL to satisfy the Direct Green House Gas Emissions Condition as a result of certain events better described in the Conditions. Lastly, no Event of Default shall occur under the Step Up Notes, nor will the relevant Issuer or, in the case of Notes issued by ENEL N.V., the Guarantor be required to repurchase or redeem such Notes, if ENEL fails to increase its Renewable Energy Installed Capacity.

***A portion of the ENEL Group's indebtedness includes certain triggers linked to sustainability key performance indicators***

A portion of the ENEL Group's indebtedness includes certain triggers linked to sustainability key performance indicators such as total installed capacity and greenhouse gas emissions (see "*Step Up Notes may not be a suitable investment for all investors seeking exposure to assets with sustainability characteristics*") which must be complied with by ENEL, and in respect of which a Step Up Option applies. The failure to meet such sustainability key performance indicators will result in increased interest amounts under such Notes,

which would increase the Group's cost of funding and which could have a material adverse effect on the Group, its business prospects, its financial condition or its results of operations.

### ***Modification, waivers and substitution***

The conditions of the Notes contain provisions for calling meetings of Noteholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Noteholders including Noteholders who did not attend and vote at the relevant meeting and Noteholders who voted in a manner contrary to the majority.

The conditions of the Notes provide that ENEL N.V. may, at any time, without the consent of the Noteholders or the Couponholders (each as defined below), substitute for itself as principal debtor under the Notes and the Coupons (each as defined below) either ENEL as Issuer or any of ENEL's Subsidiaries, in the circumstances described in Conditions 16(a) and 16(c) of the conditions of the Notes.

The conditions of the Notes also provide that, where ENEL is the Issuer, ENEL may at any time, without the consent of the Noteholders or the Couponholders, substitute for itself as principal debtor under the Notes and Coupons any of ENEL's Subsidiaries, in the circumstances described in Condition 16(b) of the Notes.

In either case, the relevant Subsidiary, failing which, ENEL shall indemnify the Noteholders against any adverse tax consequences of such substitution, as described in Conditions 16(a)(i), 16(b)(i) and 16(c)(i) of the Conditions of the Notes, except that neither ENEL nor the relevant Subsidiary shall be liable under such indemnity to pay any additional amounts either on account of "*imposta sostitutiva*" or on account of any other withholding or deduction in the event of payment of interest or other amounts paid to a non-Italian resident legal entity or a non-Italian resident individual which is resident in a country which does not allow for a satisfactory exchange of information.

## **2. Risks relating to the Clearing Systems, the listing and trading of the Notes and potential conflicts of interest with the Calculation Agent**

### ***Because the Global Notes are held by or on behalf of Euroclear and Clearstream, Luxembourg, investors will have to rely on their procedures for transfer, payment and communication with the Issuers***

Notes issued under the Programme may be represented by one or more Global Notes. Such Global Notes will be deposited with a common depositary or common safekeeper for Euroclear and Clearstream, Luxembourg. Except in the circumstances described in the relevant Global Note, investors will not be entitled to receive definitive Notes. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by one or more Global Notes, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg. While the Notes are represented by one or more Global Notes, the Issuers will discharge their payment obligations under the Notes by making payments to the common depositary or common safekeeper for Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the relevant Notes. The Issuers have no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in the Global Notes. Holders of beneficial interests in the Global Notes will not have a direct right to vote in respect of the relevant Notes. Instead, such holders will be permitted to act only to the extent that they are enabled by Euroclear and Clearstream, Luxembourg to appoint appropriate proxies.

### ***Delisting of the Notes***

Application may be made for Notes issued under the Programme to be listed on the official list of Euronext Dublin and admitted to trading on the regulated market of Euronext Dublin and Notes issued under the Programme may also be admitted to trading, listing and/or quotation by any other listing authority, stock

exchange or quotation system, including the Luxembourg Stock Exchange (each, a “listing”), as specified in the relevant Final Terms. Such Notes may subsequently be delisted despite the best efforts of the relevant Issuer to maintain such listing and, although no assurance is made as to the liquidity of the Notes as a result of listing, any delisting of the Notes may have a material effect on a Noteholder’s ability to resell the Notes on the secondary market.

***Notes where denominations involve integral multiples: definitive Notes***

In relation to any issue of Notes which have denominations consisting of a minimum Specified Denomination plus one or more higher integral multiples of another smaller amount, it is possible that such Notes may be traded in amounts that are not integral multiples of such minimum Specified Denomination. In such a case a holder who, as a result of trading such amounts, holds an amount which is less than the minimum Specified Denomination in his account with the relevant clearing system at the relevant time may not receive a definitive Note in respect of such holding (should definitive Notes be printed) and would need to purchase a principal amount of Notes such that its holding amounts to a Specified Denomination.

If definitive Notes are issued, holders should be aware that definitive Notes which have a denomination that is not an integral multiple of the minimum Specified Denomination may be illiquid and difficult to trade.

***Potential conflicts with the Calculation Agent***

Potential conflicts of interest may exist between the Calculation Agent (if any) and Noteholders (including where a Dealer acts as a calculation agent), including with respect to certain determinations and judgements that such Calculation Agent may make pursuant to the Conditions that may influence amounts receivable by the Noteholders during the term of the Notes and upon their redemption.

**3. Risks relating to Taxation and Changes in law**

***Taxation***

The tax regime in Italy, in The Netherlands and in any other relevant jurisdiction (including, without limitation, the jurisdiction in which each Noteholder is resident for tax purposes) may be relevant to the acquiring, holding and disposing of Notes and the receiving of payments of interest, principal and/or other income under the Notes. Prospective investors in the Notes should consult their own tax advisers as to which countries’ tax laws could be relevant and the consequences of such actions under the tax laws of those countries.

***No obligation to pay additional amounts if payments in respect of the Notes are subject to interest withholding tax in the Netherlands***

The Netherlands introduced a withholding tax on interest payments which will enter into effect as of 1 January 2021. This interest withholding tax will apply to interest payments directly or indirectly made by a Dutch entity, like ENEL N.V., to affiliated entities (i) in low-tax jurisdictions designated as such by the Dutch Ministry of Finance (generally, a jurisdiction (a) with a corporation tax on business profits with a general statutory rate of less than 9%, or (b) included in the EU list of non-cooperative jurisdictions), or (ii) in certain abusive situations. Generally, an entity is considered to be affiliated (*gelieerd*) to another entity for these purposes if such entity, either individually or jointly if the entity is part of a collaborating group (*samenwerkende groep*), has a decisive influence on the other entity's decisions, in such a way that it, or the collaborating group of which it forms part, is able to determine the activities of such other entity. An entity, or the collaborating group of which it forms part, that holds more than 50% of the voting rights in ENEL N.V., or in which ENEL N.V. holds more than 50% of the voting rights, is in any event considered to be affiliated. An entity is also considered to be affiliated if a third party holds more than 50% of the voting rights both in such entity and ENEL N.V..



In case payments made by ENEL N.V. in respect of the Notes are, as of 1 January 2021, subject to this interest withholding tax, ENEL N.V. will make the required withholding of such taxes for the account of the relevant Noteholders without being obliged to pay any additional amounts to the relevant Noteholders in respect of the interest withholding tax. Prospective investors in the Notes should consult their own tax advisers as to whether this interest withholding tax could be relevant to them.

#### ***Change of law***

The conditions of the Notes are based on English law in effect as at the date of this Base Prospectus, save that provisions related to the convening of meetings of holders of Notes issued by ENEL and the appointment of a Noteholders' Representative in respect of any Series of Notes issued by ENEL are subject to compliance with mandatory provisions of Italian law. No assurance can be given as to the impact of any possible judicial decision or change to English law and/or Italian law (as the case may be) or administrative practice after the date of this Base Prospectus.

#### **4. Risks related to the market**

Set out below is a brief description of the principal market risks, including liquidity risk, exchange rate risk, interest rate risk and credit risk:

#### ***An active secondary market in respect of the Notes may never be established or may be illiquid and this would adversely affect the value at which an investor could sell its Notes***

Notes may have no established trading market when issued, and one may never develop. If a market for the Notes does develop, it may not be very liquid. In addition, liquidity may be limited if the relevant Issuer makes large allocations to a limited number of investors. Therefore, investors may not be able to sell their Notes easily or at prices that will provide them with a yield comparable to similar investments that have a developed secondary market. This is particularly the case for Notes that are especially sensitive to interest rate, currency or market risks, are designed for specific investment objectives or strategies or have been structured to meet the investment requirements of limited categories of investors. These types of Notes generally would have a more limited secondary market and more price volatility than conventional debt securities. Illiquidity may have a severe adverse effect on the market value of Notes.

#### ***Credit ratings may not reflect all risks***

One or more independent credit rating agencies may assign credit ratings to the Notes. The ratings may not reflect the potential impact of all risks related to structure, market, additional factors discussed above, and other factors that may affect the value of the Notes. A credit rating is not a recommendation to buy, sell or hold securities and may be revised or withdrawn by the rating agency at any time. Notwithstanding the above, any adverse change in an applicable credit rating could adversely affect the trading price for the Notes issued under the Programme. In general, European regulated investors are restricted under the CRA Regulation from using credit ratings for regulatory purposes, unless such ratings are issued by a credit rating agency established in the EU and registered under the CRA Regulation (and such registration has not been withdrawn or suspended). Such general restriction will also apply in the case of credit ratings issued by non-EU credit rating agencies, unless the relevant credit ratings are endorsed by an EU-registered credit rating agency or the relevant non-EU rating agency is certified in accordance with the CRA Regulation (and such endorsement action or certification, as the case may be, has not been withdrawn or suspended). If the status of the rating agency rating the Notes changes, European regulated investors may no longer be able to use the rating for regulatory purposes and the Notes may have a different regulatory treatment. This may result in European regulated investors selling the Notes which may impact the value of the Notes and any secondary market. The list of registered and certified rating agencies published by ESMA on its website in accordance with the CRA Regulation is not conclusive evidence of the status of the relevant rating agency included in such list, as there

may be delays between certain supervisory measures being taken against a relevant rating agency and the publication of the updated ESMA list.

Tranches of Notes issued under the Programme may be rated or unrated. Where a tranche of Notes is rated, such rating will not necessarily be the same as the rating(s) assigned to ENEL at the date of this Base Prospectus or to other Notes issued under the Programme. Certain information with respect to the credit rating agencies and ratings is set out on the cover of this Base Prospectus.

## DOCUMENTS INCORPORATED BY REFERENCE

The following documents which have previously been published and have been filed with the Central Bank and Euronext Dublin shall be incorporated in, and form part of, this Base Prospectus:

- (a) the translation into English of the independent auditors' report and of the audited consolidated financial statements of ENEL for the financial year ended 31 December 2017 (contained in ENEL's Annual Report 2017);
- (b) the translation into English of the independent auditors' report and of the audited consolidated financial statements of ENEL for the financial year ended 31 December 2018 (contained in ENEL's Annual Report 2018);
- (c) the translation into English of the independent auditors' review report and of the unaudited condensed consolidated interim financial report of ENEL as at and for the six month period ended 30 June 2019;
- (d) the translation into English of the unaudited condensed consolidated interim financial report of ENEL as at and for the nine month period ended 30 September 2019;
- (e) the independent auditors' report and audited financial statements of ENEL N.V. for the financial year ended 31 December 2017;
- (f) the independent auditors' report and audited financial statements of ENEL N.V. for the financial year ended 31 December 2018; and
- (g) the unaudited interim condensed financial statements of ENEL N.V. for the six month period ended 30 June 2019.

Following the publication of this Base Prospectus a supplement may be prepared by the Issuers and approved by the Central Bank in accordance with Article 23 of the Prospectus Regulation. Statements contained in any such supplement (or contained in any document incorporated by reference therein) shall, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Base Prospectus or in a document which is incorporated by reference in this Base Prospectus. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus.

The Issuers and the Guarantor will, in the event of any significant new factor, material mistake or material inaccuracy relating to information included in this Base Prospectus which is capable of affecting the assessment of any Notes, prepare a supplement to this Base Prospectus or publish a new Base Prospectus for use in connection with any subsequent issue of Notes.

Copies of documents incorporated by reference in this Base Prospectus can be obtained from the registered office of each of the Issuers and from the specified offices of the Paying Agent for the time being in London (being The Bank of New York Mellon, London Branch, One Canada Square, London E14 5AL, United Kingdom) and are available on ENEL's website at <https://www.enel.com/investors>.

In addition,

- the translation into English of the independent auditors' report and of the audited consolidated financial statements of ENEL for the financial year ended 31 December 2017 can be found on ENEL's website at: [https://www.enel.com/content/dam/enel-com/governance\\_pdf/reports/annual-financial-report/2017/annual-report-2017.pdf](https://www.enel.com/content/dam/enel-com/governance_pdf/reports/annual-financial-report/2017/annual-report-2017.pdf);

- the translation into English of the independent auditors' report and of the audited consolidated financial statements of ENEL for the financial year ended 31 December 2018 can be found, respectively, on ENEL's website at:

[https://www.enel.com/content/dam/enel-com/governance\\_pdf/reports/annual-financial-report/2018/consolidated-financial-statements\\_dec2018.pdf](https://www.enel.com/content/dam/enel-com/governance_pdf/reports/annual-financial-report/2018/consolidated-financial-statements_dec2018.pdf)

and

[https://www.enel.com/content/dam/enel-com/governance\\_pdf/reports/annual-financial-report/2018/annual-report-2018.pdf](https://www.enel.com/content/dam/enel-com/governance_pdf/reports/annual-financial-report/2018/annual-report-2018.pdf);

- the translation into English of the independent auditors' review report and of the unaudited condensed consolidated interim financial report of ENEL as at and for the six month period ended 30 June 2019 can be found, respectively, on ENEL's website at:

[https://www.enel.com/content/dam/enel-com/governance\\_pdf/reports/interim-financial-reports/2019/condensed-interim-consolidated-financial-statements\\_30-june-2019.pdf](https://www.enel.com/content/dam/enel-com/governance_pdf/reports/interim-financial-reports/2019/condensed-interim-consolidated-financial-statements_30-june-2019.pdf)

and

[https://www.enel.com/content/dam/enel-com/governance\\_pdf/reports/interim-financial-reports/2019/half-year-financial-report\\_30june2019.pdf](https://www.enel.com/content/dam/enel-com/governance_pdf/reports/interim-financial-reports/2019/half-year-financial-report_30june2019.pdf);

- the translation into English of the unaudited condensed consolidated interim financial report of ENEL as at and for the nine month period ended 30 September 2019 can be found on ENEL's website at: [https://www.enel.com/content/dam/enel-com/governance\\_pdf/reports/interim-financial-reports/2019/interim-financial-report-at-september-30-2019.pdf](https://www.enel.com/content/dam/enel-com/governance_pdf/reports/interim-financial-reports/2019/interim-financial-report-at-september-30-2019.pdf);
- the independent auditors' report and audited financial statements of ENEL N.V. for the financial year ended 31 December 2017 can be found on ENEL's website at: [https://www.enel.com/content/dam/enel-com/governance\\_pdf/reports/annual-financial-report/2017/Annual-Report-2017-EFI-NV.pdf](https://www.enel.com/content/dam/enel-com/governance_pdf/reports/annual-financial-report/2017/Annual-Report-2017-EFI-NV.pdf);
- the independent auditors' report and audited financial statements of ENEL N.V. for the financial year ended 31 December 2018 can be found on ENEL's website at: [https://www.enel.com/content/dam/enel-com/governance\\_pdf/reports/annual-financial-report/2018/annual-report-2018-efi-nv.pdf](https://www.enel.com/content/dam/enel-com/governance_pdf/reports/annual-financial-report/2018/annual-report-2018-efi-nv.pdf); and
- the unaudited interim financial report of ENEL N.V. for the six month period ended 30 June 2019 can be found on ENEL's website at: [https://www.enel.com/content/dam/enel-com/governance\\_pdf/reports/interim-financial-reports/2019/enel-finance-international-nv-interim-condensed-financial-statements\\_30June2019.pdf](https://www.enel.com/content/dam/enel-com/governance_pdf/reports/interim-financial-reports/2019/enel-finance-international-nv-interim-condensed-financial-statements_30June2019.pdf).

The following information from ENEL's and ENEL N.V.'s annual and interim reports is incorporated by reference, and the following cross-reference lists are provided to enable investors to identify specific items of information so incorporated. Any information contained in any of the documents specified herein which is not incorporated by reference in this Base Prospectus is either not relevant to investors or is covered elsewhere in this Base Prospectus:

<b>Document</b>	<b>Information incorporated</b>	<b>Location</b>
ENEL's audited consolidated annual financial statements for the financial	Financial information concerning ENEL Group's assets and	

year ended 31 December 2017	liabilities, financial position and profits and losses, significant events and summary of the regulatory framework in which ENEL Group operates:	
	Significant events in 2017	pp. 91-107
	Sub-section “Regulatory and rate issues” of section “Reference scenario”	pp. 120-142
	Consolidated Income Statement	p. 176
	Statement of Consolidated Comprehensive Income	p. 177
	Consolidated Balance Sheet	pp. 178-179
	Statement of Changes in Consolidated Shareholders’ Equity	pp. 180-181
	Consolidated Statement of Cash Flows	pp. 182
	Notes to the Consolidated Financial Statements	pp. 183-321
	Report of the Independent Auditors	pp. 416-424
ENEL’s audited consolidated annual financial statements for the financial year ended 31 December 2018	Financial information concerning ENEL Group’s assets and liabilities, financial position and profits and losses, significant events and summary of the regulatory framework in which ENEL Group operates:	
	Significant events in 2018	pp. 93-105
	Sub-section “Regulatory and rate issues” of section “Reference scenario”	pp. 118-145
	Consolidated Income Statement	p. 186
	Statement of Consolidated Comprehensive Income	p. 187
	Consolidated Balance Sheet	pp. 188-189
	Statement of Changes in Consolidated Shareholders’ Equity	pp. 190-191
	Consolidated Statement of Cash Flows	p. 192
	Notes to the Financial Statements	pp. 193-361
Independent auditors’ report on ENEL’s audited consolidated annual financial	Report of the Independent	pp. 1-8

statements for the financial year ended 31 December 2018	Auditors	
ENEL's unaudited condensed interim consolidated financial statements for the six month period ended 30 June 2019	Financial information concerning ENEL Group's assets and liabilities, financial position and profits and losses, significant events and summary of the regulatory framework in which ENEL Group operates:	
	Significant events in the 1 <sup>st</sup> Half of 2019	pp. 58-62
	Sub-section "Regulatory and rate issues" of section "Reference scenario"	pp. 70-82
	Consolidated Income Statement	p. 94
	Statement of Consolidated Comprehensive Income	p. 95
	Consolidated Balance Sheet	pp. 96-97
	Statement of Changes in Consolidated Shareholders' Equity	pp. 98-99
	Consolidated Statement of Cash Flows	p. 100
	Explanatory Notes	pp. 101-153
Independent auditors' review report on the ENEL's unaudited condensed interim consolidated financial statements for the six month period ended 30 June 2019	Review report of the Independent Auditors	pp. 1-2
ENEL's unaudited condensed consolidated interim financial report of ENEL as at and for the nine month period ended 30 September 2019	Financial information concerning ENEL Group's assets and liabilities, financial position and profits and losses, significant events and summary of the regulatory framework in which ENEL Group operates:	
	Summary of results	pp. 8-16
	Reference scenario	pp. 17-30

	Results by business area	pp. 31-53
	Analysis of the Group's financial position	p. 54
	Analysis of the Group's financial structure	pp. 55-57
	Significant events in the third quarter of 2019	pp. 58-60
	Condensed Consolidated Income Statement	p. 63
	Statement of Consolidated Comprehensive Income	p. 64
	Condensed Consolidated Balance Sheet	p. 65
	Statement of Changes in Consolidated Shareholders' Equity	p. 66
	Condensed Consolidated Statement of Cash Flows	p. 67
	Notes to the condensed consolidated financial statements	pp. 68-93
	Other information	pp. 94-104
ENEL N.V.'s audited annual financial statements for the financial year ended 31 December 2017	Financial information concerning ENEL N.V.'s assets and liabilities, financial position and profit and losses:	
	Statement of comprehensive income	p. 16
	Statement of financial position	p. 17
	Statement of changes in equity	p. 18
	Statement of cashflows	p. 19
	Notes to the Financial Statements	pp. 20-54
	Independent auditor's report	pp. 56-61
ENEL N.V.'s audited annual financial statements for the financial year ended 31 December 2018	Financial information concerning ENEL N.V.'s assets and liabilities, financial position and profit and losses:	
	Statement of comprehensive income	p. 17
	Statement of financial position	p. 18
	Statement of changes in equity	p. 19
	Statement of cash flows	p. 20
	Notes to the Financial Statements	pp. 21-64
	Independent auditor's report	pp. 66-73

ENEL N.V.'s unaudited interim financial report for the six month period ended 30 June 2019

Financial information concerning ENEL N.V.'s assets and liabilities, financial position and profits and losses:

Statement of comprehensive income	p. 12
Statement of financial position	p. 13
Statement of changes in equity	p. 14
Statement of cash flows	p. 15
Notes to the financial statements	pp. 16-36



## FORM OF THE NOTES

The Notes of each Series will be in either bearer form, with or without interest coupons (“**Coupons**”) attached, or registered form, without Coupons attached. Bearer Notes will be issued outside the United States to non U.S. persons in reliance on Regulation S under the Securities Act (“**Regulation S**”) and Registered Notes will be issued both outside the United States in reliance on the exemption from registration provided by Regulation S.

### **Bearer Notes**

Each Tranche of Bearer Notes will be initially issued in the form of either a temporary bearer global note (a “**Temporary Bearer Global Note**”) or a permanent bearer global note (a “**Permanent Bearer Global Note**”, and, together with a Temporary Bearer Global Note, each a “**Global Note**”) as indicated in the applicable Final Terms, which, in either case, will:

- (i) if the Global Notes are intended to be issued in new global note (“**NGN**”) form, as stated in the applicable Final Terms, be delivered on or prior to the original issue date of the Tranche to a common safekeeper (the “**Common Safekeeper**”) for Euroclear Bank SA/NV (“**Euroclear**”) and Clearstream Banking S.A. (“**Clearstream, Luxembourg**”); and
- (ii) if the Global Notes are not intended to be issued in NGN Form, be delivered on or prior to the original issue date of the Tranche to a common depository (the “**Common Depository**”) for Euroclear and Clearstream, Luxembourg.

Whilst any Bearer Note is represented by a Temporary Bearer Global Note, payments of principal, interest (if any) and any other amount payable in respect of the Notes due prior to the Exchange Date (as defined below) will be made (against presentation of the Temporary Bearer Global Note if the Temporary Global Note is not intended to be issued in NGN form) outside the United States and its possessions and only to the extent that certification (in a form to be provided) to the effect that the beneficial owners of interests in such Bearer Note are not U.S. persons or persons who have purchased for resale to any U.S. person, as required by U.S. Treasury regulations, has been received by Euroclear and/or Clearstream, Luxembourg and Euroclear and/or Clearstream, Luxembourg, as applicable, has given a like certification (based on the certifications it has received) to the Principal Paying Agent.

On and after the date (the “**Exchange Date**”) which is 40 days after a Temporary Bearer Global Note is issued, beneficial interests in such Temporary Bearer Global Note will be exchangeable (free of charge) upon a request as described therein either for (i) interests in a Permanent Bearer Global Note of the same Series or (ii) for definitive Bearer Notes of the same Series with, where applicable, interest coupons and talons attached (as indicated in the applicable Final Terms and subject, in the case of definitive Bearer Notes, to such notice period as is specified in the applicable Final Terms), in each case against certification of beneficial ownership thereof as required by U.S. Treasury Regulations as described above unless such certification has already been given, provided that purchasers in the United States and certain U.S. persons will not be able to receive definitive Bearer Notes. The holder of a Temporary Bearer Global Note will not be entitled to collect any payment of interest, principal or other amount due on or after the Exchange Date unless, upon due certification, exchange of the Temporary Bearer Global Note for an interest in a Permanent Bearer Global Note or for definitive Bearer Notes is improperly withheld or refused.

Payments of principal, interest (if any) or any other amounts on a Permanent Bearer Global Note will be made outside the United States and its possessions and through Euroclear and/or Clearstream, Luxembourg (against presentation or surrender (as the case may be) of the Permanent Bearer Global Note if the Permanent Global Note is not intended to be issued in NGN form) without any requirement for certification. For the purpose of

any payments made in respect of a Temporary Bearer Global Note or a Permanent Bearer Global Note, the relevant place of presentation shall be disregarded in the definition of “payment day” set out in Condition 6 (*Payments*).

The applicable Final Terms will specify that a Permanent Bearer Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Bearer Notes with, where applicable, interest coupons and talons attached upon either (i) not less than 60 days’ written notice from Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) to the Principal Paying Agent as described therein or (ii) only upon the occurrence of an Exchange Event or (iii) at any time at the request of the relevant Issuer. For these purposes, “Exchange Event” means that (i) an Event of Default (as defined in Condition 10) has occurred and is continuing, (ii) the relevant Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and no successor clearing system is available or (iii) the relevant Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes represented by the Permanent Bearer Global Note in definitive form. The relevant Issuer will promptly give notice to Noteholders in accordance with Condition 14 if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Permanent Bearer Global Note) may give notice to the Principal Paying Agent requesting exchange and, in the event of the occurrence of an Exchange Event as described in (iii) above, the relevant Issuer may also give notice to the Principal Paying Agent requesting exchange. Any such exchange shall occur not later than 45 days after the date of receipt of the first relevant notice by the Principal Paying Agent.

The following legend will appear on all Bearer Notes with a maturity of more than one year and on all Coupons or Talons relating to such Notes:

“ANY UNITED STATES PERSON WHO HOLDS THIS OBLIGATION WILL BE SUBJECT TO LIMITATIONS UNDER THE UNITED STATES INCOME TAX LAWS, INCLUDING THE LIMITATIONS PROVIDED IN SECTIONS 165(j) AND 1287(a) OF THE INTERNAL REVENUE CODE.”

The provisions of the Code referred to in the legend generally provide that any United States person who holds a Bearer Note with a maturity of more than one year, with certain exceptions, will not be allowed to deduct any loss sustained on the sale, exchange or other disposition of such Bearer Note, and will be subject to U.S. federal income tax at ordinary income rates (as opposed to capital gain rates) on any gain recognised on such sale, exchange or other disposition.

Notes which are represented by a Temporary Bearer Global Note and/or Permanent Bearer Global Note will only be transferable in accordance with the then current rules and procedures of Euroclear or Clearstream, Luxembourg, as the case may be.

On 13 June 2006 the ECB announced that Notes in NGN form are in compliance with the “Standards for the use of EU securities settlement systems in ESCB credit operations” of the central banking system for the euro (the “**Eurosystem**”), provided that certain other criteria are fulfilled. At the same time the ECB also announced that arrangements for Notes in NGN form will be offered by Euroclear and Clearstream, Luxembourg as at 30 June 2006 and that debt securities in global bearer form issued through Euroclear and Clearstream, Luxembourg after 31 December 2006 will only be eligible as collateral for Eurosystem operations if the NGN form is used.

In respect of the Notes in bearer form, the applicable Final Terms will also specify whether United States Treasury Regulation § 1.163-5(c)(2)(i)(C) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the U.S. Internal Revenue Code of 1986, as amended (the

“Code”)), (the “TEFRA C Rules”) or United States Treasury Regulation § 1.163-5(c)(2)(i)(D), (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code) (the “TEFRA D Rules”) are applicable in relation to the Notes, unless such Notes in bearer form do not constitute “registration required obligations” under the United States Tax Equity and Fiscal Responsibility Act of 1982 (the “TEFRA Rules”) and the applicable Final Terms specifies that the TEFRA Rules are not applicable.

***Temporary Global Note exchangeable for Permanent Global Note***

If the applicable Final Terms specify the form of Notes as being “Temporary Global Note exchangeable for a Permanent Global Note”, then the Notes will initially be in the form of a Temporary Global Note without interest coupons, interests in which will be exchangeable, in whole or in part, for interests in a Permanent Global Note, without interest coupons, on or after the date (the “Exchange Date”) which is not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non U.S. beneficial ownership. No payments will be made under the Temporary Global Note unless exchange for interests in the Permanent Global Note is improperly withheld or refused. In addition, interest payments in respect of the Notes cannot be collected without such certification of non-U.S. beneficial ownership.

Whenever any interest in the Temporary Global Note is to be exchanged for an interest in a Permanent Global Note, the relevant Issuer shall procure (in the case of first exchange) the prompt delivery (free of charge to the bearer) of such Permanent Global Note to the bearer of the Temporary Global Note or (in the case of any subsequent exchange) an increase in the principal amount of the Permanent Global Note in accordance with its terms against:

- (i) presentation and (in the case of final exchange) surrender of the Temporary Global Note to or to the order of the Principal Paying Agent; and
- (ii) receipt by the Principal Paying Agent of a certificate or certificates of non U.S. beneficial ownership,

within seven days of the bearer requesting such exchange.

The principal amount of the Permanent Global Note shall be equal to the aggregate of the principal amounts specified in the certificates of non U.S. beneficial ownership; provided, however, that in no circumstances shall the principal amount of the Permanent Global Note exceed the initial principal amount of the Temporary Global Note.

***Temporary Global Note exchangeable for Definitive Notes***

If the applicable Final Terms specify the form of Notes as being “Temporary Global Note exchangeable for Definitive Notes” and also specifies that the TEFRA C Rules are applicable or that the TEFRA Rules are not applicable, then the Notes will initially be in the form of a Temporary Global Note, without Coupons, interests in which will be exchangeable, in whole but not in part, for Definitive Notes not earlier than 40 days after the issue date of the relevant Tranche of the Notes.

If the applicable Final Terms specify the form of Notes as being “Temporary Global Note exchangeable for Definitive Notes” and also specifies that the TEFRA D Rules are applicable, then the Notes will initially be in the form of a Temporary Global Note, without Coupons, interests in which will be exchangeable, in whole or in part, for Definitive Notes not earlier than 40 days after the issue date of the relevant Tranche of the Notes upon certification as to non U.S. beneficial ownership. Interest payments in respect of the Notes cannot be collected without such certification of non U.S. beneficial ownership.

Whenever the Temporary Global Note is to be exchanged for Definitive Notes, the relevant Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the applicable Final Terms), in an aggregate principal

amount equal to the principal amount of the Temporary Global Note to the bearer of the Temporary Global Note against the surrender of the Temporary Global Note to or to the order of the Principal Paying Agent within 60 days of the bearer requesting such exchange.

Where the Temporary Global Note is to be exchanged for Definitive Notes, Notes may only be issued in denominations which are integral multiples of the minimum denomination and may only be traded in such amounts whether in global or definitive form.

#### ***Permanent Global Note exchangeable for Definitive Notes***

If the applicable Final Terms specify the form of Notes as being “Permanent Global Note exchangeable for Definitive Notes”, then the Notes will initially be in the form of a Permanent Global Note, without Coupons, interests in which will be exchangeable in whole, but not in part, for Definitive Notes:

- (i) on the expiry of such period of notice as may be specified in the applicable Final Terms; or
- (ii) at any time, if so specified in the applicable Final Terms; or
- (iii) if the applicable Final Terms specify “in the limited circumstances described in the Permanent Global Note”, then if (a) Euroclear or Clearstream, Luxembourg or any other relevant clearing system is closed for business for a continuous period of 14 days (other than by reason of legal holidays) or announces an intention permanently to cease business or (b) any of the circumstances described in Condition 10 of the Terms and Conditions of the Notes occurs.

Where interests in the Permanent Global Note are to be exchanged for Definitive Notes in the circumstances described in (i) and (ii) above, Notes may only be issued in denominations which are integral multiples of the minimum denomination and may only be traded in such amounts, whether in global or definitive form. As an exception to the above rule, where the Permanent Global Note may only be exchanged in the limited circumstances described in (iii) above, Notes may be issued in denominations which represent the aggregate of a minimum denomination of €100,000 and integral multiples of €1,000 in excess thereof, provided that such denominations are not less than €100,000 nor more than €199,000. For the avoidance of doubt, each holder of Notes of such denominations will, upon exchange for Definitive Notes, receive Definitive Notes in an amount equal to its entitlement to the principal amount represented by the Permanent Global Note. However, a Noteholder who holds a principal amount of less than the minimum denomination may not receive a Definitive Note and would need to purchase a principal amount of Notes such that its holding is an integral multiple of the minimum denomination.

Whenever the Permanent Global Note is to be exchanged for Definitive Notes, the relevant Issuer shall procure the prompt delivery (free of charge to the bearer) of such Definitive Notes, duly authenticated and with Coupons and Talons attached (if so specified in the applicable Final Terms), in an aggregate principal amount equal to the principal amount of the Permanent Global Note to the bearer of the Permanent Global Note against the surrender of the Permanent Global Note to or to the order of the Principal Paying Agent within 60 days of the bearer requesting such exchange. Where the Notes are listed on Euronext Dublin and its rules so require, the relevant Issuer will give notice of the exchange of the Permanent Global Note for Definitive Notes pursuant to Condition 17 of the Terms and Conditions of the Notes.

#### ***Terms and Conditions applicable to the Notes***

The terms and conditions applicable to any Definitive Note will be endorsed on that Note and will consist of the terms and conditions set out under “Terms and Conditions of the Notes” below and the provisions of the applicable Final Terms which supplement, amend and/or replace those terms and conditions.

#### **Registered Notes**

The Registered Notes of each Tranche offered and sold in reliance on Regulation S, which will be sold to non-U.S. persons outside the United States. Each Tranche of Registered Notes will initially be represented by a global note in registered form (“**Registered Global Note**”). Prior to expiry of the distribution compliance period (as defined in Regulation S) applicable to each Tranche of Notes, beneficial interests in a Registered Global Note may not be offered or sold to, or for the account or benefit of, a U.S. person, save as otherwise provided in Condition 2 of the Terms and Conditions of the Notes, and may not be held otherwise than through Euroclear or Clearstream, Luxembourg and such Registered Global Note will bear a legend regarding such restrictions on transfer. The clearing system will be notified prior to the Issue Date of each Tranche of Notes as to whether the Notes are to be held under the NSS or otherwise.

In a press release dated 22 October 2008, “*Evolution of the custody arrangement for international debt securities and their eligibility in Eurosystem credit operations*”, the ECB announced that it has assessed the new holding structure and custody arrangements for registered notes which the ICSDs had designed in cooperation with market participants and that Notes to be held under the new structure (the “**New Safekeeping Structure**” or “**NSS**”) would be in compliance with the “*Standards for the use of EU securities settlement systems in ESCB credit operations*” of the Eurosystem, subject to the conclusion of the necessary legal and contractual arrangements. The press release also stated that the new arrangements for Notes to be held in NSS form will be offered by Euroclear and Clearstream, Luxembourg as at 30 June 2010 and that registered debt securities in global registered form held issued through Euroclear and Clearstream, Luxembourg after 30 September 2010 will only be eligible as collateral in Eurosystem operations if the New Safekeeping Structure is used.

Each Note represented by a Registered Global Note will either be: (a) in the case of a Certificate which is not to be held under the NSS, registered in the name of a common depositary (or its nominee) for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system and the relevant Registered Global Note will be deposited on or about the issue date with the common depositary; or (b) in the case of a Registered Global Note to be held under the NSS, be registered in the name of a common safekeeper (or its nominee) for Euroclear and/or Clearstream, Luxembourg and the relevant Registered Global Note will be deposited on or about the issue date with the common safekeeper for Euroclear and/or Clearstream, Luxembourg.

Persons holding beneficial interests in Registered Global Notes will be entitled or required, as the case may be, under the circumstances described below, to receive physical delivery of definitive Notes in fully registered form.

The Registered Global Notes will be subject to certain restrictions on transfer set forth therein and will bear a legend regarding such restrictions.

Payments of principal, interest and any other amount in respect of the Registered Global Notes will, in the absence of provision to the contrary, be made to the person shown on the Register (as defined in Condition 1 of the Terms and Conditions of the Notes) as the registered holder of the Registered Global Notes. None of the relevant Issuer, any Paying Agent or the Registrar will have any responsibility or liability for any aspect of the records relating to or payments or deliveries made on account of beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Payments of principal, interest or any other amount in respect of the Registered Notes in definitive form will, in the absence of provision to the contrary, be made to the persons shown on the Register on the relevant Record Date (as defined in Condition 7(b) of the Terms and Conditions of the Notes) immediately preceding the due date for payment in the manner provided in that Condition.

Interests in a Registered Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Registered Notes without receipts, interest coupons or talons attached only upon the occurrence of an Exchange Event. For these purposes, “**Exchange Event**” means that (1) in the case of Notes registered in the name of a nominee for a common depository for Euroclear and Clearstream, Luxembourg, the relevant Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor clearing system is available, or (2) the relevant Issuer has or will become obliged to pay additional amounts as provided for or referred to in Condition 8 of the Terms and Conditions of the Notes which would not be required were the Registered Notes represented by the Registered Global Note in definitive form or (3) such other event as may be specified in the applicable Final Terms. The relevant Issuer will promptly give notice to Noteholders in accordance with Condition 17 of the Terms and Conditions of the Notes if an Exchange Event occurs. In the event of the occurrence of an Exchange Event, Euroclear and/or Clearstream, Luxembourg (acting on the instructions of any holder of an interest in such Registered Global Note) may give notice to the Registrar requesting exchange and, in the event of the occurrence of an Exchange Event as described in (2) above, the relevant Issuer may also give notice to the Registrar requesting exchange. Any such exchange shall occur not later than 15 days after the date on which the relevant notice is received by the Registrar.

### ***Transfer of Interests***

Interests in a Registered Global Note may, subject to compliance with all applicable restrictions, be transferred to a person who wishes to hold such interest in another Registered Global Note. No beneficial owner of an interest in a Registered Global Note will be able to transfer such interest, except in accordance with the applicable procedures of Euroclear and Clearstream, Luxembourg, in each case to the extent applicable. Registered Notes are also subject to the restrictions on transfer set forth therein and will bear a legend regarding such restrictions, see “*Subscription and Sale and Transfer and Selling Restrictions*”.

### **General**

Pursuant to the Agency Agreement, the Principal Paying Agent shall arrange that, where a further Tranche of Notes is issued which is intended to form a single Series with an existing Tranche of Notes, the Notes of such further Tranche shall be assigned an ISIN and a common code by Euroclear and Clearstream, Luxembourg and, if applicable, FISN and CFI codes.

Subject to mandatory provisions of applicable law, a Note may be accelerated automatically by the holder thereof in certain circumstances described in Condition 10 (*Events of Default*). In such circumstances, where any Note is still represented by a Global Note and the Global Note (or any part thereof) has become due and repayable in accordance with the Terms and Conditions of such Notes and payment in full of the amount due has not been made in accordance with the provisions of the Global Note then the Global Note will become void at 8.00 p.m. (London time) on such day. At the same time, holders of interests in such Global Note credited to their accounts with Euroclear and/or Clearstream, Luxembourg, as the case may be, will become entitled to proceed directly against the relevant Issuer on the basis of statements of account provided by Euroclear and/or Clearstream, Luxembourg on and subject to the terms of a deed of covenant (the “**Deed of Covenant**”) dated 9 January 2020 and executed by the relevant Issuer.

For so long as any of the Notes is represented by a Global Note held on behalf of Euroclear and/or Clearstream, Luxembourg each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the relevant

Issuer and the Guarantor (where ENEL is not the relevant Issuer) and its/their agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Bearer Global Note or the registered holder of the relevant Registered Global Note shall be treated by the relevant Issuer, the Guarantor (where ENEL is not the relevant Issuer) and its/their agents as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions “Noteholder” and “holder of Notes” and related expressions shall be construed accordingly.

Any reference herein to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

***Redemption at the Option of the relevant Issuer***

For so long as any Bearer Notes are represented by Bearer Global Notes and such Bearer Global Note(s) is/are held on behalf of Euroclear and/or Clearstream, Luxembourg, no selection of Notes to be redeemed will be required under Condition 7(c), (d) or (e) of the Terms and Conditions of the Notes at the option of the relevant Issuer in the event that the relevant Issuer exercises its option pursuant such Condition 7(c), (d) or (e) in respect of less than the aggregate principal amount of the Notes outstanding at such time. In such event, the partial redemption will be effected in accordance with the rules and procedures of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion).

***Payment Business days***

Notwithstanding the definition of “Payment Day” in Condition 6(f), while all the Notes are represented by a Permanent Global Note (or by a Permanent Global Note and/or a Temporary Global Note) and the Permanent Global Note is (or the Permanent Global Note and/or the Temporary Global Note are) deposited with a depositary or a common depositary for Euroclear and/or Clearstream, Luxembourg and/or any other relevant clearing system, “Payment Day” means: (i) (in the case of payment in euro) any day which is a TARGET Business Day and a day on which dealings in foreign currencies may be carried on in each (if any) Additional Financial Centre; or (ii) (in the case of a payment in a currency other than euro) any day which is a day on which dealings in foreign currencies may be carried on in the principal financial centre of the currency of payment and in each (if any) Additional Financial Centre.

## FORM OF FINAL TERMS

**PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the “EEA”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “MiFID II”); or (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 (the “Prospectus Regulation”). Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

**MiFID II product governance / Professional investors and ECPs only target market** – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “distributor”) should take into consideration the manufacturer[‘s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer[‘s/s’] target market assessment) and determining appropriate distribution channels.

[ENEL N.V. may at any time, without the consent of the Noteholders or the Couponholders, substitute for itself as principal debtor under the Notes and the Coupons either ENEL or any of ENEL’s Subsidiaries (as defined in Condition 16 (*Substitution*) of the Notes) as Issuer. ENEL or the relevant Subsidiary (failing which, ENEL), as the case may be, shall indemnify each Noteholder and Couponholder against (A) any tax, duty, assessment or governmental charge which is imposed on such Noteholder or Couponholder by (or by any authority in or of) the Republic of Italy with respect to any Note or Coupon and which would not have been so imposed had the substitution not been made and (B) any tax, duty, assessment or governmental charge, and any cost or expense relating to the substitution, except that neither ENEL nor the relevant Subsidiary shall be liable under such indemnity to pay any additional amounts either on account of “*imposta sostitutiva*” or on account of any other withholding or deduction in the event of payment of interest or other amounts paid to a non-Italian resident legal entity or a non-Italian resident individual which is resident in a country which does not allow for a satisfactory exchange of information. When ENEL N.V. is to be substituted by another of ENEL’s Subsidiaries, such substitution may only take place if ENEL continues to guarantee the obligations of such Subsidiary.]<sup>1</sup>

[ENEL may at any time, without the consent of the Noteholders or the Couponholders, substitute for itself as principal debtor under the Notes and the Coupons any of its Subsidiaries (as defined in the Terms and Conditions of the Notes). The relevant Subsidiary, failing which, ENEL, shall indemnify each Noteholder and Couponholder against (A) any tax, duty, assessment or governmental charge which is imposed on such Noteholder or Couponholder by (or by any authority in or of) the jurisdiction of incorporation of the Subsidiary with respect to any Note or Coupon and which would not have been so imposed had the

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<sup>1</sup> Delete where the relevant Issuer is ENEL.



substitution not been made and (B) any tax, duty, assessment or governmental charge, and any cost or expense relating to the substitution, except that neither ENEL nor the relevant Subsidiary shall be liable under such indemnity to pay any additional amounts either on account of “*imposta sostitutiva*” or on account of any other withholding or deduction in the event of payment of interest or other amounts paid to a non-Italian resident legal entity or a non-Italian resident individual which is resident in a country which does not allow for a satisfactory exchange of information. Such substitution may only take place if ENEL continues to guarantee the obligations of such Subsidiary.

In certain circumstances, Notes will be subject to a withholding tax or a substitute tax at the rate of 26 per cent. in respect of interest and premium (if any). Condition 8 (*Taxation*) of the Notes provides that in certain cases, neither the Issuer nor the Guarantor will be required to pay any additional amounts to Noteholders in relation to any such withholding.]<sup>2</sup>

**[Singapore Securities and Futures Act Product Classification:** In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore, as amended from time to time (the “SFA”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “CMP Regulations 2018”), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are [prescribed capital markets products]/[capital markets products other than prescribed capital markets products] (as defined in the CMP Regulations 2018) and are [Excluded] / [Specified] Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).]<sup>3</sup>

[Date]

**[ENEL — Società per Azioni** (incorporated with limited liability in Italy)/**ENEL FINANCE INTERNATIONAL N.V.**, a limited liability company incorporated in The Netherlands with its corporate seat in Amsterdam, The Netherlands, and its registered address at Herengracht 471, 1017 BS Amsterdam, The Netherlands]<sup>4</sup>

**Legal Entity Identifier (LEI): [WOCMU6HCI0JWNPRZS33] [in respect of Notes issued by ENEL]**  
**[0YQH6LCEF474UTUV4B96] [in respect of Notes issued by ENEL N.V.]**

**Issue of [Aggregate Nominal Amount of Tranche] [Title of Notes]**  
**issued under the €35,000,000,000**  
**Euro Medium Term Note Programme**

## **PART A**

### **CONTRACTUAL TERMS**

This document constitutes the Final Terms relating to the issue of Notes described herein.

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 9 January 2020 [and the Supplemental Base Prospectus dated [●]] which [together] constitute[s] a base prospectus for the purposes of Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 8 of the Prospectus Regulation and must be read in conjunction with the Base Prospectus [as so supplemented] in order to obtain all relevant information. The Base Prospectus [and the Supplemental Base

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<sup>2</sup> Delete where the relevant Issuer is ENEL FINANCE INTERNATIONAL N.V.

<sup>3</sup> For any Notes to be offered to Singapore investors, the relevant Issuer to consider whether it needs to re-classify the Notes pursuant to Section 309B of the SFA prior to the launch of the offer.

<sup>4</sup> Delete as applicable.

Prospectus] [is][are] available for viewing [at [, and copies may be obtained from, the Central Bank of Ireland’s website at [www.centralbank.ie](http://www.centralbank.ie) and on the website of Euronext Dublin at [www.ise.ie](http://www.ise.ie) and on the Issuer’s website]] [and] during normal business hours at [address] [and copies may be obtained from the Issuer [and the Guarantor] at [its/their] registered office(s).]

*[Include whichever of the following apply or specify as “Not Applicable” (N/A). Note that the numbering should remain as set out below, even if “Not Applicable” is indicated for individual paragraphs or sub-paragraphs. Italics denote directions for completing the Final Terms.]*

- |   |  |   |
|---|--|---|
| 1 | (i) Issuer:  | [ENEL — Società per Azioni/ENEL FINANCE INTERNATIONAL N.V.]   |
|   | (ii) [Guarantor:   | ENEL — Società per Azioni]  |
| 2 | (i) Series Number:   | [●]   |
|   | (ii) Tranche Number:   | [●]   |
|   | [(iii) Date on which the Notes become fungible:  | [Not Applicable/The Notes shall be consolidated, form a single series and be interchangeable for trading purposes with the [insert description of the Series] on [insert date/the Issue Date/exchange of the Temporary Global Note for interests in the Permanent Global Note, as referred to in paragraph [25] below [which is expected to occur on or about [insert date]]].] |
| 3 | Specified Currency or Currencies   | [●]   |
| 4 | Aggregate Nominal Amount:  |   |
|   | (i) Series:  | [●]   |
|   | (ii) Tranche:  | [●]   |
| 5 | (i) Issue Price:   | [●] per cent. of the Aggregate Nominal Amount [plus accrued interest from [insert date] (if applicable)]  |
|   | (ii) Net Proceeds:   | [●] ( <i>Required only for listed issues</i> )  |
| 6 | (i) Specified Denominations: ( <i>In the case of Registered Notes, this means the minimum integral amount in which transfers can be made</i> ) | [●]<br><i>(Note — where multiple denominations above [€100,000] or equivalent are being used the following sample wording should be followed: “[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000]. No Notes in definitive form will be issued with a denomination above [€199,000].”)</i>   |
|   | (ii) Calculation Amount ( <i>Applicable to Notes in definitive Form.</i> )   | [●]<br><i>(If only one Specified Denomination, insert the</i>   |

		<i>Specified Denomination.</i>
		<i>If more than one Specified Denomination, insert the highest common factor. Note: There must be a common factor in the case of two or more Specified Denominations.)</i>
7	(i) Issue Date:	[●]
	(ii) Interest Commencement Date:	[specify/Issue Date/Not Applicable] <i>(N.B. An Interest Commencement Date will not be relevant for certain Notes, for example Zero Coupon Notes.)</i>
8	Maturity Date:	[Fixed rate — specify date/Floating rate — Interest Payment Date falling in or nearest to [specify month]]
9	Interest Basis:	[[●] per cent. Fixed Rate [, subject to the Step Up Option]] [[LIBOR/EURIBOR] +/- [●] per cent. Floating Rate [, subject to the Step Up Option]] [Zero Coupon] (further particulars specified in paragraph[s][15/16/17/18] below)
10	Redemption/Payment Basis:	Redemption at par
11	Change of Interest Basis:	[●]/[Not Applicable] <i>(See Condition 5 for further details)</i>
12	Put/Call Options	[Investor Put] [Issuer Call] [Issuer Maturity Par Call] [Issuer Clean-Up Call] [Not Applicable] [(further particulars specified in paragraph[s] [19/20/21/22] below)]
13	(i) Status of the Notes:	Senior
	(ii) Status of the Guarantee:	Senior
	(iii) Date competent corporate body(ies) approval for issuance of Notes [and Guarantee] obtained:	[●] [and [●], respectively]]  <i>(N.B. Only relevant where Board (or similar) authorisation is required for the particular tranche of Notes or related Guarantee)</i>
14	Method of distribution:	[Syndicated/Non-syndicated]

**Provisions relating to interest (if any) payable**

15	Fixed Rate Note Provisions	<p>[Applicable/Not Applicable]  <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i></p> <p>(i) Rate(s) of Interest: [The Notes are subject to the Step Up Option]/[The Notes are not subject to the Step Up Option]  <i>(If the Notes are subject to the Step Up Option)</i>  [The Initial Rate of Interest is] [●] per cent. per annum [payable [annually/semi annually/quarterly] in arrear]  [(further particulars specified in paragraph 18 below)]</p> <p>(ii) Interest Payment Date(s): [[●] in each year up to and including the Maturity Date]  <i>(N.B. This will need to be amended in the case of long or short coupons)</i></p> <p>(iii) Fixed Coupon Amount(s): (Applicable to Notes in definitive form) [●] per Calculation Amount</p> <p>(iv) Broken Amount(s): (Applicable to Notes in definitive form) [●] per Calculation Amount, payable on the Interest Payment Date falling on [●]</p> <p>(v) Day Count Fraction: [30/360]/[Actual/Actual (ICMA)]</p> <p>(vi) Determination Date(s): [●] in each year  [Insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon  <i>(N.B. This will need to be amended in the case of regular interest payment dates which are not of equal duration)</i>  <i>(N.B. Only relevant where Day Count Fraction is Actual/Actual (ICMA))]</i></p>
16	Floating Rate Note Provisions	<p>[Applicable/Not Applicable]  <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i></p> <p>[The Notes are subject to the Step Up Option]/[The Notes are not subject to the Step Up Option]  [(further particulars specified in paragraph 18 below)]</p> <p>(i) Specified Period(s)/Specified Interest Payment Dates: [●][, subject to adjustment in accordance with the Business Day Convention set out in (ii) below/, not subject to any adjustment[, as the Business Day Convention in (ii) below is specified to be Not Applicable]]</p>

- (ii) Business Day Convention: [Floating Rate Convention/Following Business Day Convention/Modified Following Business Day Convention/Preceding Business Day Convention]
- (iii) Additional Business Centre(s): [●]
- (iv) Manner in which the Rate of Interest and Interest Amount is to be determined: [Screen Rate Determination/ISDA Determination]
- (v) Party responsible for calculating the Rate of Interest and Interest Amount (if not the Agent): [●] (the “**Calculation Agent**”)
- (vi) Screen Rate Determination:
- Reference Rate: [LIBOR]/[EURIBOR]
  - Interest Determination Date(s): [●]  
*(Second day in London on which commercial banks are open for general business (including dealings in foreign exchange and foreign currency deposits) prior to the start of each Interest Period if LIBOR (other than Sterling or Euro LIBOR), first day of each Interest Period if Sterling LIBOR and the second day on which the TARGET System is open prior to the start of each Interest Period if EURIBOR or Euro LIBOR)*
  - Relevant Screen Page: [●]  
*(In the case of EURIBOR, if not Reuters EURIBOR01 ensure it is a page which shows a composite rate)*
- (vii) ISDA Determination:
- Floating Rate Option: [●]
  - Designated Maturity: [●]
  - Reset Date: [●]
  - ISDA Definitions: [2000/2006]
- (viii) [Linear Interpolation: Not Applicable/Applicable – the Rate of Interest for the [long/short] [first/last] Interest Period shall be calculated using Linear Interpolation *(specify for each short or long interest period)*]
- (ix) Margin(s): *(If the Notes are Step Up Notes)* [The Initial Margin is] [+/] [●] per cent. per annum
- (x) Minimum Rate of Interest: [●] per cent. per annum
- (xi) Maximum Rate of Interest: [●] per cent. per annum
- (xii) Day Count Fraction: [Actual/Actual (ISDA)] /

		[Actual/Actual] /
		[Actual/365 (Fixed)] /
		[Actual/365 (Sterling)] /
		[Actual/360] /
		[30/360] /
		[360/360] /
		[Bond Basis] /
		[30E/360] /
		[Eurobond Basis] /
		[30E/360(ISDA)]
17	Zero Coupon Note Provisions	[Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)
	(i) Accrual Yield:	[●] per cent. per annum
	(ii) Reference Price:	[●]
	(iii) Day Count Fraction in relation to Early Redemption Amounts and late payment:	[Conditions 7(e)(iii) and 7(j) apply]
18	Step Up Option	[Applicable/Not Applicable] (If not applicable, delete the remaining sub-paragraphs of this paragraph)
	(i) Step Up Event:	[Installed Capacity Event]/[Direct Green House Gas Emissions Event] (In relation to an Installed Capacity Event only:) [(i) Renewable Installed Capacity Percentage Reference Date: [●] (ii) Renewable Installed Capacity Percentage Threshold: [●]] (In relation to a Direct Green House Gas Emissions Event only:) [(i) Direct Green House Gas Emissions Amount Reference Date: [●] (ii) Direct Green House Gas Emissions Amount Full Threshold: [●] grams per kWh (iii) Direct Green House Gas Emissions Amount Intermediate Threshold: [[●] grams per kWh]]/[Not Applicable]
	(ii) Step Up Margin:	(In relation to an Installed Capacity Event only:)[●] per cent. per annum (In relation to a Direct Green House Gas Emissions Event:) [Step Up Margin 1: [[●] per cent. per annum]]/[Not Applicable]

[Step Up Margin 2: [●] per cent. per annum]

### Provisions relating to Redemption

19	Issuer Call:	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	(i) Optional Redemption Date(s):	[●]
	(ii) Optional Redemption Amount: <i>(Either a specified amount or an election that redemption should be calculated as a Make-Whole Amount)</i>	[[●] per Calculation Amount] [Make-Whole Amount] [in the case of the Optional Redemption Date(s) falling [on [ ]]/[in the period (the “Par Call Period”) from and including [insert date] (the “Par Call Period Commencement Date”) to but excluding [date]] [and [[ ] per Calculation Amount] [in the case of the Optional Redemption Date(s) falling [on [ ]/in the period from and including [date] to but excluding [date]]]
	(iii) Redemption Margin: <i>(Only applicable to Make-Whole Amount redemption)</i>	[[●] per cent.] [Not Applicable]
	(iv) Reference Bond: <i>(Only applicable to Make-Whole Amount redemption)</i>	[insert applicable reference bond] [Not Applicable]
	(v) Reference Dealers; <i>(Only applicable to Make-Whole Amount redemption)</i>	[[●]][Not Applicable]
	(vi) If redeemable in part:	
	(a) Minimum Redemption Amount:	[●]
	(b) Maximum Redemption Amount:	[●]
	(vii) Notice period:	[●]
20	Clean-Up Call Option	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	Notice periods (if other than as set out in the Conditions)	[Minimum period: [●] days] [Maximum period: [●] days]
	Early Redemption Amount:	[●] per Calculation Amount
21	Issuer Maturity Par Call	[Applicable/Not Applicable] <i>(If not applicable, delete the remaining sub-paragraphs of this paragraph)</i>
	Notice periods (if other than as set out in the Conditions)	[Minimum period: [●] days] [Maximum period: [●] days]

	Early Redemption Amount:	[[●] per Calculation Amount]
22	Investor Put:	[Applicable/Not Applicable]
	(i) Optional Redemption Date(s):	[●]
	(ii) Early Redemption Amount:	[[●] per Calculation Amount]
	(iii) Notice period:	[●]
23	Final Redemption Amount:	[[●] per Calculation Amount]
24	Early Redemption Amount payable on redemption for taxation reasons or on Event of Default:	[As per Condition 7(g) /[●] per Calculation Amount/]

**General Provisions applicable to the Notes**

25	Form of Notes:	
	(a) Form:	<p>[Bearer Notes:</p> <p>[Temporary Bearer Global Note exchangeable for a Permanent Bearer Global Note which is exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event/at any time at the request of the Issuer]]</p> <p>[Temporary Bearer Global Note exchangeable for Definitive Notes on and after the Exchange Date]</p> <p>[Permanent Bearer Global Note exchangeable for Definitive Notes [on 60 days' notice given at any time/only upon an Exchange Event/at any time at the request of the Issuer]]</p> <p>[Notes shall not be physically delivered in Belgium, except to a clearing system, a depository or other institution for the purpose of their immobilisation in accordance with article 4 of the Belgian Law of 14 December 2005<sup>5</sup>]</p> <p>[Registered Notes:</p> <p>Registered Global Note that is registered in the name of a nominee for [a common depository for Euroclear and Clearstream, Luxembourg/a common safekeeper for Euroclear and Clearstream, Luxembourg (that is, held under the NSS)]</p> <p><i>N.B. The exchange upon notice/at any time options should not be expressed to be applicable if the Specified Denomination of the</i></p>

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<sup>5</sup> Include for Notes that are to be offered in Belgium.



