



- **EXPLANATIONS OF THE MATTERS SUBMITTED FOR VOTE**
AT THE ORDINARY SHAREHOLDERS' MEETING OF ENEL AMÉRICAS S.A.
TO BE HELD ON APRIL 27, 2017

Approval of the Annual Report, Balance Sheet, Financial Statements and Reports of External Auditors and Account Reviewers for the financial year ended on December 31, 2016.

It was agreed to propose to the Ordinary Shareholders' Meeting of Enel Américas S.A the approval of the Annual Report, Balance Sheet, Financial Statements and Reports of External Auditors and Account Reviewers for the financial year ended December 31, 2016. The above-mentioned documents are available on the Company's website at www.enelamericas.cl.

- **Distribution of net income and dividend payments for the financial year 2016:**

It was agreed at the Ordinary Shareholders' Meeting of Enel Américas S.A. the distribution of a definitive dividend by an amount equivalent to 50% (fifty percent) of the annual net income for the financial year 2016, which is equal to Ch\$ 3.33370 per share. This amount will have a deduction of the interim dividend paid in January 2017, therefore, the total amount to be distributed to shareholders in May 2017 will be Ch\$ 2.38705 per share.

- **Setting of Directors' remuneration:**

Enel Iberoamérica, S.R.L has proposed to pay to the Enel Américas S.A.' Board of Directors an annual variable remuneration equal to one thousandth part of the net earnings for the current financial year.

Additionally, each member of the Board will be assigned a monthly remuneration, consisting in a fixed compensation and a variable one. The remuneration is divided according to the following method:



180 U.F. per month as a fixed remuneration and a fee of 66 U.F. for attending to each Board meeting, with a maximum of 15 sessions per fiscal year; Extraordinary Shareholders' Meeting or Ordinary Shareholders Meeting..

The amount received by the Directors in the corresponding amount of each month, will be treated as advances in the account of variable remuneration.

Pursuant to the provisions of the Company's by-laws, the remuneration of the Chairman of the Board will be 50% higher than the remuneration of a director.

The annual variable remuneration will have a deduction from payments in advance, without refund if variable remuneration is lower than anticipated funds. The annual variable remuneration will