*Notes in paragraph 6 includes language substantially to the following effect: “[€100,000] and integral multiples of [€1,000] in excess thereof up to and including [€199,000].” Furthermore, such Specified Denomination construction is not permitted in relation to any issue of Notes which is to be represented on issue by a Temporary Global Note exchangeable for Definitive Notes.)*

- (b) New Global Note: [Yes][No]
- 26 Additional Financial Centre(s): [Not Applicable/give details]  
*(Note that this paragraph relates to the place of payment and not Interest Period end dates to which paragraph 16(iii) relates)*
- 27 Talons for future Coupons to be attached to Definitive Bearer Notes (and dates on which such Talons mature): [Yes/No. If yes, give details]

#### **Distribution**

- 28 (i) If syndicated, names [and addresses] of Managers [and underwriting commitments]: [Not Applicable/give names [and addresses and underwriting commitments]] *(Include names and addresses of entities agreeing to underwrite the issue on a firm commitment basis and names and addresses of the entities agreeing to place the issue without a firm commitment or on a “best efforts” basis if such entities are not the same as the Managers.)*
- (ii) Date of [Subscription] Agreement: [●]
- (iii) Stabilising Manager (if any): [●]
- 29 If non-syndicated, name of relevant Dealer: [Not Applicable/give name]
- 30 Total commission and concession: [●] per cent. of the Aggregate Notional Amount
- 31 U.S. Selling Restrictions: [Reg. S Category 2; TEFRA D Rules/TEFRA C Rules/TEFRA Rules not applicable]

#### **Purpose of Final Terms**

These Final Terms comprise the final terms required for issue and admission to trading on [the Regulated Market of Euronext Dublin] [and/or] [the Regulated Market of the Luxembourg Stock Exchange] [*specify, if relevant, listing on an official list*] of the Notes described herein pursuant to the €35,000,000,000 Euro Medium Term Note Programme of ENEL FINANCE INTERNATIONAL N.V. as Issuer and ENEL — Società per Azioni as Issuer and Guarantor.

#### **Responsibility**

The Issuer [and the Guarantor] accept[s] responsibility for the information contained in these Final Terms. [Relevant third party information has been extracted from [*specify source*].] The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from

information published by [*specify source*], no facts have been omitted which would render the reproduced information inaccurate or misleading.

Signed on behalf of the Issuer:

[Signed on behalf of the Guarantor:]

By: .....

Duly authorised

By: .....

Duly authorised

**PART B**  
**OTHER INFORMATION**

**1 Listing and Admission to Trading**

- (i) Listing and Admission to trading: [Application has been made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [Euronext Dublin [and/or] the Luxembourg Stock Exchange] regulated market and listing on the official list of [Euronext Dublin [and/or] the Luxembourg Stock Exchange] with effect from [●].] [Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to trading on [Euronext Dublin [and/or] the Luxembourg Stock Exchange] regulated market and listing on the official list of [Euronext Dublin [and/or] the Luxembourg Stock Exchange] with effect from [●].] [Not Applicable.]
- (Where documenting a fungible issue, need to indicate that original Notes are already admitted to trading)*
- (ii) Estimate of total expenses related to admission to trading: [●][Euronext Dublin] [and] [●] [Luxembourg Stock Exchange]]

**2 Ratings**

- Ratings: [The Notes to be issued have not been rated. / The Notes to be issued have been rated: [S&P Global Ratings Europe Limited (France Branch): [●]] [Moody's France S.A.S.: [●]] [Fitch Italia S.p.A.: [●]] [[Other]: [●]]
- [Need to include a brief explanation of the meaning of the ratings if this has previously been published by the rating provider.]*
- (The above disclosure should reflect the rating allocated to Notes of the type being issued under the Programme generally or, where the issue has been specifically rated, that rating.)*
- Insert one (or more) of the following options, as applicable:*
- [[Insert credit rating agency/ies] [is]/[are] established in the EU and [has]/[have each] applied for registration under Regulation (EC) No. 1060/2009 (as amended), although the result of such application has not yet been*

notified by the relevant competent authority.]

[[*Insert credit rating agency/ies*] [is]/[are] established in the EU and registered under Regulation (EC) No. 1060/2009 (as amended).]

[[*Insert credit rating agency*] is established in the EU and is neither registered nor has it applied for registration under Regulation (EC) No. 1060/2009 (as amended).]

[[*Insert credit rating agency*] is not established in the EU but the rating it has given to the Notes is endorsed by [credit rating agency], which is established in the EU and registered under Regulation (EC) No. 1060/2009 (as amended).]

[[*Insert credit rating agency*] is not established in the EU but is certified under Regulation (EC) No. 1060/2009 (as amended).]

[[*Insert credit rating agency*] is not established in the EU and is not certified under Regulation (EC) No. 1060/2009 (as amended) (the “CRA Regulation”) and the rating it has given to the Notes is not endorsed by a credit rating agency established in the EU and registered under the CRA Regulation.]]

3 **Interests of Natural and Legal Persons Involved in the Issue**

[Save for any fees payable to the [Managers/Dealers], so far as the Issuer is aware, no person involved in the issue of the Notes has an interest material to the offer. — *Amend as appropriate if there are other interests*]

[(*When adding any other description, consideration should be given as to whether such matters described constitute “significant new factors” and consequently trigger the need for a supplement to the Base Prospectus under Article 23 of the Prospectus Regulation.*)]

4 **Reasons for the Offer and Estimated Net Proceeds**

(i) Reasons for the offer [General corporate purposes/To [finance/refinance] Eligible Green Projects  
(See “Use of Proceeds” wording in Base Prospectus)] /

[Other]

[(If “Other”, set out use of proceeds here)]

(ii) Estimated net proceeds:

[●]

5 **Yield (Fixed Rate Notes only)** Indication of yield:

[●]

[Calculated on the Issue Date.] The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

6 **[Historic Interest Rates (Floating Rate Notes only)]**

[Not Applicable][Details of historic [LIBOR/EURIBOR] rates can be obtained from [Reuters].]

[Amounts payable under the Notes will be calculated by reference to [LIBOR / EURIBOR] which is provided by [●]. [As at [●], [●] [appears/does not appear] on the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority pursuant to Article 36 of Regulation (EU) 2016/1011 (the “**Benchmarks Regulation**”).] [As far as the Issuer is aware, the transitional provisions in Article 51 of the Benchmarks Regulation apply, such that as at [●] is not required to obtain authorisation or registration (or, if located outside the European Union, recognition, endorsement or equivalence).]]

7 **Operational Information**

- (i) ISIN: [●]
- (ii) Common Code: [●]
- (iii) CFI: [●]/[As set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN]/[Not Available]
- (iv) FISN: [●]/[As set out on the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN]/[Not Available]
- (v) Any clearing system(s) other than Euroclear Bank SA/NV and Clearstream Banking S.A. and the relevant identification number(s): [Not Applicable/give name(s) and number(s) and address(es)]
- (vi) Delivery: Delivery [against/free of] payment
- (vii) Names and addresses of additional Paying Agent(s) (if any): [●]
- (viii) Intended to be held in a manner which would allow Eurosystem eligibility: [Yes. Note that the designation “yes” simply means that the Notes are intended upon issue to be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper,)[include this text for Registered Notes] and does not necessarily mean that the Notes will be recognized as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the European Central Bank being satisfied that Eurosystem eligibility criteria have been met.] /
- [No. Whilst the designation is specified as “no”

at the date of these Final Terms, should the Eurosystem eligibility criteria be amended in the future such that the Notes are capable of meeting them the Notes may then be deposited with one of the ICSDs as common safekeeper [(and registered in the name of a nominee of one of the ICSDs acting as common safekeeper)][*include this text for Registered Notes*]. Note that this does not necessarily mean that the Notes will then be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem at any time during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.]]

8. **[Notification**

The Central Bank [has been requested to provide] [has provided] the competent authority in Luxembourg with a certificate of approval attesting that the Base Prospectus [and the Supplement[s] to the Base Prospectus dated [●]] [has/have] been drawn up in accordance with the Prospectus Regulation.]

## TERMS AND CONDITIONS OF THE NOTES

*The following are the Terms and Conditions of the Notes which will be incorporated by reference into each Global Note (as defined below) and each definitive Note, in the latter case only if permitted by the relevant stock exchange or other relevant authority (if any) and agreed by the relevant Issuer, the Guarantor (where ENEL is not the relevant Issuer) and the relevant Dealer at the time of issue but, if not so permitted and agreed, such definitive Note will have endorsed thereon or attached thereto such Terms and Conditions. The applicable Final Terms in relation to any Tranche of Notes may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the following Terms and Conditions, replace or modify the following Terms and Conditions for the purpose of such Notes. The applicable Final Terms (or the relevant provisions thereof) will be endorsed upon, or attached to, each Global Note and definitive Note. Reference should be made to “Form of the Notes” for a description of the content of Final Terms which will specify which of such terms are to apply in relation to the relevant Notes.*

This Note is one of a Series (as defined below) of Notes issued by whichever of ENEL — Società per Azioni (“**ENEL**”) or ENEL FINANCE INTERNATIONAL N.V. (“**ENEL N.V.**”) is specified as the “Issuer” in the applicable Final Terms (as defined below) and references to the “Issuer” shall be construed accordingly. This Note is issued pursuant to the Agency Agreement (as defined below).

References herein to the “**Notes**” shall be references to the Notes of this Series and shall mean:

- (i) in relation to any Notes represented by a global Note (a “**Global Note**”), units of each Specified Denomination in the Specified Currency;
- (ii) any Global Note;
- (iii) any definitive Notes in bearer form (“**Bearer Notes**”) issued in exchange for a Global Note in bearer form; and
- (iv) any definitive Notes in registered form (“**Registered Notes**”) (whether or not issued in exchange for a Global Note in registered form).

The Notes and the Coupons (as defined below) have the benefit of an amended and restated agency agreement (the “**Agency Agreement**”) dated 9 January 2020 as amended or supplemented from time to time made between ENEL N.V. as an Issuer, ENEL in its capacity as both an Issuer and as Guarantor (as defined below) of Notes issued by ENEL N.V., The Bank of New York Mellon, London Branch as issuing and principal paying agent and agent bank (the “**Principal Paying Agent**”, which expression shall include any successor principal paying agent) and the other paying agents named therein (together with the Principal Paying Agent, the “**Paying Agents**”, which expression shall include any additional or successor paying agents), The Bank of New York Mellon as exchange agent (the “**Exchange Agent**” which expression shall include any successor exchange agent) and as transfer agent and the other transfer agents named therein (the “**Transfer Agents**”, which expression shall include any additional or successor transfer agents) and The Bank of New York Mellon SA/NV, Luxembourg Branch as registrar (the “**Registrar**”, which expression shall include any successor registrar).

Interest bearing definitive Bearer Notes (unless otherwise indicated in the applicable Final Terms) have interest coupons (“**Coupons**”) and, if indicated in the applicable Final Terms, talons for further Coupons (“**Talons**”) attached on issue. Any reference herein to Coupons or coupons shall, unless the context otherwise requires, be deemed to include a reference to Talons or talons. Registered Notes and Global Notes do not have Coupons or Talons attached on issue.

The final terms for this Note (or the relevant provisions thereof) are set out in Part A of the Final Terms attached to or endorsed on this Note which complete these Terms and Conditions (the “**Conditions**”) and may specify other terms and conditions which shall, to the extent so specified or to the extent inconsistent with the Conditions, replace or modify the Conditions for the purposes of this Note. References to the “applicable Final Terms” are to Part A of the Final Terms (or the relevant provisions thereof) attached to or endorsed on this Note.

Notes issued by ENEL N.V. will be unconditionally and irrevocably guaranteed by ENEL (in such capacity, the “**Guarantor**”) pursuant to a deed of guarantee (the “**Guarantee**”) dated 9 January 2020 as amended or supplemented from time to time (the “**Deed of Guarantee**”). Under the Guarantee, ENEL has guaranteed the due and punctual payment of all amounts due under such Notes and the Deed of Covenant (as defined below) executed by ENEL N.V. as and when the same shall become due and payable subject to the terms and conditions provided therein.

The original of the Guarantee is held by the Principal Paying Agent on behalf of the Noteholders and the Couponholders at its specified office. References herein to the Guarantor shall only be relevant where the Issuer is ENEL N.V.

Any reference to “**Noteholders**” or “**holders**” in relation to any Notes shall mean (in the case of Bearer Notes) the holders of the Notes and (in the case of Registered Notes) the persons in whose name the Notes are registered and shall, in relation to any Notes represented by a Global Note, be construed as provided below. Any reference herein to “**Couponholders**” shall mean the holders of the Coupons and shall, unless the context otherwise requires, include the holders of the Talons.

As used herein, “**Tranche**” means Notes which are identical in all respects (including as to listing and admission to trading) and “**Series**” means a Tranche of Notes together with any further Tranche or Tranches of Notes which are (i) expressed to be consolidated and form a single series and (ii) identical in all respects (including as to listing and admission to trading) except for their respective Issue Dates, Interest Commencement Dates and/or Issue Prices.

The Noteholders and the Couponholders are entitled to the benefit of the deed of covenant (the “**Deed of Covenant**”) dated 9 January 2020 and made by the Issuer as amended or supplemented from time to time. The original of the Deed of Covenant is held by the common depository for Euroclear (as defined below) and Clearstream, Luxembourg (as defined below).

Copies of the Agency Agreement, the Deed of Guarantee and the Deed of Covenant are available for inspection during normal business hours at the registered office of each of the Principal Paying Agent, the Registrar and the other Paying Agents and Transfer Agents (such Agents together with the Calculation Agent (if any is specified in the applicable Final Terms) and the Registrar being together referred to as the “**Agents**”). Copies of the applicable Final Terms are available for viewing and obtainable during normal business hours at the registered office of the Issuer and the specified office of each of the Agents and copies may be obtained from those offices save that, if this Note is neither admitted to trading on a regulated market in the EEA nor offered in the EEA in circumstances where a prospectus is required to be published under the Prospectus Regulation, the applicable Final Terms will only be obtainable by a Noteholder holding one or more Notes and such Noteholder must produce evidence satisfactory to the relevant Issuer and the relevant Agent as to its holding of such Notes and identity. The Noteholders and the Couponholders are deemed to have notice of, and are entitled to the benefit of, all the provisions of the Agency Agreement, the Deed of Covenant and the applicable Final Terms which are applicable to them. The statements in these Terms and Conditions include summaries of, and are subject to, the detailed provisions of the Agency Agreement.

Words and expressions defined in the Agency Agreement or used in the applicable Final Terms shall have the same meanings where used in these Terms and Conditions unless the context otherwise requires or unless



otherwise stated and provided that, in the event of inconsistency between the Agency Agreement and the applicable Final Terms, the applicable Final Terms will prevail.

## **1 Form, Denomination and Title**

The Notes are in bearer form or in registered form as specified in the applicable Final Terms and, in the case of definitive Notes, serially numbered, in the Specified Currency and the Specified Denomination(s). Notes of one Specified Denomination may not be exchanged for Notes of another Specified Denomination and Bearer Notes may not be exchanged for Registered Notes and vice versa.

This Note may be a Fixed Rate Note, a Floating Rate Note, a Zero Coupon Note or a combination of any of the foregoing, depending upon the Interest Basis shown in the applicable Final Terms.

Definitive Bearer Notes are issued with Coupons attached, unless they are Zero Coupon Notes in which case references to Coupons and Couponholders in the Conditions are not applicable.

Subject as set out below, title to the Bearer Notes and Coupons will pass by delivery and title to the Registered Notes will pass upon registration of transfers in accordance with the provisions of the Agency Agreement. The Issuer, the Guarantor and any Agent will (except as otherwise required by law or ordered by a court having jurisdiction or an official authority) deem and treat the bearer of any Bearer Note or Coupon and the registered holder of any Registered Note as the absolute owner thereof (whether or not overdue and notwithstanding any notice of ownership or writing thereon or notice of any previous loss or theft thereof) for all purposes but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by a Bearer Global Note held on behalf of Euroclear Bank SA/NV (“**Euroclear**”) and/or Clearstream Banking S.A. (“**Clearstream, Luxembourg**”), each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Guarantor and the Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the bearer of the relevant Bearer Global Note shall be treated by the Issuer, the Guarantor and any Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the relevant Global Note and the expressions “Noteholder” and “holder of Notes” and related expressions shall be construed accordingly.

Notes which are represented by a Global Note will be transferable only in accordance with the rules and procedures for the time being of Euroclear and Clearstream, Luxembourg, as the case may be. References to Euroclear and/or Clearstream, Luxembourg shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing system specified in the applicable Final Terms.

## **2 Transfers of Registered Notes**

### ***(a) Transfers of interests in Registered Global Notes***

Transfers of beneficial interests in Registered Global Notes will be effected by Euroclear or Clearstream, Luxembourg, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Registered Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Notes in definitive form or for a

beneficial interest in another Registered Global Note only in the authorised denominations set out in the applicable Final Terms and only in accordance with the rules and operating procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be and in accordance with the terms and conditions specified in the Agency Agreement.

Prior to expiry of the applicable Distribution Compliance Period, transfers by the holder of, or of a beneficial interest in, a Registered Global Note to a transferee in the United States or who is a U.S. person will only be made pursuant to the Securities Act or an exemption therefrom, subject to receipt by the Issuer of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities laws of any State of the United States, and, in any event, in accordance with any applicable securities laws of any State of the United States or any other jurisdiction.

**(b) *Transfers of Registered Notes in definitive form***

Subject as provided in paragraphs (e), (f) and (g) below, upon the terms and subject to the conditions set forth in the Agency Agreement, a Registered Note in definitive form may be transferred in whole or in part (in the authorised denominations set out in the applicable Final Terms). In order to effect any such transfer (i) the holder or holders must (a) surrender the Registered Note for registration of the transfer of the Registered Note (or the relevant part of the Registered Note) at the specified office of the Registrar or any Transfer Agent, with the form of transfer thereon duly executed by the holder or holders thereof or his or their attorney or attorneys duly authorised in writing and (b) complete and deposit such other certifications as may be required by the Registrar or, as the case may be, the relevant Transfer Agent and (ii) the Registrar or, as the case may be, the relevant Transfer Agent must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer and the Registrar may from time to time prescribe (the initial such regulations being set out in Schedule 7 to the Agency Agreement). Subject as provided above, the Registrar or, as the case may be, the relevant Transfer Agent will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar or, as the case may be, the relevant Transfer Agent is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations) authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail to such address as the transferee may request, a new Registered Note in definitive form of a like aggregate nominal amount to the Registered Note (or the relevant part of the Registered Note) transferred. In the case of the transfer of part only of a Registered Note in definitive form, a new Registered Note in definitive form in respect of the balance of the Registered Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent by uninsured mail to the address of the transferor.

**(c) *Registration of transfer upon partial redemption***

In the event of a partial redemption of Notes under Condition 7, the Issuer shall not be required to register the transfer of any Registered Note, or part of a Registered Note, called for partial redemption.

**(d) *Costs of registration***

Noteholders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

(e) ***Exchanges and transfers of Registered Notes generally***

Holders of Registered Notes in definitive form may exchange such Notes for interests in a Registered Global Note of the same type at any time.

(f) ***Definitions***

In this Condition, the following expressions shall have the following meanings:

“**Distribution Compliance Period**” means the period that ends 40 days after the later of the commencement of the offering and the completion of the distribution of each Tranche of Notes, as certified by the relevant Dealer (in the case of a non-syndicated issue) or the relevant Lead Manager (in the case of a syndicated issue);

“**Securities Act**” means the United States Securities Act of 1933, as amended.

### **3 Status of the Notes and the Guarantee**

(a) ***Status of the Notes***

The Notes and any relative Coupons are direct, unconditional and (subject to the provisions of Condition 4) unsecured and unsubordinated obligations of the Issuer and rank *pari passu* without any preference among themselves and at least equally with all other outstanding unsecured and unsubordinated obligations of the Issuer, present and future, other than obligations, if any, that are mandatorily preferred by statute or by operation of law.

(b) ***Status of the Guarantee***

The obligations of the Guarantor under the Guarantee are direct, unconditional and (subject to the provisions of Condition 4) unsecured and unsubordinated obligations of the Guarantor and rank at least equally with all other outstanding unsecured and unsubordinated obligations of the Guarantor, present and future, other than obligations, if any, that are mandatorily preferred by statute or by operation of law. The Guarantee is limited to 120 per cent. of the aggregate principal amount of any Tranche of the Notes which may be issued under the Programme (in each case as specified in the applicable Final Terms) and 120 per cent. of the interest on such Notes accrued but not paid as at any date on which the Guarantor’s liability under the Notes falls to be determined.

### **4 Negative Pledge**

Neither the Issuer nor the Guarantor will, so long as any of the Notes remain outstanding (as defined in the Agency Agreement), create or have outstanding (other than by operation of law) any mortgage, lien, pledge or other charge upon the whole or any part of its assets or revenues, present or future, to secure any Indebtedness unless:

- (a) the same security shall forthwith be extended equally and rateably to the Notes and the Coupons; or
- (b) such other security as shall be approved by an Extraordinary Resolution of the Noteholders shall previously have been or shall forthwith be extended equally and rateably to the Notes and the Coupons.

As used herein, “**Indebtedness**” means any present or future indebtedness for borrowed money of the Issuer or the Guarantor which is in the form of, or represented by, bonds, notes, debentures or other securities and which is or are intended to be quoted, listed or ordinarily dealt in on any stock exchange, over-the-counter or other established securities market.

## 5 Interest

### (a) *Interest on Fixed Rate Notes*

Each Fixed Rate Note bears interest from and including the Interest Commencement Date at the rate(s) per annum equal to the Rate(s) of Interest. Interest will be payable in arrear on the Interest Payment Date(s) in each year up to (and including) the Maturity Date.

If the Notes are in definitive form, except as provided in the applicable Final Terms, the amount of interest payable on each Interest Payment Date in respect of the Fixed Interest Period ending on (but excluding) such date will amount to the Fixed Coupon Amount. Payments of interest on any Interest Payment Date will, if so specified in the applicable Final Terms, amount to the Broken Amount so specified.

As used in the Conditions, “**Fixed Interest Period**” means the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date.

Except in the case of Notes in definitive form where an applicable Fixed Coupon Amount or Broken Amount is specified in the applicable Final Terms, interest shall be calculated in respect of any period by applying the Rate of Interest to:

- (i) in the case of Fixed Rate Notes which are (i) represented by a Global Note or (ii) Registered Notes in definitive form, the aggregate outstanding nominal amount of (A) the Fixed Rate Notes represented by such Global Note or (B) such Registered Notes; or
- (ii) in the case of Fixed Rate Notes which are Bearer Notes in definitive form, the Calculation Amount,

and, in each case, multiplying such sum by the applicable Day Count Fraction. The resultant figure (including after application of any Fixed Coupon Amount or Broken Amount, as applicable, to the aggregate outstanding nominal amount of Fixed Rate Notes which are Registered Notes in definitive form or the Calculation Amount in the case of Fixed Rate Notes which are Bearer Notes in definitive form) shall be rounded to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Fixed Rate Note which is a Bearer Note in definitive form comprises more than one Calculation Amount, the amount of interest payable in respect of such Fixed Rate Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding.

“**Day Count Fraction**” means, in respect of the calculation of an amount of interest in accordance with this Condition 5(a):

- (i) if “**Actual/Actual (ICMA)**” is specified in the applicable Final Terms:
  - (A) in the case of Notes where the number of days in the relevant period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (the “**Accrual Period**”) is equal to or shorter than the Determination Period during which the Accrual Period ends, the number of days in such Accrual Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; or

- (B) in the case of Notes where the Accrual Period is longer than the Determination Period during which the Accrual Period ends, the sum of:
- (1) the number of days in such Accrual Period falling in the Determination Period in which the Accrual Period begins divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates (as specified in the applicable Final Terms) that would occur in one calendar year; and
  - (2) the number of days in such Accrual Period falling in the next Determination Period divided by the product of (x) the number of days in such Determination Period and (y) the number of Determination Dates that would occur in one calendar year; and
- (ii) if “30/360” is specified in the applicable Final Terms, the number of days in the period from (and including) the most recent Interest Payment Date (or, if none, the Interest Commencement Date) to (but excluding) the relevant payment date (such number of days being calculated on the basis of a year of 360 days with 12 30-day months) divided by 360.

In the Conditions:

“**Calculation Amount**” is the amount specified in the relevant Final Terms;

“**Determination Period**” means each period from (and including) a Determination Date to but excluding the next Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not a Determination Date, the period commencing on the first Determination Date prior to, and ending on the first Determination Date falling after, such date);

“**Euro**” means the currency introduced at the start of the third stage of the European economic and monetary union pursuant to the Treaty establishing the EU, as amended;

“**Rate of Interest**” means the rate or rates (expressed as a percentage per annum) of interest payable in respect of the Notes specified in the relevant Final Terms or calculated or determined in accordance with the provisions of these Conditions and/or the relevant Final Terms; and

“**sub-unit**” means, with respect to any currency other than Euro, the lowest amount of such currency that is available as legal tender in the country of such currency and, with respect to Euro, one cent.

**(b) Interest on Floating Rate Notes**

*(i) Interest Payment Dates*

Each Floating Rate Note bears interest from (and including) the Interest Commencement Date and such interest will be payable in arrear on either:

- (A) the Specified Interest Payment Date(s) in each year specified in the applicable Final Terms; or
- (B) if no Specified Interest Payment Date(s) is/are specified in the applicable Final Terms, each date (each such date, together with each Specified Interest Payment Date, an “**Interest Payment Date**”) which falls the number of months or other period specified as the Specified Period in the applicable Final Terms after the preceding Interest Payment Date or, in the case of the first Interest Payment Date, after the Interest Commencement Date.

Such interest will be payable in respect of each Interest Period (which expression shall, in the Conditions, mean the period from (and including) an Interest Payment Date (or the Interest Commencement Date) to (but excluding) the next (or first) Interest Payment Date).

If a Business Day Convention is specified in the applicable Final Terms and (x) if there is no numerically corresponding day in the calendar month in which an Interest Payment Date should occur or (y) if any Interest Payment Date would otherwise fall on a day which is not a Business Day, then, if the Business Day Convention specified is:

- (1) in any case where Specified Periods are specified in accordance with Condition 5(b)(i)(B) above, the Floating Rate Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event (A) such Interest Payment Date shall be brought forward to the immediately preceding Business Day and (B) each subsequent Interest Payment Date shall be the last Business Day in the month which falls the Specified Period after the preceding applicable Interest Payment Date occurred; or
- (2) the Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day; or
- (3) the Modified Following Business Day Convention, such Interest Payment Date shall be postponed to the next day which is a Business Day unless it would thereby fall into the next calendar month, in which event such Interest Payment Date shall be brought forward to the immediately preceding Business Day; or
- (4) the Preceding Business Day Convention, such Interest Payment Date shall be brought forward to the immediately preceding Business Day.

In the Conditions, “**Business Day**” means a day which is both:

- (A) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in each Additional Business Centre specified in the applicable Final Terms; and
- (B) either (1) in relation to any sum payable in a Specified Currency other than Euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than that of any Additional Business Centre and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (2) in relation to any sum payable in Euro, a day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (known as TARGET2) System which launched on 19 November 2007 or any successor thereto (the “**TARGET System**”) is open.

(ii) *Rate of Interest*

The Rate of Interest payable from time to time in respect of Floating Rate Notes will be determined in the manner specified in the applicable Final Terms.

- (A) ISDA Determination for Floating Rate Notes

Where ISDA Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest

Period will be the relevant ISDA Rate plus or minus (as indicated in the applicable Final Terms) the Margin (if any). For the purposes of this sub-paragraph (A), “**ISDA Rate**” for an Interest Period means a rate equal to the Floating Rate that would be determined by the Principal Paying Agent or the Calculation Agent, as applicable, under an interest rate swap transaction if the Principal Paying Agent or the Calculation Agent, as applicable, were acting as Calculation Agent (as defined in the ISDA definitions (as defined below)) for that swap transaction under the terms of an agreement incorporating the 2006 ISDA Definitions, as published by the International Swaps and Derivatives Association, Inc. and as amended and updated as at the Issue Date of the first Tranche of the Notes (the “**ISDA Definitions**”) and under which:

- (1) the Floating Rate Option is as specified in the applicable Final Terms;
- (2) the Designated Maturity is a period specified in the applicable Final Terms; and
- (3) the relevant Reset Date is either (i) if the applicable Floating Rate Option is based on the London interbank offered rate (“**LIBOR**”) or on the Euro-zone interbank offered rate (“**EURIBOR**”), the first day of that Interest Period or (ii) in any other case, as specified in the applicable Final Terms.

For the purposes of this sub-paragraph (A), “**Floating Rate**”, “**Floating Rate Option**”, “**Designated Maturity**” and “**Reset Date**” have the meanings given to those terms in the ISDA Definitions.

Unless otherwise stated in the applicable Final Terms the Minimum Rate of Interest shall be deemed to be zero.

(B) Screen Rate Determination for Floating Rate Notes

Where Screen Rate Determination is specified in the applicable Final Terms as the manner in which the Rate of Interest is to be determined, the Rate of Interest for each Interest Period will, subject as provided below, be either:

- (1) the offered quotation; or
- (2) the arithmetic mean (rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards) of the offered quotations,

(expressed as a percentage rate per annum) for the Reference Rate which appears or appear, as the case may be, on the Relevant Screen Page as at 11.00 a.m. (London time, in the case of LIBOR, or Brussels time, in the case of EURIBOR) on the Interest Determination Date in question plus or minus (as indicated in the applicable Final Terms) the Margin (if any), all as determined by the Principal Paying Agent or the Calculation Agent, as applicable. If five or more of such offered quotations are available on the Relevant Screen Page, the highest (or, if there is more than one such highest quotation, one only of such quotations) and the lowest (or, if there is more than one such lowest quotation, one only of such quotations) shall be disregarded by the Principal Paying Agent or the Calculation Agent, as applicable, for the purpose of determining the arithmetic mean (rounded as provided above) of such offered quotations.

The Agency Agreement contains provisions for determining the Rate of Interest in the event that the Relevant Screen Page is not available or if, in the case of (1) above, no such offered quotation appears or, in the case of (2) above, fewer than three such offered quotations appear, in each case as at the time specified in the preceding paragraph.

Notwithstanding the above, if the Reference Rate from time to time in respect of Floating Rate Notes is specified in the applicable Final Terms as being other than LIBOR or EURIBOR, the Rate of Interest in respect of such Notes will be determined as provided in the applicable Final Terms.

(C) Linear Interpolation

Where Linear Interpolation is specified in the applicable Final Terms as the manner in which Rate of Interest is to be determined in respect of an Interest Period, the Rate of Interest for such Interest Period shall be calculated by the Principal Paying Agent or the Calculation Agent, as applicable, by straight line linear interpolation by reference to two rates based on the relevant Reference Rate (where Screen Rate Determination is specified in the applicable Final Terms as the manner in which Rate of Interest is to be determined) or the relevant Floating Rate Option (where ISDA Determination is specified in the applicable Final Terms as the manner in which Rate of Interest is to be determined), one of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next shorter than the length of the relevant Interest Period and the other of which shall be determined as if the Applicable Maturity were the period of time for which rates are available next longer than the length of the relevant Interest Period provided however that if there is no rate available for the period of time next shorter or, as the case may be, next longer, then the Issuer shall appoint an Independent Adviser to determine such rate at such time and by reference to such sources as it determines appropriate.

“**Applicable Maturity**” means: (a) in relation to Screen Rate Determination, the period of time designated in the Reference Rate, and (b) in relation to ISDA Determination, the Designated Maturity.

“**Independent Adviser**” means an independent financial institution of international repute or an independent financial adviser with appropriate expertise appointed by the Issuer under this Condition.

(iii) *Minimum Rate of Interest and/or Maximum Rate of Interest*

If the applicable Final Terms specifies a Minimum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is less than such Minimum Rate of Interest, the Rate of Interest for such Interest Period shall be such Minimum Rate of Interest.

If the applicable Final Terms specifies a Maximum Rate of Interest for any Interest Period, then, in the event that the Rate of Interest in respect of such Interest Period determined in accordance with the provisions of paragraph (ii) above is greater than such Maximum Rate of Interest, the Rate of Interest for such Interest Period shall be such Maximum Rate of Interest.

(iv) *Determination of Rate of Interest and calculation of Interest Amounts*

In the case of Floating Rate Notes, the Principal Paying Agent or the Calculation Agent, as applicable, will at or as soon as practicable after each time at which the Rate of Interest is to be determined, determine the Rate of Interest for the relevant Interest Period.

The Principal Paying Agent or the Calculation Agent, as applicable, will calculate the amount of interest (the “**Interest Amount**”) payable on the Floating Rate Notes for the relevant Interest Period by applying the Rate of Interest to:



- (A) in the case of Floating Rate Notes which are represented by a Global Note, the aggregate outstanding nominal amount of the Notes represented by such Global Note; or
- (B) in the case of Floating Rate Notes in definitive form, the Calculation Amount;

and, in each case, multiplying such sum by the applicable Day Count Fraction, and rounding the resultant figure to the nearest sub-unit of the relevant Specified Currency, half of any such sub-unit being rounded upwards or otherwise in accordance with applicable market convention. Where the Specified Denomination of a Floating Rate Note in definitive form comprises more than one Calculation Amount, the Interest Amount payable in respect of such Note shall be the aggregate of the amounts (determined in the manner provided above) for each Calculation Amount comprising the Specified Denomination without any further rounding.

“**Day Count Fraction**” means, in respect of the calculation of an amount of interest for any Interest Period:

- (i) if “**Actual/Actual (ISDA)**” or “**Actual/Actual**” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 (or, if any portion of that Interest Period falls in a leap year, the sum of (A) the actual number of days in that portion of the Interest Period falling in a leap year divided by 366 and (B) the actual number of days in that portion of the Interest Period falling in a non-leap year divided by 365);
- (ii) if “**Actual/365 (Fixed)**” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365;
- (iii) if “**Actual/365 (Sterling)**” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 365 or, in the case of an Interest Payment Date falling in a leap year, 366;
- (iv) if “**Actual/360**” is specified in the applicable Final Terms, the actual number of days in the Interest Period divided by 360;
- (v) if “**30/360**”, “**360/360**” or “**Bond Basis**” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360 calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1) + (D_2 - D_1)]}{360}$$

where:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Interest Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Interest Period, unless such number is 31, in which case D1 will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31 and D1 is greater than 29, in which case D2 will be 30;

- (vi) if “**30E/360**” or “**Eurobond Basis**” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1) + (D_2 - D_1)]}{360}$$

where:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Interest Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Interest Period, unless such number would be 31, in which case D1 will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless such number would be 31, in which case D2 will be 30;

- (vii) if “**30E/360 (ISDA)**” is specified in the applicable Final Terms, the number of days in the Interest Period divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y_2 - Y_1)] + [30 \times (M_2 - M_1) + (D_2 - D_1)]}{360}$$

where:

“**Y<sub>1</sub>**” is the year, expressed as a number, in which the first day of the Interest Period falls;

“**Y<sub>2</sub>**” is the year, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“**M<sub>1</sub>**” is the calendar month, expressed as a number, in which the first day of the Interest Period falls;

“**M<sub>2</sub>**” is the calendar month, expressed as a number, in which the day immediately following the last day of the Interest Period falls;

“**D<sub>1</sub>**” is the first calendar day, expressed as a number, of the Interest Period, unless (i) that day is the last day of February or (ii) such number would be 31, in which case D1 will be 30; and

“**D<sub>2</sub>**” is the calendar day, expressed as a number, immediately following the last day included in the Interest Period, unless (i) that day is the last day of February but not the Maturity Date or (ii) such number would be 31, in which case D2 will be 30.

(v) *Notification of Rate of Interest and Interest Amounts*

The Principal Paying Agent or the Calculation Agent, as applicable, will cause the Rate of Interest and each Interest Amount for each Interest Period and the relevant Interest Payment Date to be notified to the Issuer and any stock exchange on which the relevant Floating Rate Notes are for the time being listed and notice thereof to be given in accordance with Condition 14 as soon as possible after their determination but in no event later than the fourth London Business Day thereafter. Each Interest Amount and Interest Payment Date so notified may subsequently be amended (or appropriate alternative arrangements made by way of adjustment) without prior notice in the event of an extension or shortening of the Interest Period. Any such amendment will be promptly notified to each stock exchange on which the relevant Floating Rate Notes are for the time being listed and to the Noteholders in accordance with Condition 14. For the purposes of this paragraph, the expression “**London Business Day**” means a day (other than a Saturday or a Sunday) on which banks and foreign exchange markets are open for general business in London.

(vi) *Certificates to be final*

All certificates, communications, opinions, determinations, calculations, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 5(b), whether by the Principal Paying Agent or, if applicable, the Calculation Agent, shall (in the absence of wilful default, bad faith or manifest error) be binding on the Issuer, the Guarantor, the Principal Paying Agent, the Calculation Agent (if applicable), the other Agents and all Noteholders and Couponholders and (in the absence of wilful default or bad faith) no liability to the Issuer, the Guarantor, the Noteholders or the Couponholders shall attach to the Principal Paying Agent or the Calculation Agent (if applicable) in connection with the exercise or non-exercise by it of its powers, duties and discretions pursuant to such provisions.

(c) **Step Up Option**

This Condition 5(c) applies to Notes in respect of which the applicable Final Terms indicate that the Step Up Option is applicable (“**Step Up Notes**”).

The Rate of Interest for Step Up Notes will be the Initial Rate of Interest specified in the applicable Final Terms, provided that for any Interest Period commencing on or after the Interest Payment Date immediately following a Step Up Event, if any, the Rate of Interest shall be increased by the Step Up Margin specified in the applicable Final Terms.

For the avoidance of doubt, an increase in the Rate of Interest may occur no more than once in respect of the relevant Step Up Note.

In this Condition:

“**Assurance Report**” has the meaning given to it in Condition 14A (*Available Information*);

“**Direct Green House Gas Emissions**” means the Group Scope 1 CO<sub>2</sub> equivalent emissions (grams per kWh) from the production of electricity and heat as of a given date reported by ENEL in its Sustainability Report – Non Financial Statement;

“**Direct Green House Gas Emissions Amount**” means the Direct Green House Gas Emissions expressed in grams per kWh, as calculated in good faith by ENEL, confirmed by the External Verifier and published by ENEL in accordance with Condition 14(A) (*Available Information*);

“**Direct Green House Gas Emissions Amount Full Threshold**” means the threshold expressed in grams per kWh specified in the applicable Final Terms as being the Direct Green House Gas Emissions Amount Full Threshold;

“**Direct Green House Gas Emissions Amount Intermediate Threshold**” means, if specified in the relevant Final Terms as being applicable, the threshold expressed in grams per kWh specified in the applicable Final Terms as being the Direct Green House Gas Emissions Amount Intermediate Threshold;

“**Direct Green House Gas Emissions Amount Reference Date**” is the date specified in the relevant Final Terms;

“**Direct Green House Gas Emissions Condition**” means the notification in writing by ENEL to the Principal Paying Agent and the Noteholders in accordance with Condition 14 (*Notices*) on the Step Up Event Notification Date that the Direct Green House Gas Emissions Amount as of the Direct Green House Gas Emissions Amount Reference Date was equal to or lower than the relevant Direct Green House Gas Emissions Amount Intermediate Threshold, if specified in the relevant Final Terms as being applicable, or the relevant Direct Green House Gas Emissions Amount Full Threshold, as the case may be; and that such Direct Green House Gas Emissions Amount has been confirmed by the External Verifier in accordance with its customary procedures;

“**Direct Green House Gas Emissions Event**” means the failure of ENEL to satisfy the Direct Green House Gas Emissions Condition, *provided that* no Direct Green House Gas Emissions Event shall occur in case of the failure of ENEL to satisfy the Direct Green House Gas Emissions Condition due to either:

- (A) an amendment to, or change in, any applicable laws, regulations, rules, guidelines and policies, applicable to and/or relating to (i) the operating life-time of the nuclear power plants owned by ENEL, or its consolidated subsidiaries or joint operations, is reduced or (ii) the closure of the thermo-electric power plants owned by ENEL, or its consolidated subsidiaries or joint operations, is delayed or (iii) a required conversion of the thermo-electric power plants owned by ENEL, or its consolidated subsidiaries or joint operations, to gas power plants; or
- (B) the relevant energy concessions granted to ENEL, or its consolidated subsidiaries or joint operations, being amended, revoked or the relevant expiration date is shortened;

“**External Verifier**” means

- (1) in relation to an Installed Capacity Event, EY S.p.A., or, in the event that EY S.p.A. resigns or is otherwise replaced, such other qualified provider of third-party assurance or attestation services appointed by ENEL, to review ENEL’s statement of the Renewable Installed Capacity Percentage; and
- (2) in relation to a Direct Green House Gas Emissions Event, means DNV GL Business Assurance Italia S.r.l. or, in the event that DNV GL Business Assurance Italia S.r.l. resigns or is otherwise replaced, such other qualified provider of third-party assurance or attestation services appointed by ENEL, to review ENEL’s statement of the Direct Green House Gas Emissions Amount;

“**Full Threshold Satisfaction Level**” means, in relation to a Direct Green House Gas Emissions Event, that the Direct Green House Gas Emissions Amount as of the Direct Green House Gas

Emissions Amount Reference Date was equal to or lower than the Direct Green House Gas Emissions Amount Full Threshold and that such Direct Green House Gas Emissions Amount has been confirmed by the External Verifier in accordance with its customary procedures;

“**GHG Assurance Report**” has the meaning given to it in Condition 14A (*Available Information*);

“**Initial Rate of Interest**” means the initial Rate of Interest specified in the applicable Final Terms;

“**Installed Capacity**” means the net efficient installed capacity of an electricity generation facility owned by ENEL, or its consolidated subsidiaries or joint operations as of a given date reported by ENEL, in its consolidated financial reports; provided that Installed Capacity shall not include the installed or name-plate capacity of electricity generation facilities acquired (by acquisition of equity interests, merger or other combination or amalgamation) subsequent to the relevant Issue Date of the Notes other than electricity generation facility in respect of which ENEL, or its consolidated subsidiaries or consolidated joint ventures were primarily responsible for construction, development and installation of such facility;

“**Installed Capacity Event**” means the failure of ENEL to satisfy the Renewable Installed Capacity Condition;

“**Intermediate Threshold Satisfaction Level**” if any, means, in relation to a Direct Green House Gas Emissions Event, that the Direct Green House Gas Emissions Amount as of the Direct Green House Gas Emissions Amount Reference Date was (i) higher than the Direct Green House Gas Emissions Amount Full Threshold and (ii) lower than or equal to the Direct Green House Gas Emissions Amount Intermediate Threshold and that such Direct Green House Gas Emissions Amount has been confirmed by the External Verifier in accordance with its customary procedures;

“**No Threshold Satisfaction**” means that ENEL has failed (i) to have satisfied the applicable Full Threshold Satisfaction Level or, if specified in the relevant Final Terms as being applicable, the applicable Intermediate Threshold Satisfaction Level and/or (ii) to notify the Noteholders of the applicable Full Threshold Satisfaction Level or, if specified in the relevant Final Terms as being applicable, the applicable Intermediate Threshold Satisfaction Level, in each case on the applicable Step Up Event Notification Date;

“**Renewable Energy Installed Capacity**” means the sum of the Installed Capacities as of a given date of each electricity generation facility exclusively using any of the following technologies: wind, solar, hydro and geothermal and any other non-fossil fuel source of generation deriving from natural resources (excluding, from the avoidance of doubt, nuclear energy);

“**Renewable Installed Capacity Condition**” means the notification in writing by ENEL to the Principal Paying Agent and the Noteholders in accordance with Condition 14 (*Notices*) on the Step Up Event Notification Date that the Renewable Installed Capacity Percentage as of the Renewable Installed Capacity Percentage Reference Date was equal to or exceeded the relevant Renewable Installed Capacity Percentage Threshold; and that such Renewable Installed Capacity Percentage has been confirmed by the External Verifier in accordance with its customary procedures;

“**Renewable Installed Capacity Percentage**” means the proportion that Renewable Energy Installed Capacity represents of Total Installed Capacity (expressed as a percentage), as calculated in good faith by ENEL, confirmed by the External Verifier and published by ENEL, on or prior to the Step Up Event Notification Date on its website and in accordance with applicable law;

“**Renewable Installed Capacity Percentage Reference Date**” is the date specified in the relevant Final Terms;

“**Renewable Installed Capacity Percentage Threshold**” means the threshold specified in the applicable Final Terms as being the Renewable Installed Capacity Percentage Threshold;

“**Step Up Date**” means

- (1) in relation to an Installed Capacity Event, the first day of the next Interest Period following the date on which ENEL is required to publish the Assurance Report as of and for the period ending on the Renewable Installed Capacity Percentage Reference Date pursuant to Condition 14A (*Available Information*); and
- (2) in relation to a Direct Green House Gas Emissions Event, the first day of the next Interest Period following the date on which ENEL is required to publish the Sustainability Report – Non Financial Statement as of and for the period ending on the Direct Green House Gas Emissions Amount Reference Date pursuant to Condition 14A (*Available Information*);

“**Step Up Event**” means either an Installed Capacity Event or a Direct Green House Gas Emissions Event, as specified in the applicable Final Terms;

“**Step Up Event Notification Date**” means a Business Day falling no later than 45 days prior to the Step Up Date;

“**Step Up Margin**” means:

- (1) in relation to an Installed Capacity Event, the amount specified in the applicable Final Terms as being the Step Up Margin; and
- (2) in relation to a Direct Green House Gas Emissions Event, the relevant step up margin set out opposite the relevant Threshold Satisfaction Level as indicated in the table below:

<b>Threshold Satisfaction Level</b>	<b>Step Up Margin</b>
Intermediate Threshold Satisfaction Level	Step Up Margin 1
No Threshold Satisfaction	Step Up Margin 2

“**Step Up Margin 1**” means the amount specified in the applicable Final Terms as being the Step Up Margin 1, if any;

“**Step Up Margin 2**” means the amount specified in the applicable Final Terms as being the Step Up Margin 2;

“**Sustainability Report – Non Financial Statement**” has the meaning given to it in Condition 14A (*Available Information*);

“**Total Installed Capacity**” means the sum of the Installed Capacities as of a given date of each electricity generation facility without regard to electricity generation technology.

For the purposes of this Condition 5(c), references to ENEL shall be, as the context requires, to ENEL in its capacity as Issuer (in the case of Step Up Notes issued by ENEL) and to ENEL in its capacity as Guarantor (in the case of Step Up Notes issued by ENEL N.V.).

**(d) *Accrual of interest***

Each Note (or in the case of the redemption of part only of a Note, that part only of such Note) will cease to bear interest (if any) from the date for its redemption unless, upon due presentation thereof,

payment of principal is improperly withheld or refused. In such event, interest will continue to accrue until whichever is the earlier of:

- (1) the date on which all amounts due in respect of such Note have been paid; and
- (2) five days after the date on which the full amount of the moneys payable in respect of such Notes has been received by the Principal Paying Agent or the Registrar, as the case may be, and notice to that effect has been given to the Noteholders in accordance with Condition 14.

## **5A Benchmark discontinuation**

### **(a) Independent Adviser**

If a Benchmark Event occurs in relation to an Original Reference Rate when any Rate of Interest (or any component part thereof) remains to be determined by reference to such Original Reference Rate, then the Issuer shall use its reasonable endeavours to appoint and consult with an Independent Adviser (as defined under 5(b)(ii)(C) above), as soon as reasonably practicable, to determine a Successor Rate, failing which an Alternative Rate (in accordance with Condition 5A(b)) and, in either case, an Adjustment Spread if any (in accordance with Condition 5A(c)) and any Benchmark Amendments (in accordance with Condition 5A(d)).

An Independent Adviser appointed pursuant to this Condition 5A shall act in good faith and in a commercially reasonable manner as an expert and in consultation with the Issuer. In the absence of fraud and gross negligence, the Independent Adviser shall have no liability whatsoever to the Issuer, the Paying Agents, the Noteholders or the Couponholders for any determination made by it pursuant to this Condition 5A.

If: (i) the Issuer is unable to appoint an Independent Adviser; or (ii) the Independent Adviser appointed by it fails to determine a Successor Rate or, failing which, an Alternative Rate in accordance with this Condition 5A(a) prior to the relevant Interest Determination Date, the Rate of Interest applicable to the next succeeding Interest Period shall be equal to the Rate of Interest last determined in relation to the Notes in respect of the immediately preceding Interest Period. If there has not been a first Interest Payment Date, the Rate of Interest shall be the initial Rate of Interest. Where a different Margin or Maximum or Minimum Rate of Interest is to be applied to the relevant Interest Period from that which applied to the last preceding Interest Period, the Margin or Maximum or Minimum Rate of Interest relating to the relevant Interest Period shall be substituted in place of the Margin or Maximum or Minimum Rate of Interest relating to that last preceding Interest Period. For the avoidance of doubt, this Condition 5A(a) shall apply to the relevant next succeeding Interest Period only and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustment as provided in, this Condition 5A(a).

### **(b) Successor Rate or Alternative Rate**

If the Independent Adviser determines that:

- (i) there is a Successor Rate, then such Successor Rate shall (subject to adjustment as provided in Condition 5A(c)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5A); or
- (ii) there is no Successor Rate but that there is an Alternative Rate, then such Alternative Rate shall (subject to adjustment as provided in Condition 5A(c)) subsequently be used in place of the Original Reference Rate to determine the Rate of Interest (or the relevant component part

thereof) for all future payments of interest on the Notes (subject to the operation of this Condition 5A).

**(c) Adjustment Spread**

If the Independent Adviser determines (i) that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) and (ii) the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Rate (as the case may be).

**(d) Benchmark Amendments**

If any Successor Rate, Alternative Rate or Adjustment Spread is determined in accordance with this Condition 5A and the Independent Adviser determines (i) that amendments to these Conditions are necessary to ensure the proper operation of such Successor Rate, Alternative Rate and/or Adjustment Spread (such amendments, the “**Benchmark Amendments**”) and (ii) the terms of the Benchmark Amendments, then the Issuer shall, subject to giving notice thereof in accordance with Condition 5A(e), without any requirement for the consent or approval of Noteholders, vary these Conditions to give effect to such Benchmark Amendments with effect from the date specified in such notice.

In connection with any such variation in accordance with this Condition 5A(d), the Issuer shall comply with the rules of any stock exchange on which the Notes are for the time being listed or admitted to trading.

**(e) Notices etc.**

Any Successor Rate, Alternative Rate, Adjustment Spread and the specific terms of any Benchmark Amendments, determined under this Condition 5A will be notified promptly by the Issuer to the Calculation Agent, the Paying Agents and, in accordance with Condition 13 (*Notices*), the Noteholders. Such notice shall be irrevocable and shall specify the effective date of the Benchmark Amendments, if any.

**(f) Survival of Original Reference Rate**

Without prejudice to the obligations of the Issuer under Condition 5A (a), (b), (c) and (d), the Original Reference Rate and the fallback provisions provided for in Condition 5(b)(B) will continue to apply unless and until a Benchmark Event has occurred.

**(g) Definitions**

As used in this Condition 5A:

“**Adjustment Spread**” means either a spread (which may be positive or negative), or the formula or methodology for calculating a spread, in either case, which the Independent Adviser determines is required to be applied to the Successor Rate or the Alternative Rate (as the case may be) to reduce or eliminate, to the extent reasonably practicable in the circumstances, any economic prejudice or benefit (as the case may be) to Noteholders and Couponholders as a result of the replacement of the Original Reference Rate with the Successor Rate or the Alternative Rate (as the case may be) and is the spread, formula or methodology which:

- (i) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Original Reference Rate with the Successor Rate by any Relevant Nominating Body; or (if no such recommendation has been made, or in the case of an Alternative Rate);



- (ii) the Independent Adviser determines, is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Original Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Rate (as the case may be); (or if the Issuer determines that no such industry standard is recognised or acknowledged); or
- (iii) the Independent Adviser determines (acting in good faith and in a commercially reasonable manner) to be appropriate.

“**Alternative Rate**” means an alternative benchmark or screen rate which the Independent Adviser determines in accordance with Condition 5A(b) is customary in market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) in the same Specified Currency as the Notes and with an interest period of a comparable duration to the relevant Interest Period.

“**Benchmark Amendments**” has the meaning given to it in Condition 5A(d).

“**Benchmark Event**” means:

- (1) the Original Reference Rate ceasing to be published for a period of at least 5 Business Days or ceasing to exist or to be administered; or
- (2) a public statement by the administrator of the Original Reference Rate that it will, by a specified date within the following six months, cease publishing the Original Reference Rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the Original Reference Rate); or
- (3) a public statement by the supervisor of the administrator of the Original Reference Rate, that the Original Reference Rate has been or will, by a specified date within the following six months, be permanently or indefinitely discontinued; or
- (4) a public statement by the supervisor of the administrator of the Original Reference Rate as a consequence of which the Original Reference Rate will be prohibited from being used either generally, or in respect of the Notes, in each case within the following six months; or
- (5) it has become unlawful for any Paying Agent, Calculation Agent the Issuer or other party to calculate any payments due to be made to any Noteholder using the Original Reference Rate; or
- (6) the making of a public statement by the supervisor of the administrator of the Original Reference Rate announcing that such Original Reference Rate is no longer representative or may no longer be used, in each case in circumstances where the same shall be applicable to the Notes.

“**Original Reference Rate**” means the originally-specified benchmark or screen rate (as applicable) used to determine the Rate of Interest (or any component part thereof) in respect of any Interest Period(s) on the Notes, as specified in the applicable Final Terms (provided that if, following one or more Benchmark Events, such originally specified Reference Rate (or any Successor Rate or Alternative Rate which has replaced it) has been replaced by a (or a further) Successor Rate or Alternative Rate and a Benchmark Event subsequently occurs in respect of such Successor Rate or Alternative Rate, the term “Original Reference Rate” shall include any such Successor Rate or Alternative Rate).

“**Relevant Nominating Body**” means, in respect of a benchmark or screen rate (as applicable):

- (i) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable); or
- (ii) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (a) the central bank for the currency to which the benchmark or screen rate (as applicable) relates, (b) any central bank or other supervisory authority which is responsible for supervising the administrator of the benchmark or screen rate (as applicable), (c) a group of the aforementioned central banks or other supervisory authorities or (d) the Financial Stability Board or any part thereof.

“**Successor Rate**” means the rate that the Independent Adviser determines is a successor to or replacement of the Original Reference Rate which is formally recommended by any Relevant Nominating Body.

## 6 Payments

### (a) *Method of payment*

Subject as provided below:

- (i) payments in a Specified Currency other than Euro will be made by credit or transfer to an account in the relevant Specified Currency maintained by the payee with a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland, respectively); and
- (ii) payments in Euro will be made by credit or transfer to a Euro account (or any other account to which Euro may be credited or transferred) specified by the payee.

Save as provided in Condition 8, payments will be subject in all cases to any other applicable fiscal or other laws and regulations in the place of payment or other laws and regulations to which the Issuer or the Guarantor or their respective agents agree to be subject and neither the Issuer nor the Guarantor will be liable for any taxes or duties of whatever nature imposed or levied by such laws, regulations or agreements.

### (b) *Presentation of definitive Bearer Notes and Coupons*

Payments of principal in respect of definitive Bearer Notes will (subject as provided below) be made in the manner provided in paragraph (a) above only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of definitive Bearer Notes, and payments of interest in respect of definitive Bearer Notes will (subject as provided below) be made as aforesaid only against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of Coupons, in each case only at the specified office of any Paying Agent outside the United States (which expression, as used herein, means the United States of America (including the States and the District of Columbia, its territories, its possessions and other areas subject to its jurisdiction)).

Fixed Rate Notes in definitive bearer form (other than Long Maturity Notes (as defined below) should be presented for payment together with all unmatured Coupons appertaining thereto (which expression shall for this purpose include Coupons falling to be issued on exchange of matured Talons), failing which the amount of any missing unmatured Coupon (or, in the case of payment not being made in full, the same proportion of the amount of such missing unmatured Coupon as the sum so paid bears to the sum due) will be deducted from the sum due for payment. Each amount of principal so deducted will be paid in the manner mentioned above against surrender of the relative missing Coupon at any

time before the expiry of 10 years after the Relevant Date (as defined in Condition 8) in respect of such principal (whether or not such Coupon would otherwise have become void under Condition 9) or, if later, five years from the date on which such Coupon would otherwise have become due, but in no event thereafter.

Upon any Fixed Rate Note in definitive bearer form becoming due and repayable prior to its Maturity Date, all unmatured Talons (if any) appertaining thereto will become void and no further Coupons will be issued in respect thereof.

Upon the date on which any Floating Rate Note or Long Maturity Note in definitive bearer form becomes due and repayable, unmatured Coupons and Talons (if any) relating thereto (whether or not attached) shall become void and no payment or, as the case may be, exchange for further Coupons shall be made in respect thereof. A “**Long Maturity Note**” is a Fixed Rate Note (other than a Fixed Rate Note which on issue had a Talon attached) whose nominal amount on issue is less than the aggregate interest payable thereon provided that such Note shall cease to be a Long Maturity Note on the Interest Payment Date on which the aggregate amount of interest remaining to be paid after that date is less than the nominal amount of such Note.

If the due date for redemption of any definitive Bearer Note is not an Interest Payment Date, interest (if any) accrued in respect of such Note from (and including) the preceding Interest Payment Date or, as the case may be, the Interest Commencement Date shall be payable only against surrender of the relevant definitive Bearer Note.

*(c) Payments in respect of Bearer Global Notes*

Payments of principal and interest (if any) in respect of Notes represented by any Global Note in bearer form will (subject as provided below) be made in the manner specified above in relation to definitive Bearer Notes and otherwise in the manner specified in the relevant Global Note against presentation or surrender, as the case may be, of such Global Note only at the specified office of any Paying Agent outside the United States and its possessions. A record of each payment made against presentation or surrender of any Global Note in bearer form, distinguishing between any payment of principal and any payment of interest, will be made on such Global Note by the Paying Agent to which it was presented and such record shall be prima facie evidence that the payment in question has been made.

*(d) Payments in respect of Registered Notes*

Payments of principal in respect of each Registered Note (whether or not in global form) will be made against presentation and surrender (or, in the case of part payment of any sum due, endorsement) of the Registered Note at the specified office of the Registrar or any of the Paying Agents. Such payments will be made by transfer to the Designated Account (as defined below) of the holder (or the first named of joint holders) of the Registered Note appearing in the register of holders of the Registered Notes maintained by the Registrar (the “**Register**”) at the close of business on the Clearing System Business Day (in the case of Notes in global form) (where “**Clearing System Business Day**” means Monday to Friday inclusive except for 25 December and 1 January) or the 15th business day (in the case of Notes in definitive form) (a business day being for this purpose a day on which banks are open for general business in the city where the specified office of the Registrar is located) before the relevant due date (the “**Record Date**”). If the Notes have been issued by ENEL N.V., payments will be made to the persons shown in the register of Noteholders held by ENEL N.V. at its registered office. Notwithstanding the previous sentence, if a holder does not have a Designated Account, payment will instead be made by a cheque in the Specified Currency drawn on a Designated Bank (as defined

below). For these purposes, “**Designated Account**” means the account (which, in the case of a payment in Japanese yen to a non-resident of Japan, shall be a non-resident account) maintained by a holder with a Designated Bank and identified as such in the Register and “**Designated Bank**” means (in the case of payment in a Specified Currency other than Euro) a bank in the principal financial centre of the country of such Specified Currency (which, if the Specified Currency is Australian dollars or New Zealand dollars, shall be Sydney and Auckland) and (in the case of a payment in Euro) any bank which processes payments in Euro.

Payments of interest in respect of each Registered Note (whether or not in global form) will be made by a cheque in the Specified Currency drawn on a Designated Bank and mailed by uninsured mail on the business day in the city where the specified office of the Registrar is located immediately preceding the relevant due date to the holder (or the first named of joint holders) of the Registered Note appearing in the Register at the close of business on the Record Date at his address shown in the Register on the Record Date and at his risk. Upon application of the holder to the specified office of the Registrar not less than three business days in the city where the specified office of the Registrar is located before the due date for any payment of interest in respect of a Registered Note, the payment may be made by transfer on the due date in the manner provided in the preceding paragraph. Any such application for transfer shall be deemed to relate to all future payments of interest (other than interest due on redemption) in respect of the Registered Notes which become payable to the holder who has made the initial application until such time as the Registrar is notified in writing to the contrary by such holder. Payment of the interest due in respect of each Registered Note on redemption will be made in the same manner as payment of the principal amount of such Registered Note.

Holders of Registered Notes will not be entitled to any interest or other payment for any delay in receiving any amount due in respect of any Registered Note as a result of a cheque posted in accordance with this Condition arriving after the due date for payment or being lost in the post. No commissions or expenses shall be charged to such holders by the Registrar in respect of any payments of principal or interest in respect of the Registered Notes.

None of the Issuer, the Guarantor and the Agents will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

(e) ***General provisions applicable to payments***

The holder of a Global Note shall be the only person entitled to receive payments in respect of Notes represented by such Global Note and the Issuer or, as the case may be, the Guarantor will be discharged by payment to, or to the order of, the holder of such Global Note in respect of each amount so paid. Each of the persons shown in the records of Euroclear and/or Clearstream, Luxembourg as the beneficial holder of a particular nominal amount of Notes represented by such Global Note must look solely to Euroclear and/or Clearstream, Luxembourg, as the case may be, for his share of each payment so made by the Issuer or, as the case may be, the Guarantor to, or to the order of, the holder of such Global Note.

Notwithstanding the foregoing provisions of this Condition, if any amount of principal and/or interest in respect of Bearer Notes is payable in U.S. dollars, such U.S. dollar payments of principal and/or interest in respect of such Notes will be made at the specified office of a Paying Agent in the United States if:

- (i) the Issuer has appointed Paying Agents with specified offices outside the United States with the reasonable expectation that such Paying Agents would be able to make payment in U.S. dollars at such specified offices outside the United States of the full amount of principal and interest on the Bearer Notes in the manner provided above when due;
- (ii) payment of the full amount of such principal and interest at all such specified offices outside the United States is illegal or effectively precluded by exchange controls or other similar restrictions on the full payment or receipt of principal and interest in U.S. dollars; and
- (iii) such payment is then permitted under United States law without involving, in the opinion of the Issuer and the Guarantor, adverse tax consequences to the Issuer or the Guarantor.

**(f) *Payment Day***

If the date for payment of any amount in respect of any Note or Coupon is not a Payment Day, the holder thereof shall not be entitled to payment until the next following Payment Day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay. For these purposes, “**Payment Day**” means any day which (subject to Condition 9) is:

- (i) a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in:
  - (A) the relevant place of presentation;
  - (B) London;
  - (C) each Additional Financial Centre specified in the applicable Final Terms; and
- (ii) either (1) in relation to any sum payable in a Specified Currency other than Euro, a day on which commercial banks and foreign exchange markets settle payments and are open for general business (including dealing in foreign exchange and foreign currency deposits) in the principal financial centre of the country of the relevant Specified Currency (if other than the place of presentation, London and any Additional Financial Centre and which if the Specified Currency is Australian dollars or New Zealand dollars shall be Sydney and Auckland, respectively) or (2) in relation to any sum payable in Euro, a day on which the TARGET System is open.

**(g) *Interpretation of principal and interest***

Any reference in the Conditions to principal in respect of the Notes shall be deemed to include, as applicable:

- (i) any additional amounts which may be payable with respect to principal under Condition 8;
- (ii) the Final Redemption Amount of the Notes;
- (iii) the Early Redemption Amount of the Notes;
- (iv) the Optional Redemption Amount(s) (if any) of the Notes; and
- (v) any premium and any other amounts (other than interest) which may be payable by the Issuer under or in respect of the Notes.

Any reference in the Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any additional amounts which may be payable with respect to interest under Condition 8.

## **7 Redemption and Purchase**

### **(a) Redemption at maturity**

Unless previously redeemed or purchased and cancelled as specified below, each Note will be redeemed by the Issuer at its Final Redemption Amount specified in, or determined in the manner specified in, the applicable Final Terms in the relevant Specified Currency on the Maturity Date.

### **(b) Redemption for tax reasons**

The Notes may be redeemed at the option of the Issuer in whole, but not in part, at any time (if this Note is not a Floating Rate Note) or on any Interest Payment Date (if this Note is a Floating Rate Note), on giving not less than 30 nor more than 60 days' notice to the Principal Paying Agent and, in accordance with Condition 14, the Noteholders (which notice shall be irrevocable), if:

- (i) on the occasion of the next payment due under the Notes, the Issuer has or will become obliged to pay additional amounts as provided or referred to in Condition 8 or the Guarantor would be unable for reasons outside its control to procure payment by the Issuer and in making payment itself would be required to pay such additional amounts, in each case as a result of any change in, or amendment to, the laws or regulations of a Tax Jurisdiction (as defined in Condition 8) or any change in the application or official interpretation of such laws or regulations (including a holding by a court of competent jurisdiction), which change or amendment becomes effective on or after the date on which agreement is reached to issue the first Tranche of the Notes; and
- (ii) such obligation cannot be avoided by the Issuer or, as the case may be, the Guarantor taking reasonable measures available to it,

provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, as the case may be, the Guarantor would be obliged to pay such additional amounts were a payment in respect of the Notes then due.

Prior to the publication of any notice of redemption pursuant to this Condition, the Issuer shall deliver to the Principal Paying Agent a certificate signed by two Directors of the Issuer or, as the case may be, the Guarantor stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred, and an opinion of independent legal advisers of recognised standing in a Tax Jurisdiction (as defined in Condition 8) to the effect that, as applicable, the Issuer or, as the case may be, the Guarantor has or will become obliged, as aforesaid, to pay such additional amounts as a result of such change or amendment.

Notes redeemed pursuant to this Condition 7(b) will be redeemed at their Early Redemption Amount referred to in paragraph (e) below together (if appropriate) with interest accrued to (but excluding) the date of redemption.

Upon the expiry of such notice, the Issuer shall be bound to redeem the Notes accordingly.

### **(c) Redemption at the option of the Issuer (Issuer Call)**

If Issuer Call is specified in the applicable Final Terms, the Issuer may, having given:

- (i) not less than 15 nor more than 30 days' notice to the Noteholders in accordance with Condition 14 with a copy to the Guarantor; and
- (ii) not less than 15 days before the giving of the notice referred to in (i) above, notice to the Principal Paying Agent and, in the case of a redemption of Registered Notes, the Registrar,

(which notices shall be irrevocable (other than in the circumstances set out in the next sentence) and shall specify the date fixed for redemption (each such date, an “**Optional Redemption Date**”), redeem in whole or, if so specified in the relevant Final Terms, in part the Notes then outstanding at any time prior to their Maturity Date at the Optional Redemption Amount(s) specified in the applicable Final Terms together, if appropriate, with interest accrued to (but excluding) the relevant Optional Redemption Date. Any such notice of redemption may, at the Issuer's discretion, be subject to one or more conditions precedent, in which case such notice shall state that, in the Issuer's discretion, the Optional Redemption Date may be delayed until such time as any or all such conditions shall be satisfied (or waived by the Issuer in its sole discretion), or such redemption may not occur and such notice may be rescinded in the event that any or all such conditions shall not have been satisfied (or waived by the Issuer in its sole discretion) by the Optional Redemption Date, or by the Optional Redemption Date so delayed. In the case of a partial redemption of Notes, the Notes to be redeemed (“**Redeemed Notes**”) will be selected individually by lot, in the case of Redeemed Notes represented by definitive Notes, and in accordance with the rules of Euroclear and/or Clearstream, Luxembourg (to be reflected in the records of Euroclear and Clearstream, Luxembourg as either a pool factor or a reduction in nominal amount, at their discretion) in the case of Redeemed Notes represented by a Global Note, not more than 30 days prior to the date fixed for redemption (such date of selection being hereinafter called the “**Selection Date**”). In the case of Redeemed Notes represented by definitive Notes, a list of the serial numbers of such Redeemed Notes will be published in accordance with Condition 14 not less than 15 days prior to the date fixed for redemption. No exchange of the relevant Global Note will be permitted during the period from (and including) the Selection Date to (and including) the date fixed for redemption pursuant to this paragraph (c) and notice to that effect shall be given by the Issuer to the Noteholders in accordance with Condition 14 at least five days prior to the Selection Date.

For the purposes of this Condition 7(c) only, the “**Optional Redemption Amount**” will either be:

- (i) the specified percentage of the nominal amount of the Notes stated in the applicable Final Terms which shall be a nominal amount of not less than the Minimum Redemption Amount and not more than the Maximum Redemption Amount, in each case as may be specified in the applicable Final Terms: or
- (ii) in the case of Notes that are not Step Up Notes only, if Make-Whole Amount is specified in the applicable Final Terms, will be an amount which is the higher of:
  - (a) 100 per cent. of the Early Redemption Amount of the Note to be redeemed; or
  - (b) as determined by the Reference Dealers (as defined below), the sum of the then current values of the remaining scheduled payments of principal and interest to maturity (or, if Par Call Period is specified in the applicable Final Terms, to the Par Call Period Commencement Date) (not including any interest accrued on the Notes to, but excluding, the relevant Optional Redemption Date) discounted to the Optional Redemption Date on an annual basis (based on the actual number of days elapsed divided by 365 or (in the case of a leap year) by 366) at the Reference Bond Rate (as defined below) plus the Redemption Margin,plus, in each case, any interest accrued on the Notes to, but excluding, the Optional Redemption Date; or
- (iii) in the case of Step Up Notes only, if Make-Whole Amount is specified in the applicable Final Terms, will be an amount which is the higher of:

- a. 100 per cent. of the principal amount of the Note to be redeemed; or
- b. as determined by the Reference Dealers, the sum of present values of the remaining scheduled payments of principal of the Step Up Notes to be redeemed and interest thereon to maturity (or, if Par Call Period is specified in the applicable Final Terms, to the Par Call Period Commencement Date) (calculated at the Initial Rate of Interest until the interest period immediately following the Step Up Date, at which point, the Rate of Interest shall be deemed to be the Subsequent Rate of Interest unless the Renewable Installed Capacity Condition or the Direct Green House Gas Emissions Condition, as the case may be, has been satisfied and ENEL has provided the notice described in the definition of “Renewable Installed Capacity Condition” or “Direct Green House Gas Emissions Condition”, as the case may be, in Condition 5(c) within the deadline provided therein confirming the satisfaction of the Renewable Installed Capacity Condition or Direct Green House Gas Emissions Condition, as the case may be) discounted to the Optional Redemption Date on an annual basis (based on the actual number of days elapsed divided by 365 or (in the case of a leap year) by 366) at the Reference Bond Rate (as defined below) plus the Redemption Margin.

“**Par Call Period Commencement Date**” has the meaning given to it in the Final Terms;

“**Par Call Period**” has the meaning given to it in the Final Terms;

“**Redemption Margin**” shall be as set out in the applicable Final Terms;

“**Reference Bond**” shall be as set out in the applicable Final Terms;

“**Reference Dealers**” shall be as set out in the applicable Final Terms;

“**Reference Bond Rate**” means with respect to the Reference Dealers and the Optional Redemption Date, the average of the five quotations of the mid-market annual yield to maturity of the Reference Bond or, if the Reference Bond is no longer outstanding, a similar security in the reasonable judgement of the Reference Dealers at 11.00 a.m. London time on the third business day in London preceding the Optional Redemption Date quoted in writing to the Issuer by the Reference Dealers; and

“**Subsequent Rate of Interest**” means the rate of interest applicable from and including the first day of the next interest period following the date on which ENEL is required to publish pursuant to Condition 5(c) the Assurance Report issued by the External Verifier in respect of the relevant Renewable Installed Capacity Percentage or Direct Green House Gas Emissions Condition (provided that in respect of the latter, Step Up Margin 2 shall be applied to calculate the Subsequent Rate of Interest).

**(d) *Redemption at the option of the Issuer (Issuer Maturity Par Call)***

If Issuer Maturity Par Call is specified as being applicable in the applicable Final Terms, the relevant Issuer may, having given not less than 30 nor more than 50 days’ notice (or such other period of notice as is specified in the applicable Final Terms) in accordance with Condition 14, to the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem the Notes then outstanding in whole, but not in part, at any time during the period commencing on (and including) the day that is 90 days prior to the Maturity Date to (but excluding) the Maturity Date, at the Early Redemption Amount specified in the applicable Final Terms, together (if appropriate) with interest accrued but unpaid to (but excluding) the date fixed for redemption.



(e) ***Clean-Up Call Option***

If the Clean-up Call Option (defined herein) is specified in the relevant Final Terms as being applicable, in the event that at least 80 per cent. of the initial aggregate principal amount of the Notes has been purchased and cancelled by the Issuer, the Issuer may, at its option (the “**Clean-Up Call Option**”) but subject to having given not less than thirty (30) nor more than sixty (60) days’ notice (or such other period of notice as is specified in the applicable Final Terms) to the Noteholders, redeem all, but not some only, of the outstanding Notes. Any such redemption of Notes shall be at their Early Redemption Amount (as specified in the applicable Final Terms) together with interest accrued to the date fixed for redemption.

(f) ***Redemption at the option of the Noteholders (Investor Put)***

If Investor Put is specified in the applicable Final Terms, upon the holder of any Note giving to the Issuer in accordance with Condition 14 (with a copy to the Guarantor) not less than 15 nor more than 30 days’ notice the Issuer will, upon the expiry of such notice, redeem, subject to, and in accordance with, the terms specified in the applicable Final Terms, in whole (but not, in the case of a Bearer Note in definitive form, in part), such Note on the Optional Redemption Date and at the Early Redemption Amount together, if appropriate, with interest accrued to (but excluding) the Optional Redemption Date. Registered Notes may be redeemed under this Condition 7(f) in any multiple of their lowest Specified Denomination. It may be that before an Investor Put can be exercised, certain conditions and/or circumstances will need to be satisfied. Where relevant, the provisions will be set out in the applicable Final Terms.

If this Note is in definitive form, to exercise the right to require redemption of this Note the holder of this Note must deliver such Note at the specified office of any Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes) at any time during normal business hours of such Paying Agent or, as the case may be, the Registrar falling within the notice period, accompanied by a duly completed and signed notice of exercise in the form (for the time being current) obtainable from any specified office of any Paying Agent or, as the case may be, the Registrar (a “**Put Notice**”) and in which the holder must specify a bank account to which payment is to be made under this Condition and, in the case of Registered Notes, the nominal amount thereof to be redeemed and, if less than the full nominal amount of the Registered Notes so surrendered is to be redeemed, an address to which a new Registered Note in respect of the balance of such Registered Notes is to be sent subject to and in accordance with the provisions of Condition 2(b). If this Note is represented by a Global Note or is in definitive form and held through Euroclear or Clearstream, Luxembourg, to exercise the right to require redemption of this Note the holder of this Note must, within the notice period, give notice to the Agent of such exercise in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg (which may include notice being given on his instruction by Euroclear or Clearstream, Luxembourg or any common depositary or common safekeeper, as the case may be, for them to the Agent by electronic means) in a form acceptable to Euroclear and Clearstream, Luxembourg from time to time and, if this Note is represented by a Global Note, at the same time present or procure the presentation of the relevant Global Note to the Agent for notation accordingly.

Any Put Notice given by a holder of any Note pursuant to this paragraph, or other notice given in accordance with the standard procedures of Euroclear and Clearstream, Luxembourg, shall be irrevocable except where prior to the due date of redemption an Event of Default shall have occurred and is continuing in which event such holder, at its option, may elect by notice to the Issuer to withdraw the notice given pursuant to this paragraph and instead to declare such Note forthwith due and payable pursuant to Condition 10.

**(g) Early Redemption Amounts**

For the purpose of paragraph (b) above and Condition 10, each Note will be redeemed at its Early Redemption Amount calculated as follows:

- (i) in the case of a Note with a Final Redemption Amount equal to the Issue Price (subject to subparagraph (iv) below), at the Final Redemption Amount thereof;
- (ii) in the case of a Note (other than a Zero Coupon Note) with a Final Redemption Amount which is or may be less or greater than the Issue Price or which is payable in a Specified Currency other than that in which the Notes are denominated, at the amount specified in, or determined in the manner specified in, the applicable Final Terms or, if no such amount or manner is so specified in the applicable Final Terms, at its nominal amount; or
- (iii) in the case of a Zero Coupon Note, at an amount (the “**Amortised Face Amount**”) calculated in accordance with the following formula:

$$\text{Early Redemption Amount} = \text{RP} (1 + \text{AY})^y$$

where:

“**RP**” means the Reference Price;

“**AY**” means the Accrual Yield expressed as a decimal; and

“**y**” is a fraction the numerator of which is equal to the number of days (calculated on the basis of a 360-day year consisting of 12 months of 30 days each) from (and including) the Issue Date of the first Tranche of the Notes to (but excluding) the date fixed for redemption or (as the case may be) the date upon which such Note becomes due and repayable and the denominator of which is 360.

**(h) Purchases**

The Issuer, the Guarantor or any Subsidiaries may at any time purchase Notes (provided that, in the case of definitive Bearer Notes, all unmatured Coupons and Talons appertaining thereto are attached or surrendered therewith) in the open market or by tender or by private agreement at any price. Such Notes may be held, reissued, resold or, at the option of the Issuer, surrendered to any Paying Agent and/or the Registrar for cancellation.

**(i) Cancellation**

All Notes which are redeemed will forthwith be cancelled (together with all unmatured Coupons and Talons attached thereto or surrendered therewith at the time of redemption). All Notes so cancelled and the Notes purchased and cancelled pursuant to paragraph (h) above (together with all unmatured Coupons and Talons cancelled therewith) shall be forwarded to the Principal Paying Agent and cannot be reissued or resold and the obligations of the Issuer and the Guarantor (where applicable) in respect of any such Notes shall be discharged.

**(j) Late payment on Zero Coupon Notes**

If the amount payable in respect of any Zero Coupon Note upon redemption of such Zero Coupon Note pursuant to paragraph (a), (b), (c), (d), (e) or (f) above or upon its becoming due and repayable as provided in Condition 10 is improperly withheld or refused, the amount due and repayable in respect of such Zero Coupon Note shall be the amount calculated as provided in paragraph (g)(iii) above as

though the references therein to the date fixed for the redemption or the date upon which such Zero Coupon Note becomes due and payable were replaced by references to the date which is the earlier of:

- (i) the date on which all amounts due in respect of such Zero Coupon Note have been paid; and
- (ii) five days after the date on which the full amount of the moneys payable in respect of such Zero Coupon Notes has been received by the Principal Paying Agent or the Registrar and notice to that effect has been given to the Noteholders in accordance with Condition 14.

## 8 Taxation

All payments of principal and interest in respect of the Notes and Coupons by ENEL (acting as the Issuer or Guarantor) or by ENEL N.V. will be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of any Tax Jurisdiction (as defined below) unless such withholding or deduction is required by law. In such event, ENEL (acting as the Issuer or Guarantor) or, as the case may be, ENEL N.V. will pay such additional amounts as shall be necessary in order that the net amounts received by the holders of the Notes or Coupons after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in respect of the Notes or Coupons, as the case may be, in the absence of such withholding or deduction; except that no such additional amounts shall be payable with respect to any Note or Coupon:

- (a) presented for payment in any Tax Jurisdiction (as defined below); or
- (b) presented for payment by or on behalf of a holder who is liable for such taxes or duties in respect of such Note or Coupon by reason of his having some connection with a Tax Jurisdiction other than the mere holding of such Note or Coupon; or
- (c) presented for payment by, or on behalf of, a holder who would be able to avoid such withholding or deduction by making a declaration or any other statement including, but not limited to, a declaration of residence or non-residence, but fails to do so; or
- (d) presented for payment more than 30 days after the Relevant Date (as defined below) except to the extent that the holder thereof would have been entitled to an additional amount on presenting the same for payment on such 30th day assuming that day to have been a Payment Day (as defined in Condition 6(f)); or
- (e) in relation to any payment or deduction on account of *imposta sostitutiva* pursuant to Italian Legislative Decree 1 April 1996, No. 239 (“**Decree 239**”), as amended and/or supplemented or, for the avoidance of doubt, Italian Legislative Decree 21 November 1997, No. 461 as amended and supplemented and in all circumstances in which the procedures set forth in Decree 239 in order to benefit from a tax exemption have not been met or complied with; or
- (f) where such withholding or deduction is required to be made pursuant to Law Decree 30 September 1983, No. 512 converted into law with amendments by Law 25 November 1983, No. 649; or
- (g) starting from 1 January 2021, where such withholding or deduction is required to be made pursuant to the Dutch Withholding Tax Act 2021 (*Wet bronbelasting 2021*); or
- (h) in the event of payment by ENEL (acting as Issuer or Guarantor) to a non-Italian resident Noteholder, to the extent that the Noteholder is resident in a country which does not allow for a satisfactory exchange of information with the Italian authorities.

As used herein:

- (i) “**Tax Jurisdiction**” means the Republic of Italy and/or any political subdivision or any authority thereof or therein having power to tax in the case of payments by ENEL (also acting as Guarantor) or The Netherlands or any political subdivision or any authority thereof or therein having power to tax in the case of payments by ENEL N.V.; and
- (ii) the “**Relevant Date**” means the date on which any payment first becomes due, except that, if the full amount of the moneys payable has not been duly received by the Principal Paying Agent or the Registrar on or prior to such due date, it means the date on which, the full amount of such moneys having been so received, notice to that effect is duly given to the Noteholders in accordance with Condition 14.

Notwithstanding anything to the contrary contained herein, ENEL (acting as the Issuer or Guarantor) and ENEL N.V. (and any other person making payments on behalf of ENEL or ENEL N.V.) shall be entitled to withhold and deduct any amounts required to be deducted or withheld pursuant to an agreement described in Section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”), or otherwise imposed pursuant to (i) Sections 1471 through 1474 of the Code, or (ii) any regulations thereunder or official interpretations thereof, or (iii) an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof, or (iv) any law implementing such an intergovernmental agreement (any such withholding or deduction, a “**FATCA Withholding**”), and no person shall be required to pay any additional amounts in respect of FATCA Withholding.

## 9 Prescription

The Notes (whether in bearer or registered form) and Coupons will become void unless presented for payment within a period of 10 years (in the case of principal) and five years (in the case of interest) after the Relevant Date (as defined in Condition 8) therefor.

There shall not be included in any Coupon sheet issued on exchange of a Talon any Coupon the claim for payment in respect of which would be void pursuant to this Condition or Condition 6(b) or any Talon which would be void pursuant to Condition 6(b).

## 10 Events of Default

If any one or more of the following events (each an “**Event of Default**”) shall occur and be continuing:

- (a) a default is made for a period of 10 days or more in the payment of principal of or any interest in respect of the Notes or any of them after the due date thereof; or
- (b) the Issuer or the Guarantor shall be adjudicated or becomes insolvent or shall stop payment or announce that it shall stop payment or shall be found unable to pay its debts (and including, without limitation, in relation to ENEL N.V., voluntary liquidation (*vereffening*), suspension of payments (*surseance van betaling*), bankruptcy (*faillissement*), or a composition with creditors, or any order shall be made by any competent court or other competent body for, or any resolution shall be passed by the Issuer or the Guarantor for judicial composition proceedings with its creditors or for the appointment of a receiver, administrative receiver or trustee (including, without limitation in relation to ENEL N.V., any administrator in bankruptcy (*curator*) or other similar official in insolvency proceedings in relation to the Issuer or the Guarantor; or
- (c) the Issuer or the Guarantor fails to pay a final judgment of a court of competent jurisdiction within 60 days from the receipt of a notice that a final judgment in excess of an amount equal to the value of a substantial part of the assets or property of the Guarantor has been entered against it or an execution is

levied on or enforced upon or sued out in pursuance of any such judgment against any substantial part of the assets or property of the Issuer or the Guarantor; or

- (d) the Issuer or the Guarantor shall be wound up or dissolved (otherwise than for the purpose of a solvent amalgamation, merger or reconstruction under which the assets and liabilities of the Issuer or the Guarantor, as the case may be, are assumed by the entity resulting from such amalgamation, merger or reconstruction and such entity assumes the obligations of the Issuer or the Guarantor, as the case may be, in respect of the Notes or the Guarantee, as the case may be, and an opinion of an independent legal adviser of recognised standing in The Netherlands, in the case of ENEL N.V. or in Italy, in the case of ENEL, has been delivered to the Principal Paying Agent confirming the same prior to the effective date of such amalgamation, merger or reconstruction); or
- (e) the Issuer or the Guarantor shall cease or announce that it shall cease to carry on its business (otherwise than for the purpose of a solvent amalgamation, merger or reconstruction under which the assets and liabilities of the Issuer or the Guarantor, as the case may be, are assumed by the entity resulting from such amalgamation, merger or reconstruction and such entity assumes the obligations of the Issuer or the Guarantor, as the case may be, in respect of the Notes or the Guarantee, as the case may be, and an opinion of an independent legal adviser of recognised standing in The Netherlands, in the case of ENEL N.V. or in Italy, in the case of ENEL, has been delivered to the Principal Paying Agent confirming the same prior to the effective date of such amalgamation, merger or reconstruction); or
- (f) any Indebtedness for Borrowed Money of the Issuer or the Guarantor becomes due and repayable prematurely by reason of an event of default (however described) or the Issuer or the Guarantor fails to make any payment in respect of any Indebtedness for Borrowed Money on the due date for payment (as extended by any originally applicable grace period) or any security given by the Issuer or the Guarantor for any Indebtedness for Borrowed Money becomes enforceable or if default is made by the Issuer or the Guarantor in making any payment due under any guarantee and/or indemnity given by it in relation to any Indebtedness for Borrowed Money of any other person (as extended by any originally applicable grace period), provided that no such event shall constitute an Event of Default so long as and to the extent that the Issuer or the Guarantor, as the case may be, is contesting, in good faith, in a competent court in a recognised jurisdiction that the relevant Indebtedness for Borrowed Money or any such security, guarantee and/or indemnity shall be due or enforceable, as appropriate, and provided further that no such event shall constitute an Event of Default unless the aggregate Indebtedness for Borrowed Money relating to all such events which shall have occurred and be continuing shall amount to at least €100,000,000 (or its equivalent in any other currency); or
- (g) default is made by the Issuer or the Guarantor in the performance or observance of any obligation, condition or provision binding on the Issuer under the Notes or on the Guarantor under this Guarantee in relation to, or in respect of, the Notes (other than any obligation for payment of any principal or interest in respect of the Notes) and (except in any case where the default is incapable of remedy when no continuation or notice as is hereinafter mentioned will be required) such default continues for 30 days after written notice thereof to the Issuer or the Guarantor, as the case may be, requiring the same to be remedied; or
- (h) the Guarantee ceases to be, or is claimed by the Guarantor not to be, in full force and effect,  
  
then any holder of a Note may, by written notice to the Issuer at the specified office of the Principal Paying Agent, effective upon the date of receipt thereof by the Principal Paying Agent, declare any Notes held by the holder to be forthwith due and payable whereupon the same shall become forthwith due and payable at the Early Redemption Amount (as described in Condition 7(g)), together with

accrued interest (if any) to the date of repayment, without presentment, demand, protest or other notice of any kind.

For the purposes of this Condition:

“**Indebtedness for Borrowed Money**” means any present or future indebtedness (whether being principal, premium, interest or other amounts) for or in respect of (i) money borrowed, (ii) liabilities under or in respect of any acceptance or acceptance credit or (iii) any notes, bonds, debentures, debenture stock, loan stock or other securities offered, issued or distributed whether by way of public offer, private placing, acquisition consideration or otherwise and whether issued for cash or in whole or in part for a consideration other than cash.

## **11 Replacement of Notes, Coupons and Talons**

Should any Note, Coupon or Talon be lost, stolen, mutilated, defaced or destroyed, it may be replaced at the specified office of the Principal Paying Agent (in the case of Bearer Notes or Coupons) or the Registrar (in the case of Registered Notes) upon payment by the claimant of such costs and expenses as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Notes, Coupons or Talons must be surrendered before replacements will be issued.

## **12 Agents**

The names of the initial Agents and their initial specified offices are set out below.

The Issuer and the Guarantor are entitled to vary or terminate the appointment of any Agent and/or appoint additional or other Agents and/or approve any change in the specified office through which any Agent acts, provided that:

- (a) there will at all times be a Principal Paying Agent and a Registrar;
- (b) so long as the Notes are listed on any stock exchange or admitted to listing by any other relevant authority, there will at all times be a Paying Agent (in the case of Bearer Notes) and a Transfer Agent (in the case of Registered Notes) with a specified office in such place as may be required by the rules and regulations of the relevant stock exchange or other relevant authority; and
- (c) there will at all times be a Paying Agent in a jurisdiction within continental Europe, other than the jurisdiction in which the Issuer or the Guarantor is incorporated.

In addition, the Issuer and the Guarantor shall forthwith appoint a Paying Agent having a specified office in New York City in the circumstances described in Condition 6(e). Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after not less than 30 nor more than 45 days' prior notice thereof shall have been given to the Noteholders in accordance with Condition 14.

In acting under the Agency Agreement, the Agents act solely as agents of the Issuer and the Guarantor and do not assume any obligation to, or relationship of agency or trust with, any Noteholder or Couponholder. The Agency Agreement contains provisions permitting any entity into which any Agent is merged or converted or with which it is consolidated or to which it transfers all or substantially all of its assets to become the successor agent.

### **13 Exchange of Talons**

On and after the Interest Payment Date on which the final Coupon comprised in any Coupon sheet matures, the Talon (if any) forming part of such Coupon sheet may be surrendered at the specified office of the Principal Paying Agent or any other Paying Agent in exchange for a further Coupon sheet including (if such further Coupon sheet does not include Coupons to (and including) the final date for the payment of interest due in respect of the Note to which it appertains) a further Talon, subject to the provisions of Condition 9.

### **14 Notices**

All notices regarding the Bearer Notes will be deemed to be validly given if published (i) in a leading English language daily newspaper of general circulation in London and (ii) if and for so long as the Bearer Notes are admitted to trading on, and listed on Euronext Dublin, on Euronext Dublin's website, *www.ise.ie*. It is expected that any such publication in a newspaper will be made in the Financial Times in London and the Irish Times in Ireland. The Issuer (failing which the Guarantor) shall also ensure that notices are duly published in a manner which complies with the rules and regulations of any stock exchange (or any other relevant authority) on which the Bearer Notes are for the time being listed or by which they have been admitted to trading. Any such notice will be deemed to have been given on the date of the first publication or, where required to be published in more than one newspaper, on the date of the first publication in all required newspapers.

All notices regarding the Registered Notes will be deemed to be validly given if sent by first class mail or (if posted to an address overseas) by airmail to the holders (or the first named of joint holders) at their respective addresses recorded in the Register and will be deemed to have been given on the fourth day after mailing and, in addition, for so long as any Registered Notes are listed on a stock exchange or are admitted to listing by another relevant authority and the rules of that stock exchange (or other relevant authority) so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules.

Until such time as any definitive Notes are issued, there may, so long as any Global Notes representing the Notes are held in their entirety on behalf of Euroclear and/or Clearstream, Luxembourg, be substituted for such publication in such newspaper(s) the delivery of the relevant notice to Euroclear and/or Clearstream, Luxembourg for communication by them to the holders of the Notes and, in addition, for so long as any Notes are listed on a stock exchange or are admitted to trading by another relevant authority and the rules of that stock exchange (or relevant authority) so require, such notice will be published in a daily newspaper of general circulation in the place or places required by those rules. Any such notice shall be deemed to have been given to the holders of the Notes on the date on which the said notice was given to Euroclear and/or Clearstream, Luxembourg.

Notices to be given by any Noteholder shall be in writing and given by lodging the same, together (in the case of any Note in definitive form) with the relative Note or Notes, with the Principal Paying Agent (in the case of Bearer Notes) or the Registrar (in the case of Registered Notes). Whilst any of the Notes are represented by a Global Note, such notice may be given by any holder of a Note to the Principal Paying Agent or the Registrar through Euroclear and/or Clearstream, Luxembourg, as the case may be, in such manner as the Principal Paying Agent, the Registrar and Euroclear and/or Clearstream, Luxembourg, as the case may be, may approve for this purpose.

In addition to the above, where the Issuer is ENEL, with respect to notices for a meeting of Noteholders, any convening notice for such meeting shall be made in accordance with any applicable Italian law requirements and provisions in ENEL's by-laws.

## 14A Available Information

This Condition 14A applies to Notes in respect of which the applicable Final Terms indicates that the Step Up Option is applicable.

Beginning with (a) the annual financial statements of ENEL for the fiscal year ending on 31 December or (b) the semi-annual financial statements of ENEL for the fiscal half-year ended 30 June, in each case, published after the Issue Date, in relation to Step Up Notes in respect of which the applicable Final Terms specifies the Step Up Event being an Installed Capacity Event, ENEL will publish on its website, and, in accordance with applicable laws, a statement of its Renewable Installed Capacity Percentage, as of the end of each of its fiscal years and of each of its fiscal half-years, as well as an assurance report in respect of such statement issued by the External Verifier (the “**Assurance Report**”). The Assurance Report and the statement of Renewable Installed Capacity Percentage will be published concurrently with the publication of the independent auditor’s reports on the annual reports and half-year financial reports and will have the same reference date as the relevant independent auditor’s report; provided that to the extent ENEL reasonably determines that additional time is required to complete the Assurance Report and the statement of Renewable Installed Capacity Percentage, then the Assurance Report and the statement of Renewable Installed Capacity Percentage may be published as soon as reasonably practicable, but in no event later than 30 days, subsequent to the date of publication of the independent auditor’s report.

Beginning with the annual financial statements of ENEL for the fiscal year ending on 31 December published after the Issue Date, in relation to Step Up Notes in respect of which the applicable Final Terms specifies the Step Up Event being a Direct Green House Gas Emissions Event, ENEL will publish on its website, and, in accordance with applicable laws, (i) its Direct Green House Gas Emissions Amount, as indicated in its sustainability report, as subsequently supplemented by its non financial statement pursuant to Legislative Decree No. 254 of 30 December 2016 (as amended and supplemented from time to time) or equivalent document prepared pursuant to applicable legislation, and published on its website (the “**Sustainability Report – Non Financial Statement**”) and (ii) an assurance report issued by the External Verifier (the “**GHG Assurance Report**”) in respect of its Direct Green House Gas Emissions Amount provided in the Sustainability Report – Non Financial Statement. The GHG Assurance Report and the Sustainability Report – Non Financial Statement will be published concurrently with the publication of the independent auditor’s reports on the annual reports and will have the same reference date as the relevant independent auditor’s report; provided that to the extent ENEL reasonably determines that additional time is required to complete the GHG Assurance Report and the Sustainability Report – Non Financial Statement, then the GHG Assurance Report and the Sustainability Report – Non Financial Statement may be published as soon as reasonably practicable, but in no event later than 30 days, subsequent to the date of publication of the independent auditor’s report.

For the purposes of this Condition 14A, references to ENEL shall be, as the context requires, to ENEL in its capacity as Issuer (in the case of Step Up Notes issued by ENEL) and to ENEL in its capacity as Guarantor (in the case of Step Up Notes issued by ENEL N.V.).

## 15 Meetings of Noteholders, Modification and Waiver

### (a) *Where the Issuer is ENEL*

The Agency Agreement contains provisions consistent with the laws, legislation, rules and regulations of the Republic of Italy (including without limitation the Italian Consolidated Financial Act, as amended) for convening meetings of the Noteholders to consider any matter affecting their interests, including any modifications of the Conditions or of any provisions of the Agency Agreement.



According to the laws, legislation, rules and regulations of the Republic of Italy, such meetings will be validly held as a single call meeting or, if Issuer's by-laws provide for multiple calls, as a multiple call meeting, if (i) in the case of a single call meeting, there are one or more persons present, being or representing Noteholders holding at least one-fifth of the aggregate nominal amount of the Notes, for the time being outstanding, or such a higher quorum as may be provided for in the Issuer's by-laws, or (ii) in the case of multiple call meeting, (a) there are one or more persons present being or representing Noteholders holding not less than one-half of the aggregate nominal amount of the Notes, for the time being outstanding; ; (b) in case of an adjourned meeting, there are one or more persons present being or representing Noteholders holding more than one-third of the aggregate nominal amount of the Notes for the time being outstanding; and (c) in the case of any further adjourned meeting, one or more persons present being or representing Noteholders holding at least one-fifth of the aggregate nominal amount of the Notes for the time being outstanding, provided that the Issuer's by-laws may in each case (to the extent permitted under the applicable laws and regulations of the Republic of Italy) provide for a higher quorum.

The majority to pass a resolution at any meeting (including, where applicable, an adjourned meeting) will be at least two-thirds of the aggregate nominal amount of the outstanding Notes represented at the meeting; provided however that (A) certain proposals, as set out in Article 2415 of the Italian Civil Code (including, for the avoidance of doubt, (a) any modification of the method of calculating the amount payable or modification of the date of maturity or redemption or any date for payment of interest or, where applicable, of the method of calculating the date of payment in respect of any principal or interest in respect of the Notes, and (b) any alteration of the currency in which payments under the Notes and Coupons are to be made or the denomination of the Notes), may only be sanctioned by a resolution passed at a meeting of the Noteholders by the higher of (i) one or more persons holding or representing not less than one half of the aggregate nominal amount of the outstanding Notes, and (ii) one or more persons holding or representing not less than two thirds of the Notes represented at the meeting and (B) the Issuer's by-laws may in each case (to the extent permitted under applicable Italian law) provide for higher majorities.

Resolutions passed at any meeting of the Noteholders shall be binding on all Noteholders, whether or not they are present at the meeting, and on all Couponholders. In accordance with the Italian Civil Code, a *rappresentante comune*, being a joint representative of Noteholders, may be appointed in accordance with Article 2417 of the Italian Civil Code in order to represent the Noteholders' interest hereunder and to give execution to the resolutions of the meeting of the Noteholders.

**(b) *Where the Issuer is ENEL N.V.***

The Agency Agreement contains provisions for convening meetings of the Noteholders to consider any matter affecting their interests, including the sanctioning by Extraordinary Resolution of a modification of the Notes, the Coupons or any of the provisions of the Agency Agreement. Such a meeting may be convened by the Issuer or Noteholders holding not less than one-twentieth in nominal amount of the Notes for the time being remaining outstanding. The quorum at any such meeting for passing an Extraordinary Resolution is one or more persons holding or representing not less than one-half in nominal amount of the Notes for the time being outstanding, or at any adjourned meeting one or more persons being or representing Noteholders whatever the nominal amount of the Notes so held or represented, except that at any meeting the business of which includes the modification of certain provisions of the Notes or the Coupons (including modifying the date of maturity of the Notes or any date for payment of interest thereon, reducing or cancelling the amount of principal or the rate of interest payable in respect of the Notes or altering the currency of payment of the Notes or the Coupons), the quorum shall be one or more persons holding or representing not less than two-thirds in

nominal amount of the Notes for the time being outstanding, or at any adjourned such meeting one or more persons holding or representing not less than one-third in nominal amount of the Notes for the time being outstanding plus the favourable vote of the Issuer. An Extraordinary Resolution passed at any meeting of the Noteholders shall be binding on all the Noteholders, whether or not they are present at the meeting, and on all Couponholders.

(c) **Modifications**

The Principal Paying Agent, the Issuer and the Guarantor may agree, without the consent of the Noteholders or Couponholders, to:

- (i) any modification (except as mentioned above) of the Conditions, the Notes, the Coupons or the Agency Agreement which is not prejudicial to the interests of the Noteholders in the sole opinion of the Issuer; or
- (ii) any modification of the Conditions, the Notes, the Coupons or the Agency Agreement which is of a formal, minor or technical nature or is made to correct a manifest or proven error or to comply with mandatory provisions of the law in the sole opinion of the Issuer.

Any such modification shall be binding on the Noteholders and the Couponholders and any such modification shall be notified to the Noteholders in accordance with Condition 14 as soon as practicable thereafter.

## 16 Substitution

(a) **Substitution of ENEL N.V. by ENEL**

In the case of Notes issued by ENEL N.V., ENEL N.V. may at any time, without the consent of the Noteholders or the Couponholders, substitute for itself as principal debtor under the Notes and the Coupons ENEL as Issuer, provided that no payment in respect of the Notes or the Coupons is at the relevant time overdue. The substitution shall be made by a deed poll (the “**ENEL N.V. Substitution Deed Poll**”), to be substantially in the form set out in the Agency Agreement as Schedule 8 and may take place only if:

- (i) ENEL shall, by means of the ENEL N.V. Substitution Deed Poll, agree to indemnify each Noteholder and Couponholder against (A) any tax, duty, assessment or governmental charge which is imposed on such Noteholder and Couponholder by (or by any authority in or of) the Republic of Italy with respect to any Note or Coupon and which would not have been so imposed had the substitution not been made and (B) any tax, duty, assessment or governmental charge, and any cost or expense relating to the substitution, except that ENEL shall not be liable under such indemnity to pay any additional amounts either on account of “*imposta sostitutiva*” or on account of any other withholding or deduction in the event of payment of interest or other amounts paid to a non-Italian resident legal entity or a non-Italian resident individual which is resident in a country which does not allow for a satisfactory exchange of information;
- (ii) all the provisions set forth in Condition 8 with respect to ENEL as Issuer of the Notes shall apply to the Notes following the substitution as if the Notes were originally issued by ENEL;
- (iii) all actions, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the ENEL N.V. Substitution Deed Poll and the Notes and the Coupons represent valid, legally binding and enforceable obligations of ENEL and in the case of the ENEL N.V. Substitution Deed Poll of the Issuer have been taken, fulfilled and done and are in full force and effect;

- (iv) the relevant stock exchange (if any) shall have confirmed that, following the proposed substitution, the Notes will continue to be listed on such stock exchange;
- (v) legal opinions addressed to the Noteholders shall have been delivered to them (care of the Principal Paying Agent) from lawyers or firms of lawyers with leading securities practices in the Republic of Italy and in England as to the fulfilment of the conditions specified in paragraph (iii) of this Condition 16(a) and the other matters specified in the ENEL N.V. Substitution Deed Poll; and
- (vi) the Issuer shall have given at least 14 days' prior notice of such substitution to the Noteholders, in accordance with Condition 14, stating that "copies, or, pending execution, the agreed text, of all documents in relation to the substitution which are referred to above, or which might otherwise reasonably be regarded as material to Noteholders, will be available for inspection at the specified office of each of the Paying Agents."

References in Condition 10 to obligations under the Notes shall be deemed to include obligations under the ENEL N.V. Substitution Deed Poll.

**(b) *Substitution of ENEL by a Subsidiary***

In the case of Notes issued by ENEL, ENEL, or any previous substituted company, may at any time, without the consent of the Noteholders or the Couponholders, substitute for itself as principal debtor under the Notes and the Coupons, any company (the "**Substitute**") that is a Subsidiary (as defined below) of ENEL, provided that no payment in respect of the Notes or the Coupons is at the relevant time overdue. The substitution shall be made by a deed poll (the "**ENEL Substitution Deed Poll**"), to be substantially in the form scheduled to the Agency Agreement as Schedule 9, and may take place only if:

- (i) The Substitute, failing which ENEL, shall, by means of the ENEL Substitution Deed Poll, agree to indemnify each Noteholder and Couponholder against (A) any tax, duty, assessment or governmental charge that is imposed on it by (or by any authority in or of) the jurisdiction of the country of the Substitute's residence for tax purposes and, if different, of its incorporation with respect to any Note or Coupon or the Deed of Covenant and that would not have been so imposed had the substitution not been made and (B) any tax, duty, assessment or governmental charge, and any cost or expense, relating to the substitution, except that neither the Substitute nor ENEL shall be liable under such indemnity to pay any additional amounts either on account of "*imposta sostitutiva*" or on account of any other withholding or deduction in the event of payment of interest or other amounts paid to a non-Italian resident legal entity or a non-Italian resident individual which is resident in a country which does not allow for a satisfactory exchange of information;
- (ii) all the provisions set forth in Condition 8 with respect to ENEL N.V. as Issuer and ENEL as Guarantor of the Notes shall apply to the Notes following the substitution as if the Notes were originally issued by such subsidiary and guaranteed by ENEL;
- (iii) the obligations of the Substitute under the ENEL Substitution Deed Poll, the Notes, the Coupons and the Deed of Covenant shall be unconditionally guaranteed by ENEL by means of the ENEL Substitution Deed Poll;
- (iv) all actions, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the ENEL Substitution Deed Poll, the Notes, the Coupons and the Deed of Covenant represent valid, legally binding and enforceable

obligations of the Substitute and, in the case of the ENEL Substitution Deed Poll, of ENEL, have been taken, fulfilled and done and are in full force and effect;

- (v) the Substitute shall have become party to the Agency Agreement, with any appropriate consequential amendments, as if it had been an original party to it;
- (vi) the relevant stock exchange (if any) shall have confirmed that, following the proposed substitution, the Notes will continue to be listed on such stock exchange;
- (vii) legal opinions addressed to the Noteholders shall have been delivered to them (care of the Principal Paying Agent) from lawyers or firms of lawyers with leading securities practices in each jurisdiction referred to in paragraph (i) of this Condition 16(b) and in England as to the fulfilment of the preceding conditions of paragraph (iv) of this Condition 16(b) and the other matters specified in the ENEL Substitution Deed Poll; and
- (viii) ENEL shall have given at least 14 days' prior notice of such substitution to the Noteholders, in accordance with Condition 14, stating that copies, or pending execution the agreed text, of all documents in relation to the substitution that are referred to above, or that might otherwise reasonably be regarded as material to Noteholders, shall be available for inspection at the specified office of each of the Paying Agents.

References in Condition 10 to obligations under the Notes shall be deemed to include obligations under the ENEL Substitution Deed Poll, and, where the ENEL Substitution Deed Poll contains a guarantee, the events listed in Condition 10 shall be deemed to include that guarantee not being (or being claimed by the guarantor not to be) in full force and effect.

(c) ***Substitution of ENEL N.V. by another Subsidiary***

In the case of Notes issued by ENEL N.V., ENEL N.V., or any previous substituted company, may at any time, without the consent of the Noteholders or the Couponholders, substitute for itself as principal debtor under the Notes and the Coupons, any company (the “**Substitute**”) that is a Subsidiary (as defined in the Agency Agreement) of ENEL, provided that no payment in respect of the Notes or the Coupons is at the relevant time overdue. The substitution shall be made by a deed poll (the “**ENEL N.V. and Subsidiary Substitution Deed Poll**”), to be substantially in the form scheduled to the Agency Agreement as Schedule 10, and may take place only if:

- (i) The Substitute, failing which, ENEL, shall, by means of the ENEL N.V. and Subsidiary Substitution Deed Poll, agree to indemnify each Noteholder and Couponholder against (A) any tax, duty, assessment or governmental charge that is imposed on such Noteholder or Couponholder by (or by any authority in or of) the jurisdiction of the country of the Substitute's residence for tax purposes and, if different, of its incorporation with respect to any Note or Coupon or the Deed of Covenant and that would not have been so imposed had the substitution not been made, and (B) any tax, duty, assessment or governmental charge, and any cost or expense, relating to the substitution, except that neither the Substitute nor ENEL shall be liable under such indemnity to pay any additional amounts either on account of “*imposta sostitutiva*” or on account of any other withholding or deduction in the event of payment of interest or other amounts paid to a non-Italian resident legal entity or a non-Italian resident individual which is resident in a country which does not allow for a satisfactory exchange of information;
- (ii) all the provisions set forth in Condition 8 with respect to ENEL N.V. as Issuer and ENEL as Guarantor of the Notes shall apply to the Notes following the substitution as if the Notes were originally issued by the Substitute and guaranteed by ENEL;

- (iii) the obligations of the Substitute under the ENEL N.V. and Subsidiary Substitution Deed Poll, the Notes, the Coupons and the Deed of Covenant shall be unconditionally guaranteed by ENEL by means of the ENEL N.V. and Subsidiary Substitution Deed Poll and the Deed of Guarantee;
- (iv) all actions, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents) to ensure that the ENEL N.V. and Subsidiary Substitution Deed Poll, the Notes, the Coupons and the Deed of Covenant represent valid, legally binding and enforceable obligations of the Substitute and, in the case of the ENEL N.V. and Subsidiary Substitution Deed Poll and the Deed of Guarantee, of ENEL, have been taken, fulfilled and done and are in full force and effect;
- (v) the Substitute shall have become party to the Agency Agreement, with any appropriate consequential amendments, as if it had been an original party to it;
- (vi) the relevant stock exchange (if any) shall have confirmed that, following the proposed substitution, the Notes will continue to be listed on such stock exchange;
- (vii) legal opinions addressed to the Noteholders shall have been delivered to them (care of the Principal Paying Agent) from lawyers or firms of lawyers with leading securities practices in each jurisdiction referred to in paragraph (i) of this Condition 16(c) and in England as to the fulfilment of the preceding conditions of paragraph (iv) of this Condition 16(c) and the other matters specified in the ENEL N.V. and Subsidiary Substitution Deed Poll; and
- (viii) ENEL N.V. shall have given at least 14 days' prior notice of such substitution to the Noteholders, in accordance with Condition 14, stating that copies, or pending execution the agreed text, of all documents in relation to the substitution that are referred to above, or that might otherwise reasonably be regarded as material to Noteholders, shall be available for inspection at the specified office of each of the Paying Agents.

References in Condition 10 to obligations under the Notes shall be deemed to include obligations under the ENEL N.V. and Subsidiary Substitution Deed Poll, and the events listed in Condition 10 shall be deemed to include the Deed of Guarantee not being (or being claimed by the guarantor not to be) in full force and effect.

For the purposes of this Condition 16, "**Subsidiary**" means any entity which is a subsidiary (*società controllata*) within the meaning of Article 2359 of the Italian Civil Code and Article 93 of the Italian Consolidated Financial Act.

**(d) Consent to Substitution**

By subscribing to, or otherwise acquiring the Notes, the Noteholders expressly and irrevocably consent in advance to the substitution of ENEL N.V., ENEL or any Subsidiary, as the case may be, by ENEL or a Subsidiary, as the case may be, pursuant to Condition 16(a), (b) or (c). The Noteholders further consent to the release of ENEL N.V., or any Subsidiary, as the case may be, from any and all obligations in respect of the Notes and any relevant agreements and are expressly deemed to have accepted such substitution and the consequences thereof.

**17 Further Issues**

The Issuer shall be at liberty from time to time without the consent of the Noteholders or the Couponholders to create and issue further notes having terms and conditions the same as the Notes or the same in all respects

save for the amount and date of the first payment of interest thereon and so that the same shall be consolidated and form a single Series with the outstanding Notes.

## **18 Contracts (Rights of Third Parties) Act 1999**

No person shall have any right to enforce any term or condition of this Note under the Contracts (Rights of Third Parties) Act 1999, but this does not affect any right or remedy of any person which exists or is available apart from that Act.

## **19 Governing Law and Submission to Jurisdiction**

### **(a) *Governing law***

The Agency Agreement, the Programme Agreement, the Deed of Guarantee, the Deed of Covenant, the ENEL N.V. Substitution Deed Poll, the ENEL Substitution Deed Poll and the ENEL N.V. and Subsidiary Substitution Deed Poll, the Notes and the Coupons and any non-contractual obligations arising out of or in connection with them are governed by, and shall be construed in accordance with, English law. Condition 15(a) and the provisions of Schedule 4 of the Agency Agreement which relate to the convening of meetings of Noteholders and the appointment of a Noteholders' representative are subject to compliance with Italian law.

### **(b) *Submission to jurisdiction***

In relation to any legal action or proceedings arising out of or in connection with the Notes, the Coupons, the Agency Agreement, the Deed of Covenant, the ENEL N.V. Substitution Deed Poll and the ENEL N.V. and Subsidiary Substitution Deed Poll (including any legal action or proceedings relating to any non-contractual obligations which may arise out of or in connection with them) ("**Proceedings**"), the Issuer irrevocably submits to the exclusive jurisdiction of the courts of England and waives any objection to such courts on the ground that they are an inconvenient or inappropriate forum. This submission is made for the benefit of each of the Noteholders and the Couponholders.

### **(c) *Appointment of Process Agent***

The Issuer appoints Law Debenture Corporate Services Limited of 100 Wood Street, London EC2V 7EX as its agent in England to receive service of process for any Proceedings in England based on any of the Notes, the Coupons, the Agency Agreement, the Deed of Covenant, the ENEL N.V. Substitution Deed Poll and the ENEL N.V. and Subsidiary Substitution Deed Poll. If for any reason such process agent ceases to act as such or no longer has an address in England, the Issuer agrees to appoint a substitute agent for service of process for any Proceedings in England and to give notice to the Noteholders of such appointment in accordance with Condition 14.

### **(d) *Other documents***

The Issuer and the Guarantor have in the Agency Agreement, the Deed of Covenant and the Deed of Guarantee (in the case of the Guarantor) submitted to the exclusive jurisdiction of the English courts and appointed an agent for service of process in terms substantially similar to those set out above.

## USE OF PROCEEDS

An amount equal to the net proceeds from each issue of each Tranche of Notes will be applied by the relevant Issuer, as indicated in the applicable Final Terms, either:

- (a) for its general corporate purposes; or
- (b) to finance or refinance, in whole or in part, Eligible Green Projects.

According to the definition criteria set out by the International Capital Market Association (“**ICMA**”) Green Bond Principles (“**GBP**”), only Tranches of Notes financing or refinancing Eligible Green Projects (above mentioned at (b)) will be denominated “Green Bonds”.

In case of project divestment, an amount equal to the net proceeds of the “Green Bonds” will be used to finance or refinance other Eligible Green Projects.

Eligible Green Projects have been defined in accordance with the broad categorisation of eligibility for Green Projects set out by the ICMA GBP.

For the purposes of this section:

“**Eligible Green Projects**” means Renewable Energy Projects and Transmission, Distribution and Smart Grid Projects and Innovative Infrastructural Projects which meet a set of environmental and social criteria, which prior to the relevant Issue Date will be (i) approved both by the relevant Issuer and, where applicable, the Guarantor and by a Second Party Opinion Provider, and (ii) made available on ENEL’s website ([www.enel.com](http://www.enel.com)) in the investor relations page.

“**Renewable Energy Projects**” means the financing or refinancing of, or investments in the development, the construction, the repowering and the installation and the maintenance of renewable energy production units for the production of energy through: (i) renewable non-fossil sources and (ii) hydro, geothermal, wind, solar, waves and other renewable energy sources. Energy production units include small-scale energy generation systems and utility scale or centralised power generation systems.

“**Transmission, Distribution and Smart Grid Projects**” means the financing or refinancing of, or investments in the building, the operation and the maintenance of electric power distribution, transmission networks and smart metering systems that contribute to: (i) connecting renewable energy production units to the general network and (ii) improving networks in terms of demand-size management, energy efficiency and access to electricity.

“**Innovative Infrastructural Projects**” means the financing or refinancing of, or investments in the development, the construction, the installation and the maintenance of (i) clean transportation projects which consist in electric, hybrid, public, rail, non-motorised, multi-modal transportation, public and private infrastructures and charging stations for clean energy vehicles and related services and (ii) smart lightning and energy efficiency projects which consist in public lightning, renovation of existing buildings and efficiency improvements, demand response and demand side management infrastructures and related services.

## DESCRIPTION OF ENEL

### Overview

The Company was incorporated under the laws of Italy as a joint stock company (*società per azioni*) on 24 July 1992 and operates in accordance with the Italian Civil Code. Its registered office is at Viale Regina Margherita 137, in Rome, and its main telephone number is +3906 83051. The Company is registered with the Italian Companies' Register of the Chamber of Commerce of Rome under registration No. 00811720580. Pursuant to Article 3 of the Company's articles of association, the Company shall remain in existence until 31 December 2100; however, the Company's corporate duration may be further extended by a shareholder resolution.

In particular, ENEL is a multinational power company and a leading integrated player in the world's power and gas markets, with a particular focus on Europe and South America. The concern manages a highly diverse network of power plants: hydroelectric, thermoelectric, nuclear, geothermal, wind, solar PV and other renewable sources.

According to ENEL's estimate, the ENEL Group is the leading electricity operator in both Italy and Spain, one of the largest energy operator in the Americas where it is active in 12 countries with power generation plants of all types and one of the leading global operators in the fields of generation, distribution and sales of electricity. In particular, the ENEL Group has an asset backed presence in more than 30 countries across all the continents with 85.6 GW of net installed capacity and 2.2 million kilometres of grid network and sells electricity and gas to approximately 70.4 million customers as of 31 December 2018. Moreover, according to ENEL's estimate, ENEL is the largest Italian power company and Europe's second largest listed utility by installed capacity. The ENEL Group had operational generation plants (thermal, hydroelectric, geothermal, nuclear and other plants) with a total net installed capacity of 85.8 GW as of 30 June 2019, compared to 85.6 GW as of 31 December 2018, respectively. For the six months ended 30 June 2019, net electricity production was 112.9 TWh and distribution of electricity was 246.7 TWh, respectively, compared to 121.1 TWh and 230.7 TWh as of 30 June 2018.

The ENEL Group is deeply committed to the renewable energies sector and to researching and developing new environmentally friendly technologies. In 2015, approximately half of the electricity the ENEL Group produced was free of carbon dioxide emissions, making it one of the world's major producers of clean energy. Further, ENEL is committed to becoming a decarbonised company by 2050. In 2016, ENEL's renewable energy business, operated through by ENEL Green Power S.p.A. ("**EGP**") and its subsidiaries, has been the subject matter of a corporate reorganization with the aim of, *inter alia*, innovating in renewables at scale and with greater speed.

Moreover, ENEL is the first utility in the world to replace conventional electromechanical meters with so-called "*smart meters*", being modern electronic meters that enable consumption levels to be read in real time and contracts to be managed remotely. As of the date of this Base Prospectus, ENEL has installed approximately 44 million smart meters. This innovative measurement system is essential to the development of smart grids, smart cities and electric mobility.

The following tables set forth the Group's key operating data of the electricity business as of and for the six months ended 30 June 2019 and 30 June 2018 and as of and for the years ended 31 December 2018 and 2017.



	Six months ended 30 June 2019			Six months ended 30 June 2018		
	Italy	Abroad	Total	Italy	Abroad	Total
Net electricity production (TWh).....	22.8	90.1	112.9	26.6	94.5	121.1
Electricity conveyed through the grid (TWh) .....	108.5	138.2	246.7	111.5	119.2	230.7
Electricity sold (TWh) <sup>(1)</sup> .....	47.7	101.2	148.9	51.6	88.7	140.3

Note:

(1) Excluding sales to sellers

	2018			2017		
	Italy	Abroad	Total	Italy	Abroad	Total
Net electricity production (TWh).....	53.2	197.1	250.3	53.5	196.4	249.9
.....						
Electricity conveyed through the grid (TWh) .....	227.7	257.7	485.4	228.5	232.2	460.7
Electricity sold (TWh)(1).....	104.3	191.1	295.4	103.2	181.6	284.8

Note:

(1) Excluding sales to sellers

The ENEL Group also imports and sells natural gas in Italy, Spain and elsewhere. The ENEL Group has sold approximately 6.0 billion cubic metres of gas worldwide in the six months ended 30 June 2019, 11.2 billion cubic metres of gas worldwide in 2018 and 11.7 billion cubic metres of gas worldwide in 2017.

In the six months ended 30 June 2019, the ENEL Group's total revenue and other income were €38,991 million compared to €36,027 million in the six months ended 30 June 2018, while, for the same period, the net income attributable to shareholders was €2,215 million, compared to €2,020 million in the six months ended 30 June 2018. In 2018, the ENEL Group's total revenue and other income were €75,672 million and the net income attributable to shareholders of ENEL was €4,789 million. In 2017, the ENEL Group's total revenue and other income were €74,639 million and the net income attributable to shareholders of ENEL was €3,779 million.

As of 30 June 2019, the ENEL Group employed 68,842 employees, of which 30,118 were employed in Italy and 38,724 were employed abroad.

As of the date of this Base Prospectus, the principal shareholder of ENEL is the Ministry of Economy and Finance of the Republic of Italy (the "MEF") which owns 23.585% of ENEL's shares.

The following table sets forth the number of shares and the percentage of the main shareholder.

Name	Share Ownership	
	(Number)	(%)
The Ministry of Economy and Finance of the Republic of Italy.....	2,397,856,331	23.585

As of the date of this Base Prospectus, based on the shareholders' register and the notices submitted to CONSOB and received by ENEL pursuant to Article 120 of the Financial Services Act and the CONSOB Issuers' Regulation adopted with resolution no. 11971/1999, as well as other available information, shareholders with an interest of more than 3% in the Company's share capital were the Ministry for the Economy and Finance of the Republic of Italy (with a 23.585% stake). In addition, (i) Capital Research and Management Company reported that it held a stake (represented by shares with voting rights) of 5.03% as at 11 October 2019 for discretionary asset management purposes, (ii) BlackRock Inc. reported that it held, through subsidiaries, an "aggregate investment" (represented by shares with voting rights, shares in securities lending arrangements and other long positions with cash settlement involving contracts for differences) of 4.827% as at 5 September 2018 for asset management purposes, provided that as from that moment, BlackRock is exempt from the requirements to notify significant investments in ENEL pursuant to Article 119-bis, paragraphs 7 and 8, of the Issuers' Regulation approved with CONSOB Resolution 11971 of May 14, 1999. In implementing the provisions of the legal framework on privatizations, the Company bylaws provide that – with the exception of the government, public bodies, and parties subject to their respective control – no shareholder may own, directly and/or indirectly, ENEL shares representing more than 3% of its share capital. Voting rights attributable to shares held in excess of the aforesaid limit shall not be exercised.

As of the date of this Base Prospectus, ENEL is subject to the *de facto* control of the MEF, which has sufficient votes to exercise a dominant influence at ENEL's ordinary shareholders' meetings, pursuant to Article 93 of the Financial Services Act. Pursuant to Article 19, paragraph 6, of Decree Law No. 78/2009 (subsequently converted into Law No. 102/2009), the discipline concerning management and co-ordination of companies outlined in Article 2497 of the Italian Civil Code is not applicable to the MEF.

Since 1999, ENEL is listed on the *mercato telematico azionario*, a stock exchange regulated and managed by Borsa Italiana S.p.A. ("MTA"). As of the date of this Base Prospectus, ENEL's share capital amounted to €10,166,679,946 fully paid-in and divided into 10,166,679,946 ordinary shares with a nominal value of €1 each.

## History and Development of ENEL

### The foundation, the privatisation and the market liberalisation

ENEL traces its origins to the creation in 1962 of the Italian governmental entity, the Ente Nazionale per l'Energia Elettrica, which was granted an exclusive concession to carry out the activities of generation, import, export, transportation, transformation, distribution and sale of electricity in Italy following the nationalisation of the industry in that year. Controlled by the Italian government, the Ente Nazionale per l'Energia Elettrica implemented a process of development and diversification of energy sources through the creation of new nuclear, hydroelectric and renewable-energy power plants.

Law No. 9 of January 1991 set the framework for the opening of the Italian electricity market to competition. As part of this move towards liberalisation, the Ente Nazionale per l'Energia Elettrica was, pursuant to Law Decree No. 333 of 11 July 1992 (as ratified into law pursuant to Law No. 359 of 8 August 1992), converted into a joint stock company (*società per azioni*). Pursuant to a resolution adopted at the extraordinary

shareholders' meeting held on 7 August 1992, the Company's name was changed to ENEL S.p.A. The aforementioned law decree granted ENEL licences to undertake all the activities previously carried out by the Ente Nazionale per l'Energia Elettrica. Initially, the sole shareholder of ENEL was the MEF.

Legislative Decree No. 79 of 16 March 1999 (*Attuazione della direttiva 96/92/CE recante norme comuni per il mercato interno dell'energia elettrica*) (the "**Bersani Decree**") established new rules for the electricity market, providing for further liberalisation – in compliance with public policy – of the activities of generation, import, export, purchase and sale of electricity. Pursuant to the Bersani Decree, a single entity may engage in any or all of these activities, provided that utility companies are separated into distinct units for accounting and management purposes. With reference to ENEL, the Bersani Decree required the separation, for accounting and management purposes, of the activities of production, transmission, distribution and sales to Non-Eligible clients, and the obligation to reduce ENEL's production capacity through the disposal of at least 15 GW by 2002. In particular, the Bersani Decree required the following significant changes to be made to the Group's business:

- the separation of significant businesses into separate subsidiaries (effective as of October 1999);
- the transfer of management and control of the Italian national electricity transmission grid and electricity dispatching to the Electricity Services Operator, a company wholly owned by the MEF, and the subsequent sale of 94.88% of ENEL's formerly wholly owned subsidiary, Terna S.p.A. ("**Terna**"), which owns the majority of Italy's electricity transmission grid (as a result of this sale, Terna was deconsolidated on 15 September 2005); and
- the sale of three electricity generation companies (accounting for approximately 15 GW of the Group's generating capacity) and several municipal distribution companies.

In November 1999, the process for the privatisation of ENEL began with an initial public offering of approximately 32% of ENEL's share capital, as part of which ENEL's shares were listed on the MTA and on the New York Stock Exchange (in the form of American Depositary Shares). The initial public offering was followed by a number of private placements to institutional investors in Italy and abroad (in 2003) and public offerings to retail investors in Italy and to institutional investors in Italy and abroad. As a result of Japanese offerings (in 2004 and 2005), ENEL's shares were also registered at the Kanto Local Finance Bureau in Tokyo.

In December 2007, ENEL voluntarily de-listed from the New York Stock Exchange, and in March 2008 the process of deregistration of ENEL's shares and American Depositary Receipts with the U.S. Securities and Exchange Commission was completed. Reorganisation of the ENEL Group and Business Diversification.

Following the liberalisation of the energy market and the consequent reductions to parts of ENEL's core business, the Group focused its strategy on the diversification of its business and expansion into new markets (including in the telecommunications industry market in which ENEL operated until 2006). ENEL became an industrial holding company, and its divisions were transformed into utility companies focused on specific business sectors. ENEL Produzione S.p.A. ("**ENEL Produzione**") and ENEL Distribuzione S.p.A. (which, as of 30 June 2016, changed its name into e-distribuzione S.p.A.) were established, along with other companies. Along with pursuing the separation for management purposes of the activities of production, transmission and distribution, new business areas were created, such as energy trading, construction of generation plants and supply of environmental services.

### **Global presence**

As a global multinational group, ENEL is actively engaged in consolidating its assets and further integrating its business.

In Italy, ENEL is the largest electricity company. It operates in the field of electricity generation through thermoelectric and renewable plants with an installed capacity of nearly 28 GW, of which more than 14 GW derives from plants generating energy from renewable sources. Furthermore, ENEL operates in the electricity distribution sector with more than 1.1 kilometre of grid network across the Italian Peninsula and offers an integrated package of electricity and gas products and services to its approximately 30 million Italian customers. In Iberia, ENEL operates through Endesa S.A. (“**Endesa**”), which is currently 70.1% owned by ENEL. Endesa is the leading power company in Spain and, according to ENEL Group’s estimates, the second leading power company in Portugal. In Spain, the Group has approximately 22.7 GW of installed capacity and a strong presence in the distribution sector as well as in the sale of electricity and gas products, with approximately 12 million customers. Elsewhere in Europe, ENEL operates in Romania, where it is currently the country’s largest private investor in energy, with operations in power distribution and supply as well as renewable energy production. In Romania, the ENEL Group, through its distribution network, serves 2.9 million customers in three key areas of the country (Muntenia Sud, including Bucharest, Banat and Dobrogea), accounting for one third of Romania’s electricity distribution market, and it is active in managing renewable generation plants through EGP. In Russia, the ENEL Group is active in the generation sector – where its subsidiary ENEL Russia controls nearly 9 GW of installed thermoelectric capacity – as well as in the retail sector, where the Group owns 49.5% of RusEnergosbyt, one of the largest independent suppliers in the country, according to the ENEL Group’s estimates. In Greece and Bulgaria, the ENEL Group operates through EGP which is active in managing renewable generation plants with 0.35 GW of installed wind capacity, solar and hydro power.

The ENEL Group is one the leading players in the Latin American power market where it has direct and indirect interests in the electricity generation, transmission and distribution business, and related areas. In particular, the ENEL Group operates through its subsidiaries in 6 countries (Argentina, Brazil, Chile, Colombia, Peru and Uruguay), with nearly 21 GW of installed capacity from thermal, hydro and other renewable power plants and serves 26 million customers. In the generation sector, it owns and operates 4.4 GW in Argentina, 3.3 GW in Brazil, 7.4 GW in Chile, 3.6 GW in Colombia and 2.3 GW in Peru. In the distribution sector, the ENEL Group is present in the Brazilian states of Ceará, Rio de Janeiro, Goiás and São Paulo in five of the largest cities in South America: Bogotá, Buenos Aires, Santiago and Lima. In the transmission sector, it operates an interconnection power line between Brazil and Argentina. In addition, in Central America (mainly in Costa Rica, Guatemala, Panama and Mexico) hosts approximately 1 GW of wind, PV and hydroelectric plants.

In North America, ENEL Green Power North America, Inc. (“**EGP-NA**”), a subsidiary of EGP, is a leading owner and operator of renewable energy plants with projects operating and under development. EGP-NA owns and operates with an installed capacity of 2.9 GW powered by renewable hydropower, wind, geothermal, and solar energy. In Africa, the ENEL Group is active in South Africa with operating 0.5 GW of wind and FV plants, while in India it owns and operates wind plants in the states of Gujarat and Maharashtra with a total installed capacity of 0.2 GW.

## **Strategy**

In 2015 ENEL shifted its growth model from large-sized investments directed towards big power plants to smaller and more flexible, renewable projects thereby reducing time to EBITDA to below 2 years and improving its earnings growth and visibility.

Investments in digitalisation have prepared infrastructures for a fully decarbonised energy world and have allowed ENEL to reduce costs, provide additional services and enhance the customers’ ability to actively participate in the new energy systems. As of May 2019, 100% of ENEL’s applications and all the data have been moved to the Cloud. We consider this a major step change in the way the Company will operate as it will

enable increased speed and optionality in upgrading ENEL's legacy set of applications, streamlining and aligning them across geographies, business lines and company cost centers. This allows a new and so far unthinkable level of standardization and platform based models supporting new efficiency targets and allowing faster deployment of innovation. As for cyber security, ENEL has adopted the "Cyber Security Framework" policy with a "risk-based" approach, which includes a planning and development model defining the appropriate security measures throughout the whole life of the applications, processes and services ("cyber security by design") applicable to both the traditional Information Technology area and the industrial area (Operational Technology) of the Group, considering also "Internet of Things". ENEL has also created its own CERT (Cyber Emergency Readiness Team), active and accredited by national and international communities, in order to address an industrialized response to cyber threats and accidents.

Very powerful trends are shaping the utilities space. As a major shift away from fossil fuels towards renewables continues, electrification of economic activities and residential consumptions will continue to accelerate. This is good news: it provides sustained demand growth in the medium to long term and allows the progressive decarbonisation of human activities, thanks to green and more affordable energy.

Utilities can play a major role in decarbonisation of energy production and electrification of energy consumption, and ENEL is leading this effort. ENEL's infrastructures, ecosystems and platforms will be key enablers to reach climate actions goals.

ENEL's strategy strongly supports its path to full decarbonisation by 2050: by 2020 CO<sub>2</sub> emissions will reach around 250 g/kWh, lower by a remarkable 30 compared to the target certified by the Science Based Target initiative ("SBTi") in 2015; then, on September 16<sup>th</sup> ENEL announced a new target for 2030 consisting in the reduction of 70% of CO<sub>2</sub> emissions per kWh versus 2017 reaching an emissions value of 125 g/kWh. This target has also been certified by the SBTi according to the well below 2 degrees pathway.

ENEL's new strategic plan, presented 25 November 2019, is designed to maximise the opportunities created by the energy transition and to minimise the risks associated with unpredictability.

In order to pursue ENEL's strategic goals, organic investments will increase to €28.7 billion in the period between 2020 and 2022 (+11% compared with the previous plan), driving EBITDA growth up 13% to €20.1 billion in 2022.

The continued effort on financial management and the simplification of ENEL's structure will, together with the operating performance, generate a 27% growth in Net Income, up to €6.1 billion in 2022.

ENEL's capex plan directly targets 4 main SDGs which account for around 95% of the Group's overall €29 billion investments in the period between 2020 and 2022:

- around €14 billion will be devoted to SDG 7 on Affordable Clean Energy to support the decarbonisation process driven by ENEL's Global Power Generation line and accelerated by ENEL's retail unit;
- around €12 billion are linked with SDG 9 on Industry, Innovation and infrastructure and will be deployed in reinforcing the resiliency and improving the digitalisation, efficiencies and quality of ENEL's networks;
- around €1 billion will be invested in SDG 11 on Sustainable Cities and Communities, mainly to new electrification oriented services;
- 95% of the overall investments will contribute to the SDG 13 aimed at taking urgent actions against Climate Change, which is a core priority for ENEL.

The strategy will translate in earnings and dividends compounded annual growth rate of over 8.0%. The progressive de-risking of ENEL's activities and the significant earnings visibility give ENEL the confidence

to confirm its three years guaranteed minimum dividend per share (“DPS”) policy and to set a new guaranteed minimum DPS at 40 €cents in 2022. As in previous years, shareholders will receive the higher amount between the floor and 70% of earnings per share.

## **Recent Significant Transactions**

A summary of ENEL’s most recent and significant transactions, including acquisitions, joint ventures and disposals is described below.

### *Issue of new €1 billion green bond in Europe*

On 14 January 2019, ENEL N.V. successfully placed its third green bond on the European market. The issue amounts to a total of €1,000 million and provides for repayment in a single instalment at maturity on 21 July 2025 and the payment of a fixed-rate coupon equal to 1.500%, payable annually in arrears in the month of July as from 2019. The issue price was set at 98.565% and the effective yield at maturity is equal to 1.736%. The transaction has received subscriptions amounting to more than €4.2 billion, with the significant participation of socially responsible investors (“SRI”), enabling the ENEL Group to continue to diversify its investor base.

### *Funac*

With Law no. 20.416 of 5 February 2019, the state of Goiás reduced from 27 April 2015 to 24 April 2012 the period of operation of the Funac fund and the tax benefit system that allowed Enel Distribuição Goiás (formerly CELG-D) to offset ICMS (VAT) against the tax credit for Enel Distribuição Goiás investments to develop and maintain its grid. On 25 February 2019, Enel Distribuição Goiás appealed the provisions of Law no. 20.416 of 5 February 2019 on a precautionary basis (writ of mandamus) before the Court of the state of Goiás, which denied the appeal on 26 February 2019. Enel Distribuição Goiás appealed this ruling and the Court of the state of Goiás allowed the appeal on 11 June 2019. On 26 April 2019, Law no. 20.468 was promulgated. With the law, the state of Goiás revoked the tax relief referred to above in its entirety. On 5 May 2019, Enel Distribuição Goiás filed a petition against the state of Goiás to contest this law.

### *Agreement to sell 540 MW of renewables capacity in Brazil for €700 million*

On 16 January 2019, ENEL, acting through its renewables subsidiary Enel Green Power Brasil Participações Ltda, signed agreements with Chinese company CGN Energy International Holdings Co. Limited for the sale of 100% of three renewable generation plants totaling 540 MW. The overall price in the transaction is equal to the assets’ enterprise value and amounts to R\$2.9 billion, equivalent to about €700 million.

### *Enel Green Power España starts construction of 90 MW of new wind capacity in Spain*

Enel Green Power España has started construction of three wind farms with an overall capacity of around 90 MW. The total investment in the three facilities amounts to €88 million. The three wind farms are slated to enter service by the end of 2019, and once completed they will generate over 295 GWh per year, while avoiding the annual emission of some 196 thousand metric tons of CO<sub>2</sub> into the atmosphere.

### *Amendment of regulatory framework for hydroelectric concessions*

The changes introduced with Decree Law no. 135 of 14 December 2018 (the “Simplification Act”), ratified into law in February 2019, included the amendment of certain aspects of the regulatory framework for hydroelectric concessions. The main changes concern: (i) the extension for consideration of expired concessions (a situation regarding entities that do not belong to the ENEL Group) until 2023, (ii) the regulation of the reassignment of concessions upon their expiry; and (iii) the mechanism for indemnifying the

outgoing concessionaire for the transfer of the assets related to the hydroelectric concession. These rules will be completed with implementing provisions to be enacted by the regions and the competent authorities.

#### *Disposal of 100% of Mercure Srl*

On 1 March 2019, the sale of 100% of Mercure Srl was finalized with the receipt of a provisional €162 million, subsequently adjusted, corresponding to the valuation of the business unit at the reference date of 1 January 2018.

#### *Endesa industrial relations*

After a series of meetings of the *Comisión Negociadora del V Convenio Colectivo de Endesa (Comisión Negociadora)* which began in October 2017 and continued throughout 2018, in view of the impossibility of reaching an agreement, Endesa notified the workers and their union representatives that, with effect from 1 January 2019, the 4th Collective Bargaining Agreement must be considered terminated in the same way as the “framework guarantee contract” and the “agreement on the voluntary suspension or resolution of employment contracts in the period 2013-2018”, applying from that date the provisions of general labor law, as well as the legal criteria established in the matter. Despite the resumption of negotiations within the *Comisión Negociadora* in February 2019, the interpretative differences between Endesa and the trade union representatives concerning the effects of the termination of the 4th Collective Bargaining Agreement with regard to, in particular, the social benefits granted to retired personnel led to the initiation of a suit by the unions having representation in the company. On 13 March 2019, a hearing was held before the court of first instance, which on 26 March 2019 issued a ruling in favor of Endesa. The unions have appealed this decision before the Supreme Court, while the initial ruling remains provisionally enforceable. On 19 June 2019, Endesa submitted its defense and the proceeding is currently under way. The proceeding concerns retired personnel only and, therefore, does not affect workers currently in service or in similar situations (including early retirement, retirement incentive agreements - AVS) in the period in which the employment relationship with Endesa is still in place. Accordingly, those workers will continue to receive their current benefits pending any changes that the social parties may negotiate as part of the 5th Collective Bargaining Agreement.

#### *ENEL acquires 650 MW of renewables capacity from its North American joint venture EGPNA REP*

On 14 March 2019, ENEL, acting through its renewables subsidiary Enel Green Power North America Inc. (“EGPNA”), finalized the acquisition of 100% of seven operational renewable generation plants totaling 650 MW from Enel Green Power North America Renewable Energy Partners LLC, an equally owned joint venture between EGPNA and GE Capital’s Energy Financial Services, the energy investing arm of General Electric. The total paid for the transaction amounts to \$256 million, for an enterprise value equal to \$900 million.

#### *Enel Green Power acquires Tradewind, a US renewables development company*

On 26 March 2019, Enel Green Power acquired Tradewind Energy, a renewables project development company. Enel Green Power has incorporated the entire Tradewind development platform, which includes 13 GW of wind, solar and storage projects located in the United States. The agreement also provides for Savion, a 100% subsidiary of Tradewind, to be sold to the Green Investment Group, part of the Australian multinational Macquarie, which has a 6 GW development platform of solar and storage projects. With this strategic acquisition, all aspects of the renewables value chain in North America will be managed, from development to commissioning of plants, and the skills of Tradewind will be integrated into the growth strategy in the key areas of Enel Green Power, such as the wind, solar and storage sectors.

#### *ENEL reaches 56.8% stake in Enel Américas*

ENEL increased its stake in its Chilean subsidiary Enel Américas SA (“**Enel Américas**”) to 56.8% from 51.8% of the company’s share capital, following the settlement of two share swap transactions (the “**Swap Transactions**”) entered into in October 2018 with a financial institution to acquire up to 5% of the share capital of Enel Américas. Pursuant to the Swap Transactions, Enel effectively acquired the entire 5% by the early days of May 2019. The price paid for the shares and ADS (America Depository Shares), in accordance with the Swap Transactions, was equal to \$346.1 million and \$164.7 million (\$8.7 per ADS), respectively, for a total of \$510.8 million.

#### *Enel Américas approves \$3 billion capital increase*

On 30 April 2019, the Extraordinary Shareholders’ Meeting of the Chilean subsidiary Enel Américas approved a capital increase of \$3 billion. The capital increase, to be fully subscribed in cash, will be carried out through the issue of new shares to be offered in pre-emption to shareholders in proportion to the number of shares they hold.

#### *ENEL refinances hybrid bonds*

On 15 May 2019, ENEL successfully launched a euro-denominated non-convertible bond on the European market in the form of a subordinated hybrid security with a maturity of about six years, amounting to €300 million. The operation received orders totaling four times the amount on offer, for an overall amount in excess of €1.2 billion.

The issue was structured as follows:

- €300 million, maturing on 24 May 2080 with an annual fixed coupon of 3.500% until the first call date of 24 May 2025. As from that date and until maturity, the rate paid will be equal to the five-year Euro Mid Swap rate increased by an initial spread of 356.4 basis points, increased by an additional 25 basis points as from 24 May 2030 and a subsequent increase of an additional 75 basis points as from 24 May 2045. The fixed coupon is payable each year in arrears in May, as from 24 May 2020. The issue price was set at 99.337% and the effective yield at the first call date is equal to 3.625%.

The scheduled settlement date was 24 May 2019. In addition, ENEL announced the launch, with an offer period running from 15 May 2019 to 21 May 2019, of a non-binding voluntary exchange offer (the “**Exchange Offer**”). With the completion of the Exchange Offer, the Company acquired a total of:

- €340.2 million of the hybrid bond with a nominal amount still in circulation of €749,981,000, issued by ENEL and maturing 15 January 2075 (XS1014997073) with a first call date of 15 January 2020;
- €215.8 million of the hybrid bond with a nominal amount still in circulation of €513,256,000, issued by ENEL and maturing 10 January 2074 (XS0954675129) with a first call date of 10 January 2024.

The consideration for those purchases will consist in an increase in the value of the new hybrid bond issue denominated “NC6” (XS2000719992) launched on 15 May 2019, maturing on 24 May 2080 with a first call date of 24 May 2025, from €300 million to €900 million. The Company therefore exercised the option envisaged in the terms and conditions of the Exchange Offer to increase the aggregate nominal value of the issue of new hybrid bond originally set at €750 million. The Exchange Offer will enable holders of the hybrid bonds maturing 15 January 2075 and 10 January 2074, to exchange them before the call dates of 15 January 2020 and 10 January 2024, respectively, in return for new hybrid bonds with a later first call date (24 May 2025) issued in the form of an increase in the “NC6” issue.

#### *Resolution of outstanding regulatory issues in Argentina has positive impact for the ENEL Group*



On 17 May 2019, ENEL announced that the Argentine subsidiary, Empresa Distribuidora Sur SA (“**Edesur**”) had signed two agreements with the Argentine government that enable the settlement of a number of pending regulatory issues. The first agreement provides for the transfer of the role of concession grantor for the public electricity distribution services carried out by Edesur from Argentina’s national government to the Province of Buenos Aires and to the Autonomous City of Buenos Aires, providing that the service will continue to be operated by Edesur on the same terms and conditions envisaged by the current contract. The second agreement provides for the positive settlement of negotiations with the Argentine authorities concerning pending regulatory issues, allowing the ENEL Group to operate within a stable and fully defined framework, with a significant positive impact on EBITDA. More specifically, under the second agreement, Argentina’s national government agrees to settle, in favour of Edesur, debts originated by loans and electricity transactions as well as those stemming from the application of preferential rates in 2017 and 2018, and to void sanctions applied to Edesur. Furthermore, the latter will extinguish debts accrued for the 2006- 2016 period.

*ENEL closes sale of 540 MW of renewables capacity in Brazil*

On 31 May 2019, ENEL announced that it, acting through its renewables subsidiary Enel Green Power Brasil Participações Ltda, had closed the sale of 100% of three operational renewables plants totaling 540 MW to the Chinese company CGN Energy International Holdings Co. Limited. The overall price paid to ENEL upon closing is equal to the assets’ enterprise value and amounts to R\$2.9 billion, equivalent to about €660 million.

*Enel Green Power starts construction of the 90 MW Azov wind farm, the Group’s first renewables plant in Russia*

Enel Green Power (“**EGP**”), the ENEL Group’s Global Business Line dedicated to renewable energy, started construction of the 90 MW Azov wind farm located in southern Russia, representing the Group’s first renewables plant in Russia. The wind farm is owned by the Group’s Enel Russia subsidiary, while EGP is in charge of construction activities after having completed the development stage. Enel Russia’s overall investment in the Azov wind farm amounts to €132 million. The plant is expected to enter service by the end of 2020, and will be able to generate 320 GWh of clean energy each year once fully operational, avoiding the annual emission of 260 thousand metric tons of CO<sub>2</sub> into the atmosphere.

*Enel Russia and Kuzbassenergo sign agreement for sale of Reftinskaya GRES*

On 20 June 2019, ENEL announced that a sale agreement was signed for Reftinskaya GRES by Enel Russia, as the seller, and JSC “Kuzbassenergo”, controlled by Siberian Generating Company, as the purchaser. In line with Enel Russia Board recommendations, sale price for Reftinskaya GRES shall be no less than 21 billion rubles (equivalent to about €286 million), net of VAT and subject to possible adjustments of up to 5%. In addition, a contingent component of up to 3 billion rubles (equivalent to €41 million) is envisaged, payable within five years from the close of the sale subject to specific conditions. The disposal of the plant fits perfectly with the ENEL Group’s global growth strategy, which is focused on pursuing a more sustainable business model.

*ENEL prepares to increase stake in Enel Américas by up to 5%*

On 28 June 2019, ENEL announced that it plans to increase by a maximum of 5% its stake in its listed Chilean subsidiary Enel Américas from its current 56.8%. To this end, ENEL entered in to two new share swap transactions with a financial institution to acquire, at dates that are expected to fall in the 3rd Quarter of 2020, additional ordinary shares and ADSs of Enel Américas.

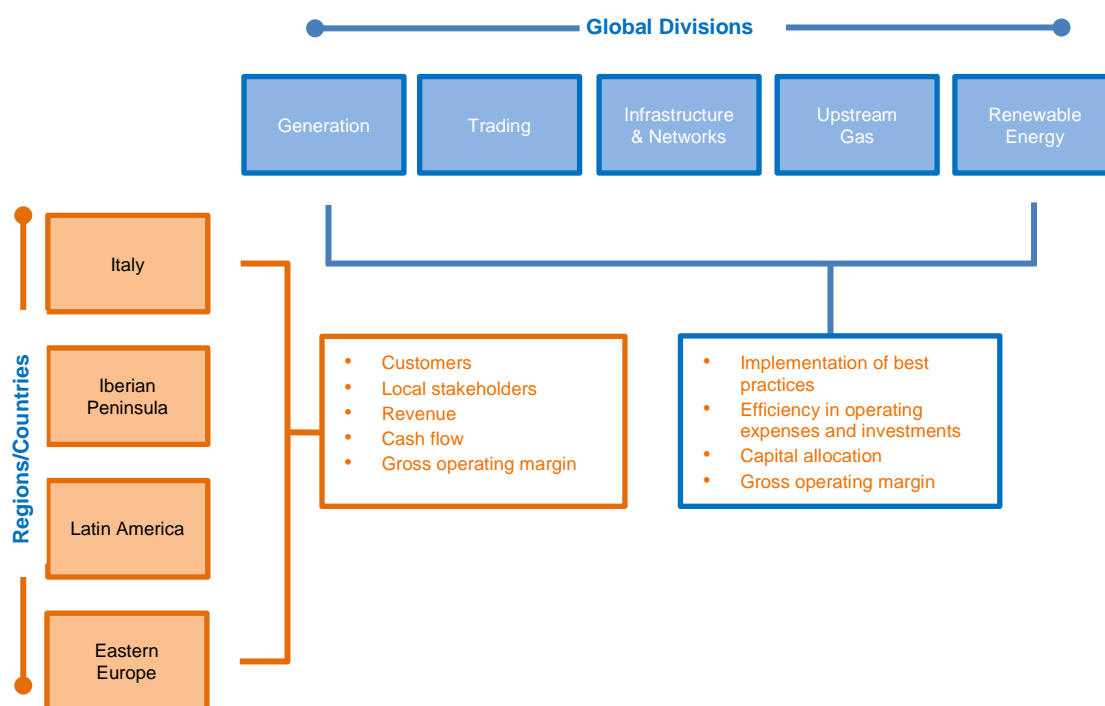
## The ENEL Group

### The Organisational Structure

#### The 2014 organisational structure of the ENEL Group

On 31 July 2014, the ENEL Group adopted a new organisational structure (the “**2014 Organisational Structure**”), which was based on a matrix of divisions and geographical areas and is focused on the industrial objectives of the ENEL Group, with a clear specification of roles and responsibilities aimed at:

- pursuing and maintaining technological leadership in the sectors in which the ENEL Group operates, thus ensuring operational excellence;
- maximising the level of service offered to customers in local markets.



As a result of the adoption of the New Organisational Structure, the ENEL Group was able to reduce the complexity in the execution of management actions and the analysis of the key factors for value creation.

In particular, the 2014 Organisational Structure of the ENEL Group was based on a matrix which included:

- Divisions (Global Generation; Global Infrastructures and Networks; Renewable Energy; Global Trading; Upstream Gas), which were responsible for managing and developing assets, optimising their performance and the return on capital employed in the various geographical areas in which the Group operates. Global Divisions were also responsible for improving efficiency in managed processes as well as sharing best practices globally. The ENEL Group benefits from a centralised industrial overview on projects carried out under the different business lines. Any single project has to be evaluated on its financial return as well as taking into account the best available technologies at ENEL Group level;
- Regions and Countries (Italy; Iberian Peninsula; Latin America; Eastern Europe), which are responsible for managing relationships with institutional bodies and regulatory authorities, as well as

selling electricity and gas in each of the countries in which the ENEL Group is present, while also providing staff and other service support to the divisions;

The following functions provided support to ENEL Group's business operations:

- Global Service Functions (Procurement; ICT), which are responsible for managing information and communication technology activities and procurement at the ENEL Group level;
- Holding Company Functions (Administration, Finance and Control; Human Resources and Organisation; Communication; Legal and Corporate Affairs; Audit; European Affairs; Innovation and Sustainability), which are responsible for managing governance processes at the ENEL Group level.

A new organisational structure replaced (with effect from 1 January 2015) the 2014 Organisational Structure adopted by the Group in July 2014. The 2015 Organisational Structure has modified (with effect from 1 January 2015) the reporting structure and the evaluation of economic and financial performance of the Group and, accordingly, the representation of the consolidated results of the Group.

### **Subsequent amendments to the 2015 Organisational Structure**

The 2015 Organizational Structure described above was modified on 8 April 2016, partly in relation to the EGP Integration. More specifically, the main organisational changes included:

- The reorganisation of the ENEL Group's geographical presence, with a focus on the countries that represent new business opportunities around the world and in which the ENEL Group's presence was established through EGP. The ENEL Group has therefore shifted from a matrix of four geographical areas to one with six such areas. The structure retains the Country "Italy" and the areas "Iberia" and "Latin America", while the Eastern Europe area has been expanded into the "Europe and North Africa" area. Two new geographical areas have also been created: "North and Central America" and "Sub-Saharan Africa and Asia". These six areas will continue to maintain a presence and integrate businesses at the local level, seeking to foster the development of all segments of the value chain. At the geographical level, in countries in which the ENEL Group operates in both the conventional and renewable generation businesses, the position of Country Manager will be unified;
- The convergence of the entire hydroelectric business within the Renewable Energy division; and
- The integrated management of dispatching of all renewable and thermal generation plants by Energy Management at the Country level in accordance with the guidelines established by the Global Trading division.

On 28 April 2017, the ENEL Group adopted a new organisational structure, introducing a new Global Business Line, called "Enel X". It is intended to foster greater customer focus and digitisation as accelerators of value within the 2020-2022 Strategic Plan.

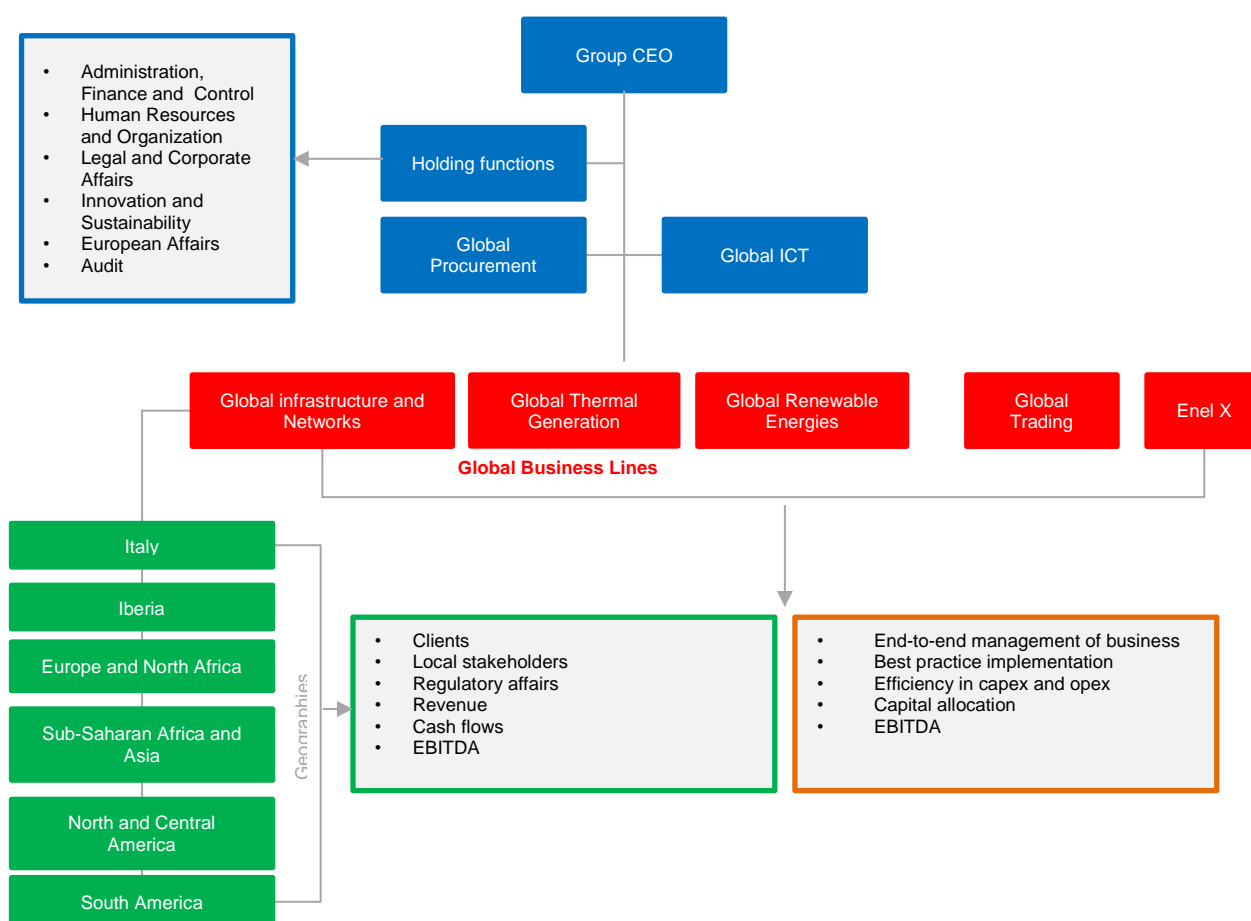
More specifically, the new ENEL Group structure is organised, like the previous one, into a matrix that includes:

- *Divisions* (Global Thermal Generation and Trading, Global Infrastructure and Networks, Enel Green Power, Enel X), which are responsible for managing and developing assets, optimising their performance and the return on capital employed in the various geographical areas in which the Group operates. The divisions are also in charge for improving the efficiency of the processes they manage and sharing best practices at the global level. The Group will benefit from a centralised industrial vision of projects in the various business lines. Each project will be assessed not just on the basis of its financial return but also in relation to the best technologies available at Group level;

- *Regions and Countries* (Italy, Iberia, South America, Europe and Euro-Mediterranean Affairs, North and Central America, Africa, Asia and Oceania), which are responsible for managing relationships with institutional bodies and regulatory authorities, as well as selling electricity and gas, in each of the countries in which the Group is present, while also providing staff and other service support to the divisions.

The following functions provide support to ENEL Group’s business operations:

- *Global service functions* (Procurement and ICT), which are responsible for managing information and communication technology activities and procurement at Group level;
- *Holding company functions* (Administration, Finance and Control, Human Resources and Organisation, Communication, Legal and Corporate Affairs, Audit, European Union Affairs, and Innovation and Sustainability), which are responsible for managing governance processes at Group level.



The representation of performance by business area presented here is based on the approach used by management in monitoring Group performance for the two periods under review, taking account of the operational model adopted by the Group as described above.

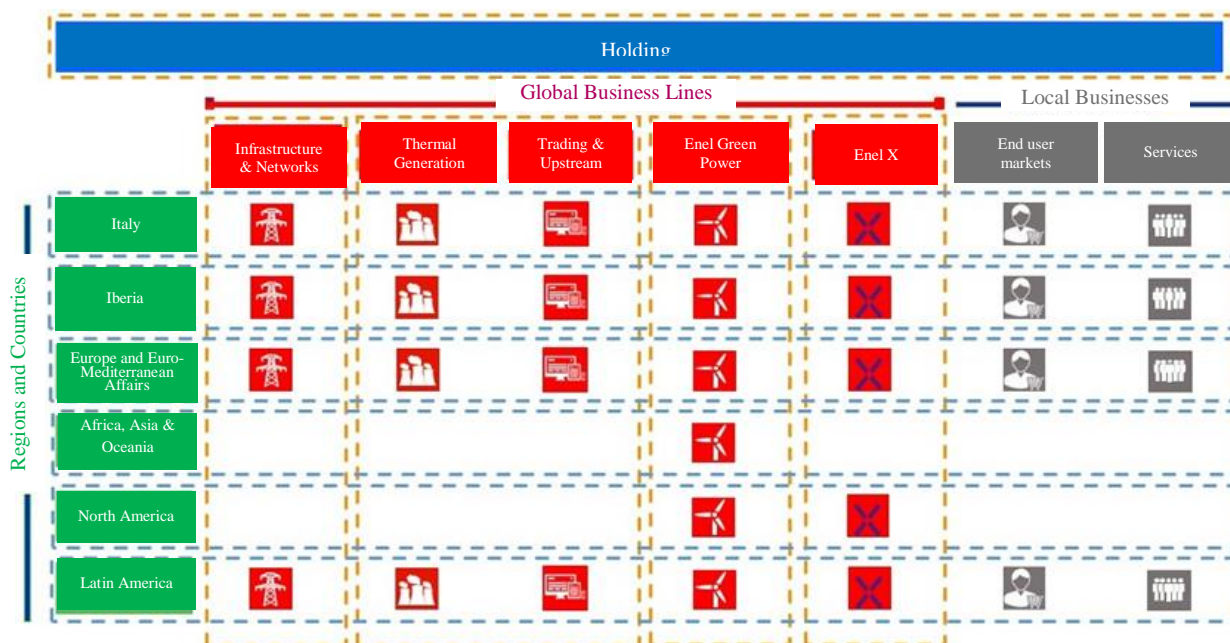
With regard to operating segment disclosures, note that as of the reporting date of 30 September 2019, the ENEL Group has modified its primary and secondary segments in accordance with the provisions of IFRS 8. Specifically,

bearing in mind that in 2019, management, understood as the highest level of operational decision-making for the purpose of adopting decisions on the resources to be allocated to the sector and for measuring and assessing results, has begun to disclose its results to the market on the basis of business areas, the Group has consequently adopted the following segment approach:

- primary sector: business area; and
- secondary sector: geographical area.

The business area is therefore the prime discriminant and is the predominant focus of the analyses performed and decisions taken by the management of the ENEL Group. This is fully consistent with the internal reporting prepared for these purposes since the results are measured and evaluated primarily for each business area and only subsequently are broken down by country.

The following graphical representation summarizes the foregoing.



The organization, which continues to be based on matrix of Business Lines, calls for the integration of the various companies of the Enel Green Power Business Line in the various Business Lines by geographical area, functionally including the Large Hydro businesses, which formally remain under the thermal power generation companies, and a new configuration for the geographical areas (Italy, Iberia, Europe and Euro-Mediterranean Affairs, Latin America, North America, Africa, Asia and Oceania, Central/Holding). In addition, the new business structure is divided as follows: Thermal Generation and Trading, Enel Green Power, Infrastructure and Networks, End-user markets, Enel X, Services and Holding/Other.

Six months ended 30 June 2019<sup>(1)</sup>

	Italy	Iberia	South America	Europe and Euro-Mediterranean Affairs	North and Central America	Africa, Asia and Oceania	Other, eliminations and adjustments	Total
<i>€'000 m</i>								
Revenue and other income from third parties .....	19,053	9,613	8,322	1,197	712	72	22	38,991
Revenue and other income from transactions with other segments .....	404	21	57	4	5	-	(491)	-
<b>Total revenue and other income</b> .....	<b>19,457</b>	<b>9,634</b>	<b>8,379</b>	<b>1,201</b>	<b>717</b>	<b>72</b>	<b>(469)</b>	<b>38,991</b>
Net income/(expense) from commodity contracts measured at fair value .....	142	39	(7)	(2)	12	-	(2)	104
<b>Gross operating margin</b> <sup>(2)</sup> .....	<b>3,863</b>	<b>1,857</b>	<b>2,657</b>	<b>226</b>	<b>415</b>	<b>25</b>	<b>(136)</b>	<b>8,907</b>
Depreciation, amortization and impairment losses .....	1,157	901	1,191	233	176	20	16	3,694
<b>Operating income</b> .....	<b>2,706</b>	<b>956</b>	<b>1,466</b>	<b>(7)</b>	<b>239</b>	<b>5</b>	<b>(152)</b>	<b>5,213</b>
<b>Capital expenditure</b> <sup>(3)</sup> .....	<b>1,172</b>	<b>918</b>	<b>969</b>	<b>227</b>	<b>682</b>	<b>155</b>	<b>44</b>	<b>4,167</b>

Note:

- (1) Segment revenue and other income includes both revenue from third parties and revenue flows between the segments. An analogous approach was taken for other income and costs for the period
- (2) The following table provides a reconciliation of Gross operating margin for the period indicated:

Six months ended 30 June 2019

	Italy	Iberia	South America	Europe and Euro-Mediterranean Affairs	North and Central America	Africa, Asia and Oceania	Other, eliminations and adjustments	Total
<i>€'000 m</i>								
Operating income .....	2,706	956	1,466	(7)	239	5	(152)	5,213
add back: .....								

Six months ended 30 June 2019

	Italy	Iberia	South America	Europe and Euro-Mediterranean Affairs	North and Central America	Africa, Asia and Oceania	Other, eliminations and adjustments	Total
	<i>€'000 m</i>							
Depreciation, amortization and impairment losses .....	1,157	901	1,191	233	176	20	16	3,694
<b>Gross operating margin (or EBITDA) ..</b>	<b>3,863</b>	<b>1,857</b>	<b>2,657</b>	<b>226</b>	<b>415</b>	<b>25</b>	<b>(136)</b>	<b>8,907</b>

(3) The following table provides a reconciliation of Capital expenditure for the period indicated:

	Italy	Iberia	South America	Europe and Euro-Mediterranean Affairs	North and Central America	Africa, Asia and Oceania	Other, eliminations and adjustments	Total
	<i>€'000 m</i>							
Increases from new investments of the period in Property, Plant and Equipment .....	974	840	624	220	669	152	20	3,499
Increases from new investments of the period in Intangible Assets .....	198	78	138	7	13	3	24	461
Increases from the new investments of the period in Contract Assets	-	-	207	-	-	-	-	207
<b>Capital expenditure .....</b>	<b>1,172</b>	<b>918</b>	<b>969</b>	<b>227</b>	<b>682</b>	<b>155</b>	<b>44</b>	<b>4,167</b>

Six months ended 30 June 2018<sup>(1)</sup>

	Italy	Iberia	South America	Europe and Euro-Mediterranean Affairs	North and Central America	Africa, Asia and Oceania	Other, eliminations and adjustments	Total
<i>€'000 m</i>								
Revenue and other income from third parties .....	18,019	9,668	6,589	1,129	556	48	18	36,027
Revenue and other income from transactions with other segments .....	356	26	4	4	—	—	(390)	—
<b>Total revenue and other income.....</b>	<b>18,375</b>	<b>9,694</b>	<b>6,593</b>	<b>1,133</b>	<b>556</b>	<b>48</b>	<b>(372)</b>	<b>36,027</b>
Net income/(expense) from commodity contracts measured at fair value.....	90	25	7	—	5	—	—	127
<b>Gross operating margin<sup>(2)</sup>.....</b>	<b>3,701</b>	<b>1,754</b>	<b>2,014</b>	<b>254</b>	<b>290</b>	<b>27</b>	<b>(183)</b>	<b>7,857</b>
Depreciation, amortization and impairment losses .....	1,220	854	642	103	126	25	12	2,982
<b>Operating income .....</b>	<b>2,481</b>	<b>900</b>	<b>1,372</b>	<b>151</b>	<b>164</b>	<b>2</b>	<b>(195)</b>	<b>4,875</b>
<b>Capital expenditure<sup>(3)</sup> .....</b>	<b>986</b>	<b>528</b>	<b>836</b>	<b>138</b>	<b>583</b>	<b>7</b>	<b>36</b>	<b>3,114</b>

Notes:

- (1) Segment revenue and other income includes both revenue from third parties and revenue flows between the segments. An analogous approach was taken for other income and costs for the period
- (2) The following table provides a reconciliation of Gross operating margin for the period indicated:

Six months ended 30 June 2018

	Italy	Iberia	South America	Europe and Euro-Mediterranean Affairs	North and Central America	Africa, Asia and Oceania	Other, eliminations and adjustments	Total
<i>€'000 m</i>								
Operating income .....	2,481	900	1,372	151	164	2	(195)	4,875



Six months ended 30 June 2018

	Italy	Iberia	South America	Europe and Euro-Mediterranean Affairs	North and Central America	Africa, Asia and Oceania	Other, eliminations and adjustments	Total
	<i>€'000 m</i>							
add back:.....								
Depreciation, amortization and impairment losses .....	1,220	854	642	103	126	25	12	2,982
<b>Gross operating margin (or EBITDA) ..</b>	<b>3,701</b>	<b>1,754</b>	<b>2,014</b>	<b>254</b>	<b>290</b>	<b>27</b>	<b>(183)</b>	<b>7,857</b>

(3) The following table provides a reconciliation of Capital expenditure for the period indicated:

	Italy	Iberia	South America	Europe and Euro-Mediterranean Affairs	North and Central America	Africa, Asia and Oceania	Other, eliminations and adjustments	Total
	<i>€'000 m</i>							
Increases from new investments of the period in Property, Plant and Equipment .....	837	457	542	132	572	7	8	2,555
Increases from new investments of the period in Intangible Assets .....	149	71	294	6	11	—	28	559
<b>Capital expenditure ....</b>	<b>986</b>	<b>528</b>	<b>836</b>	<b>138</b>	<b>583</b>	<b>7</b>	<b>36</b>	<b>3,114</b>

Year ended 31 December 2018<sup>(1)</sup>

	Italy	Iberia	South America	Europe and Euro-Mediterranean Affairs	North and Central America	Africa, Asia and Oceania	Other, eliminations and adjustments	Total
	<i>€'000 m</i>							
Revenue and other income from third parties .....	37,411	19,413	14,687	2,349	1,438	100	274	75,672
Revenue and other income from transactions with other segments .....	987	79	55	12	-	1	(1,134)	-
<b>Total revenue and other income.....</b>	<b>38,398</b>	<b>19,492</b>	<b>14,742</b>	<b>2,361</b>	<b>1,438</b>	<b>101</b>	<b>(860)</b>	<b>75,672</b>
Net income/(expense) from commodity contracts measured at fair value.....	410	64	2	(1)	8	-	-	483
<b>Gross operating margin<sup>(2)</sup>.....</b>	<b>7,304</b>	<b>3,558</b>	<b>4,370</b>	<b>516</b>	<b>708</b>	<b>54</b>	<b>(159)</b>	<b>16,351</b>
Depreciation, amortization and impairment losses .....	2,806	1,834	1,394	96	254	44	23	6,451
<b>Operating income .....</b>	<b>4,498</b>	<b>1,724</b>	<b>2,976</b>	<b>420</b>	<b>454</b>	<b>10</b>	<b>(182)</b>	<b>9,900</b>
<b>Capital expenditure<sup>(3)</sup> .....</b>	<b>2,479</b>	<b>1,433</b>	<b>2,246</b>	<b>390</b>	<b>1,373</b>	<b>142</b>	<b>89</b>	<b>8,152</b>

Notes:

- (1) Segment revenue and other income includes both revenue from third parties and revenue flows between the segments. An analogous approach was taken for other income and costs for the period.
- (2) The following table provides a reconciliation of Gross operating margin for the period indicated:

Year ended 31 December 2018

	Italy	Iberia	South America	Europe and Euro-Mediterranean Affairs	North and Central America	Africa, Asia and Oceania	Other, eliminations and adjustments	Total
	<i>€'000 m</i>							
Operating income .....								

Year ended 31 December 2018

	Italy	Iberia	South America	Europe and Euro-Mediterranean Affairs	North and Central America	Africa, Asia and Oceania	Other, eliminations and adjustments	Total
<i>€'000 m</i>								
add back:.....	4,498	1,724	2,976	420	454	10	(182)	9,900
Depreciation, amortization and impairment losses .....	2,806	1,834	1,394	96	254	44	23	6,451
<b>Gross operating margin (or EBITDA) ..</b>	<b>7,304</b>	<b>3,558</b>	<b>4,370</b>	<b>516</b>	<b>708</b>	<b>54</b>	<b>(159)</b>	<b>16,351</b>

(3) The following table provides a reconciliation of Capital expenditure for the period indicated:

Year ended 31 December 2018

	Italy	Iberia	South America	Europe and Euro-Mediterranean Affairs	North and Central America	Africa, Asia and Oceania	Other, eliminations and adjustments	Total
<i>€'000 m</i>								
Increases from new investments of the period in Property, Plant and Equipment .....	2,007	1,201	1,435	370	1,344	142	31	6,530
Increases from new investments of the period in Intangible Assets .....	472	232	540	20	29	-	58	1,351
Increases from the new investments of the period in Contract Assets	-	-	271	-	-	-	-	271
<b>Capital expenditure ....</b>	<b>2,479</b>	<b>1,433</b>	<b>2,246</b>	<b>390</b>	<b>1,373</b>	<b>142</b>	<b>89</b>	<b>8,152</b>

Year ended 31 December 2017<sup>(1)</sup>

	Italy	Iberia	South America	Europe and Euro-Mediterranean Affairs	North and Central America	Africa, Asia and Oceania	Other, eliminations and adjustments	Total
<i>€'000 m</i>								
Revenue and other income from third parties .....	37,900	19,940	13,126	2,374	1,185	96	18	74,639
Revenue and other income from transactions with other segments .....	881	54	28	37	2	—	(1,002)	—
<b>Total revenue and other income.....</b>	<b>38,781</b>	<b>19,994</b>	<b>13,154</b>	<b>2,411</b>	<b>1,187</b>	<b>96</b>	<b>(984)</b>	<b>74,639</b>
Net income/(expense) from commodity contracts measured at fair value.....	537	13	26	—	2	—	—	578
<b>Gross operating margin<sup>(2)</sup>.....</b>	<b>6,863</b>	<b>3,573</b>	<b>4,204</b>	<b>543</b>	<b>759</b>	<b>57</b>	<b>(346)</b>	<b>15,653</b>
Depreciation, amortization and impairment losses .....	2,393	1,731	1,234	237	206	42	18	5,861
<b>Operating income .....</b>	<b>4,470</b>	<b>1,842</b>	<b>2,970</b>	<b>306</b>	<b>553</b>	<b>15</b>	<b>(364)</b>	<b>9,792</b>
<b>Capital expenditure<sup>(3)</sup> .</b>	<b>1,812</b>	<b>1,105</b>	<b>3,002</b>	<b>307</b>	<b>1,802</b>	<b>30</b>	<b>72</b>	<b>8,130</b>

Notes:

- (1) Segment revenue and other income includes both revenue from third parties and revenue flows between the segments. An analogous approach was taken for other income and costs for the period.
- (2) The following table provides a reconciliation of Gross operating margin for the period indicated:

Year ended 31 December 2017

	Italy	Iberia	South America	Europe and Euro-Mediterranean Affairs	North and Central America	Africa, Asia and Oceania	Other, eliminations and adjustments	Total
	<i>€'000 m</i>							
Operating income .....	4,470	1,842	2,970	306	553	15	(364)	9,792
add back:.....								
Depreciation, amortization and impairment losses .....	2,393	1,731	1,234	237	206	42	18	5,861
<b>Gross operating margin (or EBITDA) ..</b>	<b>6,863</b>	<b>3,573</b>	<b>4,204</b>	<b>543</b>	<b>759</b>	<b>57</b>	<b>(346)</b>	<b>15,653</b>

(3) The following table provides a reconciliation of Capital expenditure for the period indicated:

Year ended 31 December 2017

	Italy	Iberia	South America	Europe and Euro-Mediterranean Affairs	North and Central America	Africa, Asia and Oceania	Other, eliminations and adjustments	Total
	<i>€'000 m</i>							
Increases from new investments of the period in Property, Plant and Equipment .....	1,499	972	2,205	296	1,811	26	48	6,857
Increases from new investments of the period in Intangible Assets .....	313	133	797	11	(9)	4	24	1,273
<b>Capital expenditure ....</b>	<b>1,812</b>	<b>1,105</b>	<b>3,002</b>	<b>307</b>	<b>1,802</b>	<b>30</b>	<b>72</b>	<b>8,130</b>

## Principal Activities and Results by Regions/Countries – Global Business Divisions

### Organisational Chart

The following organisational chart lists the principal legal entities operating in the ENEL Group's geographical areas established in accordance with the New Organisational Structure as of 30 June 2019.

ENEL is the holding company of the ENEL Group and therefore is dependent upon the business carried out by each of the entities within the ENEL Group.

<b>Italy</b>	<b>Iberia</b>	<b>South America</b>
e-distribuzione (formerly ENEL Distribuzione)	Endesa Group	ENEL Americas
ENEL Energia	Enel Green Power España SL	Enel Chile
ENEL Produzione	ENDESA X	Eletropaulo Metropolitana Eletricidade De Sao Paulo S.A.
Enel Green Power S.p.A.		Enel Green Power Chile Ltda
Servizio Elettrico Nazionale		
ENEL Global Trading S.p.A.		
ENEL X Italia S.p.A.		
ENEL X Mobility		
Nuove Energie		
<b>Europe and Euro-Mediterranean Affairs</b>	<b>North and Central America</b>	<b>Africa, Asia and Oceania</b>
ENEL Distributie Banat	Enel Green Power North America Inc.	Enel Green Power Rsa (PTY) Ltd
ENEL Distributie Dobrogea	Enel Green Power Mexico Srl De Cv	BLP Energy Private Limited
	ENEL X North America	
ENEL Distributie Muntenia		
ENEL Energie		
ENEL Energie Muntenia		
ENEL Russia		
ENEL Romania		
ENEL Servicii Comune		
EGP Romania		
EGP Hellas		
LLC Azovskaya VES		
LLC Windlife Cola Vetro		
<b>Other</b>		
ENEL S.p.A.		
ENEL Finance International		
Enel X s.r.l.		

In addition to ENEL, further 14 companies of the ENEL Group have their shares listed on the stock exchanges of Spain, Argentina, Brazil, Chile, Peru, Russia and the United States.

Following the adoption from 30 September 2019 of the new primary sector (business area) and secondary sector (geographical area), the principal legal entities operating in the ENEL Group's business areas should be presented as follows:

**Thermal Generation and Trading**

ENEL Produzione  
 Endesa Generacion SA  
 ENEL Global Trading S.p.A.  
 Nuove Energie  
 ENEL Russia  
 Enel Generacion Chile  
 Emgesa  
 Enel Generacion Perù  
 Piura  
 Chinango  
 Enel Generacion Costanera  
 Enel Generacion El Chocon  
 Dock Sud  
 Fortaleza  
 Gesa  
 Unelco

**Enel Green Power**

Enel Green Power S.p.A.  
 Enel Green Power Chile Ltda  
 Enel Green Power España SL  
 Enel Green Power North America Inc.  
 Enel Green Power Mexico Srl De Cv  
 EGP Romania  
 EGP Cachoeira Dourada  
 BLP Energy Private Limited  
 EGP Brasile  
 EGP Perù  
 EGP Hellas  
 Enel Green Power Rsa (PTY) Ltd  
 LLC Windlife Cola Vetro  
 LLC Azovskaya VES

**Infrastructure and Networks**

e-distribuzione (formerly ENEL Distribuzione)  
 Eletropaulo Metropolitana Eletricidade De Sao Paulo S.A.  
 ENEL Distributie Muntenia  
 ENEL Distributie Dobrogea  
 Endesa Distribucion Electrica SA  
 CELG-D  
 Enel Distribucion Chile  
 Ampla  
 Coelce  
 Codensa  
 Enel Distribucion Perù  
 EDESUR

**End-user markets**

ENEL Energia  
 Servizio Elettrico Nazionale  
 ENEL Energie  
 ENEL Energie Muntenia  
 Endesa Energia  
 Endesa Energia XXI

**Enel X**

Enel X s.r.l.  
 ENEL X Italia S.p.A.  
 ENEL X North America  
 ENDESA X  
 ENEL X Mobility

**Service and Other**

ENEL S.p.A.  
 ENDESA SA  
 ENEL Americas  
 Enel Chile  
 ENEL ROMANIA

**Italy – Operations**

Following the adoption of the New Organisational Structure by the ENEL Group, the operating companies included in the Country "Italy" are mainly: (i) e-Distribuzione S.p.A., a joint stock company active in electricity distribution; (ii) ENEL Energia S.p.A. and Servizio Elettrico Nazionale S.p.A., joint stock companies active in electricity sales; (iii) ENEL Produzione, a joint stock company active in power generation (iv) ENEL Global Trading S.p.A., a joint stock company active in electricity and gas trading and wholesale; (v) Enel Italia S.r.l. a joint stock company and a limited liability company respectively, active in

supporting services, engineering and development activities for the Group companies; and (vi) Enel X Italia S.p.A. and ENEL X Mobility, startup companies with the infrastructure and expertise of a global innovator to help businesses and communities create, store, use, and share energy more efficiently, sustainably and strategically.

### ***Net electricity generation***

The ENEL Group, through the operation of its divisions, is the primary electricity producer in Italy.

The following table sets forth the net electricity production of the Country “Italy” for the six months ended 30 June 2019 and 30 June 2018.

	<b>Six months ended 30 June</b>			
	<b>2019</b>	<b>2018</b>	<b>Change</b>	
	<i>Millions of kWh (except %)</i>			
Thermal .....	10,980	12,815	(1,835)	-14.3%
Hydroelectric .....	8,189	10,183	(1,994)	-19.6%
Other resources .....	3,605	3,646	(41)	-1.12%
<b>Total net generation.....</b>	<b>22,774</b>	<b>26,644</b>	<b>(3,870)</b>	<b>-14.5%</b>

The following table sets forth the net electricity production of the Country “Italy” for the year ended 31 December 2018 and 31 December 2017.

	<b>Year ended 30 December</b>			
	<b>2018</b>	<b>2017</b>	<b>Change</b>	
	<i>Millions of kWh (except %)</i>			
Thermal .....	27,757	32,421	(4,664)	-14.4%
Hydroelectric .....	18,395	14,025	4,370	31.2%
Other resources .....	7,080	7,072	8	0.1%
<b>Total net generation.....</b>	<b>53,232</b>	<b>53,518</b>	<b>(286)</b>	<b>-0.5%</b>

### ***Transport of electricity***

The ENEL Group is the main distributor of electricity in Italy (with 108,537 millions of kWh of electricity transported in the six months ended 30 June 2019, 227,660 millions of kWh in 2018 and 228,461 millions of kWh of electricity transported in 2017) and owns the main distribution network (extending 1,153,323 kilometres as of 31 December 2018).

The following table sets forth the volume of electricity transported through the network of the Country “Italy” for the six months ended 30 June 2019 and 30 June 2018.

	<b>Six months ended 30 June</b>			
	<b>2019</b>	<b>2018</b>	<b>Change</b>	
	<i>Millions of kWh (except %)</i>			
Electricity transported on ENEL’s	108,537	111,471	(2,934)	-2.6%



	Six months ended 30 June		Change
	2019	2018	
	<i>Millions of kWh (except %)</i>		

distribution network<sup>(1)</sup>.....

Note:

(1) The figure for 2018 takes account of a more accurate calculation of quantities transported

The following table sets forth the volume of electricity transported through the network of the Country “Italy” for the years ended 31 December 2018 and 31 December 2017.

	Year ended 31 December		Change
	2018	2017	
	<i>Millions of kWh (except %)</i>		
Electricity transported on ENEL’s distribution network <sup>(1)</sup> .....	227,660	228,461	(801) -0.4%

Note:

(1) The figure for 2017 takes account of a more accurate calculation of quantities transported.

### **Electricity Sales**

Since 1 July 2007, in applying Legislative Decree No. 73/07, as subsequently converted into law by Law No. 215 of 3 August 2007, the Italian energy market has been deregulated and all end users can choose their supplier on the unregulated market.

Within the framework of deregulation, Legislative Decree No. 73/07 introduced certain alternative electricity supply services: (i) the Universal Service, with contractual conditions and rates established by the Authority for Electricity and Gas (the “**Authority**”), limited to residential customers and small business clients, which are supplied at a low voltage and which have not chosen their supplier on the unregulated market or were left deprived of a supply service; and (ii) the Last-Resort Service, providing predetermined rates to certain medium- and large-sized clients. For further details, see “*Regulation*” below.

The following table sets forth the electricity sales for the Country “Italy” on the free market, the regulated market and in total for the six months ended 30 June 2019 and 30 June 2018.

	Six months ended 30 June		Change
	2019	2018	
	<i>Millions of kWh (except %)</i>		
<b>Free market:</b>			
business to consumer .....	7,014	6,440	574 8.9%
business to business .....	22,718	24,105	(1,387) -5.8%

<b>Six months ended 30 June</b>				
	<b>2019</b>	<b>2018</b>	<b>Change</b>	
	<i>Millions of kWh (except %)</i>			
safeguard market customers.....	361	1,095	(734)	-67.1%
<b>Total free market .....</b>	<b>30,093</b>	<b>31,640</b>	<b>(1,547)</b>	<b>-4.9%</b>
<b>Regulated market:</b>				
enhanced protection market customers ....	17,588	19,976	(2,388)	-12.0%
<b>Total .....</b>	<b>47,681</b>	<b>51,616</b>	<b>(3,935)</b>	<b>-7.6%</b>

The following table sets forth the electricity sales for the Country “Italy” on the free market, the regulated market and in total for the years ended 31 December 2018 and 31 December 2017.

<b>Year ended 31 December</b>				
	<b>2018</b>	<b>2017</b>	<b>Change</b>	
	<i>Millions of kWh (except %)</i>			
<b>Free market:</b>				
- business to consumer.....	13,331	12,475	856	6.9%
- business to business.....	49,141	44,735	4,406	9.8%
- safeguard market customers .....	2,028	2,052	(24)	-1.2%
<b>Total free market .....</b>	<b>64,500</b>	<b>59,262</b>	<b>5,238</b>	<b>8.8%</b>
<b>Regulated market:</b>				
- enhanced protection market customers.....	39,818	43,958	(4,140)	-9.4%
<b>Total .....</b>	<b>104,318</b>	<b>103,220</b>	<b>1,098</b>	<b>1.1%</b>

The ongoing process of liberalisation in the electricity market, started in 2007, has affected the composition of clients served by the ENEL Group in Italy. Specifically, there has been a reduction in the number of clients on the Universal Service and Last-Resort Service markets, while the number of clients on the unregulated market has increased, mainly due to the migration of mass-market clients (including residential customers and small business clients) to the unregulated market after 1 July 2007 (the date on which all clients became Eligible Clients).

### **Gas Sales**

The following table sets forth the volume of gas sold in the Country “Italy” for the six months ended 30 June 2019 and 30 June 2018.

<b>Six months ended 30 June</b>				
	<b>2019</b>	<b>2018</b>	<b>Change</b>	
	<i>Millions of kWh (except %)</i>			
business to consumer .....	1,910	1,906	4	0.2%
business to business .....	1,035	1,027	8	0.8%

	Six months ended 30 June		Change	
	2019	2018		
	<i>Millions of kWh (except %)</i>			
<b>Total</b> .....	<b>2,945</b>	<b>2,933</b>	<b>12</b>	<b>0.4%</b>

The following table sets forth the volume of gas sold in the Country “Italy” for the years ended 31 December 2018 and 31 December 2017.

	Year ended 31 December		Change	
	2018	2017		
	<i>Millions of kWh (except %)</i>			
business to consumer .....	2,947	2,910	37	1.3%
business to business .....	1,814	1,901	(87)	-4.6%
<b>Total</b> .....	<b>4,761</b>	<b>4,811</b>	<b>(50)</b>	<b>-1.0%</b>

### **Italy – Performance**

The following table sets forth the Country “Italy” revenue and other income, operating income, operating margin and capital expenditures for the six months ended 30 June 2019 and 30 June 2018.

	Six months ended 30 June		Change	
	2019	2018		
	<i>€'000 m (except %)</i>			
Revenue and other income.....	19,457	18,375	1,082	5.9%
Gross operating margin.....	3,863	3,701	162	4.4%
Operating income .....	2,706	2,481	225	9.1%
Capital expenditure.....	1,172	986	186	18.9%

The following table sets forth the Country “Italy” revenue and other income, operating income, operating margin and capital expenditures for the years ended 31 December 2018 and 31 December 2017.

	Year ended 31 December		Change	
	2018	2017		
	<i>€'000 m (except %)</i>			
Revenue and other income.....	38,398	38,781	(383)	-1.0%
Gross operating margin.....	7,304	6,863	441	6.4%
Operating income .....	4,498	4,470	28	0.6%
Capital expenditure.....	2,479	1,812	667	36.8%

The following table sets forth the revenue and other income generated by each of the business lines comprising the Country “Italy” for the six months ended 30 June 2019 and 30 June 2018.

	<b>Six months ended 30 June</b>			
	<b>2019</b>	<b>2018</b>	<b>Change</b>	
	<i>€'000 m (except %)</i>			
Generation and Trading .....	10,310	8,880	1,430	16.1%
Infrastructure and Networks .....	3,680	3,813	(133)	-3.5%
Enel Green Power .....	957	1,059	(102)	-9.6%
End-user markets .....	8,222	8,100	122	1.5%
Enel X .....	128	89	39	43.8%
Services .....	620	626	(6)	-1.0%
Eliminations and adjustments .....	(4,460)	(4,192)	(268)	-6.4%
<b>Total .....</b>	<b>19,457</b>	<b>18,375</b>	<b>1,082</b>	<b>5.9%</b>

The following table sets forth the revenue and other income generated by each of the business lines comprising the Country “Italy” for the years ended 31 December 2018 and 31 December 2017.

	<b>Year ended 31 December</b>			
	<b>2018</b>	<b>2017</b>	<b>Change</b>	
	<i>€'000 m (except %)</i>			
Generation and Trading .....	19,044	19,919	(875)	-4.4%
Infrastructure and Networks .....	7,672	7,584	88	1.2%
Enel Green Power .....	2,084	1,822	262	14.4%
End-user markets .....	16,367	16,256	111	0.7%
Enel X .....	247	-	247	-
Services .....	1,388	1,314	74	5.6%
Eliminations and adjustments .....	(8,404)	(8,114)	(290)	-3.6%
<b>Total .....</b>	<b>38,398</b>	<b>38,781</b>	<b>(383)</b>	<b>-1.0%</b>

### **Iberia – Operations**

The activities carried out in the Region “Iberia” focus on developing ENEL’s presence and coordinating its operations in the electricity and gas markets of the Spain and Portugal, including formulating growth strategies in the related regional markets.

Following the adoption of the New Organisational Structure by the Group, the main companies included in the Region “Iberia” are: (i) Endesa Energia and Endesa Energia XXI, which are both active in electricity sales; (ii) Endesa Generacion, Gesa, Unelco and Endesa Generacion Portugal, each of which is active in power generation; (iii) Endesa Distribucion which is active in electricity distribution; and (iv) ENDESA X that provides value added services and is active in the public lighting business.

### ***Net electricity generation***

The following table sets forth the net electricity production for the Region “Iberia” for the six months ended 30 June 2019 and 30 June 2018.

	Six months ended 30 June		Change	
	2019	2018		
	<i>Millions of kWh (except %)</i>			
Thermal .....	12,241	15,777	(3,536)	-22.4%
Nuclear .....	13,212	11,769	1,443	12.3%
Hydroelectric .....	2,831	5,289	(2,458)	-46.5%
Wind .....	2,059	2,020	39	1.9%
Other sources .....	14	13	1	7.7%
<b>Total net generation.....</b>	<b>30,357</b>	<b>34,868</b>	<b>(4,511)</b>	<b>-12.9%</b>

The following table sets forth the net electricity production for the Region “Iberia” for the years ended 31 December 2018 and 31 December 2017.

	Year ended 31 December		Change	
	2018	2017		
	<i>Millions of kWh (except %)</i>			
Thermal .....	37,954	43,754	(5,800)	-13.3%
Nuclear .....	24,067	26,448	(2,381)	-9.0%
Hydroelectric .....	8,459	5,038	3,421	67.9%
Wind .....	3,688	3,351	337	10.1%
Other sources .....	25	27	(2)	-7.4%
<b>Total net generation.....</b>	<b>74,193</b>	<b>78,618</b>	<b>(4,425)</b>	<b>-5.6%</b>

### ***Transport of electricity***

The following table sets forth the volume of electricity transported through the network of the Region “Iberia” for the six months ended 30 June 2019 and 30 June 2018.

	Six months ended 30 June		Change	
	2019	2018		
	<i>Millions of kWh (except %)</i>			
Electricity transported on ENEL’s distribution network <sup>(1)</sup> .....	62,301	62,113	187	0.3%

Note:

(1) The figure for 2018 takes account of a more accurate calculation of quantities transported

The following table sets forth the volume of electricity transported through the network of the Region “Iberia” for the years ended 31 December 2018 and 31 December 2017.

	Year ended 31 December		Change	
	2018	2017		
	<i>Millions of kWh (except %)</i>			
Electricity transported on ENEL’s distribution network <sup>(1)</sup> .....	124,714	126,360	(1,646)	-1.3%

Note:

(1) The figure for 2017 takes account of a more accurate calculation of quantities transported

### **Electricity Sales**

The ENEL Group in the Region “Iberia” offers its medium and large-sized business clients a wide variety of electricity contracts with fixed or variable prices, and similarly offers its residential and small business clients numerous different tariff plans.

The following table sets forth the electricity sales of the Region “Iberia” in total for the six months ended 30 June 2019 and 30 June 2018.

	Six months ended 30 June		Change	
	2019	2018		
	<i>Millions of kWh (except %)</i>			
Electricity sold.....	43,134	44,584	(1,450)	-3.4%

The following table sets forth the electricity sales of the Region “Iberia” in total for the years ended 31 December 2018 and 31 December 2017.

	Year ended 31 December		Change	
	2018	2017		
	<i>Millions of kWh (except %)</i>			
Electricity sold.....	89,639	96,513	(6,874)	-7.7%

### **Iberia – Performance**

The following table sets forth the Region “Iberia” revenue and other income, operating income, operating margin and capital expenditures for the six months ended 30 June 2019 and 30 June 2018.

	Six months ended 30 June		Change	
	2019	2018		
	<i>€'000 m (except %)</i>			
Revenue and other income.....	9,634	9,694	(60)	-0.6%

	Six months ended 30 June		Change	
	2019	2018		
	<i>€'000 m (except %)</i>			
Gross operating margin.....	1,857	1,754	103	5.9%
Operating income .....	956	900	56	6.2%
Capital expenditure.....	918	528	390	73.9%

The following table sets forth the Region “Iberia” revenue and other income, operating income, operating margin and capital expenditures for the years ended 31 December 2018 and 31 December 2017.

	Year ended 31 December		Change	
	2018	2017		
	<i>€'000 m (except %)</i>			
Revenue .....	19,492	19,994	(502)	-2.5%
Gross operating margin.....	3,558	3,573	(15)	-0.4%
Operating income .....	1,724	1,842	(118)	-6.4%
Capital expenditure.....	1,433	1,105	328	29.7%

The following table sets forth the revenue and other income generated by each of the business lines comprising the Region “Iberia” for the six months ended 30 June 2019 and 30 June 2018.

	Six months ended 30 June		Change	
	2019	2018		
	<i>€'000 m (except %)</i>			
Generation and Trading .....	2,851	2,758	93	3.4%
Infrastructure and Networks .....	1,310	1,337	(27)	-2.0%
Enel Green Power .....	329	388	(59)	-15.2%
End-user markets .....	7,244	7,412	(168)	-2.3%
Enel X.....	122	104	18	17.3%
Services .....	263	242	21	8.7%
Eliminations and adjustments .....	(2,485)	(2,547)	62	2.4%
<b>Total.....</b>	<b>9,634</b>	<b>9,694</b>	<b>(60)</b>	<b>-0.6%</b>

The following table sets forth the revenue and other income generated by each of the business lines comprising the Region “Iberia” for the years ended 31 December 2018 and 31 December 2017.

	Year ended 31 December		Change	
	2018	2017		
	<i>€'000 m (except %)</i>			
Generation and Trading .....	6,319	6,233	86	1.4%
Infrastructure and Networks .....	2,671	2,786	(115)	-4.1%
Enel Green Power .....	716	497	219	44.1%
End-user markets .....	14,920	15,798	(878)	-5.6%
Enel X .....	247	-	247	-
Services .....	514	475	39	8.2%
Eliminations and adjustments .....	(5,895)	(5,795)	(100)	1.7%
<b>Total</b>	<b>19,492</b>	<b>19,994</b>	<b>(502)</b>	<b>-2.5%</b>

### South America – Operations

The other segment resulting from the separation of the “Iberia and South America” division in accordance with the New Organisational Structure is the Region “South America”.

The activities carried out in the Region “South America” focus on developing ENEL’s presence and coordinating its operations in the electricity and gas markets of South America (in particular, in Chile, Colombia, Brasil, Argentina and Peru) and Central America, including formulating growth strategies in the related regional markets.

Following the adoption of the New Organisational Structure by the Group, the countries included in the Region “South America” are mainly: (i) Chile; (ii) Argentina; (iii) Brazil; (iv) Peru; and (v) Colombia.

### Net electricity generation

The following table sets forth the net electricity generation for the Region “South America” for the six months ended 30 June 2019 and 30 June 2018.

	Six months ended 30 June		Change	
	2019	2018		
	<i>Millions of kWh (except %)</i>			
Thermal .....	11,780	12,588	(808)	-6.4%
Hydroelectric .....	17,127	16,437	690	4.2%
Wind .....	2,816	2,663	153	5.7%
Other resources .....	1,519	1,451	68	4.7%
Total net generation .....	33,242	33,139	103	0.3%
- of which Argentina .....	6,002	7,295	(1,293)	-17.7%
- of which Brazil .....	4,888	4,498	390	8.7%
- of which Chile .....	10,474	10,101	373	3.7%
- of which Colombia .....	7,263	6,732	531	7.9%



	Six months ended 30 June		Change	
	2019	2018		
	<i>Millions of kWh (except %)</i>			
- of which Peru.....	4,615	4,444	171	3.8%
-of which other countries .....	-	69	(69)	-

The following table sets forth the net electricity generation for the Region “South America” for the years ended 31 December 2018 and 31 December 2017.

	Year ended 31 December		Change	
	2018	2017		
	<i>Millions of kWh (except %)</i>			
Thermal .....	22,441	25,727	(3,286)	-12.8%
Hydroelectric .....	36,135	33,597	2,538	7.6%
Wind .....	6,138	3,661	2,477	67.7%
Other resources .....	3,183	1,642	1,541	93.8%
Total net generation .....	67,897	64,627	3,270	5.1%
- of which Argentina .....	13,949	14,825	(876)	-5.9%
- of which Brazil .....	9,840	7,161	2,679	37.4%
- of which Chile .....	20,885	20,231	654	3.2%
- of which Colombia .....	14,054	14,766	(712)	-4.8%
- of which Peru.....	8,999	7,493	1,506	20.1%
-of which other countries .....	170	151	19	12.6%

### ***Transport of electricity***

The following table sets forth the volume of electricity transported through the network of the Region “South America” for the six months ended 30 June 2019 and 30 June 2018.

	Six months ended 30 June		Change	
	2019	2018		
	<i>Millions of kWh (except %)</i>			
Electricity transported on ENEL’s distribution network.....	68,107	49,435	18,672	37.8%
- of which Argentina .....	8,258	9,042	(784)	-8.7%
- of which Brazil .....	40,388	21,343	19,045	89.2%
- of which Chile .....	8,244	8,130	114	1.4%
- of which Colombia .....	7,039	6,880	159	2.3%
- of which Peru.....	4,178	4,040	138	3.4%

The following table sets forth the volume of electricity transported through the network of the Region “South America” for the years ended 31 December 2018 and 31 December 2017.

	Year ended 31 December		Change	
	2018	2017		
	<i>Millions of kWh (except %)</i>			
Electricity transported on ENEL’s distribution network <sup>(1)</sup> .....	117,412	90,655	26,757	29.5%
- of which Argentina.....	17,548	17,737	(189)	-1.1%
- of which Brazil.....	61,310	34,876	26,434	75.8%
- of which Chile.....	16,485	16,318	167	1.0%
- of which Colombia.....	14,024	13,790	234	1.7%
- of which Peru.....	8,045	7,934	111	1.4%

Note:

(1) The figure for 2017 reflects a more accurate measurement of quantities transported

### Electricity Sales

The ENEL Group in the Region “South America” offers its medium-sized and large-sized business clients a wide variety of electricity contracts with fixed or variable prices and similarly offers its residential and small business clients numerous different tariff plans.

The following table sets forth the electricity sales of the Region “South America” in total for the six months ended 30 June 2019 and 30 June 2018.

	Six months ended 30 June		Change	
	2019	2018		
	<i>Millions of kWh (except %)</i>			
Electricity sold.....	53,167	38,877	14,290	36.8%
- of which Argentina.....	6,769	7,550	(781)	-10.3%
- of which Brazil.....	32,122	17,034	15,088	88.6%
- of which Chile.....	6,226	6,447	(221)	-3.4%
- of which Colombia.....	4,539	4,392	147	3.3%
- of which Peru.....	3,511	3,454	57	1.7%

The following table sets forth the electricity sales of the Region “South America” in total for the years ended 31 December 2018 and 31 December 2017.

	Year ended 31 December		Change	
	2018	2017		
	<i>Millions of kWh (except %)</i>			
Electricity sold.....	91,075	74,672	16,403	22.0%

	Year ended 31 December		Change	
	2018	2017		
	<i>Millions of kWh (except %)</i>			
- of which Argentina .....	14,515	14,877	(362)	-2.4%
- of which Brazil .....	48,061	30,497	17,564	57.6%
- of which Chile .....	12,808	13,232	(424)	-3.2%
- of which Colombia .....	8,884	9,389	(505)	-5.4%
- of which Peru.....	6,807	6,677	130	1.9%

### South America – Performance

The following table sets forth the Region “South America” revenue and other income, operating income, operating margin and capital expenditures for the six months ended 30 June 2019 and 30 June 2018.

	Six months ended 30 June		Change	
	2019	2018		
	<i>€'000 m (except %)</i>			
Revenue and other income.....	8,379	6,593	1,786	27.1%
Gross operating margin.....	2,657	2,014	643	31.9%
Operating income .....	1,466	1,372	94	6.9%
Capital expenditure.....	969	836	133	15.9%

The following table sets forth the Region “South America” revenue and other income, operating income, operating margin and capital expenditures for the years ended 31 December 2018 and 31 December 2017.

	Year ended 31 December		Change	
	2018	2017		
	<i>€'000 m (except %)</i>			
Revenue and other income.....	14,742	13,154	1,588	12.1%
Gross operating margin.....	4,370	4,204	166	3.9%
Operating income .....	2,976	2,970	6	0.2%
Capital expenditure.....	2,246	3,002	(756)	-25.2%

The following table sets forth the revenue and other income generated by each of the countries included in the Region “South America” for the six months ended 30 June 2019 and 30 June 2018.

	Six months ended 30 June		Change	
	2019	2018		
	<i>€'000 m (except %)</i>			
Argentina .....	981	796	185	23.2%

	<b>Six months ended 30 June</b>			
	<b>2019</b>	<b>2018</b>	<b>Change</b>	
	<i>€'000 m (except %)</i>			
Brazil .....	3,796	2,535	1,261	49.7%
Chile .....	1,861	1,540	321	20.8%
Colombia .....	1,115	1,096	19	1.7%
Peru.....	626	621	5	0.8%
Other countries .....	-	5	(5)	-
Total.....	8,379	6,593	1,786	27.1%

The following table sets forth the revenue and other income generated by each of the countries included in the Region “South America” for the years ended 31 December 2018 and 31 December 2017.

	<b>Year ended 31 December</b>			
	<b>2018</b>	<b>2017</b>	<b>Change</b>	
	<i>€'000 m (except %)</i>			
Argentina .....	1,323	1,393	(70)	-5.0%
Brazil .....	6,592	4,763	1,829	38.4%
Chile .....	3,255	3,667	(412)	-11.2%
Colombia .....	2,261	2,116	145	6.9%
Peru.....	1,300	1,202	98	8.2%
Other countries .....	11	13	(2)	-15.4%
Total.....	14,742	13,154	1,588	12.1%

### **Europe and Euro-Mediterranean Affairs – Operations**

Following the adoption of the New Organisational Structure by the Group, the countries included in the Region “Europe and Euro-Mediterranean Affairs” are mainly: (i) Romania, where the ENEL Group is active in electricity distribution, renewable generation, sales and support activities through its subsidiaries, ENEL Distributie Banat S.A., ENEL Distributie Dobrogea S.A., ENEL Energie, ENEL Distributie Muntenia S.A., ENEL Energie Muntenia S.A., EGP Romania, ENEL Romania S.R.L. and ENEL Servicii Comune S.A.; and (ii) Russia, where the ENEL Group is active in electricity sales and trading through its subsidiary, RusEnergSbyt, in power generation and sales through its subsidiary ENEL Russia and in renewable generation with EGP Rus, LLC Azovskaya VES and LLC Windlife Cola Vetro.

### **Net electricity generation**

The following table sets forth the net electricity production for the Region “Europe and Euro-Mediterranean Affairs” for the six months ended 30 June 2019 and 30 June 2018.

	Six months ended 30 June		Change	
	2019	2018		
	<i>Millions of kWh (except %)</i>			
Thermal .....	17,610	17,998	(388)	-2.2%
Hydroelectric .....	31	26	5	19.2%
Wind .....	891	900	(9)	-1.0%
Other resources .....	81	81	-	-
Total net generation .....	18,613	19,005	(392)	-2.1%
- of which Russia .....	17,610	17,998	(388)	-2.2%
-of which other countries .....	1,003	1,007	(4)	-0.4%

The following table sets forth the net electricity production for the Region “Europe and Euro-Mediterranean Affairs” for the years ended 31 December 2018 and 31 December 2017.

	Year ended 31 December		Change	
	2018	2017		
	<i>Millions of kWh (except %)</i>			
Thermal .....	39,181	39,830	(649)	-1.6%
Hydroelectric .....	32	22	10	45.5%
Wind .....	1,700	1,814	(114)	-6.3%
Other resources .....	163	173	(10)	-5.8%
Total net generation .....	41,076	41,839	(763)	-1.8%
- of which Russia .....	39,182	39,830	(648)	-1.6%
-of which other countries .....	1,894	2,009	(115)	-5.7%

### ***Transport of electricity***

The following table sets forth the volume of electricity transported through the network of the Region “Europe and Euro-Mediterranean Affairs” for the six months ended 30 June 2019 and 30 June 2018.

	Six months ended 30 June		Change	
	2019	2018		
	<i>Millions of kWh (except %)</i>			
Electricity transported on ENEL’s distribution network.....	7,750	7,664	86	1.1%

The following table sets forth the volume of electricity transported through the network of the Region “Europe and Euro-Mediterranean Affairs” for the years ended 31 December 2018 and 31 December 2017.

	Year ended 31 December		Change	
	2018	2017		
	<i>Millions of kWh (except %)</i>			
Electricity transported on ENEL’s distribution network <sup>(1)</sup> .....	15,640	15,206	434	2.9%

Note:

(1) The figure for 2017 reflects a more accurate measurement of quantities transported

### **Electricity Sales**

The following table sets forth the electricity sales for the Region “Europe and Euro-Mediterranean Affairs” on the free market, the regulated market and in total for the six months ended 30 June 2019 and 30 June 2018.

	Six months ended 30 June		Change	
	2019	2018		
	<i>Millions of kWh (except %)</i>			
Free market .....	3,785	3,682	103	2.8%
Regulated market .....	1,155	1,563	(408)	-26.1%
<b>Total</b> .....	<b>4,940</b>	<b>5,245</b>	<b>(305)</b>	<b>-5.8%</b>
- of which Romania .....	4,940	5,245	(305)	-5.8%

The following table sets forth the electricity sales for the Region “Europe and Euro-Mediterranean Affairs” on the free market, the regulated market and in total for the years ended 31 December 2018 and 31 December 2017.

	Year ended 31 December		Change	
	2018	2017		
	<i>Millions of kWh (except %)</i>			
Free market .....	7,519	6,318	1,201	19.0%
Regulated market .....	2,881	4,029	(1,148)	-28.5%
<b>Total</b> .....	<b>10,400</b>	<b>10,347</b>	<b>53</b>	<b>0.5%</b>

### **Europe and Euro-Mediterranean Affairs– Performance**

The following table sets forth the Region “Europe and Euro-Mediterranean Affairs” revenue and other income, operating income, operating margin and capital expenditures for the six months ended 30 June 2019 and 30 June 2018.

	Six months ended 30 June		Change	
	2019	2018		
	<i>€'000 m (except %)</i>			
Revenue and other income.....	1,201	1,133	68	6.0%
Gross operating margin.....	226	254	(28)	-11.0%
Operating income .....	(7)	151	(158)	-
Capital expenditure.....	227	138	89	64.5%

The following table sets forth the Region “Europe and Euro-Mediterranean Affairs” revenue and other income, operating income, operating margin and capital expenditures for the years ended 31 December 2018 and 31 December 2017.

	Year ended 31 December		Change	
	2018	2017		
	<i>€'000 m (except %)</i>			
Revenue and other income.....	2,361	2,411	(50)	-2.1%
Gross operating margin.....	516	543	(27)	-5.0%
Operating income .....	420	306	114	37.3%
Capital expenditure.....	390	307	83	27.0%

The following table sets forth the revenue and other income generated by each of the countries included in the Region “Europe and Euro-Mediterranean Affairs” for the six months ended 30 June 2019 and 30 June 2018.

	Six months ended 30 June		Change	
	2019	2018		
	<i>€'000 m (except %)</i>			
Romania.....	672	614	58	9.4%
Russia .....	481	476	5	1.1%
Other countries .....	48	43	5	11.6%
<b>Total.....</b>	<b>1,201</b>	<b>1,133</b>	<b>68</b>	<b>6.0%</b>

The following table sets forth the revenue and other income generated by each of the countries included in the Region “Europe and Euro-Mediterranean Affairs” for the years ended 31 December 2018 and 31 December 2017.

	Year ended 31 December		Change	
	2018	2017		
	<i>€'000 m (except %)</i>			
Romania.....	1,281	1,180	101	8.6%

	Year ended 31 December		Change	
	2018	2017		
	<i>€'000 m (except %)</i>			
Russia .....	997	1,135	(138)	-12.2%
Other countries .....	87	96	(13)	-13.5%
<b>Total</b> .....	<b>2,361</b>	<b>2,411</b>	<b>(50)</b>	<b>-2.1%</b>

## North and Central America - Operations

### *Net electricity generation*

The following table sets forth the net electricity generation for the Region “North and Central America” for the six months ended 30 June 2019 and 30 June 2018.

	Six months ended 30 June		Change	
	2019	2018		
	<i>Millions of kWh (except %)</i>			
Hydroelectric .....	1,088	1,534	(446)	-29.1%
Geothermal .....	122	-	122	-
Wind .....	5,761	4,646	1,115	24.0%
Other resources .....	176	571	(395)	-69.2%
<b>Total net generation</b> .....	<b>7,147</b>	<b>6,751</b>	<b>396</b>	<b>5.9%</b>
- of which United States and Canada .....	5,639	3,903	1,736	44.5%
- of which Mexico .....	479	1,386	(907)	-65.4%
- of which Panama .....	782	1,082	(300)	-27.7%
-of which other countries .....	247	380	(133)	-35.0%

The following table sets forth the net electricity generation for the Region “North and Central America” for the years ended 31 December 2018 and 31 December 2017.

	Year ended 31 December		Change	
	2018	2017		
	<i>Millions of kWh (except %)</i>			
Hydroelectric .....	2,871	2,681	190	7.1%
Wind .....	8,413	6,920	1,493	21.6%
Other resources .....	1,149	192	957	-
<b>Total net generation</b> .....	<b>12,433</b>	<b>9,793</b>	<b>2,640</b>	<b>27.0%</b>
- of which United States and Canada .....	7,133	5,313	1,820	34.3%
- of which Mexico .....	2,619	2,025	594	29.3%
- of which Panama .....	1,808	1,528	280	18.3%



	Year ended 31 December		Change	
	2018	2017		
	<i>Millions of kWh (except %)</i>			
-of which other countries .....	873	927	(54)	-5.8%

### North and Central America – Performance

The following table sets forth the Region “North and Central America” revenue and other income, operating income, operating margin and capital expenditures for the six months ended 30 June 2019 and 30 June 2018.

	Six months ended 30 June		Change	
	2019	2018		
	<i>€'000 m (except %)</i>			
Revenue and other income.....	717	556	161	29.0%
Gross operating margin.....	415	290	125	43.1%
Operating income .....	239	164	75	45.7%
Capital expenditure.....	682	583	99	17.0%

The following table sets forth the Region “North and Central America” revenue and other income, operating income, operating margin and capital expenditures for the years ended 31 December 2018 and 31 December 2017.

	Year ended 31 December		Change	
	2018	2017		
	<i>€'000 m (except %)</i>			
Revenue and other income.....	1,438	1,187	251	21.1%
Gross operating margin.....	708	759	(51)	-6.7%
Operating income .....	454	553	(99)	-17.9%
Capital expenditure.....	1,373	1,802	(429)	-23.8%

The following table sets forth the revenue and other income generated by each of the countries included in the Region “North and Central America” for the six months ended 30 June 2019 and 30 June 2018.

	Six months ended 30 June		Change	
	2019	2018		
	<i>€'000 m (except %)</i>			
United States and Canada .....	515	339	176	51.9%
Mexico.....	84	96	(12)	-12.5%
Panama .....	86	84	2	2.4%
Other countries .....	32	37	(5)	-13.5%

	<b>Six months ended 30 June</b>			
	<b>2019</b>	<b>2018</b>	<b>Change</b>	
	<i>€'000 m (except %)</i>			
Total.....	717	556	161	29.0%

The following table sets forth the revenue and other income generated by each of the countries included in the Region “North and Central America” for the years ended 31 December 2018 and 31 December 2017.

	<b>Year ended 31 December</b>			
	<b>2018</b>	<b>2017</b>	<b>Change</b>	
	<i>€'000 m (except %)</i>			
United States and Canada .....	903	716	187	26.1%
Mexico.....	297	142	155	-
Panama .....	151	149	2	1.3%
Other countries .....	87	180	(93)	-51.7%
Total.....	1,438	1,187	251	21.1%

### **Africa, Asia and Oceania- Operations**

#### ***Net electricity generation***

The following table sets forth the net electricity generation for the Region “Africa, Asia and Oceania” for the six months ended 30 June 2019 and 30 June 2018.

	<b>Six months ended 30 June</b>			
	<b>2019</b>	<b>2018</b>	<b>Change</b>	
	<i>Millions of kWh (except %)</i>			
Wind .....	461	429	32	7.5%
Other resources .....	294	280	14	5.0%
Total net generation .....	755	709	46	6.5%
- of which South Africa.....	602	575	27	4.7%
- of which India.....	147	134	13	9.7%
- of which other countries .....	6	-	6	-

The following table sets forth the net electricity generation for the Region “Africa, Asia and Oceania” for the years ended 31 December 2018 and 31 December 2017.

	Year ended 31 December		Change	
	2018	2017		
	<i>Millions of kWh (except %)</i>			
Wind.....	933	892	41	4.6%
Other resources.....	574	589	(15)	-2.5%
Total net generation.....	1,507	1,481	26	1.8%
- of which South Africa.....	1,192	1,156	36	3.1%
- of which India.....	315	325	(10)	-3.1%

### ***Africa, Asia and Oceania– Performance***

The following table sets forth the Region “Africa, Asia and Oceania” revenue and other income, operating income, operating margin and capital expenditures for the six months ended 30 June 2019 and 30 June 2018.

	Six months ended 30 June		Change	
	2019	2018		
	<i>€'000 m (except %)</i>			
Revenue and other income.....	72	48	24	50.0%
Gross operating margin.....	25	27	(2)	-7.4%
Operating income .....	5	2	3	-
Capital expenditure.....	155	7	148	-

The following table sets forth the Region “Africa, Asia and Oceania” revenue and other income, operating income, operating margin and capital expenditures for the years ended 31 December 2018 and 31 December 2017.

	Year ended 31 December		Change	
	2018	2017		
	<i>€'000 m (except %)</i>			
Revenue and other income.....	101	96	5	5.2%
Gross operating margin.....	54	57	(3)	-5.3%
Operating income .....	10	15	(5)	-33.3%
Capital expenditure.....	142	30	112	-

The following table sets forth the revenue and other income generated by each of the countries included in the Region “Africa, Asia and Oceania” for the six months ended 30 June 2019 and 30 June 2018.

	Six months ended 30 June		Change	
	2019	2018		
	<i>€'000 m (except %)</i>			
South Africa.....	42	41	1	2.4%
India.....	7	7	-	-
Other countries .....	23	-	23	-
<b>Total.....</b>	<b>72</b>	<b>48</b>	<b>24</b>	<b>50.0%</b>

The following table sets forth the revenue and other income generated by each of the countries included in the Region “Africa, Asia and Oceania” for the years ended 31 December 2018 and 31 December 2017.

	Year ended 31 December		Change	
	2018	2017		
	<i>€'000 m (except %)</i>			
South Africa.....	83	80	3	3.8%
India.....	15	16	(1)	-6.3%
Other countries .....	3	-	3	-
<b>Total.....</b>	<b>101</b>	<b>96</b>	<b>5</b>	<b>5.2%</b>

#### Other, eliminations and adjustments – Operations

The “Other, eliminations and adjustments” segment represents residual items that, in addition to the consolidated adjustments among the different segments, include:

- The Company, which aims to create synergies within the ENEL Group and to optimise the management of services in support of the core business activities. In particular, the Parent Company, in its capacity as an industrial holding company, defines strategic targets for the ENEL Group and coordinates the activities of subsidiaries. In addition, the Company manages central treasury operations and insurance risk coverage (in this case even through its subsidiaries, Enel Finance International and Enel Insurance N.V.), providing assistance and guidelines on organisation, personnel management and labour relations, accounting, administrative, fiscal, legal and corporate matters.
- ENEL Iberia S.r.l., as holding of equity investments.

#### Other, eliminations and adjustments – Performance

The following table sets forth the “Other, eliminations and adjustments” segment’s revenue and other income, operating income, operating margin and capital expenditures for the six months ended 30 June 2019 and 30 June 2018.

	Six months ended 30 June		Change	
	2019	2018		
	<i>€'000 m (except %)</i>			
Revenue and other income (net of eliminations).....	250	216	34	15.7%

	Six months ended 30 June		Change	
	2019	2018		
	<i>€'000 m (except %)</i>			
Gross operating margin.....	(136)	(183)	47	25.7%
Operating income .....	(152)	(195)	43	22.1%
Capital expenditure.....	44	36	8	22.2%

The following table sets forth the “Other, eliminations and adjustments” segment’s revenue and other income, operating income, operating margin and capital expenditures for the years ended 31 December 2018 and 31 December 2017.

	Years ended 31 December		Change	
	2018	2017		
	<i>€'000 m (except %)</i>			
Revenue and other income (net of eliminations).....	704	389	315	81.0%
Gross operating margin.....	(159)	(346)	187	54.0%
Operating income .....	(182)	(364)	182	50.0%
Capital expenditure.....	89	72	17	23.6%

### Principal Markets and Competition

The ENEL Group is the world’s largest private operator of renewables in terms of installed capacity (about 39 GW in FY 2018); world leader among private-sector operators of distribution networks in terms of customers served (some 73 million as of 31 December 2018); world leader among private-sector operators in terms of retail power and gas customers (about 70 million – electricity and gas); and owns approximately 6 GW as of 31 December 2018 of demand response managed worldwide.<sup>6</sup>

As of 31 December 2018, ENEL was the principal electricity company in Italy (in terms of market share) by net electricity production (19%), end users (85%) and free retail customers (50%). Enel was also the principal electricity company in Spain (in terms of market share) by net electricity production (21%), electricity distributed (42%) and retail customers (35%).<sup>7</sup> According to the ENEL Group’s estimates based on data published in the financial statements of the main market operators, ENEL estimates that it is the second largest electricity company in Europe, based on total installed capacity. The ENEL Group’s net electricity production in 2018 amounted to 250.3 TWh, of which 53.2 TWh was produced in Italy, and 197.1 TWh was produced abroad, compared to 249.9 TWh in 2017, of which 53.5 TWh was produced in Italy and 196.4 TWh was produced abroad. In 2018, the Group conveyed 485.4 TWh of electricity through the grid, of which 227.7 TWh was in Italy and 257.7 TWh abroad, compared to 460.7 TWh of electricity in 2017, of which 228.5 TWh was in Italy and 232.2 TWh abroad.

<sup>6</sup> Source: Companies annual report analysis 2018 and Enel Capital Market Day 2018

<sup>7</sup> Source: ARERA (report 2019), Comision Nacional De Los Mercados (report 2019).

In 2018, the Group sold 11.2 cubic metres of gas, of which 4.8 billion cubic metres were sold in Italy, where, according to the Group's estimates, the Group is the second largest operator, and 6.4 billion cubic metres were sold abroad, compared to 11.7 billion cubic metres of gas sold in 2017, of which 4.8 billion cubic metres were sold in Italy, and 6.9 billion cubic metres were sold abroad.

The following subsections describe the competitive position of the Group in each country/region in which it operates and set forth certain summary information regarding the regulatory systems in those countries. For further details, see "*Regulation*" below.

## **Italy**

### ***The Italian Electricity Market***

According to ENEL's estimates, ENEL is the principal electricity producer in Italy, with 27.6 GW of installed capacity as of 31 December 2018.<sup>8</sup> The main competitors are Edison S.p.A., ENI S.p.A, A2A and EPH.

According to the Italian Regulatory Authority for Energy, Networks and Environment ("**ARERA**"), energy consumption in the Italian free market in 2018 reached approximately 206 TWh, compared to 202 TWh in 2017 (excluding 4.3 TWh of safeguard).

In 2018, ENEL sold electricity to 8,244,332 clients on the free market, of which 1,705,322 were business to business clients and 6,539,010 were business to consumer clients, compared to 7,552,217 in 2017, of which 1,613,318 were business to business clients and 5,939,899 were business to consumer clients. Of the total volume sold on the unregulated market, 51.2 TWh of electricity were sold to business to business clients (including 2.0 TWh of safeguard) and 13.3 TWh were sold to business to consumer clients in 2018, compared to 46.8 TWh of electricity sold to business to business clients (including 2.1 TWh of safeguard) and 12.5 TWh sold to business to consumer clients in 2017.

According to the ARERA, 2018 energy consumption on the regulated market amounted to approximately 45.3 TWh, compared to approximately 50 TWh net of network losses in 2017.

In 2018, ENEL sold 39.8 TWh to 17.4 million clients on the regulated market, compared to 44.0 TWh sold to 18.9 million clients in 2017.

### ***The Italian Natural Gas Market***

In the retail market, in 2018, ENEL sold 1,814 million cubic metres of gas to business to business clients and 2,947 million cubic metres of gas to business to consumer clients, compared to 1,901 million cubic metres of gas sold to business to business clients and 2,910 million cubic metres of gas sold to business to consumer clients in 2017.

## **Iberia**

The Group's installed capacity in Spain and Portugal amounted to 22.71 GW as of 31 December 2018, which remained unchanged from 2017. In the year then ended, its production amounted to 74.2 TWh of energy and its sales amounted to 89.6 TWh, compared to 78.6 TWh of energy produced and 96.5 TWh sold in 2017. The main operators in the Iberian electricity industry are Endesa, Iberdrola, EDP and Naturgy.

## **South America**

As of 31 December 2018, the Group's installed capacity in South America was equal to 21.0 GW, compared to 20.5 GW as of 31 December 2018. In 2018, production amounted to 67.9 TWh and sales to final customers amounted to 91.1 TWh, compared to 64.6 TWh produced and 74.7 TWh sold to final customers in 2017.

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<sup>8</sup> Source: Enel annual report 2018.

This region has reacted relatively well to the current economic crisis, due to the success of economic policies implemented in recent years. With respect to the electricity market, there is a need to increase generation capacity. The expectations for the development of the markets in this region, in terms of medium-and long-term growth in electricity demand and sales are sufficient to justify continued investment in the region.

As of 31 December 2018, the Group had a total installed capacity in Argentina of 4.4 GW, which remained unchanged from 2017. As of 31 December 2018, it held a 10% share of the electricity generation market. In the distribution sector, the Group controls Edesur (Buenos Aires), a company with 2.5 million clients that distributed 17.5 TWh of energy in 2018.

As of 31 December 2018, the Group had a total installed capacity in Brazil of 3.3 GW, compared to 3.0 GW in 2017. As of 31 December 2018, it held approximately a 2% share of the electricity generation market. In the distribution sector, the Group controls Rio de Janeiro-based Ampla Investimentos (“**Ampla**”), which has 3.0 million clients, Coelce, which has 4.0 million clients, CELG-D in the region of Goias which has 3.0 million clients and Sao Paulo which has 7.2 millions clients. Total energy distributed in 2018 was 61.3 TWh, compared to 34.9 TWh in 2017.

As of 31 December 2018, the Group had a total installed capacity in Chile of 7.4 GW, compared to 7.5 GW in 2017. As of 31 December 2018, it held a 38% share of the electricity generation market. In the distribution sector, the Group serves 1.9 million clients and distributed 16.5 TWh of energy in 2018.

As of 31 December 2018, the Group had a total installed capacity in Colombia of 3.6 GW, compared to 3.5 GW in 2017. As of 31 December 2018, it held a 27% share of the electricity generation market. In the distribution sector, Enel controls Codensa (Bogotá), a company that has 3.4 million clients and distributed 14.0 TWh of energy in 2018.

As of 31 December 2018, the Group had a total installed capacity in Peru of 2.3 GW, compared to 2.2 GW in 2017. As of 31 December 2018, it held a 21% share in the electricity generation market. In the distribution sector, Enel controls Edelnor (Lima), a company that has 1.4 million clients and distributed 8.0 TWh of electricity in 2018.

## **Europe and Euro-Mediterranean Affairs**

### ***Russia***

As of 31 December 2018, the Group’s installed capacity in Russia amounted to approximately 8.9 GW, which remained unchanged from 2017. Its net production amounted to 39.2 TWh of energy, compared to 39.8 TWh in 2017.

### ***Romania***

In 2018, the Group sold 10.4 TWh of electricity in Romania compared to 10.3 TWh in 2017. According to ENEL’s estimates, the total market share held by the Group in terms of sales of electricity in Romania was approximately 21% in 2018.

ENEL has three separate distribution companies (ENEL Distributie Banat S.A., ENEL Distributie Dobrogea S.A. and ENEL Distributie Muntenia S.A.) and two supply companies (Enel Energie S.A. and Enel Energie Muntenia S.A.) in Romania. Its interests in the country also extend to generation from renewable resources, and the acquisition or construction of generation plants, in general.

## **Renewable Energy markets**

Within the renewable energy sector, which will continue to have an important role in ENEL’s future, the growth of the Group will be executed through the technologies described herein.

Renewable energies confirm their trend of growth in all the technologies and geographical areas and, as in developing countries, such growth is usually associated with economic growth and does not derive solely from compliance with environmental protection regulations.

The model of development of the renewable energies in ENEL is based on a diversified approach from both a technological and geographical perspective which is possible because of the flexibility in the allocation of investments which are approved on the basis of profitability only.

In many countries where the Group operates or is developing its activities there have been new regulations in favour of new investments and bidding procedures for new plants, for the development of new capacities.

### Properties, Plants and Equipment

The Group owns and leases a large number of office buildings and warehouse spaces throughout Italy and in the foreign countries in which it operates. The Group owns substantially all of the plants, machinery and equipment used to carry out its production activities.

As of 30 June 2019, no creditors or other third parties had any significant rights over or in respect of any of the property, plants or equipment of the Group.

### Employees

As of 30 June 2019, the ENEL Group employed a total of 68,842 employees, of which 30,118 were employed in Italy and 38,724 were employed abroad. The following table sets forth the location and number of the ENEL Group's employees as of 30 June 2019, 30 June 2018, 31 December 2018 and 31 December 2017, directly extracted from the Group's consolidated financial statements, not taking into consideration the effect of the application of IFRS 11.

	As of 30 June		As of 31 December	
	2019	2018	2018	2017
Employees in Italy .....	30,118	30,837	30,285	31,114
Employees outside of Italy .....	38,724	39,300	38,987	31,786
<b>Total employees.....</b>	<b>68,842</b>	<b>70,137</b>	<b>69,272</b>	<b>62,900</b>

The amount of the liability entered in the Group's 2018 Audited Consolidated Financial Statements for employees' benefits and other similar obligations related to employees was equal to €3,187 million.

### Litigation

In the ordinary course of its business the Group is subject to various civil and administrative proceedings, as well as certain arbitral and criminal proceedings.

ENEL records provisions in its consolidated balance sheet to cover probable liabilities whenever ENEL's internal and external counsel advise it that an adverse outcome is likely in a given litigation and a reasonable estimate of the amount of the loss can be made. Such provisions amounted to €1,088 million as of 30 June 2019 and €1,506 million as of 31 December 2018.

For a discussion of contingent liabilities and assets, see Note 31 to the Half Year Report as of 30 June 2019 and Note 52 to the 2018 Audited Consolidated Financial Statements.



ENEL does not believe that any active or pending litigation is likely to have a material adverse effect on the financial condition or results of operations of the Group. However, see “*Risk Factors – ENEL is subject to a large variety of litigation and regulatory proceedings and cannot offer assurances regarding the outcomes of any particular proceedings*”.

## **Regulation**

The ENEL Group operates in a highly regulated environment. An overview of such laws and regulations is available at (i) pages 118 – 145 of ENEL’s audited consolidated annual financial statements for the financial year ended 31 December 2018 (sub-section “*Regulatory and rate issues*” of section “*Reference scenario*”) and (ii) pages 70 – 82 of ENEL’s unaudited interim financial report as at and for the six-month period ended 30 June 2019 (sub-section “*Regulatory and rate issues*” of section “*Reference scenario*”), both incorporated by reference hereto (see “*Documents Incorporated by Reference*” above).

Although this overview contains all the information that as at the date of this Base Prospectus ENEL considers material in the context of the issue of the Notes, it is not an exhaustive account of all applicable laws and regulations. Prospective investors and/or their advisers should make their own analysis of the legislation and regulations applicable to the ENEL Group and of the impact they may have on the ENEL Group and any investment in the Notes and should not rely on this overview only. See also “*Risk Factors – The ENEL Group is subject to different regulatory regimes in all the countries in which it operates. These regulatory regimes are complex and their changes could potentially affect the financial results of the Group*” above.

## **Technologies and Innovability**

To foster new uses of energy and new ways of managing and making it accessible to an ever-increasing number of people in a sustainable manner, ENEL has made innovation and digitalisation key elements of its strategy. It is a path that involves both traditional business and the development of new models and technologies and which relies on creativity, passion, ideas and technologies not only within, but also outside the Company.

ENEL’s commitment to digital progress and the promotion of an Open Innovation model was recognised in 2017, when it was awarded the “Business Model Transformation Award” during the fourth edition of the World Open Innovation Conference, one of the most important worldwide events in this field. It was held in San Francisco by the Garwood Center for Corporate Innovation and the Haas School of Business of UC Berkeley.

### **The innovative ecosystem**

In line with the Open Power vision, the Group promotes an open innovation approach to face the challenges of the energy transition. This approach is based on sharing, which enables challenges to be faced by connecting all areas of the Company with startups, industrial partners, small and medium-sized enterprises (“SMEs”), research centers, universities and crowdsourcing platforms. Collaborations are born within the Open Innovation ecosystem, which in 2017 was renamed “Open Innovability” as ENEL strongly believes that Innovation and Sustainability are an inseparable pairing. 2017 was the year of the launch of the [openinnovability.com](http://openinnovability.com) online crowdsourcing platform, aimed at the outside world and the Company’s people who want to contribute to the development of business with innovative and sustainable solutions and transform proposals into concrete projects able to solve specific business needs taking into account the properties of the Group’s strategic plan. More specifically, ENEL proposes “challenges”, many of which are directly linked to the United Nations’ 2030 Agenda for Sustainable Development Goals (SDGs), focusing on quality education, access to affordable and clean energy, inclusive and sustainable economic growth and

decent work for all, resilient infrastructure, sustainable industrialization and innovation, sustainable cities and communities and climate action.

Open Innovability offers a space to anyone who thinks they have an interesting contribution to offer, even if they do not respond to any of the specific active challenges (“I have a project” section). Since the launch of the platform, almost 70 challenges have been published, more than 27,000 users registered on the site and about over 3,400 project proposals have been received. In general, thanks to the open innovation approach there are + 650 innovation projects activated and about 83 innovation partnership agreements throughout the Group including 14 Group Relevant Partnerships. In addition to ENEL’s ‘traditional’ activities, such as renewables and conventional generation, the Company has promoted the development of new business in the fields of e-mobility, recharging infrastructures, energy efficiency, Industrial IoT (Internet of Things), smart homes, smart grids and smart meters. In particular, 4 new Group Relevant Partnerships were launched in 2019, touching also the fields of aerospace given the collaboration with Thales Alenia Space Italia and the European Space Agency, both aimed at leveraging on satellite technologies for earth observation, network monitoring and cybersecurity. Furthermore, the agreement with Intesa Sanpaolo, which aims to support the innovation of SMEs and start-ups, has been revamped, including also Digital Innovation. In addition to receiving technical and economic support from Enel, SMEs and startups that collaborate with ENEL on innovation projects will also be able to take advantage of financial support from the network of innovation experts. In 2019, Innovation Hub was launched (Boston), bringing the total number of Hubs to 10 and expanding ENEL’s global presence in the best innovation ecosystems.

Enel’s involvement in innovation also includes the establishment of innovation labs, which presently stand at 5 in number located in Catania, Pisa, Milan, Sao Paulo and Haifa. The hubs serve as the scouting source for opportunities; the labs allow them to be tested. Innovation labs are the places where startups and our business and technical people develop solutions together.

The Innovation Hubs&Labs enable a new model of collaboration with startups and small businesses in which the Group provides its knowledge and expertise, testing infrastructures and a global network of partners to develop and adopt innovative technological solutions and new business models.

During the year, thanks to the Innovation Hubs&Labs network, more than 20 bootcamps were organised on different technological areas such as renewables, IoT, smart home, smart city, cyber security and, electric mobility. This allowed the Group’s business lines to evaluate more than 600 new solutions and business models. Furthermore, during 2019 a call for startups on infrastructure and network technologies was launched; more than 140 companies applied, 14 have been initially selected and 3 projects have been approved and their development has started.

In general, in 2019 the Group evaluated more than 1,500 proposals and initiated about 80 collaborations with startups and small enterprises. These collaborations and exchanges gave rise to cutting edge innovative solutions implemented in our business. An example relates to autonomous robots for underwater inspections manufactured by Nido Robotics, a Spanish startup scouted by our Europe Innovation Hub based in Madrid. Nido with Enel Thermal Generation jointly started to cooperate to apply a series of modifications and adaptations that allowed Nido to amplify the potential uses cases for application on Thermal Generation assets such as inspections, data collection, maintenance, reducing time of intervention, increasing safety and allowing power plant staff to carry out inspections every time it’s needed.

ENEL also developed a partnership program “We4U”, World energy 4 Universities, with national and international universities and research centers, with the aim of maintaining a constant, multidisciplinary dialogue focused on the challenges of the energy transition.

Now the ENEL Group, through Enel Foundation, has 13 academic and lab partnership agreements: PoliMi, PoliTo, Sant'Anna, IIT, Columbia University, Bocconi, MIT, Berkeley, Comillas, Strathmore University, RSE, UniGE, LUISS.

### **Innovative communities**

ENEL has set up specific cross-functional working groups (Innovation Communities) in order to address the significant issues relevant to business and new technologies in an innovative way and to create value. The active communities concern the following issues: Energy Storage, Augmented and Virtual Reality, Blockchain, Drones, 3D printing, Artificial Intelligence, Wearables, Robotics and Hydrogen.

With reference to Blockchain, ENEL has sought and promoted collaborations with various parties, since the success of any project in this field depends on the ability of the participants to create a network effect from which all members can benefit. The Enerchain project, which involved about 40 utility companies and traders, was born with the aim of redesigning the channel through which traders make transactions on the market, so they may be independent of third parties. In October 2017, ENEL along with E.ON carried out the first transaction in the energy market based on a Blockchain platform, and in February 2018, ENEL, through Endesa, exchanged an energy product with Gas Natural Fenosa on the Spanish market, using the Blockchain platform. Work groups have continued working through the years both at the Italian level, led by the Politecnico di Milano, at a European level with Eurelectric and at a regional level in Spain with the Alastria consortium.

In recent years, ENEL has also intensified the use of drones in the monitoring and maintenance of its assets, inspecting solar fields, wind farms, hydroelectric dams and reservoirs, closed components in traditional plants and distribution lines. The objectives of this use are manifold: increase the efficiency and effectiveness of operation and maintenance processes, and above all reduce exposure to the risk involved in plant interventions. In the last two years, several projects have been developed, including the ones implemented in 2017 and 2018 by ENEL's business lines, in collaboration with Enac (*Ente Nazionale per l'Aviazione Civile*, a national body for technical regulation, certification and supervision in the civil aviation sector) and ENAV (exclusive provider of civil air navigation services in Italy), with the aim of defining the regulatory framework allowing BVLOS (Beyond Visual Line Of Sight) drone flights in Italy. These experiments open new opportunities to improve the electricity service, allowing timely interventions in case of breakdowns or climate emergencies, and optimising maintenance activities on the grid and power plants. Among the other projects developed in 2017 and now scaled up, "Autonomous Drones for Wind" (by Enel Green Power) allows drones to provide more accurate data, in less time and with greater safety for the operators in wind farms inspections in North America. Another project developed in the field of renewable energy is the use of drones in the monitoring and control of individual photovoltaic panels that are part of systems, such as in the Chilean La Silla plant.

On the issue of storage, these systems enable the opening of new frontiers for sustainable business. Using storage systems ensures the improvement of reliability levels and the increase of quality indicators of distribution. Together with traditional generation, they also guarantee network balancing and stability of system loads at a national level. Enel Green Power built and commissioned the first 100% emission-free microgrid: Cerro Pabellón (Chile) is powered by solar energy and is able to operate autonomously 24/7, thanks to the coupled energy storage of hydrogen accumulation and lithium batteries. In Spain, in Almería, the subsidiary Endesa is developing the Litoral project at the Carboneras thermal plant: the storage system, consisting of 24 inverters, 16 containers, 8 of which for batteries and the remaining for the power unit, will be the largest in Spain, with a total capacity of 20 MW for 11.7 MWh and an expected lifespan of 10 years. The storage system will be used to offer secondary reserves, freeing production capacity at the plant. The use of batteries proves also to be vital in supporting micro grids, in particular for the distribution service on smaller islands. The "Ginostra" project is under development and will see the installation of a photovoltaic system

with a hybrid battery/ hydrogen storage system that will cover the entire energy needs of the small community on the island of Stromboli, using a renewable source.

Regarding augmented and virtual reality, the Innovation Community aims at scouting products and platforms in this sector, monitoring their rapid technological evolution and defining use cases for ENEL. Tests are currently underway regarding the usability of commercial devices and their integration with personal protective equipment, with the aim of scaling up tests to an operational level. The main use cases include remote assistance, plant and networks digital twin, hands free operations, remote inspections and troubleshooting, and virtual training.

Main applications for wearables relate to safety applications, such as sensors for verifying the correct use of personal protective equipment, locating personnel on construction sites to avoid interference, or devices to help people carry out their ‘hands-free’ tasks without having to interact with smartphones or paper manuals, that can be distracting. Wearables include a very wide family of devices and technology ranging from wristbands, smart watches, IoT sensors and safety equipment such as safety jackets. Most of the devices are at commercial level but there are also research fields like for stress and health indicators sensing.

Robotics offers the possibility to substitute humans in dangerous and remote places or in demanding jobs. The main applications concern the construction and automated maintenance of photovoltaic fields or other inspection and maintenance activities in areas that may present risks to personnel. ENEL is testing exoskeleton suits, airbag jackets for increased safety and makes a wide use of Remote Operated Vehicles for inspections and O&M of hydro basins, photovoltaic plants and wind turbines.

The community dedicated to artificial intelligence covers a wide range of applications. Virtual assistants had the greatest focus in 2018, for use in call centers, to support internal operations and for network management optimization activities, such as identifying non-technical losses (energy theft) or damaged components in power lines through the analysis of aerial photographs.

Additive manufacturing involves the manufacturing of mechanical components, in order to repair valuable components that are subject to wear (turbine blades, burner elements) and to redesign and create innovative components with complex geometries and special materials. To date, the greatest challenge that this technology still has to overcome concerns the production and qualification of the materials to be used and the manufacturing process in order to guarantee quality and reliability.

ENEL has launched a community to explore the opportunities and challenges of sustainable hydrogen produced via electrolysis, powered from renewable sources. This technology could be used to tackle emissions in “harder to abate” sectors once the full efficient potential of direct electrification has been exploited.

### **The innovation culture**

The process of change cannot ignore the development of specific activities in the field of entrepreneurship and innovation culture. To this end, the Enel Innovability Function has built a portfolio of initiatives:

- > “**Innovation Academy**”, a training on innovation, aimed at spreading not only new working methods (such as design thinking, lean start-up and creative problem solving), but also at encouraging soft skills that support and facilitate the dissemination of the culture of innovation and creativity;
- > “**Innovation Ambassador**”, a community of more than 200 colleagues located in four different countries aimed at promoting innovation culture, creativity and customer centric methodologies;
- > “**MAKE IT HAPPEN**”, a corporate entrepreneurship program aimed at bringing out Enel entrepreneurs by giving them the chance to propose and develop new ideas able to create value for ENEL. During the first 8 months, 110 project proposals were submitted, 62 of which are currently in the design phase, 1 project in the

acceleration phase and 2 in the implementation phase. More than 300 colleagues have been involved in 11 countries.

As part of promoting creativity and lateral thinking, the project “Enel Idea Factory” continued in 2019. Launched in 2014 with the aim of supporting all areas of the Company in solving challenges through new working methods and creative techniques, it also promotes integration and collaboration between business units and supports the dialogue between ENEL’s internal and external stakeholders.

In 2019, more than 80 solution design sessions were held involving more than 1200 participants who generated around 1500 ideas and gave rise to various business initiatives. For the purpose of disseminating and promoting the innovation culture and creativity in the countries, five “Idea Hubs” have been created in Spain, Colombia, Chile, Brazil and Romania.

### **Main projects**

The main thermal generation innovation activities in 2017 pertained to the improvement of the flexibility and efficiency of generation plants and the minimization of environmental impacts and emissions. They also involved the application of advanced diagnostic and monitoring systems and IoT applications, as well as the development of accumulation systems and new business models. An example is the installation at the Torvaldaliga Nord plant (Italy) of a drone system aimed at providing an environmental and security monitoring service, able to perform autonomous flight, assisted by video analysis algorithms and the definition of three-dimensional routes via software. An anti-drone system has also been installed, to protect the system against the physical risk of intrusion by hostile drones. The digital revolution of the grids has focused on improving the efficiency and quality of service for customers in the various countries in which Enel operates. The microgrids in Paratebuena (Colombia) are an important example. They have allowed sustainable electricity to be brought to certain villages and will be used to test new technologies to be replicated in other areas.

In Spain, as part of the “La Graciosa” project, ENEL has worked to demonstrate the effectiveness of the use of storage systems in order to maximize the penetration of renewable energy while maintaining the highest quality of service in distribution networks. ENEL has also developed an adaptive lighting system (Lighting 4.0) to make urban public lighting systems more efficient and safer. The project allows for light to be automatically adjusted according to the intensity of traffic, thanks to an advanced camera system, in order to maximize energy efficiency and reduce waste. Energy savings can reach up to 49% compared to a non-optimized plant, a significant share if we consider that public lighting is the third largest expense in municipal budgets. The solution proposed by ENEL has gathered the interest of the Municipality of Bologna, which intends to develop a pilot project by integrating a sensor developed by a startup into the Archilede Active Control remote control system already installed in the city. The solution will remain active for a few months in order to realistically monitor the obtainable benefits in terms of energy savings. In addition to the Bologna test, other pilot projects on adaptive lighting are planned, such as in the Municipality of Pomezia, where evolved and resilient remote control solutions based on radiofrequencies will be tested. The Lighting 4.0 project also provides for the mapping and testing of various other value-added services, based on video analysis, sensors and artificial intelligence solutions, which can be run from public lighting infrastructures, aimed at increasing city safety, optimising vehicle traffic and mobility, and to support administrations in planning services by assessing citizens’ real requirements. Another solution, developed in synergy with electric mobility, is the Enel X Juice Light Pole. This project is aimed at developing an innovative product consisting of the integration of two distinct technologies: public lighting poles and charging stations for Enel X electric vehicles. The Enel X Juice Light Pole will be able to provide several services to different types of users through a single infrastructure. Following the release of the first products, ENEL will produce several prototypes (Proof of Concept - PoC) in order to measure customer interest and satisfaction in such a way as to make the product evolve along a path of continuous improvement. The Group also focuses on access to

energy, the integration of renewables into the electricity system, and the use of new technologies in order to contribute to improving local communities' access to energy by providing power to isolated areas thanks to the combined use of diversified generation technologies and storage systems. Key elements include the search for solutions that improve the efficiency and flexibility of renewable resources also in urban contexts and the development of new untapped renewable resources, such as marine energy. Work continued on the European RESCCUE (RESilience to cope with Climate Change in Urban arEas) project, an initiative that ENEL participates in through the Spanish subsidiary Endesa, created to develop innovative models and tools to improve the ability of cities to cope with the problems arising from current and future climate scenarios.

In 2018 ENEL signed a partnership with BYD, market innovator leader in electric buses and top battery electric vehicle manufacturer at a global level. The agreement is focused on second life batteries, photovoltaic and battery energy storage system integration, new battery chemistries (lithium and not-lithium based) and charging infrastructure for electric buses, revamping the previous agreement signed in 2016.

In addition "RoBoost" program is a global program that aims to speed-up and integrate ready-to-market technologies (both innovative and robotic) in the activities of Operation & Maintenance on more than 1300 power plants located in 20 countries. ENEL is working with innovative technology suppliers to build and develop the robots, drone and other devices. These suppliers include startups and industrial partners, while also local and international suppliers. Through this approach Enel Green Power is combining its knowledge with the technological and digital skills of the different suppliers, contributing also to increase their expertise and capabilities. Some of the uses of this technology include the solar power plants monitoring with drones and AI as part of the maintenance work required for these power plants, reducing also the safety risks and increasing the operational efficiency.

The "Lighting 4.0" project envisages the mapping and testing of various other value-added services, based on video analysis, sensors and artificial intelligence solutions, which can be provided starting from public lighting infrastructures, aimed at increasing city security, optimizing traffic of vehicles and mobility and to support administrations in planning services by assessing the real demand of citizens.

Another solution, developed in synergy with electric mobility, is the "EV Light Pole solution". This project is aimed at developing an innovative product consisting of the integration of two distinct technologies: public lighting poles and charging stations for Enel X electric vehicles. EV Light Pole will therefore be able to provide more services to different types of users through a single infrastructure. Following the release of the first products, ENEL will carry out several prototypes (Proof of Concept - PoC) in order to measure customer interest and satisfaction so as to make the product evolve with a view to continuous improvement.

## **Recent Developments**

### ***Seizure of Brindisi plant***

On 28 September 2017, Enel Produzione was notified of the decision issued by the investigating magistrate of Lecce ordering the seizure of the thermoelectric power plant of Brindisi-Cerano. The measure was part of a criminal investigation initiated by the Public Prosecutor's Office of the Court of Lecce concerning the use of fly ash - produced by the combustion of coal and captured by the smoke abatement systems of the plant - in the cement industry. The investigation also involved Cementir, a cement company to which the ash was sent for cement production, and ILVA, which provided Cementir with other residues for cement production. On 1 August 2018, the Lecce Public Prosecutor lifted its seizure of the plant, with the termination of the judicial custody/administration of the facility and the restitution of about €523 million to Enel Produzione. However, the preliminary investigation is continuing both against the accused individuals and the company pursuant to Legislative Decree 231/2001. On 10 October 2018, the Definitive Technical Report was filed. On 6 December

2018, the investigating magistrate of the Court of Lecce, at the request of the Public Prosecutor, scheduled a hearing for 22 January 2019, to receive testimony from the experts on the report. The investigating magistrate then postponed the hearing until 15 April 2019. Following this hearing, the experts reiterated the accuracy of the assessment and the non-hazardous nature of the ash produced by the thermoelectric plant and the possibility of using that ash in the production of cement. With a notice communicated on 10 June 2019, the Lecce Public Prosecutor announced the completion of the preliminary investigation (pursuant to Article 415-bis of the Code of Criminal Procedure) in relation to the criminal proceedings in question. On 1 July 2019, the brief pursuant to Article 415-bis of the Code of Civil Procedure was filed jointly by all the defendants, requesting that the case against the defendants and the company be dismissed, given the clear conclusions of the expert testimony, which fully confirmed the appropriateness of the ash management process adopted at the Brindisi plant.

***Enel Green Power begins construction on new 140 MW wind farm in South Africa***

On 2 July 2019, ENEL, acting through its renewables subsidiary Enel Green Power RSA, started construction on the 140 MW Garob wind farm in South Africa. Garob is the Group's fifth wind project in the country and will involve an investment of over €200 million.

***Enel Russia's Extraordinary Shareholders Meeting approves Reftinskaya GRES sale***

On 23 July 2019, ENEL announced that the Extraordinary Shareholders' Meeting of the Russian subsidiary Enel Russia PJSC ("**Enel Russia**") had approved the sale of the coal-fired Reftinskaya GRES power plant to JSC Kuzbassenergo, a subsidiary of the Siberian Generating Company. The consideration for the transaction was confirmed as amounting to no less than 21 billion rubles (equivalent to around €297 million), net of VAT and subject to price adjustments of up to 5%. A contingent component of up to 3 billion rubles (equivalent to about €42 million) is also envisaged, to be paid within five years from the closing of the sale, subject to specific conditions.

***Enel Américas capital increase***

On 3 September 2019, ENEL announced the successful completion of the capital increase of its Chilean subsidiary Enel Américas SA ("**Enel Américas**") for a total of \$3 billion, offered in pre-emption to its shareholders and resolved by the Extraordinary Shareholders' Meeting of Enel Américas on 30 April 2019. Taking into account the shares subscribed during the first and the second pre-emptive offering period, the overall capital increase has been subscribed at 99.49%. During the first period of the offer, which ran from 27 June to 26 July, 18,224,843,129 of the total of 18,729,788,686 newly issued shares in the capital increase were subscribed and paid, equal to 97.3% of the total. During the second period of the offer, which ran from 6 August to 29 August, shareholders who subscribed the capital increase during the first period of the offer subscribed 408,826,391 of the remaining 504,945,557 newly issued shares, equal to approximately 80.96%. In the second period ENEL subscribed a further 294,771,295 newly issued shares, for a total of approximately \$47.7 million, which, in addition to the amount paid during the first period of the offer, involved an overall commitment of approximately \$1.77 billion. Following the transaction ENEL has increased its shareholding in Enel Américas to 57.89% from the previous 56.8%, also taking account of the partial outcome of the renewed share swap.

***ENEL launches share buyback program to support the long-term incentive plan***

On 19 September 2019, ENEL announced that the Board of Directors of the Company had approved the launch of a share buyback program, for a maximum amount of €10.5 million and a number of shares not exceeding 2.5 million (the "**Program**"), equivalent to about 0.02% of Enel's share capital. The purpose of the Program is to serve the 2019 Long-Term Incentive Plan reserved to the management of ENEL and/or of its

subsidiaries pursuant to Article 2359 of the Italian Civil Code. The Program will run from 23 September to 13 December 2019.

***Endesa Board of Directors promotes interruption of generation at coal-fired plants in Iberia***

On 27 September 2019, ENEL announced that the Board of Directors of the Spanish subsidiary Endesa SA had decided to promote the interruption of generation by the coal-fired plants owned by Endesa in the Iberia and to assess future options for the related sites, in compliance with the procedures set out in applicable regulations. This decision was taken in light of the significant and structural changes in certain factors in 2019, notably commodity prices and the operation of the CO2 emissions market, which adversely impacted the competitiveness of those coal plants, making it highly unlikely that they could operate in the electricity market of the future. The net carrying amount of the plants involved amounts to about €1.5 billion at the ENEL Group level, including the related dismantling costs. The above initiative is in line with the ENEL Group's goal to fully decarbonize its generation mix by 2050.

***Funac***

With Law 20.416 of 5 February 2019, the state of Goiás reduced from 27 January 2015 to 24 April 2012 the period of operation of the Funac fund and the tax benefit system that allowed Celg Distribuição SA - CELG-D (now Enel Distribuição Goiás) to offset ICMS (VAT) against the tax credit for CELG-D investments to develop and maintain its grid. On 25 February 2019, CELG-D appealed the provisions of Law no. 20.416 of 5 February 2019 on a precautionary basis (writ of mandamus) before the Court of the state of Goiás, which denied the appeal on 26 February 2019. CELG-D appealed this ruling and the Court of the state of Goiás allowed the appeal on 11 June 2019. On 1 October 2019, the Court of the state of Goiás issued an order in which it revoked the precautionary measure previously granted in favor of CELG-D. CELG-D filed an appeal against this decision, claiming that the right to the tax credits had both a legal and a contractual foundation and that, therefore, the actions that the state of Goiás took to suspend the application of those laws were clearly illegitimate. On 26 April 2019, Law no. 20.468 was promulgated. With the law, the state of Goiás revoked the tax relief referred to above in its entirety. On 5 May 2019, CELG-D filed a petition and a concomitant request for a precautionary suspension against the state of Goiás to contest the law. On 16 September 2019, the Court of the state of Goiás denied the request for precautionary relief, confirming the revocation of the ICMS tax benefit. On 26 September 2019, CELG-D filed an appeal against the decision denying the granting of the precautionary measure, arguing that the revocation of the law on tax credits is unconstitutional insofar as these credits had been established in accordance with the applicable law and represent vested rights.

***ENEL completes transfer of Reftinskaya GRES to Kuzbassenergo***

On 1 October 2019, ENEL announced that, as of that date, the ownership of the Reftinskaya GRES coal-fired power plant had been transferred from its subsidiary Enel Russia to JSC Kuzbassenergo (“**Kuzbassenergo**”), owned by Siberian Generating Company. The transfer was completed following the federal registration of ownership transfer for the immovable property of Reftinskaya GRES. With a total consideration for the transaction of 20.7 billion rubles following contractually established price adjustments (equivalent to around €292 million), Enel Russia has so far received the first two installments for a total of 16.7 billion rubles (around €236 million). The remaining tranche will be paid when Kuzbassenergo obtains all the licenses and permits necessary to operate the plant and in any case within one year of the 1 October transfer date. Until that time, Enel Russia will continue to operate Reftinskaya GRES under an agreement approved by Russia's Federal Antimonopoly Service. A contingent component of up to 3 billion rubles (about €42 million) is also envisaged, to be paid within five years from the transfer date subject to specific conditions.

***Disclosure of purchase of treasury shares supporting the long-term incentive plan***



With regard to the start of a share buyback program launched to serve the 2019 Long-Term Incentive Plan, on 1 October 2019, ENEL announced that between 23 and 27 September 2019 it had acquired 154,850 treasury shares at a weighted average price of €6.72 per share on the Mercato Telematico Azionario organized and operated by Borsa Italiana SpA (“MTA”), for a total of €1,040,519.42. On 8 October, ENEL announced that between 30 September and 4 October 2019 it had acquired 294,400 treasury shares at a weighted average price of €6.71 per share on the MTA for a total of €1,976,554.82.

***ENEL successfully places its first “General Purpose SDG Linked Bond”***

On 10 October 2019, Enel N.V. launched a multi-tranche “sustainable” bond for institutional investors on the European market totaling €2.5 billion. The bond is linked to the achievement of the United Nations Sustainable Development Goals (SDGs) and is the Group’s first “General Purpose SDG Linked Bond” issued on the European market. The bond, which is guaranteed by ENEL and launched as part of ENEL and ENEL N.V.’s medium-term bond issue program, was almost four times oversubscribed, with total orders of about €10 billion and the significant participation by SRIs, enabling the ENEL Group to continue to diversify its investor base.

***ENEL to increase its stake in Enel Chile by up to 3%***

ENEL has entered into two share swap transactions (the “**Swap Transactions**”) with a financial institution to increase its shareholding in its listed Chilean subsidiary Enel Chile S.A. (“**Enel Chile**”) by up to 3% from the current 61.9% stake. Pursuant to the Swap Transactions, ENEL may acquire, on dates that are expected to occur no later than the fourth quarter of 2020:

- up to 1,763,747,209 shares of Enel Chile’s common stock; and
- up to 6,224,990 of Enel Chile’s American Depositary Shares (“**ADSs**”), each representing 50 shares of Enel Chile’s common stock.

The above-mentioned shares of Enel Chile’s common stock and ADSs represent up to 3.0% of the company’s entire share capital. The number of shares of Enel Chile’s common stock and Enel Chile’s ADSs actually acquired by ENEL, pursuant to the Swap Transactions, will depend on the ability of the financial institution to establish its hedge positions with respect to the Swap Transactions. The amount payable for any shares of Enel Chile’s common stock acquired will be based on the prices at which the financial institution establishes its hedge with respect to the corresponding Swap Transaction. The amount payable for any of Enel Chile’s ADSs acquired will be based on the volume-weighted average prices of Enel Chile’s ADSs during the period in which the financial institution establishes its hedge with respect to the corresponding Swap Transaction. Prior to settlement, ENEL will not have any right to dispose of or vote any shares of Enel Chile’s common stock or Enel Chile’s ADSs acquired or held by the financial institution as a hedge in connection with the corresponding Swap Transaction. ENEL’s payment obligations under the Swap Transactions will be funded through internal cash flow generation. These transactions are in line with the ENEL Group’s 2020-2022 Strategic Plan announced to the markets, which foresees the buyout of minorities in South America.

***ENEL exercises optional redemption on subordinated hybrid bond with a nominal value of €1,000 million issued in 2014***

On 5 December 2019, ENEL exercised the optional redemption of the non-convertible, subordinated hybrid bond denominated in euros (ISIN XS1014997073), issued and listed on 15 January 2014 on Euronext Dublin, with a nominal value of €1,000 million, paying a 5% coupon and maturing on 15 January 2075 with a First Call Date on 15 January 2020. The optional redemption was exercised through a notice delivered to the noteholders and subsequently published on the website of Euronext Dublin, in accordance with the terms and conditions provided for in the Offering Circular dated 10 January 2014. The transaction is part of the ENEL

Group's strategy to optimise the structure of its liabilities through an active management of maturities aimed at reducing the cost of debt. On 15 January 2020 (the "**First Call Date**"), ENEL will pay the noteholders back the outstanding hybrid bond's nominal value equal to about €410 million, together with any interest accrued up to, the day before the First Call Date. That amount represents the outstanding amount resulting from liability management transactions carried out by the Company throughout the 2018-2019 period.

***ENEL starts operations of 450 MW wind farm in U.S. and expands project to 500 MW through new PPA with Danone North America***

On 23 December 2019, ENEL, through its US renewable subsidiary EGPNA, has started operations of its 450 MW High Lonesome wind farm in Upton and Crockett Counties, in Texas, the largest operational wind project in the Group's global renewable portfolio. ENEL also signed a 12-year, renewable energy power purchase agreement (PPA) with food and beverage company Danone North America, a Public Benefit Corporation, for physical delivery of the renewable electricity associated with 20.6 MW, leading to an additional 50 MW expansion of High Lonesome that will increase the plant's total capacity to 500 MW. The construction of the 50 MW expansion is currently underway and operations are due to start in the first quarter of 2020.

The agreement between ENEL and Danone North America will provide enough electricity to produce the equivalent of almost 800 million cups of yogurt and over 80 million gallons of milk each year and support the food and beverage company's commitment to securing 100% of its purchased electricity from renewable sources by 2030. In addition, the energy produced by a 295 MW portion of the project will be hedged under a Proxy Revenue Swap (PRS) with insurer Allianz Global Corporate & Specialty, Inc.'s Alternative Risk Transfer unit (Allianz), and Nephila Climate, a provider of weather and climate risk management products. The PRS is a financial derivative agreement designed to produce stable revenues for the project regardless of power price fluctuations and weather-driven intermittency, hedging the project from this kind of risk in addition to that associated with price and volume.

Under the PRS agreement, High Lonesome will receive fixed payments based on the expected value of future energy production, with adjustments paid depending on how the realized proxy revenue of the project differs from the fixed payment. The PRS for High Lonesome, which is the largest by capacity for a single plant globally and the first agreement of its kind for Enel, was executed in collaboration with RESurety, Inc.

The investment in the construction of the 500 MW plant amounts to around 720 million US dollars. The wind farm is due to generate around 1.9 TWh annually, while avoiding the emission of more than 1.2 million tons of CO<sub>2</sub> per year.

In Texas, Enel currently operates the 63 MW Snyder wind farm, located in Scurry County and is building one of the largest solar plants in the state, the 497 MW Roadrunner solar farm.

***ENEL: Director Bianchi steps down as Chair of the Nomination and Remuneration Committee***

On 25 December 2019, ENEL informed that on 24 December, late afternoon, Board of Directors member Alberto Bianchi communicated to the Company he has irrevocably stepped down, for personal reasons, from the office of Chair of the Nomination and Remuneration Committee provided for by the Italian Corporate Governance Code, that the Board of Directors entrusted to him on 15 June 2017.

Following this resignation, Alberto Bianchi will continue to hold the office of member of ENEL's Board of Directors, as well as his membership in the Nomination and Remuneration Committee and Related Parties Committee.

On the occasion of its following meeting, ENEL's Board of Directors will provide to appoint one of its members as new Chair of the Nomination and Remuneration Committee.

## Corporate Governance

Corporate governance rules for Italian companies whose shares are listed on the Italian Stock Exchange, such as ENEL, are contained in the Italian Civil Code, in the Legislative Decree No. 58 of 24 February 1998, as amended (the “**Italian Consolidated Financial Act**”), CONSOB Regulation No. 11971 of 14 May 1999 (“**Issuers Regulation**”) and the self-regulatory code of corporate governance promoted by Borsa Italiana S.p.A. (the “**Corporate Governance Code**” (*Codice di Autodisciplina*)).

ENEL has adopted a “traditional” system of corporate governance, based on a conventional organisational model involving shareholders’ meetings, a board of directors, a board of statutory auditors and independent auditors.

Pursuant to its by-laws, the management of ENEL is entrusted to a collegial body made up of no fewer than 3 and no more than 9 members, appointed by an ordinary Shareholders’ Meeting (collectively the “**Board of Directors**” and each member so appointed a “**Director**”).

Directors are appointed for a term not exceeding three financial years and may be reappointed. For the appointment of the Board of Directors, ENEL’s by-laws provide for a slate voting system, aimed at ensuring the presence on the Board of Directors of members appointed by minority shareholders (totalling three-tenths of the Directors to be elected).

The Board of Directors has the widest possible powers to perform the ordinary and extraordinary tasks involved in managing ENEL. It is authorised to take all the steps that it deems appropriate in order to achieve ENEL’s aims and corporate objectives, with the sole exception of the powers expressly reserved by law and by ENEL’s by-laws to Shareholders’ Meetings. In addition, ENEL’s by-laws confer upon the Board of Directors the power to, *inter alia*, resolve upon the following matters: (a) mergers and demergers with subsidiaries, where permitted by applicable laws; (b) decrease of share capital, in case of shareholder withdrawal; and (c) adjustments of the by-laws in order to comply with applicable regulations.

Pursuant to ENEL’s by-laws, the Board of Statutory Auditors (*collegio sindacale*) is composed of three regular members and three alternate members, each of which shall meet the requirements provided for by applicable law and ENEL’s by-laws (collectively, the “**Board of Statutory Auditors**”). The members of the Board of Statutory Auditors are appointed by the ordinary Shareholders’ Meeting for three years and can be reappointed. For the appointment of the Board of Statutory Auditors, ENEL’s by-laws provide for a slate voting system which aims to ensure the presence on the Board of a regular member (who is entitled to the office of chairman) and an alternate member (who will take the office of chairman if the incumbent leaves before the end of his term) designated by minority shareholders.

The Board of Statutory Auditors is responsible for monitoring (i) the Company’s compliance with the law and by-laws, as well as compliance with proper management principles in carrying out the Company’s activities; (ii) the process of financial disclosure and the adequacy of the Company’s organizational structure, internal auditing system, and administration and accounting system; (iii) the audit of the stand-alone and the consolidated financial statements and the independence of the external auditing firm; and, lastly, (iv) how the corporate governance rules provided by the Corporate Governance Code are implemented.

ENEL’s by-laws are in compliance with applicable laws and regulations aimed at ensuring the gender balance within the Board of Directors and the Board of Statutory Auditors.

## Board of Directors

As of the date of this Base Prospectus, ENEL’s Board of Directors is composed of nine members, appointed by the Shareholders’ Meeting on 4 May 2017 for a term of three financial years. The Board of Directors’

mandate will therefore expire on the date of the Shareholders' Meeting to be convened for the approval of ENEL's financial statements for the year ending 31 December 2019.

The names of the members of the Board of Directors are set forth in the following table.

<b>Name</b>	<b>Position</b>	<b>Place and Date of Birth</b>
Maria Patrizia Grieco <sup>(1)</sup>	Chairman	Milan, 1952
Francesco Starace <sup>(3)</sup>	Chief Executive Officer	Rome, 1955
Alfredo Antoniozzi <sup>(2)</sup>	Director	Cosenza, 1956
Alberto Bianchi <sup>(2)</sup>	Director	Pistoia, 1954
Cesare Calari <sup>(2)</sup>	Director	Bologna, 1954
Paola Girdinio <sup>(2)</sup>	Director	Genova, 1956
Alberto Pera <sup>(2)</sup>	Director	Albisola Superiore (Savona), 1949
Anna Chiara Svelto <sup>(2)</sup>	Director	Milan, 1968
Angelo Taraborelli <sup>(2)</sup>	Director	Guardiagrele (Chieti), 1948

Notes:

- (1) Non-executive and Independent director pursuant to the Italian Consolidated Financial Act.
- (2) Non-executive and Independent director pursuant to the Italian Consolidated Financial Act and to the Corporate Governance Code.
- (3) Executive director.

The business address of the Board of Directors' members is ENEL's registered office (being ENEL — Società per Azioni, Viale Regina Margherita 137, 00198 Rome, Italy).

The management competence and experience of each director are briefly summarised below:

**Maria Patrizia Grieco**

Chairman of the Board of Directors of ENEL since May 2014.

Maria Patrizia Grieco has been the Chairman of the board of directors of Enel since May 2014. After graduating in law at the University of Milan, she started her career in 1977 at Italtel, where in 1994 she became chief of the Legal and General Affairs directorate. In 1999, she was appointed General Manager to re-organize and reposition the company, and in 2002 she became Chief Executive Officer. Subsequently, she held the positions of Chief Executive Officer of Siemens Informatica, Partner of Value Partners and Chief Executive Officer of the Group Value Team (today NTT Data). From 2008 to 2013, she was Chief Executive Officer of Olivetti, where she also held the role of Chairman from 2011. She has been a director of Fiat Industrial and CIR and she is currently on the boards of Anima Holding, Ferrari and Amplifon. Mrs. Grieco is also deputy chair and member of the steering committee of Assonime and of the board of directors of Bocconi University. Maria Patrizia Grieco was appointed Chairman of the Italian Corporate Governance Committee in 2017. The purpose of the Committee is the promotion of good corporate governance practices of Italian listed companies.

**Francesco Starace**

Francesco Starace has been Chief Executive Officer and General Manager of Enel S.p.A. since May 2014. Mr. Starace joined the ENEL Group in 2000, holding several top executive positions including Head of

Business Power (from July 2002 to October 2005) and Managing Director of the Market Division (from November 2005 to September 2008). From 2008 to 2014, he served as Chief Executive Officer and General Manager of Enel Green Power, the Group's renewable power generation subsidiary and a leading player in the global renewables industry. In November 2010, Mr. Starace oversaw the Initial Public Offering (IPO) of the company and its listing on the Milan and Madrid Stock Exchanges with a market capitalization of €8 billion. He began his career in construction management of power generation plants, first with the General Electric Group, then at ABB Group, and subsequently at Alstom Power Corporation, where he was Head of Gas Turbine Sales Worldwide. Mr. Starace's consolidated international experience includes periods spent working in the United States, Saudi Arabia, Egypt and Bulgaria. Since June 2014 he has been a member of the Advisory Board of the United Nations' Sustainable Energy 4 All initiative. In May 2015 he joined the Board of Directors of the United Nations' Global Compact. From January 2016 until January 2018 he was co-chair of the World Economic Forum's Energy Utilities and Energy Technologies Community. In October 2016 he was nominated co-chair of the B20 Climate & Resource Efficiency Task Force. From June 2017 to May 2019 he served as President of Eurelectric, the European association for the electricity industry. The European Commission appointed him Member of the "Multi-stakeholder Platform on the Implementation of the Sustainable Development Goals in the EU" in September 2017. During 2018 he was honoured separately by the governments of Mexico, Colombia and Brazil with commendations and awards in recognition of his services to the energy sectors and sustainable development of those countries. On 31 May 2018 he was made a "Cavaliere del Lavoro." This honour is awarded by the President of the Italian Republic for commitment to – and results achieved in – improving living and working conditions in the country. A graduate in Nuclear Engineering from the Polytechnic University of Milan, he is married and has two sons. He is a keen cyclist, a supporter of A.S. Roma football club and has a passion for poetry.

Alfredo Antoniozzi

Born in 1956 in Cosenza, he graduated in law at the University "La Sapienza" of Rome in 1980 and then he achieved a specialization in labor law, practicing his activity in a law firm. From 1981 to 1990 he was City Councilman at the Municipality of Rome, taking on the office as Counsellor for the Educational Politics; later, he held the office of Counsellor for General Affairs appointed to the Institutional and International Relations of Rome. From 1990 to 2004 he was Region Councilman at the Lazio Region, where he assumed the office as Counsellor for Transport. Furthermore, from 2008 to 2012 he held the office as Counsellor for Heritage and Special Projects at the Municipality of Rome. From 2004 to 2014 he was Member of the European Parliament, where he was a member of the Justice Commission, Legal Commission and Constitutional Affairs Commission. During the same period he also took part in the Delegations for European relationships with the United States of America and the Arabic Peninsula and Central America, as well as he took part in the Delegation at Parliamentary Committee on relationships between EU-Mexico. Member of the Board of Directors of ENEL since May 2015.

Alberto Bianchi

He was born in Pistoia in 1954, after the graduation in law and becoming a lawyer, he started to practice the profession of lawyer in 1986 in administrative, commercial, corporate and bankruptcy fields. In this field, initially he has carried out its activity in the law firm of Professor Alberto Predieri (from 1983 to 2001); to the death of the owner (August 2001), he founded the law firm Bianchi and Associates, with main office in Florence and subsidiaries offices in Rome and Milan. From 2001 to 2007 he was liquidator of EFIM (body of loan for the manufacturing industries); after the suppression of the abovementioned body, he has been appointed (in July 2007) by the Minister of Economy and Finance as commissioner "ad acta" for the compulsory winding up of the companies managed by Ligestra (companies of the Fintecna Group), office that he practices as of today. He was also a member of the liquidator board of Finanziaria Ernesto Breda (from 1994 to 2001), director of Rai New Media, chairman of Firenze Fiera (from 2002 to 2006) and of Dada (internet company listed on the Stock exchange of Milan from 2011 to 2013). Currently he is chairman of the

board of directors of “Edizioni di Storia e Letteratura”, as well as director and accounting auditor of several associations and foundations. From March 2016 he is member of the Steering Committee at Cassa di Risparmio Foundation in Florence. Member of the Board of Directors of ENEL from May 2014.

Cesare Calari

Born in Bologna in 1954, in 1977 he graduated in law at the University of Bologna and in 1979 he earned a master of arts at the School of Advanced International Studies of Johns Hopkins University (Washington DC). After a short period spent working at the Bank of Italy (1980-1981), in 1981 he joined the World Bank Group, where from 1982 to 2001 he held positions of increasing responsibility within the International Finance Corporation, an affiliate of the World Bank Group whose aim is to support the private sector in developing countries. Among the positions held within the International Finance Corporation, it's worth to mention that of Head of the Sub-Saharan Africa department (from 1997 to 2000) and that of Head of the global financial markets group (from 2000 to 2001). From 2001 to 2006 he was Vice President of the World Bank, responsible for the Bank's operations and strategies in the financial sector, for its work on international financial architecture and for anti-money laundering; during this period, he was also member of the Financial Stability Board (formerly Financial Stability Forum) and Chairman of CGAP (Consultative Group to Assist the Poor), a trust fund for the promotion of microfinance. Since October 2006 he has been partner and managing director of Encourage Capital (formerly Wolfensohn Fund Management), a U.S. company managing private equity investments with high social and environmental impact; he is currently partner of Wolfensohn Capital Partners as well as Chairman of the Investment committee of encourage Solar Finance, private equity funds specialized in emerging markets. Covering such roles, he has gained a wide managerial and strategic experience in the financial services sector, as well as a broad knowledge of corporate and project finance and issues related to corporate governance and regulation of the financial sector worldwide. He has been member of the boards of directors of companies operating in different businesses, such as the Czech Zivnostenska Banka (from 1992 to 1995), the Chilean Moneda Asset Management (from 2001 to 2005), the Italian Assicurazioni Generali (from 2010 to 2013) and Terna (from 2014 to 2017), the Polish International Bank in Poland (from 1991 to 1994) and Meritum Bank (from 2011 to 2013), the Turkish Global Ports Holding (from 2013 to 2016) and the Hungarian Nomura Magyar (from 1991 to 1994). In addition, he has lectured as an adjunct professor of International Finance at Johns Hopkins University, SAIS, in Washington. Member of the Board of Directors of ENEL since May 2017.

Paola Girdinio

She graduated in physics science at the University of Genova, in which she was at the beginning researcher (from 1983 to 1987), then she became, first, associate professor (from 1987 to 2000) and then full professor (from 2000 as of today) of electro technology in the engineering department. At the same University of Genova she has been also headmaster of the faculty of electrical engineering (from 2001 to 2007), member of the executive board of the centre of the permanent training (from 2006 to 2008), chief of the department of electrical engineering (from 2007 to 2008), headmaster of the faculty of engineering (from 2008 to 2012) and member of the board of directors of the University (from 2012 to 2016). She is the author of several scientific publications on national and international magazines, in which she specialised in electromagnetic events and the related industrial compatibility. Member of the board of director of Ansaldo STS (from 2011 to 2014), of Ansaldo Energia (from 2014 to 2016), of the “Distretto ligure delle tecnologie marine” (from 2010 to 2016) and of Banca Carige (from 2016 to June 2017), now she is in charge of the same office at the company D'Appolonia of the Rina Group (from 2011). She has been also a member of the regency board of Genova of the Bank of Italy (from 2011 to 2016) and she is currently president of the scientific committee for the project “smart city” made by Comune di Genova (from 2011), and member of the scientific committee of Eurispes (from 2013). From 2015 she is the chairman of the National Observatory for the Cyber Security, Resilience and Business Continuity of Electric Systems to which belong certain of the most

important national companies operating in this field. She is a member of ENEL's Board of Directors since May 2014.

#### Alberto Pera

Born in Albisola Superiore (Savona) in 1949, he graduated in economics at the University "La Sapienza" of Rome and in law at the University of Macerata; he is a lawyer and has earned a master's degree of science in economics at the London School of Economics. After a period as a researcher at the Faculty of Economics, University of Rome (1974 – 1978), he started his career as chief of the analysis of the monetary markets at the Banca Nazionale del Lavoro (from 1978 to 1979), becoming then economist at the division of the international capital markets of the International Monetary Fund (from 1980 to 1985). Chief of the economic studies of IRI (from 1985 to 1990, where he was also involved in the topics related to the privatisations of the companies controlled by IRI and markets liberalization), he has been also advisor of the Minister of Industry for the industrial policies of competition (from 1986 to 1990, minding the first Italian antitrust law); in this period he has been member of the board of directors of Italcable (STET Group, from 1986 to 1990) and chairman of Seleco (1988 – 1990). From 1987 to 1991 he was a professor of economy of public enterprises at the "Catholic" University in Milan. First general secretary of the Italian Antitrust Authority (from 1990 to 2000), he has represented also the abovementioned Authority at the meetings of the competition general managers of the EU member States. From 2001 to 2014 he was a partner at the Gianni, Origoni, Grippo, Cappelli & Partners Law Firm, where he founded the antitrust and regulation department, becoming of counsel since January 2015. He is currently chairman of the board of directors of Banca Intermobiliare di Investimenti e Gestioni (from June 2019), after having held the offices of chairman of the board of directors of Bancapulia (from September 2016 until May 2019) and member of the board of directors of the parent company Veneto Banca (from August 2016 until June 2017). Member of the Board of Directors of ENEL since May 2014.

#### Anna Chiara Svelto

Born in Milan in 1968, she graduated in law at the University of Milan in 1992 and became a lawyer in 1995. From March 1996 to February 1998 she worked at the legal affairs directorate of Edison, becoming later chief of the legal and corporate affairs directorate of Shell Italia from March 1998 to September 2000. Then she joined the Pirelli Group, where she worked until May 2016, holding several managerial positions in the parent company, and specifically acting as chief of corporate affairs and compliance department, as well as secretary of the board of directors and the advisory committees set up within the board itself. From June 2016 to December 2018 she acted as chief general counsel at UBI Banca. Being involved for a long time on governance issues, she attended as speaker at many conferences and is currently member of the "Ethic and Systemic Risk Committee" of ICGN (International Corporate Governance Network). Moreover, she has been holding over time positions of rising importance within the board of directors of listed companies. Specifically, from April 2013 to February 2014 she has been director and member of the risk control and corporate governance committee of Prelios. She is currently an independent member of the board of directors and some of the related advisory committees of Techedge (since December 2018), having held similar tasks at ASTM (from April 2016 until May 2019) and Banca Intermobiliare di Investimenti e Gestioni (from April until July 2019). She is a member of ENEL's Board of Directors since May 2014.

#### Angelo Taraborrelli

He was born in Guardiagrele (Chieti) in 1948, after the graduation with honors in Law at the University of Siena in 1971, he obtained a master degree in hydrocarbon business at the High School of Hydrocarbon "Enrico Mattei." He began his professional activity at Eni in 1973, where he held various management offices, up to the role of Director of Planning and Control of Saipem. Then he held the office of the holding's deputy Head of Strategic control and Up-stream development and Gas (in 1996) and, subsequently (in 1998), the office of deputy head of Planning and Industrial Control. Subsequently he held the office of deputy

Chairman of Snamprogetti (from 2001 until 2002) and has been chief executive officer for AgipPetroli's business (2002). From the beginning of 2003, after the incorporation of the aforementioned company in the holding, he was deputy general manager of the marketing area at the Refining & Marketing Division. From 2004 until 2007 he was general manager of Eni with responsibility for the Refining & Marketing Division. Until September 2007, he was director of Galp (a Portuguese oil company), deputy Chairman of Unione Petrolifera (association of the oil companies operating in Italy), director of Eni Foundation and Chairman of Eni Trading & Shipping. From 2007 until 2009 he held the office of chief executive officer and general manager of Syndial, Eni's company operating in chemicals and environmental intervention fields. In 2009 he left Eni in order to carry out consultancy in oil industry matters; then he was appointed as distinguished associate of Energy Market Consultants (consultancy firm in oil industry matters with registered office in London) in 2010. Starting from the academic year 2015-2016 he has lectured in "Energy and Environmental Policies" at LUISS Guido Carli University of Rome. He has been a member of ENEL's Board of Directors since May 2011.

### **Conflicts of Interest of the members of the Board of Directors**

At the date hereof, none of the members of the Board of Directors has any private interests in conflict with the duties arising from his or her office or position within the Group.

### **Provisions in the by-laws regarding the integrity requirements of the members of the Board of Directors**

In the Extraordinary session of the Shareholders' Meeting held on 22 May 2014, the meeting approved the proposal of the Shareholder, Ministry for the Economy and Finance, presented pursuant to Article 2367 of the Italian Civil Code, to insert in the corporate by-laws a provision concerning integrity requirements and related causes of ineligibility and disqualification from office of the members of the Board of Directors and the consequent by-laws amendments. Such provision was then partially modified by the resolution of the Extraordinary Shareholders' Meeting held on 28 May 2015.

### **Board of Statutory Auditors**

At the date hereof, ENEL's Board of Statutory Auditors, appointed by the Shareholders' Meeting on 16 May 2019 for a term of three financial years, is composed of three regular members, whose names and positions are set forth in the following table, and three alternate members. The Board of Statutory Auditors' mandate will therefore expire on the date of the Shareholders' Meeting to be convened for the approval of the financial statements for the year ending 31 December 2021.

<b>Name</b>	<b>Position</b>	<b>Place and Date of Birth</b>
Barbara Tadolini	Chairman	Milan, 1960
Claudio Sottoriva	Statutory Auditor	Ala, 1973
Romina Guglielmetti	Statutory Auditor	Piacenza, 1973

The business address of the Board of Statutory Auditors' members is ENEL's registered office (being ENEL - Società per Azioni, Viale Regina Margherita 137, 00198, Rome, Italy).

The competence and experience of each statutory auditor are briefly summarised below.

Barbara Tadolini

Chairman of the Board of Statutory Auditors

She graduated with honors in Economics and Business at the University of Genoa in July 1985. A certified chartered accountant and auditor, she has earned also the qualification as a shipbroker. After having worked in Genoa in a firm of accountant at first and then in a tax firm associated with Arthur Andersen, starting from



1991 she set up a firm of her own. Currently she is partner of the accountant firm “Tierre”, that provides business and tax advice and carries out enterprise evaluation activity. She has held various offices within the college of certified chartered accountant, and is a member of NedCommunity (the Italian association of non-executive directors) as well as Women Corporate Directors. She has held and still holds offices on the board of directors and the board of statutory auditors of important Italian companies. Specifically, she has been regular statutory auditor of Grandi Navi Veloci and Salmoiraghi & Viganò, as well as independent director of Fondiaria Sai. She is currently chair of the board of statutory auditors of Tiscali and a regular statutory auditor of Luxottica Group and Parmalat, as well as independent director of Unipolsai. Chair of the board of statutory auditors of ENEL since May 2019.

Claudio Sottoriva

Statutory Auditor

He holds a degree in Economics and Business Studies from Università Cattolica del S. Cuore, Milan. He is currently professore aggregato of Financial Accounting at Università Cattolica del S. Cuore, Milan. He is the author of a rich scientific output, mainly regarding the application of national and international accounting principles, business evaluation and extraordinary corporate transactions. He is a certified chartered accountant and auditor; he is a member of the European Accounting Association and he is member of the European Corporate Governance Institute. He is enrolled in the register of technical advisors and criminal advisors of the Court of Milan. He holds offices on the board of statutory auditors of major Italian companies, operating in the financial as well as industrial sector. Specifically, he is currently chairman of the board of statutory auditors of Sella Personal Credit, Sella Leasing and Smartika, as well as regular statutory auditor of Banca Sella, PLC, IPG Photonics Italia and Alkeemia. Moreover, he is a member of the board of auditors of several foundations (Teatro Carlo Felice di Genova, Casa Verdi di Milano, Museo storico del Trentino, Luigi Clerici, Don Carlo Gnocchi). Since May 2019 he is a regular statutory auditor of ENEL.

Romina Guglielmetti

Statutory Auditor

After graduating in law at the University of Parma and becoming a lawyer, she started to practice the legal profession in 2001. She was senior associate of Bonelli Erede law firm and of counsel of Marchetti notary office; she cooperated from 2007 to 2013 with Santa Maria law firm (in which she was also partner), and she is currently founding partner of Starclex – Guglielmetti associated law firm. During her professional activity she has in particular deepened the subjects of corporate governance, corporate law and financial intermediaries. For years she has been specialized in corporate governance of, amongst others, listed and public companies, with specific regard to the profiles of internal controls, gender diversity and succession plans. Associate of Nedcommunity (the Italian association of non-executive directors), she is an advisor of the Ministry of Equal Opportunities. She is currently member of the board of directors of important companies, also listed, holding in particular the office of director (and, usually, also of member of the committees with consultative and proposing functions established within the same management bodies) of Tod's, Servizi Italia, Compass Bank, Pininfarina and MBFacta. She is a member of the Steering Committee of Nedcommunity and teaches in courses and seminars. She lectures at LUISS Guido Carli University of Rome. Since May 2016 she is a regular statutory auditor of ENEL.

#### **Conflicts of Interest of the members of the Board of Statutory Auditors**

At the date hereof, none of the members of the Board of Statutory Auditors has any private interest in conflict with the duties arising from his or her office or position within the Group.

## **Board Committees**

### ***Establishment of the Control and Risk Committee, the Nomination and Compensation Committee, the Related Parties Committee and the Corporate Governance Committee***

In accordance with the provisions of the Corporate Governance Code (*Codice di Autodisciplina*), ENEL's Board of Directors has resolved upon the establishment of the following four committees:

- nomination and compensation committee;
- control and risk committee;
- corporate governance and sustainability committee;
- related parties committee.

Special organisational regulations approved by the Board of Directors govern the composition, tasks and functioning of the committees.

According to the regulations here above, each committee consists of at least three directors who are nominated by the Board of Directors, which appoints one of them as chairman. In particular:

- the nomination and compensation committee, recommended by the Corporate Governance Code, is composed of at least three non-executive Directors, the majority of whom (including the Chairman) are independent pursuant to the Corporate Governance Code; the control and risk committee, recommended by the Corporate Governance Code is made up of at least three non-executive Directors, the majority of whom (including the Chairman) are independent pursuant to the Corporate Governance Code;
- the related parties committee, established pursuant to Consob's Resolution no. 17721 of 12 March 2010 concerning transactions with related parties, is made up of at least three Directors qualified as independent pursuant to the Corporate Governance Code;
- the corporate governance and sustainability committee, made up of at least three Directors, the majority of whom qualified as independent pursuant to the Corporate Governance Code.

In carrying out their duties, the committees above are empowered to access the information and corporate departments necessary to perform their respective tasks and may avail themselves of external consultants at the Company's expense subject to the limits of the budget approved for each committee by the board of directors (except for the related parties committee that is not subject to budget limits in retaining external consultants). In this regard, it should be noted that in the event that the nomination and compensation committee decides to avail itself of external consultants in order to obtain information on market practices concerning remuneration policies, it previously verifies that the consultant is not in any situation which may effectively compromise his independence of judgement, while the related parties committee ascertains the independence and the absence of conflicts of interest, as well as the consultant's professional competence and skills in relation to the subjects of the transactions in which respect the committee shall issue its opinion.

Each committee appoints a secretary, who needs not be one of its members, who is assigned the task of drafting the meeting minutes.

The chairman of the Board of Statutory Auditors, or another designated auditor, attends the meetings of each committee (the other regular statutory auditors are also entitled to attend) and, upon invitation by the chairman of the relevant committee, meetings may also be attended by other members of the board of directors or representatives of the company's functions or third parties whose presence may support the performance of the committee's duties. The meetings of the control and risk committee are also normally attended by the head of the "Audit" function, and the meetings of the nomination and compensation committee are also normally attended by the head of the "People and Organisation" function; no directors

may attend those meetings of the nomination and compensation committee that are called to resolve upon proposals regarding their own compensation, to be submitted to the Board of Directors, except in the case of proposals concerning all the members of the committees established within the Board of Directors.

### **Control and Risk Committee**

The control and risk committee has the task of supporting, through an adequate review process, the assessments and decisions of the Board of Directors regarding the internal control and risk management system and the approval of periodic financial reports.

Specifically, the control and risk committee is entrusted with the following consultative and proposing tasks:

- (i) supporting the Board of Directors, by formulating specific opinions, in connection with the performance of its tasks on internal control and risk management matters;
- (ii) assessing, together with the executive in charge of preparing the corporate accounting documents after consulting with the Audit firm and the Board of Statutory Auditors, the proper application of accounting principles and their consistency for purposes of preparing the periodic financial reports;
- (iii) expressing opinions on specific aspects regarding the identification of the Company's main risks;
- (iv) reviewing periodic reports concerning assessments on the internal control and risk management system, as well as the other reports prepared by the Audit Function that are particularly significant;
- (v) monitoring the independence, adequacy, effectiveness and efficiency of the "Audit" function;
- (vi) performing the additional tasks assigned to the committee by the Board of Directors, with particular regard to (a) reviewing the contents of the sustainability report and the non-financial statement as provided by Legislative Decree No. 254/2016 that are relevant for purposes of the internal control and risk management system, issuing in such regard a prior opinion to the Board of Directors called to approve such report, and (b) reviewing, together with the Corporate Governance and Sustainability Committee, the main corporate rules and procedures related to the internal control and risk management system which are relevant for stakeholders, with particular reference to the Compliance Programme prepared pursuant to Legislative Decree No. 231/2001, the Code of Ethics, the "Zero Tolerance for Corruption" Plan and the Human Rights Policies, submitting such documents to the Board of Directors for approval and assessing any subsequent amendments or supplements to the same;
- (vii) reporting to the Board of Directors at least once every six months, on the activity carried out and on the adequacy of the internal control and risk management system;
- (viii) carrying out any preliminary activity to support the Board of Directors in its evaluations and decisions regarding the management of risks arising from events that are potentially damaging in relation to which the board has become aware of.

The committee may also ask the "Audit" function to perform checks on specific operating areas, giving simultaneous notice to the chairman of the Board of Statutory Auditors and, except where the subject matter of the request specifically concerns such persons' activity, to the Chairman of the Board of Directors and the Director in charge of the internal control and risk management system.

At the date hereof, such committee is composed of Angelo Taraborrelli (Chairman), Paola Girdinio, Alberto Pera and Anna Chiara Svelto.

### **Nomination and Compensation Committee**

The current nomination and compensation committee is made up entirely of Directors who qualify as independent pursuant to the Corporate Governance Code.

The nomination and compensation committee is responsible for supporting the Board of Directors, through proper enquiry, the assessments and decisions of the Board on the size and composition of the board, as well as the compensation of the executive Directors and of the executives with strategic responsibilities. Specifically, the nomination and compensation committee is entrusted with the following consultative and proposing tasks:

- formulating opinions to the Board of Directors on the size and composition of the Board and expressing recommendations on the professional profiles whose participation on the Board would be deemed advisable;
- expressing recommendations to the Board of Directors on the contents of the policy on the maximum number of offices within Boards of Directors and control of other companies of significant size which could be considered compatible with the effective performance of the office of director of the Company;
- expressing recommendations to the Board of Directors on controversial issues related to the application of the restriction on competition imposed upon directors pursuant to article 2390 of the Italian Civil Code if the Shareholders' Meeting – for organisational reasons – has authorized, on a general and preliminary basis, exemptions from such restriction;
- proposing candidates for the role of Director to the Board of Directors, taking into account suggestions that may be made by shareholders:
  - in the event of co-optation, should it be necessary, to replace independent directors;
  - if, in the event of the renewal of the Board of Directors, it is envisaged that it will not be possible to draw the required number of Directors from the lists submitted by the shareholders, so that the outgoing Board may, in this case, provide its own nominations to be submitted to the Shareholders' Meeting;
  - if, in the case of a renewal of the Board of Directors, the outgoing board decides to avail itself of the right, provided under the bylaws, to submit its own slate;
- in cooperation with the Corporate Governance and Sustainability Committee, assisting the Board of Directors in drafting a contingency plan, which shall provide for the steps to be taken to ensure that the Company's activities are regularly managed in the event of early termination of the Chief Executive Officer;
- in the event of early termination of the Chief Executive Officer, proposing to the Board of Directors the new Chief Executive Officer in accordance with the Corporate Governance and Sustainability Committee, taking also into consideration any indications provided by those shareholders that submitted the slate from which the outgoing Chief Executive Office was drawn;
- submitting proposals for the compensation of the Directors and of the executives with strategic responsibilities to the Board of Directors, periodically evaluating the adequacy, overall consistency and actual application of the policy adopted, also on the basis of the information provided by the Chief Executive Officer concerning the implementation of such policy with respect to the executives with strategic responsibilities;
- submitting to the Board of directors proposals for, or expressing opinions on, the compensation of the executive directors and the other Directors who hold particular offices, as well as the identification of performance targets related to the variable component of such compensation, monitoring the implementation of the decisions adopted by the Board and verifying, in particular, the actual achievement of performance targets;
- examining in advance the annual remuneration report to be made available to the public in view of the Shareholder's Meeting convened for the approval of the annual financial statements.

As part of its duties, the nomination and compensation committee also plays a central role in elaborating and monitoring the performance of incentive systems (including stock-based plans, if any), addressed to the management and conceived as instruments aimed at attracting and motivating resources with appropriate expertise and experience, developing their sense of belonging and ensuring their constant, enduring effort to create value. The committee can also assist the Chief Executive Officer and the corporate functions concerned with regard to making the best use of managerial resources, finding talent and promoting related initiatives with university institutions.

At the date hereof, the nomination and compensation committee is composed of Alberto Bianchi, Cesare Calari, Paola Girdinio and Alberto Pera. Following the resignation of Alberto Bianchi from the office of Chairman of the nomination and compensation committee – as announced to the market on 25 December 2019 – ENEL's Board of Directors, in the occasion of its following meeting, will appoint one of its members as new Chairman of the aforementioned committee.

### **Related Parties Committee**

According to ENEL's procedure for transactions with related parties (see below under the paragraph "Transactions with Related Parties") and to its own organisational regulations, the related parties committee has been assigned with the task of issuing reasoned opinions on the interests of ENEL (as well as those of ENEL's directly or indirectly controlled subsidiaries that may be involved from time to time) in the completion of transactions with related parties, expressing an assessment on the advantageousness and substantial fairness of the relevant conditions after receiving timely and adequate information in advance. In connection with transactions of major importance (as defined in the aforementioned procedure), such committee may also request information and make comments to the Chief Executive Officer and those persons in charge of the negotiations or the inquiry on matters related to the information received. Lastly, the committee decides upon those cases, submitted to its attention by the advisory board established pursuant to the same procedure, in which the identification of a related party or the ordinary nature of a transaction is disputed.

At the date hereof, the committee is composed of Anna Chiara Svelto (Chairman), Alfredo Antoniozzi, Alberto Bianchi and Cesare Calari.

### **Corporate Governance and Sustainability Committee**

The current corporate governance and sustainability committee is made up entirely of Directors who qualify as independent pursuant to the Italian Consolidated Financial Act and the Directors, Alfredo Antoniozzi and Angelo Taraborrelli, also qualify as independent pursuant to the Corporate Governance Code.

The committee assists with preliminary functions, both proposing and consultative in nature, the Board of Directors on its assessments and decisions related to the corporate governance of the Company and the Group and to sustainability issues. In this regard, the corporate governance and sustainability committee has the following specific tasks:

- monitoring the evolution of the legal framework, as well as national and international best practices in relation to corporate governance, updating the Board of Directors in case of significant changes;
- verifying that the corporate governance system adopted by the Company and the Group is compliant with applicable laws, recommendations set forth under the Corporate Governance Code and national and international best practices;
- submitting to the Board of Directors proposals for the review of the aforementioned corporate governance system if deemed necessary or appropriate;

- preparing the Board review process, by submitting to the Board of Directors' proposals for the grant of the mandate to a firm specialized in the sector, identifying the matters to be assessed and defining the modalities and timeframes to be followed in such regard;
- supporting the Board of Directors, together with the nomination and compensation committee, in preparing a contingency plan providing the activities to be carried out in order to guarantee the proper management of the Company in case of early cessation of the chief executive officer before the expiry of the ordinary term of office (the so-called "crisis management" case);
- in the event of early termination of the Chief Executive Officer, proposing to the Board of Directors the new Chief Executive Officer in accordance with the nomination and compensation committee, taking also into consideration any indications provided by those shareholders that submitted the slate from which the outgoing chief executive office was drawn; examining, in advance, the annual report on corporate governance to be published with the documentation connected with the annual financial statements;
- monitoring on sustainability-related issues in connection with the Company's business and the interaction dynamics between the latter and its stakeholders;
- examining the guidelines set forth under the sustainability plan and the implementation modalities of the sustainability policy;
- monitoring the inclusion of the Company in the main sustainability indexes, as well as its participation to the most relevant international events on this matter;
- examining the general structure of the Sustainability Report and of the non-financial statement provided by Legislative Decree No. 254/2016, as well as the structure of its contents, the completeness and transparency of the disclosure provided through such report, issuing in such regard a prior opinion to the Board of Directors called upon to approve such document;
- examining the main corporate rules and procedures that might be relevant for stakeholders – together with the Control and Risk Committee whenever such rules and procedures are related to the internal control and risk management system – and submitting these documents for approval to the Board of Directors, evaluating whether they should subsequently be amended or supplemented;
- performing the additional tasks assigned to it by the Board of Directors.

At the date hereof, such committee is composed of Patrizia Grieco (Chairman), Alfredo Antoniozzi and Angelo Taraborrelli.

## **Other Corporate Governance Matters**

### ***Implementation of Corporate Governance Rules***

The corporate governance structure in place at ENEL and in the group of companies that it controls reflects the principles set forth in the Corporate Governance Code, as well as the recommendations made in this regard by CONSOB and, more generally, international best practice.

In addition to establishing the above-described committees, ENEL has, among other things, identified an officer responsible for relationships with institutional investors and other shareholders and, as already mentioned, has adopted an internal procedure for the discipline of transactions with related parties.

### ***Adoption of a Compliance Programme***

In July 2002, the Board of Directors approved a compliance programme pursuant to the requirements of Legislative Decree No. 231 of 8 June 2001, which introduced into the Italian legal system a regime of administrative (but, in fact, criminal) liability with respect to companies for several kinds of crimes

committed by the directors, executives, or employees in the interest of or for the benefit of the companies themselves. Such compliance programme, which was regularly updated, is consistent with the guidelines on the subject established by industry associations and represents another step towards strictness, transparency and a sense of responsibility in both internal relations and those with the external world. At the same time, the compliance programme offers shareholders adequate assurance of efficient and fair management.

### **Transactions with Related Parties**

The relationships between the ENEL Group and its related parties primarily consist of business transactions relating to the sale and purchase of products and the provision of services. They fall within the ordinary activities carried out by the ENEL Group.

A procedure has been implemented within the Group, adopted by the Board of Directors in compliance with CONSOB regulation, aimed at governing the approval and conclusion of related party transactions carried out by ENEL, either directly or through its subsidiaries, in order to ensure the transparency and fairness of such transactions from both a substantive and formal standpoint; such procedure is available on the Company's website.

Such procedure was approved by the Board of Directors in November 2010, pursuant to Article 2391-*bis* of the Italian Civil Code and to Consob's Resolution No. 17221/2010 (as amended by Consob's Resolution No. 19974/2017), and subsequently amended by the same Board of Directors in June 2011, in December 2012 and, lastly, in January 2014.

For more details on the transactions with related parties, see Note 29 to the Half Year Report as of 30 June 2019 and Note 49 to the 2018 Audited Consolidated Financial Statements.

### **Executive in Charge of preparing the Corporate Accounting Documents**

Pursuant to the provisions of Article 154-*bis*, paragraph 1, of the Italian Consolidated Financial Act, and the by-laws, the Board of Directors, after receiving the opinion of the Board of Statutory Auditors, is required to appoint an "executive in charge of preparing the corporate accounting documents".

This role is currently held by Alberto De Paoli, head of the Company's Administration, Finance and Control department, which fulfils (as ascertained by the Board of Directors on 4 November 2014) the relevant professional requirements set forth under the Italian Consolidated Financial Act and the by-laws.

The duty of such executive is to establish appropriate administrative and accounting procedures for the preparation of the financial statements of ENEL and the Group's consolidated financial statements, and all other financial documents.

### **Principal Officers**

The following table sets forth the ENEL Group's officers with strategic responsibilities and their positions as of the date of this Base Prospectus.

<b>Name</b>	<b>Position</b>
Francesco Venturini .....	Head, Enel X
Livio Gallo .....	Head, Global Infrastructure and Networks
Enrico Viale .....	Head, North America
Claudio Machetti .....	Head, Global Trading
Antonio Cammisecra.....	Head, Global Power Generation
Salvatore Bernabei .....	Head, Global Procurement

Carlo Tamburi .....Head, Italy  
José Bogas Gálvez .....Head, Iberia  
Maurizio Bezzeccheri .....Head, Latin America  
Simone Mori .....Head, Europe and Euro-Mediterranean Affairs  
Alberto De Paoli .....Head, Administration, Finance and Control  
Francesca Di Carlo .....Head, People and Organization.

### **Independent Auditors**

The independent auditor of ENEL is EY S.p.A., whose registered office is at Via Lombardia, 31, 00187, Rome, Italy. EY S.p.A. is authorised and regulated by the Italian Ministry of Economy and Finance (“MEF”) and registered on the special register of auditing firms held by the MEF. EY S.p.A. is a member of ASSIREVI, the Italian association of auditing firms.

EY S.p.A. has audited, in accordance with International Standards on Auditing (ISA Italia) implemented in accordance with article 11 of Legislative Decree n. 39, dated 27 January 2010, ENEL’s consolidated financial statements as of 31 December 2017 and 2018 and for the years then ended, prepared in accordance with International Financial Reporting Standards adopted in the EU and the Italian regulations implementing Article 9 of Legislation Decree No. 38/05, without qualification, as stated in the convenience translation into English of their reports incorporated by reference in this Base Prospectus.

EY’s current appointment will expire on the date of the Shareholders’ Meeting called for the approval of ENEL’s annual financial statements as of 31 December 2019.

The auditors of ENEL are independent auditors with respect to ENEL.



## DESCRIPTION OF ENEL FINANCE INTERNATIONAL N.V.

### General

ENEL N.V. was incorporated (as ENEL Trading Rus B.V.) as a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid* or B.V.) under the laws of The Netherlands on 26 September 2008 and operates in accordance with the Dutch Civil Code (*Burgerlijk Wetboek*). It was converted into a limited liability company (*naamloze vennootschap* or N.V.) under the laws of The Netherlands on 7 September 2010. It was renamed on 4 October 2010.

ENEL N.V. is 100% indirectly owned by ENEL.

ENEL N.V. is registered with the trade register of the Dutch Chamber of Commerce under number 34313428 and its telephone number is +31 20 5218 777. The registered office of ENEL N.V. is at Herengracht 471, 1017 BS Amsterdam, The Netherlands. Its corporate seat is at Amsterdam, The Netherlands.

### Merger

On 1 December 2010, in the context of an internal reorganisation of the ENEL Group, ENEL N.V. merged with ENEL Finance International S.A. (“**ENEL S.A.**”), a company incorporated as a public limited liability company (*société anonyme*) established under the laws of Luxembourg on 3 July 1997, having its registered office in Luxembourg. The cross-border merger was carried out in accordance with Directive 2005/56/EC of the European Parliament and of the Council of 26 October 2005 on cross-border mergers of limited liability companies and the provisions of Title 7, Book 2 of the Dutch Civil Code (*Burgerlijk Wetboek*), as a result of which ENEL N.V. (as acquiring and surviving entity) acquired all the rights, assets, obligations and liabilities of ENEL S.A. (as disappearing entity) under universal succession of title, including – without limitation – any and all payment obligations in connection with the Notes issued by ENEL S.A. under the Programme prior to the merger.

Prior to the merger with ENEL S.A., ENEL N.V. was a dormant vehicle with no assets and no commercial activities.

### Demerger of Enel Green Power International B.V.

On 27 May 2016 the Board of Directors of ENEL N.V. approved the demerger proposal to transfer certain assets and liabilities of Enel Green Power International B.V. to ENEL N.V. whose value, at the date of demerger proposal, was equal to Euro 983 million (of which Euro 5,207 million of assets and Euro 4,224 million of liabilities). The demerger transaction was completed on 24 October 2016.

The difference in the amount of assets and liabilities occurred between demerger balance sheet proposal in and date of effectiveness of the demerger, was equal to Euro 204 million.

### Change of the shareholding structure

On 9 July 2018, ENEL incorporated a wholly owned Italian subsidiary, Enel Holding Finance S.r.L., to which it contributed and transferred a part of the investment equal to 1,109,092,990 shares, i.e. 74.999% of the entire capital, held in ENEL N.V.

The capital of Enel Holding Finance S.r.L. is set at €10,000 (ten thousand) and is fully underwritten by the sole shareholder ENEL. The share premium reserve is set at €1,797,828.528.50.

On 9 July 2018, a Deed of contribution and transfer of shares was executed by Maria Yvonne Hillegonda Johanna Den Boer the civil-law notary in Amsterdam, The Netherlands.

ENEL N.V. is currently 100% indirectly owned by ENEL:

- 25.001% of ENEL N.V. is owned by ENEL directly
- 74.999% of ENEL N.V. is owned by ENEL through its 100% subsidiary Enel Holding Finance S.r.L.

### **Corporate Purpose**

Pursuant to the articles of association of Enel N.V. as amended on 7 July 2017, the objects of Enel N.V. include: (i) financing companies and enterprises, borrowing and lending money, providing undertakings and guarantees and binding the company or the company's assets for the benefit of third parties, including companies with which the company is affiliated in a group, (ii) issuing, selling and purchasing bonds, debt instruments, shares, profit-sharing certificates, options and other securities of whatever nature, (iii) providing administrative, clerical and other services to other companies and enterprises mainly engaged in the financial sector, and (iv) performing all that is related to the above or may be conducive thereto.

### **Principal Activities**

ENEL N.V. operates as a financing company for the ENEL Group, raising funds through notes issuances, loans and other facilities and on lending the funds so raised to the companies belonging to the ENEL Group.

ENEL N.V. is also part of the centralising financial flows process and acts as the primary reference for the management of financial needs or liquidity generated by the operating entities that are part of the ENEL Group.

ENEL N.V. acts solely as a financing company for the ENEL Group and therefore is not engaged in market competition in the energy sector with third parties.

### **Lending to companies belonging to the ENEL Group**

As the acquiring company in the merger with ENEL S.A., ENEL N.V. succeeded, as lender, in the outstanding short and long terms financial operations with companies belonging to the ENEL Group.

The financial agreements in place as at 30 June 2019 with principal amounts outstanding thereunder above €50 million are the following<sup>1</sup>:

### **Long term operations**

- €4,404 million long-term facility granted to ENEL Iberoamerica S.r.l. (formerly ENEL Energy Europe S.L.), bearing interest at a fixed rate, maturing on 30 November 2019;
- €3,500 million long-term facility granted to e-distribuzione S.p.A. (formerly, ENEL Distribuzione S.p.A.), bearing interest at a fixed rate, maturing on 19 April 2022;
- €3,000 million term loan facility granted to Endesa S.A., bearing interest at a fixed rate, maturing on 29 October 2024;

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<sup>1</sup> unaudited data extracted from internal records of ENEL N.V.

- €2,000 million long-term facility granted to e-distribuzione S.p.A. (formerly, ENEL Distribuzione S.p.A.), bearing interest at a fixed rate, maturing on 26 October 2022;
- €2,000 million long-term facility granted to ENEL Produzione S.p.A., bearing interest at a fixed rate, maturing on 23 October 2020;
- €2,000 million long-term loan agreement, granted to ENEL S.p.A., bearing interest at a floating rate, maturing on 28 June 2029;
- €1,150 million long-term loan agreement, granted to ENEL S.p.A., bearing interest at a floating rate, maturing on 17 December 2028;
- €1,022 million long-term facility granted to ENEL Green Power S.p.A., bearing interest at a floating rate, maturing on 28 March 2027;
- €1,000 million long-term facility granted to ENEL Green Power S.p.A., bearing interest at a fixed rate, maturing on 6 August 2028;
- €1,000 million long-term facility granted to Endesa S.A., bearing interest at a floating rate, maturing on 30 June 2020;
- €750 million long-term loan agreement, granted to ENEL S.p.A., bearing interest at a fixed rate, maturing on 8 June 2028;
- €691 million loan facility agreement, granted to Enel Green Power S.p.A., bearing interest at floating rate, maturing on 28 March 2027;
- €700 million loan facility agreement, granted to ENEL S.p.A., bearing interest at a fixed rate, maturing on 31 July 2023;
- €500 million loan facility agreement, granted to ENEL S.p.A., bearing interest at a fixed rate, maturing on 17 December 2028;
- €350 million loan facility agreement, granted to ENEL S.p.A., bearing interest at a fixed rate, maturing on 31 July 2023;
- €700 million long-term facility granted to Slovak Power Holding B.V., bearing interest at a floating rate, maturing on 14 January 2027;
- €236 million long-term facility granted to ENEL Green Power S.p.A., bearing interest at a floating rate, maturing on 10 May 2028;
- €173 million loan facility agreements, granted to Enel Green Power Hellas SA, bearing interest at a fixed rate, maturing on 31 July 2023;
- €100 million loan facility agreement, granted to ENEL Sole S.r.l., bearing interest at a floating rate, maturing on 24 September 2024;
- USD 644 million loan facility agreement, granted to Enel Green Power del Sur SPA formerly Parque Eolico Renaico SPA, bearing interest at a floating rate, maturing on 31 December 2027;
- USD 400 million loan facility agreement, granted to Enel Chile SA, bearing interest at a floating rate, maturing on 31 December 2027;
- USD 180 million loan facility agreement, granted to Energias Renovables La Mata Sapi de CV, bearing interest at a floating rate, maturing on 31 December 2031;

- USD 165 million project finance agreement, granted to Energia Limpia de Palo Alto S.de R.L.de C.V., bearing interest at a floating rate, maturing on 28 September 2038;
- USD 140 million loan facility agreement, granted to PH Chucas S.A., bearing interest at a floating rate, maturing on 31 December 2026.

### **Short term operations**

- ZAR 1,800 million revolving facility agreement, granted to ENEL Green Power South Afrika, bearing interest at a floating rate, maturing on 31 December 2019 - as at 30 June 2019 the facility had been utilised for ZAR 1,599 million;
- BRL 9,400 million short term loan, granted to ENEL Brasil SA, bearing interest at a fixed rate, maturing on 2 July 2019 - as at 30 June 2019 the facility had been fully utilised;
- BRL 420 million short term loan, granted to Eletropaulo Metropolitana Eletricidade de São Paulo S.A., bearing interest at a fixed rate, maturing on 18 December 2019 - as at 30 June 2019 the facility had been fully utilised;
- BRL 300 million short term loan, granted to COELCE – Companhia Energética do Ceará, bearing interest at a fixed rate, maturing on 18 December 2019 - as at 30 June 2019 the facility had been fully utilised;
- CAD 70 million revolving facility agreement, granted to Enel Green Power Canada Inc, bearing interest at a floating rate, maturing on 31 December 2019 - as at 30 June 2019 the facility had been utilised for USD 56 million;
- USD 115 million revolving facility agreement, granted to Parque Amistad II, S.A. de C.V., bearing interest at a floating rate, maturing on 31 December 2019 - as at 30 June 2019 the facility had been utilised for USD 83 million;
- USD 70 million revolving facility agreement, granted to Parque Amistad III, S.A. de C.V., bearing interest at a floating rate, maturing on 31 December 2019 - as at 30 June 2019 the facility had been utilised for USD 31 million;
- USD 90 million revolving facility agreement, granted to Parque Amistad IV, S.A. de C.V., bearing interest at a floating rate, maturing on 31 December 2019 - as at 30 June 2019 the facility had been utilised for USD 33 million;
- USD 90 million revolving facility agreement, granted to Enel Green Power Magdalena Solar, S.A. de C.V., bearing interest at a floating rate, maturing on 30 September 2019 - as at 30 June 2019 the facility had been utilised for USD 11 million;
- USD 50 million revolving facility agreement, granted to Enel Green Power Magdalena Solar, S.A. de C.V., bearing interest at a floating rate, maturing on 31 December 2019 - as at 30 June 2019 the facility had been fully utilised;
- USD 400 million revolving facility agreement, granted to Enel Green Power Mexico S. De R.L. de C.V., bearing interest at a floating rate, maturing on 31 December 2019 - as at 30 June 2019 the facility had been utilised for USD 222 million;
- USD 225 million revolving facility agreement, granted to Enel Green Power Perú S.A., bearing interest at a floating rate, maturing on 30 September 2019 - as at 30 June 2019 the facility had been utilised for USD 222 million;

- USD 210 million revolving facility agreement, granted to Dolores Wind, S.A. de C.V., bearing interest at a floating rate, maturing on 30 September 2019 - as at 30 June 2019 the facility had been utilised for USD 11 million;
- USD 110 million revolving facility agreement, granted to Dolores Wind, S.A. de C.V., bearing interest at a floating rate, maturing on 31 December 2019 - as at 30 June 2019 the facility had been fully utilised;
- €152 million revolving facility agreement, granted to ENEL Green Power Hellas SA, bearing interest at a floating rate, maturing on 31 December 2019 - as at 30 June 2019 the facility had been fully utilised;
- €2,000 million revolving credit facility granted to Enel Green Power S.p.A., maturing on 31 December 2019 - as at 30 June 2019 the facility had been fully utilised;
- €1,500 million revolving credit facility granted to ENEL Produzione S.p.A., maturing on 31 December 2019 - as at 30 June 2019 the facility had been fully utilised;
- €800 million revolving credit facility, granted to ENEL Trade S.p.A., bearing interest at a fixed rate, maturing on 31 December 2019 - as at 30 June 2019 the facility had been utilised for €400 million;
- €1,000 million uncommitted revolving facility agreement, granted to Endesa S. A., bearing interest at a floating rate, maturing on 30 June 2020 - as at 30 June 2019 the facility has not been utilised.

### Indebtedness of ENEL N.V.

In order to provide the companies belonging to the ENEL Group with the funds they require, ENEL N.V. raises funds through bond issuances, loans and other facilities.

The table below sets forth the principal amount outstanding of the main series of notes, as at 30 June 2019, above the threshold of €300 million, guaranteed by ENEL and issued under the Programme, of which ENEL N.V. is currently the primary obligor<sup>2</sup>.

Notes	Maturity	Interest Rate
		%
EUR 482 million fixed rate Notes <sup>(2) (3)</sup> .....	2020	4.8750
EUR 533 million fixed rate Notes <sup>(2) (3)</sup> .....	2021	5.0000
USD 2,000 million fixed rate Notes.....	2022	2.8750
EUR 2,077 million fixed rate Notes <sup>(1) (3)</sup> .....	2022	5.0000
EUR 674 million fixed rate Notes <sup>(3)</sup> .....	2023	4.8750
USD 1,250 million fixed rate Notes.....	2023	2.7500
EUR 300 million fixed rate Notes .....	2023	5.2500
GBP 850 million fixed rate Notes <sup>(1)</sup> .....	2024	5.6250
EUR 1,250 million fixed rate Notes .....	2024	1.0000

<sup>2</sup> the table includes unaudited data extracted from internal records of ENEL N.V.

Notes	Maturity	Interest Rate
		%
EUR 1,463 million fixed rate Notes <sup>(2)</sup> .....	2025	1.9660
EUR 1,000 million fixed rate Notes .....	2025	1.5000
USD 1,500 million fixed rate Notes .....	2025	4.6250
EUR 1,257 million fixed rate Notes <sup>(3)</sup> .....	2026	1.3750
EUR 1,250 million fixed rate Notes.....	2026	1.1250
USD 2,000 million fixed rate Notes.....	2027	3.6250
USD 1,250 million fixed rate Notes.....	2028	3.5000
USD 1,000 million fixed rate Notes <sup>(1)</sup> .....	2037	6.8000
USD 1,500 million fixed rate Notes <sup>(1)</sup> .....	2039	6.0000
GBP 1,400 million fixed rate Notes <sup>(1)</sup> .....	2040	5.7500
USD 1,000 million fixed rate Notes.....	2047	4.7500
USD 1,250 million fixed rate Notes.....	2023	4.250
USD 1,250 million fixed rate Notes.....	2029	4.8750

Note:

- (1) Originally issued under the Programme by ENEL S.A., which merged into ENEL N.V.
- (2) Notes partially exchanged pursuant to the terms of an exchange offer transaction settled on 27 January 2015.
- (3) Notes partially repaid and exchanged pursuant to the terms of an exchange offer transaction settled on 1 June 2016.

ENEL N.V. is also currently the issuer under a commercial paper programme guaranteed by ENEL. In the context of the last update of the commercial paper programme which occurred prior to the merger on 3 June 2010, the maximum aggregate principal amount of all commercial paper outstanding from time to time under the commercial paper programme has been increased from €4,000 million to €6,000 million. As at 30 June 2019, ENEL N.V. has outstanding €500 million in aggregate principal amount of commercial paper.

On 18 December 2017, ENEL N.V. (as original borrower) and ENEL (as original borrower and guarantor) signed a revolving facility agreement with a pool of banks, for an amount of €10,000 million, maturity December 2022 which replaced the previous €9,440 million signed on February 2013.

The transaction involved a pool of international banks, and is was aimed at assuring a reasonable long-term credit facility at favourable market conditions and may be considered as a back-up credit line to face any possible liquidity problem affecting the commercial paper market and represents a flexible instrument for the management of working capital needs.

On 8 February 2013, ENEL N.V. (as original borrower) and ENEL (as original borrower and guarantor) signed a revolving facility agreement with a pool of banks, for an amount of €9,440 million (the “**2013 Revolving Facility Agreement**”) which replaced – with effect from 18 March 2014 – a 5-year multi-borrower revolving credit agreement dated 19 April 2010. The 2013 Revolving Facility Agreement was aimed at assuring a reasonable long-term credit facility at favourable market conditions and may be considered as a back-up creditline to face any possible liquidity problem affecting the commercial paper market. On 12

February 2015, ENEL N.V. and ENEL signed with the same pool of banks a supplemental agreement to amend the financial costs and tenor of the 2013 Revolving Facility Agreement. On 17 December 2017, ENEL N.V. and ENEL signed another supplemental agreement which amended and replaced the 2013 Revolving Facility Agreement (as further amended from time to time) providing an amount of €10.000 million and a final maturity on 16 December 2022. Considering the current rating of ENEL, the margin that will be applied in case of utilization has been reduced from 72,5 to 45 basis points and the commitment fees from 25,38 to 15,75 basis point (35% per annum of the margin). As at 30 June 2019, such credit facility was not utilised.

## **Share Capital**

As at the date of this Base Prospectus, the issued share capital of ENEL N.V. amounts to €1,478,810,371 and is represented by 1,478,810,371 shares with a nominal value of €1 each, which are all held by ENEL (25,001%) and ENEL's wholly owned subsidiary Enel Holding Finance S.r.l. (74,999%).

## **Members of the Management Board**

ENEL N.V. is managed by a management board, currently composed of five members. Members of the management board are appointed by the general meeting of shareholders of ENEL N.V., which may dismiss them at any time. The management board has the power to perform all acts of administration and disposition in compliance with the corporate objects of ENEL N.V. Pursuant to its articles of association, ENEL N.V. can be validly represented by the management board in its entirety and by the joint signatures of any two members of the management board. Alternatively, ENEL N.V. can be validly represented by the single signature of any person who shall have been appointed as representative of ENEL N.V. by the management board by means of a power of attorney. As at the date hereof, the members of the management board are:

- A.J.M. Nieuwenhuizen
- H. Marseille
- E. Di Giacomo
- A. Canta
- J. Homan

The business address of each of ENEL N.V.'s current management board members is that of ENEL N.V.'s registered office at Herengracht 471, 1017 BS Amsterdam, The Netherlands.

ENEL N.V. considers itself to comply with all Dutch laws relating to corporate governance that are applicable to it.

ENEL N.V. does not have a separate audit committee.

## **Conflicts of Interest**

As at the date hereof, the abovementioned members of the management board and the principal officers of ENEL N.V. do not have conflicts of interests between any duties to ENEL N.V. and their private interests or duties.

## **Employees**

As at the date hereof, ENEL N.V. has 7 employees.

## **Independent Auditors**

The independent auditor of ENEL N.V. is Ernst & Young Accountants LLP, whose registered office is Boompjes 258, 3011 XZ Rotterdam, The Netherlands. Ernst & Young Accountants LLP is an audit firm for which the auditors are registered with the Royal Netherlands Institute of Chartered Accountants (“**NBA**”).

Ernst & Young Accountants LLP was appointed on 29 July 2011 as independent auditors of ENEL N.V. Ernst & Young Accountants LLP has audited, *inter alia*, the financial statements of ENEL N.V. for the financial years ended 31 December 2017 and 31 December 2018 that are incorporated by reference in this Base Prospectus. The audits have been performed in accordance with Dutch law. The above financial statements for the 2017 and 2018 financial years are prepared in accordance with International Financial Reporting Standards as adopted by the EU and Part 9 of Book 2 of the Dutch Civil Code.

The interim condensed financial statements of ENEL N.V. for the six month period ended 30 June 2019 have not been audited or reviewed by Ernst & Young Accountants LLP.

The current appointment of Ernst & Young Accountants LLP will expire on the date of the shareholders’ meeting convened to approve ENEL N.V.’s annual statutory financial statements as at 31 December 2019, unless audit firm rotation is required earlier by local law.

The auditors of ENEL N.V. are independent in respect to ENEL N.V. and ENEL.



## SELECTED FINANCIAL INFORMATION FOR ENEL

The following summary financial data in respect of the financial years ended 31 December 2017 and 2018 and for the six-month periods ended 30 June 2018 and 2019 has been extracted from the ENEL Group's audited consolidated financial statements as of 31 December 2017 and 2018 and for the years then ended and from the unaudited condensed interim consolidated financial statements as of 30 June 2019, respectively.

The audited consolidated financial statements as of 31 December 2018 and 2017 and for the years then ended have been prepared in accordance with IFRS as published by the International Accounting Standards Board and endorsed by the EU and the Italian regulation implementing Article 9 of Legislative Decree No. 38/05, and were approved by the board of directors of ENEL on 24 March 2018 and 16 March 2017, respectively. IFRS as endorsed by the EU differs in certain important respects from generally accepted accounting principles in the United States.

The unaudited condensed interim consolidated financial statements as of 30 June 2019 and for the six months then ended have been prepared applying the same accounting principles and measurement criteria as those used for the preparation of the audited consolidated financial statements as of 31 December 2018 and 2017 and for the years then ended, except for the application of the new accounting standard "IFRS 16 – Leases" and other new standards, amendments or improvements applicable from 1 January 2019, the effects of which are illustrated in the Note 3, "Effects of the introduction of new accounting standards" thereto. The unaudited condensed interim consolidated financial statements as of 30 June 2019 and for the six months then ended were approved by the board of directors of ENEL on 1 August 2019.

Interim results for the first six months of 2019 are not necessarily indicative of the results of operations that may be expected for any other interim period in 2019 or for the full year.

	Year ended at 31 December		Six month period ended 30 June	
	2018	2017	2019	2018
	<i>(€'000 m)</i>			
<b>Income data</b>				
Revenues .....	75,672	74,639	38,991	36,027
Operating income .....	9,900	9,792	5,213	4,875
Net income from continuing operations .....	6,350	5,329	2,893	2,723
Net income for the period attributable to shareholders of the parent company .....	4,789	3,779	2,215	2,020
<b>Financial data</b>				
Net financial debt <sup>(1)</sup> .....	(41,089)	(37,410)	45,391	(41,594)
Total shareholders' equity .....	47,852	52,161	48,825	46,843
Cash flow from operating activities .....	11,075	10,125	4,619	4,361
Capital expenditure .....	8,152	8,130	4,167	3,114

(1) The following table provides a reconciliation of Net financial debt for the periods indicated:

	Year ended at 31 December		Six month period ended 30 June
	2018	2017	2019
	(€'000 m)		
Cash and cash equivalents on hand.....	328	343	78
Bank and post office deposits.....	5,531	6,487	5,270
Other investments of liquidity.....	771	191	399
Securities.....	63	69	54
<b>Liquidity.....</b>	<b>6,693</b>	<b>7,090</b>	<b>5,801</b>
Short-term financial receivables.....	3,418	3,253	3,039
Factoring receivables.....	-	42	-
Short-term portion of long-term financial receivables.....	1,522	1,094	1,932
<b>Current financial receivables.....</b>	<b>4,940</b>	<b>4,389</b>	<b>4,971</b>
Short-term bank debt.....	(512)	(249)	(555)
Commercial paper.....	(2,393)	(889)	(3,029)
Short-term portion of long-term bank debt.....	(1,830)	(1,346)	(1,498)
Bonds issued (short-term portion).....	(1,341)	(5,429)	(1,496)
Other borrowings (short-term portion).....	(196)	(225)	(372)
Other current financial payables.....	(739)	(756)	(785)
<b>Total short-term financial debt.....</b>	<b>(7,011)</b>	<b>(8,894)</b>	<b>(7,735)</b>
<b>Net short-term financial position.....</b>	<b>4,622</b>	<b>2,585</b>	<b>3,037</b>
Debt to banks and financing entities.....	(8,819)	(8,310)	(9,452)
Bonds.....	(38,633)	(32,285)	(39,627)
Other borrowings.....	(1,531)	(1,844)	(2,493)
<b>Long-term financial position.....</b>	<b>(48,983)</b>	<b>(42,439)</b>	<b>(51,572)</b>
Long-term financial receivables and securities.....	3,272	2,444	3,144
<b>Net financial debt.....</b>	<b>(41,089)</b>	<b>(37,410)</b>	<b>(45,391)</b>

## SELECTED FINANCIAL INFORMATION FOR ENEL FINANCE INTERNATIONAL N.V.

The following summary financial data in respect of the financial years ended 31 December 2018 and 2017 has been extracted from ENEL N.V.'s annual report in respect of those dates and periods.

ASSETS	Year ended at 31 December	
	2018	2017
	(€'000 m)	
<b>Non-current assets</b>		
Deferred tax assets	324	341
Long-term loans and financial receivables	18,629	20,397
Derivatives	141	28
Other non-current financial assets	11	13
<i>(subtotal)</i>	<b>19,105</b>	<b>20,779</b>
<b>Current assets</b>		
Income tax receivable	-	16
Current portion of long-term loans and financial receivables	4,833	70
Short-term loans and financial receivables	9,036	9,076
Derivatives	31	79
Other current financial assets	1,230	705
Other current assets	4	-
Cash and cash equivalents	101	310
<i>(subtotal)</i>	<b>15,235</b>	<b>10,256</b>
<b>TOTAL ASSETS</b>	<b>34,340</b>	<b>31,035</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>		
<b>Total shareholder's equity</b>	<b>1,745</b>	<b>1,863</b>
<b>Non-current liabilities</b>		
Long-term loans and borrowings	25,466	20,683
Deferred tax liabilities	13	-
Derivatives	1,145	1,290
<i>(subtotal)</i>	<b>26,624</b>	<b>21,973</b>
<b>Current liabilities</b>		
Income tax payable	1	-
Current portion of long-term loans	125	1,439
Short-term loans and borrowings	5,387	5,352
Derivatives	27	36
Other current financial liabilities	429	368
Other current liabilities	3	4
<i>(subtotal)</i>	<b>5,971</b>	<b>7,199</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>34,340</b>	<b>31,035</b>

The following table provides a reconciliation of Net financial debt for the periods indicated:

**Net financial debt**

Millions of euro

	<b>Year ended at 31 December</b>		
	<b>2018</b>	<b>2017</b>	<b>Change</b>
		<i>(€'000 m)</i>	
- bonds	25,466	20,683	4,783
- loans to Group companies	(18,629)	(20,397)	1,768
	<i>(subtotal)</i>	<b>6,837</b>	<b>6,551</b>
- bonds (short-term portion)	125	1,439	(1,314)
- 1/t receivables due from Group companies (short-term portion)	(4,833)	(70)	(4,763)
- commercial paper	1,454	980	474
- short-term loans from Group companies	3,909	4,372	(463)
- Short-term loans and financial receivables	(9,036)	(9,076)	40
- cash collateral on derivatives	(932)	(531)	(401)
- other sundry receivables	(18)	(-)	(18)
- cash and cash equivalents	(101)	(310)	209
	<i>(subtotal)</i>	<b>(3,195)</b>	<b>(6,237)</b>
<b>NET FINANCIAL DEBT</b>	<b>(2,595)</b>	<b>(2,910)</b>	<b>315</b>

## **BOOK-ENTRY CLEARANCE SYSTEMS**

*The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of Euroclear or Clearstream, Luxembourg (together, the “Clearing Systems”) currently in effect. The information in this section concerning the Clearing Systems has been obtained from sources that the Issuers and the Guarantor believe to be reliable, but none of the Issuers, the Guarantor, nor any Dealer takes any responsibility for the accuracy thereof. Each of the Issuers and the Guarantor confirms that such information has been accurately reproduced and that, so far as it is aware and is able to ascertain from information published by the Clearing Systems, no facts have been omitted which would render the reproduced information inaccurate or misleading. Investors wishing to use the facilities of any of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Issuers, the Guarantor, nor any other party to the Agency Agreement will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of any Clearing System or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.*

### **Book-entry Systems**

#### **Euroclear and Clearstream, Luxembourg**

Euroclear and Clearstream, Luxembourg each hold securities for their customers and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their respective account holders. Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depository and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective participants may settle trades with each other.

Euroclear and Clearstream, Luxembourg customers are worldwide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

#### **Transfers of Notes Represented by Registered Global Notes**

Transfers of any interests in Notes represented by a Registered Global Note within Euroclear and Clearstream, Luxembourg will be effected in accordance with the customary rules and operating procedures of the relevant clearing system. The laws in some States within the United States require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer Notes represented by a Registered Global Note to such persons may depend upon the ability to exchange such Notes for Notes in definitive form.

Subject to compliance with the transfer restrictions applicable to the Registered Notes described under “Subscription and Sale and Selling and Transfer Restrictions”, transfers directly or indirectly through Clearstream, Luxembourg or Euroclear accountholders, on the other, will be effected by the relevant clearing system in accordance with its rules and through action taken by the Registrar, the Fiscal Agent and any custodian with whom the relevant Registered Global Notes have been deposited.

On or after the Issue Date for any Series, transfers of Notes of such Series between accountholders in Clearstream, Luxembourg and Euroclear will generally have a settlement date three business days after the trade date (T+3). The customary arrangements for delivery versus payment will apply to such transfers.

Clearstream, Luxembourg and Euroclear have each published rules and operating procedures designed to facilitate transfers of beneficial interests in Registered Global Notes among participants and accountholders of Clearstream, Luxembourg and Euroclear. However, they are under no obligation to perform or continue to perform such procedures, and such procedures may be discontinued or changed at any time. None of the Issuers, the Guarantor, the Agents and any Dealer will be responsible for any performance by Clearstream, Luxembourg or Euroclear or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations and none of them will have any liability for any aspect of the records relating to or payments made on account of beneficial interests in the Notes represented by Registered Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial interests.

## TAXATION

### Tax Warning

*Potential investors and sellers of Notes should be aware that they may be required to pay stamp taxes or other documentary taxes or fiscal duties or charges in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions. In addition, payments of interest on the Notes, or income derived from the Notes, may be or may become, subject to taxation, including withholding taxes, in the jurisdictions of the Issuers, in the jurisdiction of the holder of Notes, or in other jurisdictions in which the holder of Notes is required to pay taxes. Any such tax consequences may have an impact on the net income received from the Notes.*

*The statements herein regarding taxation are based on the laws in force as at the date of this Base Prospectus and are subject to any changes in law occurring after such date, which changes could be made on a retroactive basis. Neither the Issuers nor the Guarantor will update this summary to reflect changes in laws and if such a change occurs the information in this summary could become invalid.*

*This summary assumes that ENEL and ENEL N.V. are resident for tax purposes in the Republic of Italy and in The Netherlands, respectively, are structured and conduct their business in the manner outlined in this Base Prospectus. Changes in the Issuers' and/or the Guarantor's organisational structure, tax residence or the manner in which each of them conducts its business may invalidate this summary. This summary also assumes that each transaction with respect to the Notes is at arm's length.*

*The following summary does not purport to be a comprehensive description of all the tax considerations which may be relevant to a decision to subscribe for, purchase, own or dispose of the Notes and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as dealers in securities or commodities) may be subject to special rules.*

***Prospective investors should carefully consider the tax consequences of investing in the Notes and consult their own tax adviser about their own tax situation. Finally, potential investors should be aware that tax regulations and their application by the relevant taxation authorities change from time to time, with or without retroactive effect. Accordingly, it is not possible to predict the precise tax treatment which will apply at any given time.***

### Financial Transaction Tax

On 14 February 2013, the European Commission published a proposal (the “**Commission’s Proposal**”) for a Directive for a common financial tax transaction (“**FTT**”) in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the “**participating Member States**”). However, Estonia has since stated that it will not participate.

The Commission’s Proposal has very broad scope and could, if introduced, apply to certain dealings in Notes (including secondary market transactions) in certain circumstances. The issuance and subscription of Notes should, however, be exempt.

Under the Commission’s Proposal the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply to certain dealings in Notes where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, “established” in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a participating Member State.

However, the Commission's Proposal remains subject to negotiation between the participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate.

Prospective holders of Notes are advised to seek their own professional advice in relation to the FTT.

## **The Republic of Italy**

### **General**

Where in this summary English terms and expressions are used to refer to Italian concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Italian concepts under Italian tax law.

### **Tax Treatment of Notes Issued by ENEL**

Legislative Decree 1 April 1996, No. 239, as subsequently amended ("**Decree 239**") provides for the applicable regime with respect to the tax treatment of interest, premium and other income (including the difference between the redemption amount and the issue price) from notes falling within the category of bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) within the meaning of Article 44 of Italian Presidential Decree 22 December 1986, No. 917 ("**Decree 917**") issued, inter alia, by companies listed on an Italian regulated market.

For this purpose, pursuant to Article 44 of Decree 917, debentures similar to bonds are securities that (i) incorporate an unconditional obligation to pay, at maturity, an amount not lower than their nominal value and (ii) do not grant to the relevant holders any right to directly or indirectly participate to the management of the issuer or of the business in relation to which they are issued or to control the same management.

### ***Italian Resident Noteholders***

In case of Notes qualifying as bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) held by an Italian resident Noteholder who is beneficial owner of the Notes and is (i) an individual not engaged in an entrepreneurial activity to which the Notes are connected, (ii) a non-commercial partnership, (iii) a non-commercial private or public institution, or (iv) an investor exempt from Italian corporate income taxation (in each case, unless the relevant Noteholder has entrusted the management of its financial assets, including the Notes, to an Italian authorised intermediary and has opted for the application of the *risparmio gestito* regime provided for by Article 7 of Italian Legislative Decree 21 November 1997, No. 461 – the "**Risparmio Gestito**" regime – see under "Capital gains tax" below), interest, premium and other income relating to the Notes, accrued during the relevant holding period, are subject to a final tax, referred to as "*imposta sostitutiva*", levied at the rate of 26 per cent.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not acting in connection with an entrepreneurial activity or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from any income taxation, including the *imposta sostitutiva*, on interest, premium and other income relating to the Notes if the Notes are included in a long-term savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth in Article 1(100-114) of Law No. 232 of 11 December 2016, as subsequently amended (the "**Finance Act 2017**"), in Article 1(210-215) of Law No. 145 of 30 December 2018 (the "**Finance Act 2019**"), as implemented by the Ministerial Decree of 30 April 2019, and in Article 13-bis of Law Decree No. 124 of 26 October 2019 converted into law with amendments by Law No. 157 of 19 December 2019 (the "**Finance Act 2020**"), as applicable from time to time.



In the event that the Noteholders described under (i) or (iii) above are engaged in an entrepreneurial activity to which the Notes are connected, the *imposta sostitutiva* applies as a provisional tax. In such case, interest, premium and other income relating to the Notes (i) will be subject to the *imposta sostitutiva* on account of income tax due and (ii) will be included in the relevant Noteholder's annual corporate taxable income to be reported in the income tax return. As a consequence, such income will be subject to the ordinary income tax and the *imposta sostitutiva* may be recovered as a deduction from the income tax due.

If a Noteholder is an Italian-resident company or similar commercial entity, a commercial partnership or a permanent establishment in Italy of a non-resident company to which the Notes are effectively connected, and the Notes are deposited with an authorized intermediary, interest, premium and other income relating to the Notes will not be subject to the *imposta sostitutiva*. The same proceeds must, however, be included in the relevant Noteholder's income tax return and is therefore subject to general Italian corporate income taxation ("**IRES**") and, in certain circumstances, depending on the status of the Noteholder, also to the Italian regional tax on productive activities ("**IRAP**").

Pursuant to Decree 239, *imposta sostitutiva* is generally applied by banks, *società di intermediazione mobiliare* ("**SIMs**"), fiduciary companies, *società di gestione del risparmio* ("**SGRs**"), stockbrokers and other entities identified by decrees of the Ministry of Finance who are (i) resident in Italy or permanent establishments in Italy of non-Italian resident financial intermediaries and (ii) intervene, in any way, in the collection of interest, premium and other income relating to the Notes or in the transfer of the Notes (each an "**Intermediary**").

Where an Italian resident Noteholder who is beneficial owner of the Notes is a company or similar commercial entity, or a permanent establishment in Italy of a foreign company to which the Notes are effectively connected, and the Notes are timely deposited together with the relevant Coupons with an Intermediary, interest, premium and other income from the Notes will not be subject to *imposta sostitutiva*, but must be included in the relevant Noteholder's income tax return and are therefore subject to IRES, and, in certain circumstances, depending on the "status" of the Noteholder, also to IRAP.

Payments of interest, premium and other income in respect of the Notes made to Italian resident real estate investment funds established pursuant to Article 37 of Legislative Decree No. 58 of 24 February 1998 and Article 14-bis of Law No. 86 of 25 January 1994, and Italian real estate investment companies with fixed capital (the "**Real Estate SICAFs**" and, together with the Italian resident real estate investment funds, the "**Real Estate Funds**") should not be subject to *imposta sostitutiva* and do not suffer any other income tax in the hands of the Real Estate Fund, provided that the Notes, together with the relevant Coupons, are timely deposited with an Intermediary. Unitholders are generally subject to a 26 per cent. withholding tax on distributions from the Real Estate Funds. Furthermore, a direct imputation system ("tax transparency") is provided for certain non-qualifying unitholders (e.g. Italian resident individuals) holding more than 5 per cent. of the units of the fund.

If the Noteholder is resident in Italy and is an open-ended or closed-ended investment fund, a SICAV (an investment company with variable capital) or a SICAF (an investment company with fixed capital) to which the provisions of Article 9 of Legislative Decree No. 44 of 4 March 2014 apply (together, the "**Fund**") and either (i) the Fund or (ii) its manager is subject to the supervision of a regulatory authority, and the Notes, together with the relevant Coupons, are timely deposited with an authorised Intermediary, interest accrued during the holding period on the Notes should not be subject to *imposta sostitutiva* and do not suffer any other income tax in the hands of the Funds. A 26 per cent. withholding tax is levied in certain circumstances on proceeds received by certain categories of unitholders upon (i) distribution by Fund; or (ii) redemption or disposal of the units or liquidation of the Fund.

Where an Italian resident Noteholder is a pension fund (subject to the regime provided for by Article 17 of Legislative Decree 5 December 2005, No. 252) (the “**Pension Funds**”) and the Notes, together with the relevant Coupons, are timely deposited with an Intermediary, interest, premium and other income relating to the Notes and accrued during the holding period will not be subject to *imposta sostitutiva*, but must be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to an ad hoc 20 per cent. substitute tax (Article 1, paragraph 621 of Law 23 December 2014, No. 920). Subject to certain conditions (including minimum holding period requirement) and limitations, interest, premium and other income relating to the Notes may be excluded from the taxable base of the 20 per cent. substitute tax if the Notes are included in a long-term savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth in Article 1(100-114) of the Finance Act 2017, in Article 1(210-215) of the Finance Act 2019, as implemented by the Ministerial Decree of 30 April 2019, and in Article 13-bis of the Finance Act 2020, as applicable from time to time.

Where an Italian resident Noteholder has opted for the Risparmio Gestito regime with respect to its investment in the Notes, such Noteholder will be subject to a 26 per cent. annual substitute tax on the increase in value of the managed assets accrued at the end of each tax year. In such case, interest, premium and other income on the Notes will be included in the calculation of said annual increase in value of managed assets.

Where the Notes and the relevant Coupons are not deposited with an Intermediary, the *imposta sostitutiva* is applied and withheld by any Italian intermediary (or permanent establishment in Italy of foreign intermediary) that intervenes in the payment of interest to any Noteholder or by the Issuer and Noteholders who are Italian resident companies or permanent establishments in Italy of foreign corporations to which the Notes are effectively connected are entitled to deduct *imposta sostitutiva* suffered from income taxes due.

### ***Non-Italian Resident Noteholders***

Where a Noteholder who is the beneficial owner of the Notes is a non-Italian resident, an exemption from the *imposta sostitutiva* applies provided that the non-Italian resident beneficial owner is either (i) resident, for tax purposes, in a country which allows for a satisfactory exchange of information with Italy as listed in the Italian Ministerial Decree of 4 September 1996, as amended by Ministerial Decree of 23 March 2017 and possibly further amended according to Article 11(4)(c) of Decree 239 (as amended by Legislative Decree No.147 of 14 September 2015) (the “**White List**”); or (ii) an international body or entity set up in accordance with international agreements which have entered into force in Italy; or (iii) a Central Bank or an entity which manages, *inter alia*, the official reserves of a foreign State; or (iv) subject to certain exceptions, an “institutional investor” which is resident or established in a country included in the White List, even if it does not possess the status of taxpayer in its own country of residence.

In order to ensure gross payment, qualifying non-Italian resident Noteholders must be the beneficial owners of the payments of interest, premium or other income and (i) deposit, directly or indirectly, the Notes, together with the relevant Coupons, with an Italian resident bank or SIM or other qualified intermediary or a permanent establishment in Italy of a non-Italian resident bank or SIM or other qualified intermediary or with a non-Italian resident entity or company participating in a centralised securities management system which is in contact, via computer, with the Ministry of Economics and Finance and (ii) timely file with the relevant depository a statement of the relevant Noteholder, which remains valid until withdrawn or revoked, in which the Noteholder declares to meet the requirements to be eligible to benefit from the applicable exemption from *imposta sostitutiva*. Such statement, which is not requested for international bodies or entities set up in accordance with international agreements which have entered into force in Italy nor in the case of foreign Central Banks or entities which manage, *inter alia*, the official reserves of a foreign State, must comply with the requirements set forth by Ministerial Decree of 12 December 2001. Additional statements may be required for non-Italian resident Noteholders who are institutional investors.

## **Tax Treatment of Notes Issued by ENEL N.V.**

Decree 239 also provides for the applicable regime with respect to the tax treatment of interest, premium and other income (including the difference between the redemption amount and the issue price) from notes falling within the category of bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) within the meaning of Article 44 of Decree 917, issued by non-Italian resident issuers.

### ***Italian Resident Noteholders***

Pursuant to Decree 239, a final *imposta sostitutiva* equal to 26 per cent. is applied on interest, premium and other income relating to the Notes qualifying as bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) within the meaning of Article 44 of Decree 917 issued by a non-Italian resident Issuer accrued during the relevant holding period, if received by (i) an Italian individual not engaged in an entrepreneurial activity to which the Notes are connected, (ii) an Italian non-commercial partnership, (iii) an Italian non-commercial private or public institution, or (iv) an Italian investor exempt from IRES. If the Noteholders described under (i) and (iii) above are engaged in an entrepreneurial activity to which the Notes are connected, *the imposta sostitutiva* applies as a provisional tax.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not acting in connection with an entrepreneurial activity or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from any income taxation, including the *imposta sostitutiva*, on interest, premium and other income relating to the Notes if the Notes are included in a long-term savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth in Article 1(100-114) of the Finance Act 2017, in Article 1(210-215) of the Finance Act 2019, as implemented by the Ministerial Decree of 30 April 2019, and in Article 13-bis of the Finance Act 2020, as applicable from time to time.

*Imposta sostitutiva* is generally applied by an Intermediary.

Where the Notes and the relevant Coupons are not deposited with an Intermediary, the *imposta sostitutiva* is applied and withheld by any Italian intermediary (or permanent establishment in Italy of foreign intermediary) that intervenes in the payment of interest to any Noteholder.

Where an Italian resident Noteholder who is beneficial owner of the Notes is a company or similar commercial entity, or a permanent establishment in Italy of a foreign company to which the Notes are effectively connected and the Notes and the relevant Coupons are timely deposited with an Intermediary, interest, premium and other income from the Notes will not be subject to *imposta sostitutiva*, but must be included in the relevant Noteholder's annual income tax return and are therefore subject to IRES (and, in certain circumstances, depending on the "status" of the Noteholder, also to IRAP).

Where an Italian resident Noteholder has opted for the Risparmio Gestito regime with respect to its investment in Notes, such Noteholder will be subject to a 26 per cent. annual substitutive tax on the increase in value of the managed assets accrued at the end of each tax year.

For those categories of Noteholders not specifically mentioned in this paragraph and for Noteholders who are Pension Funds, Funds and Real Estate Funds holding Notes, please refer to paragraph "Tax treatment of Notes issued by ENEL — Italian resident Noteholders" above.

### ***Non-Italian Resident Noteholders***

No Italian *imposta sostitutiva* is applied on payments to a non-Italian resident Noteholder of interest, premium and other income relating to Notes issued by a non-Italian resident Issuer.

If Notes issued by a non-Italian resident Issuer and beneficially owned by non-Italian residents are deposited with an Italian bank or other resident intermediary (or permanent establishment in Italy of foreign intermediary) or are sold through an Italian bank or other resident intermediary (or permanent establishment in Italy of foreign intermediary) or in any case an Italian resident intermediary (or permanent establishment in Italy of foreign intermediary) intervenes in the payment of interest and other income on such Notes, to ensure payment of interest and other income without application of Italian taxation a non-Italian resident Noteholder may be required to produce to the Italian bank or the relevant intermediary a self-declaration stating that he, she or it is not resident in Italy for tax purposes.

### ***Atypical Securities***

Interest payments relating to Notes that are not deemed to fall within the category of bonds (*obbligazioni*) or debentures similar to bonds (*titoli similari alle obbligazioni*) or of shares or securities similar to shares (*azioni* or *titoli similari alle azioni*) pursuant to Article 44 of Decree 917, but qualify as atypical securities (*titoli atipici*) for Italian tax purposes, are subject to a withholding tax, levied at the rate of 26 per cent.

Where the Notes are issued by an Italian resident Issuer and the Noteholder is (i) an Italian individual engaged in an entrepreneurial activity to which the Notes are connected, (ii) an Italian company or a similar Italian commercial entity, (iii) a permanent establishment in Italy of a foreign entity to which the Notes are effectively connected, (iv) an Italian commercial partnership or (v) an Italian commercial public or private institution, such withholding tax is a provisional withholding tax. In all other cases, including when the Noteholder is a non-Italian resident, the withholding tax is a final withholding tax. Double taxation treaties entered into by Italy may apply allowing for a lower (or, in certain cases, nil) rate of withholding tax in case of payments to non-Italian resident Noteholders, subject to compliance with relevant subjective and procedural requirements.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not acting in connection with an entrepreneurial activity or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from any income taxation, including the withholding tax on interest, premium and other income relating to the Notes that are classified as atypical securities, if the Notes are included in a long-term savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth in Article 1(100-114) of the Finance Act 2017, in Article 1(210-215) of the Finance Act 2019, as implemented by the Ministerial Decree of 30 April 2019, and in Article 13-bis of the Finance Act 2020, as applicable from time to time.

If the Notes are issued by a non-Italian resident Issuer, a 26 per cent. withholding tax may apply in Italy if the Notes are placed (“collocate”) in Italy and interest payments on the Notes are collected through an Italian bank or other qualified financial intermediary. However, such 26 per cent. withholding tax does not apply to interest payments made:

- (a) to a non-Italian resident Noteholder. If Notes issued by a non-Italian resident Issuer and beneficially owned by non-Italian residents are deposited with an Italian bank or other resident intermediary (or permanent establishment in Italy of foreign intermediary) or are sold through an Italian bank or other resident intermediary (or permanent establishment in Italy of foreign Italy of foreign intermediary) or in any case an Italian resident intermediary (or permanent establishment in Italy of foreign intermediary) intervenes in the payment of interest and other income on such Notes, to ensure payment of interest and other income without application of Italian taxation a non-Italian resident Noteholder may be required to produce to the Italian bank or the relevant intermediary a self-declaration stating that he, she or it is not resident in Italy for tax purposes; and

- (b) to an Italian resident Noteholder which is (i) a company or similar commercial entity (including the Italian permanent establishment of foreign entities to which the Notes are effectively connected), (ii) a commercial partnership, or (iii) a commercial private or public institution.

In case Notes issued by a non-Italian resident issuer are held by an Italian resident individual engaged in a business activity and are effectively connected with same business activity, the interest and other income will be subject to the 26 per cent. “entrance” withholding tax on a provisional basis and will be included in the relevant income tax return. As a consequence, the interest and other income will be subject to the ordinary income tax and the withholding tax may be recovered as a deduction from the income tax due.

### **Payments made by an Italian Resident Guarantor**

There is no authority directly regarding the Italian tax regime of payments on notes made by an Italian resident guarantor. Accordingly, there can be no assurance that the Italian tax authorities will not assert an alternative treatment of such payments than that set forth herein or that the Italian courts would not support such an alternative treatment.

With respect to payments on the Notes made to Italian resident Noteholders by an Italian resident guarantor, in accordance with one interpretation of Italian tax law, any such payments may be subject to Italian withholding tax at the rate of 26 per cent. levied as a final tax or a provisional tax (“*a titolo d'imposta o a titolo di acconto*”) depending on the “status” of the Noteholder, pursuant to Presidential Decree 29 September 1973, No. 600, as subsequently amended. In the case of payments to non-Italian resident Noteholders, the withholding tax should be final. Double taxation treaties entered into by Italy may apply allowing for a lower (or, in certain cases, nil) rate of withholding tax in case of payments to non-Italian residents, subject to compliance with relevant subjective and procedural requirements.

In accordance with another interpretation, any such payment made by the Italian resident guarantor should be treated, in certain circumstances, as a payment by the relevant Issuer and should thus be subject to the tax regime described in the previous paragraphs of this section.

### **Capital Gains Tax**

Any gain obtained from the sale or redemption of the Notes would be treated as part of the taxable business income subject to ordinary taxation (and, in certain circumstances, depending on the “status” of the Noteholder, also as part of the net value of the production for IRAP purposes) if realised by an Italian company or a similar commercial entity (including the Italian permanent establishment of foreign entities to which the Notes are connected) or Italian resident individuals engaged in an entrepreneurial activity to which the Notes are connected.

Where an Italian resident Noteholder is (i) an individual not engaged in an entrepreneurial activity to which the Notes are connected, (ii) a non-commercial partnership, (iii) a non-commercial private or public institution, any capital gain realised by such Noteholder from the sale or redemption of the Notes would be subject to an *imposta sostitutiva*, levied at the current rate of 26 per cent. Noteholders may set-off capital losses with gains of the same nature.

Subject to certain limitations and requirements (including a minimum holding period), Italian resident individuals not engaged in an entrepreneurial activity or social security entities pursuant to Legislative Decree No. 509 of 30 June 1994 and Legislative Decree No. 103 of 10 February 1996 may be exempt from Italian capital gain taxes, including the *imposta sostitutiva*, on capital gains realised upon sale or redemption of the Notes, if the Notes are included in a long-term savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth in Article 1(100-114) of Finance Act 2017, in Article 1(210-

215) of the Finance Act 2019, as implemented by the Ministerial Decree of 30 April 2019, and in Article 13-bis of the Finance Act 2020, as applicable from time to time.

In respect of the application of *imposta sostitutiva*, taxpayers may opt for one of the three regimes described below.

Under the tax declaration regime (*regime della dichiarazione*), which is the default regime for Noteholders under (i) to (iii) above, the *imposta sostitutiva* on capital gains will be chargeable, on a cumulative basis, on all capital gains, net of any incurred capital loss of the same nature, realised by the Italian resident individual Noteholder holding the Notes not in connection with an entrepreneurial activity pursuant to all sales or redemptions of the Notes carried out during any given tax year. The relevant Noteholder must indicate the overall capital gains realised in any tax year, net of any relevant incurred capital loss of the same nature, in the annual tax return and pay *imposta sostitutiva* on such gains together with any balance income tax due for such year. Capital losses in excess of capital gains may be carried forward against capital gains of the same nature realised in any of the four succeeding tax years.

As an alternative to the tax declaration regime, Noteholders under (i) to (iii) above may elect to pay the *imposta sostitutiva* separately on capital gains realised on each sale or redemption of the Notes (the *risparmio amministrato* regime). Such separate taxation of capital gains is allowed subject to (i) the Notes being deposited with Italian banks, SIMs or certain authorised financial intermediaries (or permanent establishments in Italy of foreign intermediaries) and (ii) an express election for the *risparmio amministrato* regime being timely made in writing by the relevant Noteholder. The depository is responsible for accounting for *imposta sostitutiva* in respect of capital gains realised on each sale or redemption of the Notes, net of any incurred capital loss of the same nature, and is required to pay the relevant amount to the Italian tax authorities on behalf of the taxpayer, deducting a corresponding amount from the proceeds to be credited to the Noteholder or using funds provided by the Noteholder for this purpose. Under the *risparmio amministrato* regime, where a sale or redemption of the Notes results in a capital loss, such loss may be deducted from capital gains of the same nature subsequently realised, within the same securities management relationship, in the same tax year or in the following tax years up to the fourth. Under the *risparmio amministrato* regime, the Noteholder is not required to declare the capital gains in the annual tax return.

Any capital gains on Notes held by Noteholders under (i) to (iii) above who have entrusted the management of their financial assets, including the Notes, to an authorised intermediary and have opted for the so-called “*Risparmio Gestito*” regime will be included in the computation of the annual increase in value of the managed assets accrued, even if not realised, at year end, subject to a 26 per cent. substitute tax, to be paid by the managing authorised intermediary. Under the “*Risparmio Gestito*” regime, any depreciation of the managed assets accrued at year end may be carried forward against increase in value of the managed assets accrued in any of the four succeeding tax years. Under the *Risparmio Gestito* regime, the Noteholder is not required to declare the capital gains realised in the annual tax return.

Any capital gains on Notes held by a Noteholder who is a Fund to which the provisions of Article 9 of Legislative Decree No. 44 of 4 March 2014 apply, is subject neither to *imposta sostitutiva* nor to any other income tax in the hands of the Funds. Please refer to paragraph “*Tax treatment of Notes issued by ENEL — Italian resident Noteholders*” above.

Any capital gains on Notes held by a Noteholder who is a Pension Fund will be included in the result of the relevant portfolio accrued at the end of the tax period, to be subject to a 20 per cent. substitute tax. Subject to certain conditions (including minimum holding period requirement) and limitations, capital gains on the Notes may be excluded from the taxable base of the 20 per cent. substitute tax if the Notes are included in a long-term savings account (*piano individuale di risparmio a lungo termine*) that meets the requirements set forth in Article 1(100-114) of Finance Act 2017, in Article 1(210-215) of the Finance Act 2019, as

implemented by the Ministerial Decree of 30 April 2019, and in Article 13-bis of the Finance Act 2020, as applicable from time to time. Please refer to paragraph “*Tax treatment of Notes issued by ENEL – Italian resident Noteholders*” above.

Any capital gains realised by Real Estate Funds on the Notes are not taxable at the level of Real Estate Funds. Please refer to paragraph “*Tax treatment of Notes issued by ENEL — Italian resident Noteholders*” above.

Capital gains realised by non-Italian-resident Noteholders (without a permanent establishment in Italy to which the Notes are effectively connected) from the sale or redemption of Notes traded on regulated markets in Italy or abroad are not subject to the *imposta sostitutiva*, regardless of whether the Notes are held in Italy. In such a case, in order to benefit from this exemption from Italian taxation on capital gains, non-Italian resident Noteholders who hold the Notes with an Italian authorised financial intermediary and elect to be subject to the *Risparmio Gestito* regime or are subject to the so-called *risparmio amministrato* regime according to Article 6 of Italian Legislative Decree 21 November 1997, No. 461, may be required to produce in due time to the Italian authorised financial intermediary an appropriate self-declaration that they are not resident in Italy for tax purposes.

Capital gains realised by non-Italian resident Noteholders from the sale or redemption of Notes issued by an Italian or non-Italian resident Issuer not traded on regulated markets may in certain circumstances be taxable in Italy if the Notes are held in Italy. However, a non-Italian resident beneficial owner of Notes without a permanent establishment in Italy to which the Notes are effectively connected is not subject to the *imposta sostitutiva* on capital gains realised upon sale or redemption of the Notes, provided that he/she/it: (i) is resident in a country included in the White list; or (ii) is an international entity or body set up in accordance with international agreements which have entered into force in Italy; or (iii) is a Central Bank or an entity which manages, *inter alia*, the official reserves of a foreign State; or (iv) is an “institutional investor” which is resident or established in a country included in the White List, even if it does not possess the status of taxpayer in its own country of residence. In such cases, in order to benefit from this exemption from Italian taxation on capital gains, non-Italian resident Noteholders who hold the Notes with an Italian authorised financial intermediary and elect to be subject to the *Risparmio Gestito* regime or are subject to the so-called *risparmio amministrato* regime according to Article 6 of Italian Legislative Decree 21 November 1997, No. 461 may be required to produce in due time to the Italian authorised financial intermediary an appropriate self-declaration stating that they meet the subjective requirements indicated above. Additional statements may be required for non-Italian resident Noteholders who are institutional investors.

In the case of Notes that qualify as atypical securities, based on a very restrictive interpretation, capital gains realised thereon could be treated as proceeds derived under the Notes, to be subject to the 26 per cent. withholding tax mentioned under paragraph “*Atypical Securities*”, above.

## **Tax Monitoring**

Pursuant to Italian Law Decree 28 June 1990, No. 167, converted by Law 4 August 1990, No. 227, as amended (“**Decree No. 167**”), individuals, non-commercial institutions and non-commercial partnerships resident in Italy who, at the end of the fiscal year, hold investments abroad or have foreign financial assets (including Notes held abroad and/or Notes issued by a non-Italian resident Issuer) must, in certain circumstances, disclose the aforesaid and related transfers to, from and occurred abroad, to the Italian tax authorities in their income tax return (or, in case the income tax return is not due, in a proper form that must be filed within the same time prescribed for the income tax return). This obligation does not exist in case the financial assets are given in administration or management to Italian banks, SIMs, fiduciary companies or other professional intermediaries, indicated in Article 1 of Decree No. 167, or if one of such intermediaries

intervenes, also as a counterpart, in their transfer, provided that income deriving from such financial assets is collected through the intervention of such an intermediary.

### **Inheritance and Gift Taxes**

Pursuant to Law Decree No. 262 of 3 October 2006, converted with amendments into Law No. 286 of 24 November 2006, transfers of any valuable asset (including shares, bonds or other securities) as a result of death or donation of Italian residents and of non-Italian residents, but in such latter case limited to assets held within the Italian territory (which, for presumption of law, includes bonds issued by Italian resident issuers), are generally taxed in Italy as follows:

- (i) transfers in favour of spouses and direct descendants or direct ancestors are subject to an inheritance and gift tax applied at a rate of 4 per cent. on the value of the inheritance or the gift exceeding €1,000,000 for each beneficiary;
- (ii) transfers in favour of brothers/sisters are subject to the 6 per cent. inheritance and gift tax on the value of the inheritance or the gift exceeding €100,000 for each beneficiary;
- (iii) transfers in favour of relatives to the fourth degree or relatives-in-law to the third degree are subject to an inheritance and gift tax at a rate of 6 per cent. on the entire value of the inheritance or the gift.; and
- (iv) any other transfer is subject to an inheritance and gift tax applied at a rate of 8 per cent. on the entire value of the inheritance or the gift.

If the beneficiary has a serious disability recognised by law, inheritance and gift taxes apply on its portion of the net asset value exceeding €1,500,000.

### **Wealth tax—direct holding**

According to Article 19 of Law Decree No. 201 of December 6, 2011 (“**Decree 201**”), converted with Law No. 214 of 22 December 2011, Italian-resident individuals holding financial products, including the Notes, outside Italy without the involvement of an Italian financial intermediary are required to pay a wealth tax currently at the rate of 0.20 per cent. (the level of tax being determined in proportion to the period of ownership). The wealth tax applies on the market value at the end of the relevant year or, in the absence of a market value, on the nominal value or redemption value of such financial products held outside Italy. Taxpayers are generally permitted to deduct from the wealth tax a tax credit equal to any wealth taxes paid in the State where the financial products are held (up to the amount of the Italian wealth tax due).

### **Transfer Tax**

Contracts relating to the transfer of securities are subject to the registration tax as follows: (i) public deeds and notarised deeds (*atti pubblici e scritture private autenticate*) executed in Italy are subject to fixed registration tax at rate of €200; (ii) private deeds (*scritture private autenticate*) are subject to registration tax at rate of €200 only in case of use or voluntary registration.

### **Stamp Tax**

Article 19 of Decree 201 has introduced a stamp tax at proportional rates on periodical bank statements (*estratti conto*) sent by banks and financial intermediaries regarding, with certain exceptions (e.g. investments in pension funds), all financial instruments deposited in Italy. The stamp tax is collected by banks and other financial intermediaries. By operation of law, the bank statement is deemed as sent to the investor at least once a year. The stamp tax applies at a rate of 0.2 per cent. and, as of 2014, it cannot exceed €14,000 for



taxpayers different from individuals. In particular, it is applied, on a yearly basis, on the market value of the financial instruments, or, lacking such value, on the nominal or reimbursement value of such instruments.

## Taxation in The Netherlands

### General

The following is a general summary of certain material Dutch tax consequences of the acquisition, holding and disposal of the Notes. This summary does not purport to describe all possible tax considerations or consequences that may be relevant to a holder or prospective holder of Notes and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as trusts or similar arrangements) may be subject to special rules. In view of its general nature, this summary should be treated with corresponding caution. Holders or prospective holders of Notes should consult with their own tax advisers with regard to the tax consequences of investing in the Notes in their particular circumstances. The discussion below is included for general information purposes only.

Except as otherwise indicated, this summary only addresses Dutch national tax legislation and published regulations, whereby “the Netherlands” or “Dutch” refers to the part of the Kingdom of the Netherlands located in Europe, as in effect on the date of this Base Prospectus and as interpreted in published case law until this date, without prejudice to any amendment introduced at a later date and implemented with or without retroactive effect.

Please note that this summary does not describe the Netherlands tax consequences for a holder of Notes:

- (i) having a substantial interest (*aanmerkelijk belang*) or deemed substantial interest (*fictief aanmerkelijk belang*) in ENEL N.V. (such a substantial interest is generally present if an equity stake of at least 5 per cent., or a right to acquire such a stake, is held, in each case by reference to ENEL N.V.’s total issued share capital, or the issued capital of a certain class of shares);
- (ii) which is a corporate entity and a taxpayer for the purposes of Dutch corporate income tax (*vennootschapsbelasting*), having a participation (*deelneming*) in ENEL N.V. (such a participation is generally present in the case of an interest of at least 5 per cent. of ENEL N.V.’s nominal paid-in capital);
- (iii) which is a corporate entity or a person taxable as a corporate entity and an exempt investment institution (*vrijgestelde beleggingsinstelling*) or investment institution (*fiscale beleggingsinstelling*) for the purposes of Dutch corporate income tax, a pension fund, or otherwise not a taxpayer or exempt for tax purposes;
- (iv) which is a corporate entity or a person taxable as a corporate entity and a resident of Aruba, Curacao or Sint Maarten;
- (v) which is an entity that, as of 1 January 2021, is affiliated (*gelieerd*) to ENEL N.V. within the meaning of the Withholding Tax Act 2021 (*Wet Bronbelasting 2021*). See also “Risk Factors – 3. Risks relating to Taxation and Changes in law - No obligation to pay additional amounts if payments in respect of the Notes are subject to interest a withholding tax on interest in the Netherlands”; or
- (vi) which is not considered the beneficial owner (*uiteindelijk gerechtigde*) of the Notes or the benefits derived from the Notes.

This summary does not describe the Dutch tax consequences for a person to whom the Notes are attributed on the basis of the separated private assets provisions (*afgezonderd particulier vermogen*) in The Dutch Income Tax Act 2001 (*Wet inkomstenbelasting 2001*).

## **Withholding tax**

All payments of principal or interest made by ENEL N.V. under the Notes may be made free of withholding or deduction of, for, or on account of, any taxes of whatever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein.

## **Taxes on income and capital gains**

### *Dutch Resident Entities*

Generally speaking, if the holder of Notes is an entity that is a resident or deemed to be resident of the Netherlands for Dutch corporate income tax purposes (a “Dutch Resident Entity”), any payment under the Notes or any gain or loss realised on the disposal or deemed disposal of the Notes is subject to Dutch corporate income tax at a rate of 16.5 per cent. with respect to taxable profits up to €200,000 and 25 per cent. with respect to taxable profits in excess of that amount (rates and brackets for 2020).

### *Dutch Resident Individuals*

If the holder of Notes is a private individual and a resident, or treated as being a resident of the Netherlands for the purposes of Dutch income tax (a “Dutch Resident Individual”), any income derived from the Notes and gains realised upon the redemption or disposal of the Notes are taxable at the progressive rates (at up to a maximum rate of 49.50 per cent. in 2020) under The Dutch Income Tax Act 2001, if:

- (i) the individual is an entrepreneur (*ondernemer*) and has an enterprise to which the Notes are attributable or the individual has, other than as a shareholder, a co-entitlement to the net worth of an enterprise (*medegerechtigde*), to which enterprise the Notes are attributable; or
- (ii) such income or gains qualify as income from miscellaneous activities (*resultaat uit overige werkzaamheden*), which includes activities with respect to the Notes that exceed regular, active portfolio management (*normaal, actief vermogensbeheer*).

If neither condition (i) nor condition (ii) above applies to the Dutch Resident Individual, such holder will be taxed annually on a deemed return (with a maximum of 5.33 per cent. in 2020) on the individual's net investment assets (*rendementsgrondslag*) for the year, insofar the individual's net investment assets for the year exceed a statutory threshold (*heffingsvrij vermogen*). The deemed return on the individual's net investment assets for the year is taxed at a rate of 30 per cent.. Actual income, gains or losses in respect of the Notes are as such not subject to Dutch income tax.

The net investment assets for the year are the fair market value of the investment assets less the allowable liabilities on 1 January of the relevant calendar year. The Notes are included as investment assets. For the net investment assets on 1 January 2020, the deemed return ranges from 1.80 per cent. up to 5.33 per cent. (depending on the aggregate amount of the net investment assets of the holder of Notes on 1 January 2020). The deemed return will be adjusted annually on the basis of historic market yields.

### *Non-residents of the Netherlands*

A holder of Notes that is neither a Dutch Resident Entity nor a Dutch Resident Individual will not be subject to Dutch taxes on income or capital gains in respect of any payment under the Notes or in respect of any gain or loss realised on the disposal or deemed disposal of the Notes, provided that:

- (i) such holder does not have an interest in an enterprise or deemed enterprise (as defined in The Dutch Income Tax Act 2001 and The Dutch Corporate Income Tax Act 1969) which, in whole or in part, is either effectively managed in the Netherlands or carried on through a permanent establishment, a

deemed permanent establishment or a permanent representative in the Netherlands and to which enterprise or part of an enterprise the Notes are attributable; and

- (ii) in the event the holder is an individual, such holder does not carry out any activities in the Netherlands with respect to the Notes that go beyond ordinary asset management and does not derive benefits from the Notes that are taxable as benefits from other activities in the Netherlands.

### **Gift and inheritance taxes**

#### *Residents of the Netherlands*

Gift or inheritance taxes will arise in the Netherlands with respect to a transfer (or deemed transfer) of the Notes by way of a gift by, or on the death of, a holder of such Notes who is resident or deemed resident of the Netherlands at the time of the gift or such holder's death.

#### *Non-residents of the Netherlands*

No Dutch gift or inheritance taxes will arise with respect to the transfer of Notes by way of gift by, or on the death of, a holder of Notes who is neither resident nor deemed to be resident in the Netherlands, unless:

- (i) in the case of a gift of Notes by an individual who at the date of the gift was neither resident nor deemed to be resident in the Netherlands, such individual dies within 180 days after the date of the gift, while being resident or deemed to be resident in the Netherlands; or
- (ii) the transfer is otherwise construed as a gift or inheritance made by, or on behalf of, a person who, at the time of the gift or death, is or is deemed to be resident in the Netherlands.

For purposes of Dutch gift and inheritance taxes, among others, a person that holds the Dutch nationality will be deemed to be resident in the Netherlands if such person has been resident in the Netherlands at any time during the 10 years preceding the date of the gift or his/her death. Additionally, for purposes of Dutch gift tax, among others, a person not holding the Dutch nationality will be deemed to be resident in the Netherlands if such person has been resident in the Netherlands at any time during the 12 months preceding the date of the gift. Applicable tax treaties may override deemed residency.

### **Value added tax ("VAT")**

No Dutch VAT will be payable by the holders of the Notes on (i) any payment in consideration for the issue of the Notes or (ii) the payment of interest or principal by ENEL N.V. under the Notes.

### **Other taxes and duties**

No Dutch registration tax, stamp duty or any other similar documentary tax or duty will be payable by the holders of the Notes in respect of (i) the issue of the Notes or (ii) the payment of interest or principal by ENEL N.V. under the Notes.

### **Residency**

A holder of Notes will not become, and will not be deemed to be, resident of the Netherlands for Dutch tax purposes by reason only of the execution, performance, delivery and/or enforcement of the Notes.

## **U.S. Taxation**

The applicable Final Terms relating to any Tranche of Notes, all or a portion of which are to be offered or sold to, or for the account or benefit of, a U.S. person will set forth information regarding the United States federal income tax treatment of any such Notes. U.S. persons considering the purchase of Notes should consult their own tax advisers concerning the application of United States federal income tax laws to their particular situations as well as any consequences of the purchase, ownership and disposition of Notes arising under the laws of any other taxing jurisdictions.

## **FATCA Withholding**

Pursuant to certain provisions of U.S. law, commonly known as FATCA, a “foreign financial institution” may be required to withhold on certain payments it makes (“**foreign passthru payments**”) to persons that fail to meet certain certification, reporting, or related requirements. The Issuers believe that they are not foreign financial institutions for these purposes. A number of jurisdictions (including Italy and The Netherlands) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“**IGAs**”), which modify the way in which FATCA applies in their jurisdictions. Certain aspects of the application of these rules to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to the date that is two years after the date on which final regulations defining “foreign passthru payments” are published in the U.S. Federal Register and Notes characterised as debt (or which are not otherwise characterised as equity and have a fixed term) for U.S. federal income tax purposes that are issued on or prior to the date that is six months after the date on which final regulations defining foreign passthru payments are filed with the U.S. Federal Register generally would be grandfathered for the purposes of FATCA withholding unless materially modified after such date (including by reason of a substitution of the Issuers). Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, no person will be required to pay additional amounts as a result of the withholding.

## SUBSCRIPTION AND SALE AND SELLING AND TRANSFER RESTRICTIONS

The Dealers have in an amended and restated programme agreement (as may be further amended, restated or supplemented from time to time, the “**Programme Agreement**”) dated 9 January 2020 agreed with the Issuers and the Guarantor a basis upon which they or any of them may from time to time agree to purchase Notes. Any such agreement will extend to those matters stated under “Form of the Notes” and “Terms and Conditions of the Notes”. In the Programme Agreement, the Issuers and the Guarantor have agreed to reimburse the Dealers for certain of their expenses in connection with the establishment and any future update of the Programme and the issue of Notes under the Programme and to indemnify the Dealers against certain liabilities incurred by them in connection therewith. The Programme Agreement also provides that the obligations of the Dealers to subscribe for Notes may be subject to certain conditions precedent, including (among other things) receipt of legal opinions from counsel.

### Selling Restrictions

#### United States

The Notes and the Guarantee have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The Notes in bearer form are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in certain transactions permitted by U.S. Treasury regulations. Terms used in this paragraph have the meanings given to them by the U.S. Internal Revenue Code of 1986, as amended (the “**Code**”), and the regulations promulgated thereunder.

Bearer Notes, other than Bearer Notes with an initial maturity of one year or less, will be issued in accordance with the provisions of U.S. Treas. Reg. § 1.163-5(c)(2)(i)(C) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code) (the “**TEFRA C Rules**”), or in accordance with the provisions of U.S. Treas. Reg. § 1.163-5(c)(2)(i)(D) (or any successor rules in substantially the same form that are applicable for purposes of Section 4701 of the Code) (the “**TEFRA D Rules**”), as specified in the Final Terms. Terms used in this paragraph have the meanings given to them by the Code and regulations thereunder, including the TEFRA C Rules and TEFRA D Rules.

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it will not offer, sell or deliver Notes and the Guarantee (i) as part of their distribution at any time or (ii) otherwise until 40 days after the completion of the distribution, as determined and certified by the relevant Dealer or, in the case of an issue of Notes on a syndicated basis, the relevant lead manager, of all Notes of the Tranche of which such Notes are a part, within the United States or to, or for the account or benefit of, U.S. persons. Each Dealer has further agreed, and each further Dealer appointed under the Programme will be required to agree, that it will send to each dealer to which it sells any Notes and the Guarantee during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes and the Guarantee within the United States or to, or for the account or benefit of, U.S. persons. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

Until 40 days after the completion of the distribution of any Series of Notes, an offer or sale of such Notes and the Guarantee within the United States by any dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with an applicable exemption from registration under the Securities Act.

Each Dealer has agreed that it will have in effect, in connection with the offer and sale of the Notes in bearer form during any restricted period under the Code, relating thereto, procedures reasonably designed to ensure that its employees or agents who are directly engaged in selling such Notes are aware that such Notes cannot be offered or sold during such restricted periods to a U.S. person or a person within the United States.

#### **Prohibition of Sales to EEA Retail Investors**

Each Dealer has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Base Prospectus as completed by the Final Terms in relation thereto to any retail investor in the EEA. For the purposes of this provision:

- (a) the expression “**retail investor**” means a person who is one (or more) of the following:
  - (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or
  - (ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or
  - (iii) not a qualified investor as defined in the Prospectus Regulation; and
- (b) the expression an “**offer**” includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

#### **United Kingdom**

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that:

- (i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000, as amended (the “**FSMA**”) received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the relevant Issuer or the Guarantor; and
- (ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the United Kingdom.

#### **France**

Each of the Dealers, the Issuers and the Guarantor has represented and agreed, and each further Dealer appointed under the Programme will be required to represent and agree, that it has not offered or sold and will not offer or sell, directly or indirectly, Notes to the public in France, and it has not distributed or caused to be distributed and will not distribute or cause to be distributed to the public in France, the Base Prospectus, the relevant Final Terms or any other offering material relating to the Notes and such offers, sales and distributions have been and will be made in France only to (a) providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d’investissement de gestion de portefeuille pour compte de tiers*), (b) qualified investors (*investisseurs qualifiés*), and/or (c) a limited circle of investors (*cercle restreint*) acting for their own account, all as defined in, and in accordance with, articles L.411-1, L.411-2, D.411-1 and D.411-4 of the French *Code monétaire et financier*.

## Belgium

Each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to represent and agree that it has not offered or sold or otherwise made available and that it will not offer or sell or otherwise make available the Notes in Belgium to consumers (*consumenten/consommateurs*) within the meaning of the Belgian Code of Economic Law (*Wetboek economisch recht/Code de droit économique*).

## The Netherlands

Zero Coupon Notes (as defined below) in definitive form may only be transferred and accepted, directly or indirectly, within, from or into The Netherlands through the mediation of either the relevant Issuer or a member of Euronext Amsterdam N.V. in accordance with the Dutch Savings Certificates Act (*Wet inzake spaarbewijzen*) of 21 May 1985 (as amended) and its implementing regulations (which include registration requirements). Such restrictions do not apply (a) to the initial issue of Zero Coupon Notes to the first holders thereof, (b) to a transfer and acceptance of Zero Coupon Notes in definitive form between individuals not acting in the conduct of a business or profession, or (c) to a transfer and acceptance of Zero Coupon Notes in definitive form within, from or into The Netherlands if all Zero Coupon Notes of any particular Series or Tranche are issued outside The Netherlands and are not distributed within The Netherlands in the course of their initial distribution or immediately thereafter. For the purposes of this paragraph, “Zero Coupon Notes” are Notes that are in bearer form and that constitute a claim for a fixed sum against the relevant Issuer and on which interest does not become due during their tenor or on which no interest is due whatsoever.

## Republic of Italy

The offering of the Notes has not been registered pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of the Base Prospectus or of any other document relating to any Notes be distributed in the Republic of Italy, except, in accordance with the exceptions provided under the Prospectus Regulation and any Italian securities, tax and other applicable laws and regulations.

Each of the Dealers represents and agrees and each further Dealer appointed under the Programme will be required to represent and agree that it will not offer, sell or deliver any Note or distribute any copies of this Base Prospectus and/or any other document relating to the Notes in the Republic of Italy except:

- (i) to qualified investors (*investitori qualificati*) as defined pursuant to Article 2 of the Prospectus Regulation and any applicable provision of Legislative Decree No. 58 of 24 February 1998, as amended (the “**Financial Services Act**”) and Italian CONSOB regulations; or
- (ii) in other circumstances which are exempted from the rules on public offerings pursuant to Article 1 of the PD Regulation, Article 34-ter of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time, and the applicable Italian laws.

In any event, any offer, sale or delivery of the Notes or distribution of copies of this Base Prospectus or any other document relating to the Notes in Italy under paragraphs (i) or (ii) above must:

- (a) be made by an investment firm, bank or financial intermediary permitted to conduct such activities in Italy in accordance with the Financial Services Act, Legislative Decree No. 385 of 1 September 1993, as amended from time to time (the “**Banking Act**”) and CONSOB Regulation No. 20307 of 15 February 2018, as amended from time to time; and
- (b) comply with any other applicable laws and regulations or requirement imposed by CONSOB, the Bank of Italy (including the reporting requirements, where applicable, pursuant to Article 129 of

the Banking Act and the implementing guidelines of the Bank of Italy, as amended from time to time) and/or any other Italian authority.

The Issuers and each Dealer (and each further Dealer appointed under the Programme will be required to) acknowledge and accept that in no event may the Notes be sold or transferred (at any time after the Issue Date) to persons other than “*qualified investors*”, as referred to under the Prospectus Regulation.

#### **Provisions relating to the secondary market in the Republic of Italy**

Please note that in accordance with Article 100-bis of the Financial Services Act, where no exemption from the rules on public offerings applies, the subsequent distribution of the Notes on the secondary market in Italy must be made in compliance with the public offer and the prospectus requirement rules provided under the Financial Services Act and CONSOB Regulation No. 11971 of 14 May, 1999, as amended from time to time (“**Regulation No. 11971**”). For these purposes, a public offer occurs also where the Notes which are initially offered and placed in Italy or abroad to qualified investors only but in the following 12 months are “systematically” distributed on the secondary market in Italy. Where no exemption from the rules on public offerings applies, failure to comply with the prospectus requirement rules provided under the Financial Services Act and Regulation No. 11971 may result in the purchasers of Notes who are acting outside of the course of their business or profession being entitled to declare such purchase void and to claim damages from any authorised person at whose premises the Notes were purchased (*soggetti abilitati presso cui è avvenuta la vendita*).

#### **Japan**

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act no. 25 of 1948, as amended, the “**Financial Instruments and Exchange Act**”) and each Dealer has represented and agreed and each further Dealer appointed under the Programme will be required to agree that it has not, directly or indirectly, offered or sold and will not offer or sell any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and other relevant laws and regulations of Japan.

#### **Singapore**

Each Dealer has acknowledged, and each further Dealer appointed under the Programme will be required to acknowledge, that this Base Prospectus has not been registered as a prospectus with the MAS. Accordingly, each Dealer has represented, warranted and agreed, and each further Dealer appointed under the Programme will be required to represent, warrant and agree, that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Base Prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA pursuant to Section 274 of the SFA (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1), or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275, of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:



- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
  - (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,
- securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:
- (i) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
  - (ii) where no consideration is or will be given for the transfer;
  - (iii) where the transfer is by operation of law;
  - (iv) as specified in Section 276(7) of the SFA; or
  - (v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

## **General**

Each Dealer has agreed and each further Dealer appointed under the Programme will be required to agree that it will (to the best of its knowledge and belief) comply with all applicable securities laws and regulations in force in any jurisdiction in which it purchases, offers, sells or delivers Notes or possesses or distributes this Base Prospectus and will obtain any consent, approval or permission required by it for the purchase, offer, sale or delivery by it of Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers, sales or deliveries and none of the Issuers, the Guarantor nor any of the other Dealers shall have any responsibility therefor.

None of the Issuers, the Guarantor nor the Dealers represents that Notes may at any time lawfully be sold in compliance with any applicable registration or other requirements in any jurisdiction, or pursuant to any exemption available thereunder, or assumes any responsibility for facilitating such sale.

With regard to each Tranche, the relevant Dealer will be required to comply with such other restrictions as the relevant Issuer and the relevant Dealer shall agree and as shall be set out in the applicable Final Terms.

These selling restrictions may be modified by the agreement of the relevant Issuer, the Guarantor and the Dealers following a change in a relevant law or regulation. Any such modification will be set out in the Final Terms issued in respect of the issue of Notes to which it relates or in a supplement to this Base Prospectus.

## **Transfer Restrictions**

### *Regulation S Global Notes*

Each purchaser of an interest in Notes outside the United States pursuant to Regulation S or person wishing to transfer an interest from one Registered Global Note to another or from global to definitive form or vice versa, will be deemed to have acknowledged, represented and agreed as follows:

- (i) It is, or at the time Notes are purchased will be, the beneficial owner of such Notes and (a) it is not a U.S. person and it is located outside the United States (within the meaning of Regulation S) and (b) it is not an affiliate of the relevant Issuer or a person acting on behalf of such an affiliate.
- (ii) It understands that the Notes and the Guarantee are being offered and sold in a transaction not involving a public offering in the United States within the meaning of the Securities Act, and that the Notes and the Guarantee have not been and will not be registered under the Securities Act or any other applicable U.S. State securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except (a) in accordance with Rule 144A under the Securities Act to a person that it and any person acting on its behalf reasonably believe is a QIB purchasing for its own account or the account of a QIB or (b) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, in each case in accordance with any applicable securities laws of any state of the United States.
- (iii) It acknowledges that the Regulation S Global Notes will bear a legend to the following effect unless otherwise agreed to by the relevant Issuer:

“THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “**SECURITIES ACT**”), OR ANY OTHER APPLICABLE U.S. STATE SECURITIES LAWS AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS EXCEPT IN ACCORDANCE WITH THE AGENCY AGREEMENT AND PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT. THIS LEGEND SHALL CEASE TO APPLY UPON THE EXPIRY OF THE PERIOD OF 40 DAYS AFTER THE OFFERING AND THE COMPLETION OF THE DISTRIBUTION OF ALL THE NOTES OF THE TRANCHE OF WHICH THIS NOTE FORMS PART.”
- (iv) The relevant Issuer and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that if any of such acknowledgements, representations or agreements made by it are no longer accurate, it shall promptly notify the relevant Issuer.

No sale of Legended Notes in the United States to any one purchaser will be for less than U.S.\$100,000 (or its foreign currency equivalent) principal amount and no Legended Note will be issued in connection with such a sale in a smaller principal amount. If the purchaser is a non-bank fiduciary acting on behalf of others, each person for whom it is acting must purchase at least U.S.\$100,000 (or its foreign currency equivalent) of Registered Notes.

## GENERAL INFORMATION

### Authorisations

#### *Authorisation – ENEL*

The establishment of the Programme of ENEL and ENEL Finance International S.A. (now ENEL N.V.), the increase in size and update of the Programme and the related documents by ENEL and the giving of the Guarantee have been duly authorised by resolutions of the Board of Directors of ENEL dated 29 September 2005, 9 April 2007, 3 February 2011, 20 October 2011, 13 November 2012 and 10 July 2014.

The update of the Programme and the related documents by ENEL and the giving of the Guarantee have been duly authorised by a resolution of the Board of Directors of ENEL dated 20 September 2016.

Each issue of Notes by ENEL under the Programme will be authorised by the competent corporate bodies in accordance with applicable laws and the relevant provisions of its by-laws.

#### *Authorisation – ENEL N.V.*

The entry into of the Programme and the related documents by ENEL N.V. has been duly authorised by a resolution of the managing board of ENEL N.V. dated 4 February 2011 and a resolution of the sole shareholder of ENEL N.V. dated 4 February 2011 and the increase in size of the Programme has been duly authorised by a resolution of the managing board of ENEL N.V. and a resolution of the shareholder of ENEL N.V., dated 20 October 2011 and a resolution of the managing board of ENEL N.V. adopted on 19 December 2012 and a resolution of the shareholder of ENEL N.V. dated 19 December 2012. The update of the Programme and the related documents by ENEL N.V. have been duly authorised by a resolution of the managing board of ENEL N.V. adopted on 27 November 2019 and a resolution of the shareholders of ENEL N.V. dated 12 December 2019. Each issue of Notes by ENEL N.V. under the Programme will be authorised by the competent bodies in accordance with applicable laws and the relevant provisions of its articles of association.

### Listing of Notes on Euronext Dublin

This Base Prospectus has been approved by the Central Bank. Application has been made to Euronext Dublin for Notes issued under the Programme to be admitted to the Official List and to trading on its regulated market. Euronext Dublin's regulated market is a regulated market for the purposes of MiFID II. The Central Bank has been requested to provide a certificate of approval and a copy of this Base Prospectus to the relevant competent authority in Luxembourg.

Walkers Listing Services Limited is acting solely in its capacity as listing agent for the Issuers in connection with the Programme and is not itself seeking admission of the Notes issued under the Programme to the Official List or trading on the regulated market for the purposes of the Prospectus Regulation.

### Documents Available

For the period of 12 months following the date of this Base Prospectus, copies of the following documents will, when published, be available for inspection on the website of ENEL at <https://www.enel.com/investors>:

- (i) the articles of association and by-laws (with an English translation thereof) of each of ENEL and ENEL N.V.;

- (ii) the Agency Agreement, the Deed of Guarantee, the Deeds of Covenant and the forms of the Global Notes, the Notes in definitive form, the Coupons and the Talons;
- (iii) a copy of this Base Prospectus; and
- (iv) any future offering circulars, prospectuses, information memoranda and supplements including Final Terms (save that Final Terms relating to a Note which is neither admitted to trading on a regulated market in the EEA nor offered in the EEA in circumstances where a prospectus is required to be published under the Prospectus Regulation will only be available for inspection by a holder of such Note and such holder must produce evidence satisfactory to the relevant Issuer or the Guarantor and the Paying Agent as to its holding of Notes and identity) to this Base Prospectus and any other documents incorporated herein or therein by reference.

### **Clearing Systems**

The Notes in bearer form have been, and the Notes in registered form will be (if they are to be listed on Euronext Dublin), accepted for clearance through Euroclear and Clearstream, Luxembourg (which are the entities in charge of keeping the records). The appropriate Common Code and ISIN for each Tranche of Notes allocated by Euroclear and Clearstream, Luxembourg (and, if applicable, FISN and CFI codes) will be specified in the applicable Final Terms. If the Notes are to clear through an additional or alternative clearing system the appropriate information will be specified in the applicable Final Terms.

The address of Euroclear is Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium, the address of Clearstream, Luxembourg is Clearstream Banking S.A., 42 Avenue JF Kennedy, L-1855 Luxembourg, Luxembourg.

### **Conditions for determining price**

The price and amount of Notes to be issued under the Programme will be determined by the relevant Issuer and each relevant Dealer at the time of issue in accordance with prevailing market conditions.

### **No significant or material adverse changes**

There has been no material adverse change in the financial position or prospects of ENEL N.V., ENEL or ENEL and its subsidiaries taken as a whole since 31 December 2018.

There has been no significant change in the financial performance or position of (i) ENEL N.V. since 30 June 2019 or (ii) ENEL or ENEL and its subsidiaries taken as a whole since 30 September 2019.

### **Litigation**

Except as set out on pages 160 and 161 of this Base Prospectus under “*Description of ENEL – Litigation*” and in the documents incorporated by reference herein, none of the Issuers, the Guarantor nor any subsidiary of ENEL is or has been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuers, the Guarantor or any subsidiary of ENEL is aware) in the 12 months preceding the date of this document which may have or have in such period had a significant effect on the financial position or profitability of any of the Issuers or the Guarantor.

## **Websites**

The website of the Issuers is [www.enel.com](http://www.enel.com). The information on [www.enel.com](http://www.enel.com) does not form part of this Base Prospectus, except where that information has been incorporated by reference into this Base Prospectus. Other than the information incorporated by reference, the content of the ENEL website has not been scrutinised or approved by the competent authority.

Any information contained in any other website specified in this Base Prospectus does not form part of this Base Prospectus, except where that information has been incorporated by reference into this Base Prospectus.

## **Auditors**

The independent auditor of ENEL is EY S.p.A., whose registered office is at Via Lombardia, 31, 00187, Rome, Italy. EY S.p.A. is authorised and regulated by the Italian Ministry of Economy and Finance (“MEF”) and registered on the special register of auditing firms held by the MEF. EY S.p.A. is a member of ASSIREVI, the Italian association of auditing firm.

EY S.p.A. has audited, in accordance with International Standards on Auditing (ISA Italia), ENEL’s consolidated financial statements as of 31 December 2017 and 2018 and for the years then ended, prepared in accordance with International Financial Reporting Standards adopted in the EU and the Italian regulations implementing Article 9 of Legislation Decree No. 38/05, without qualification, as stated in the convenience translation into English of their reports incorporated by reference in this Base Prospectus.

EY S.p.A.’s current appointment will expire on the date of the Shareholders’ Meeting called for the approval of ENEL’s annual financial statements as of 31 December 2019.

The auditors of ENEL are independent auditors with respect to ENEL.

The independent auditor of ENEL N.V. is Ernst & Young Accountants LLP. Ernst & Young Accountants LLP is an audit firm for which the auditors are registered with the NBA.

Ernst & Young Accountants LLP was appointed as independent auditor of ENEL N.V. on 29 July 2011. Ernst & Young Accountants LLP has no interest in ENEL N.V.

## **Post-issuance information**

Neither of the Issuers, nor the Guarantor, intends to provide any post-issuance information in relation to any issues of Notes.

## **Dealers transacting with the Issuers or the Guarantor**

Certain of the Dealers and their affiliates have engaged, and may in the future engage, in financing, investment banking and/or commercial banking transactions with, and may perform services to the Issuers, the Guarantor and their affiliates in the ordinary course of business. Certain of the Dealers and their affiliates may have positions, deal or make markets in the Notes issued under the Programme, related derivatives and reference obligations, including (but not limited to) entering into hedging strategies on behalf of the Issuers or the Guarantor and their respective affiliates, investor clients, or as principal in order to manage their exposure, their general market risk, or other trading activities.

In addition, in the ordinary course of their business activities, the Dealers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their

customers. Such investments and securities activities may involve securities and/or instruments of the Issuers or the Guarantor, or the Issuers' or the Guarantor's affiliates. Certain of the Dealers or their affiliates that have a lending relationship with the Issuers or the Guarantor routinely hedge their credit exposure to the Issuers or the Guarantor consistent with their customary risk management policies. Typically, such Dealers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in securities, including potentially the Notes issued under the Programme. Any such positions could adversely affect future trading prices of Notes issued under the Programme. The Dealers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

For the purpose of this paragraph the term "affiliates" include also parent companies.

### **Foreign languages used in the Base Prospectus**

The language of this Base Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

## THE ISSUERS

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Italy

**ENEL FINANCE INTERNATIONAL N.V.**  
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The Netherlands

## PRINCIPAL PAYING AGENT AND TRANSFER AGENT

### **The Bank of New York Mellon, London Branch**

One Canada Square  
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United Kingdom

## REGISTRAR

### **The Bank of New York Mellon SA/NV, Luxembourg Branch**

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L-2453 Luxembourg

## IRISH LISTING AGENT

### **Walkers Listing Services Limited**

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Ireland

## LEGAL ADVISERS

*To ENEL – Società per Azioni as to English law, Italian law and Italian tax law*      *To ENEL FINANCE INTERNATIONAL N.V. as to Dutch law*

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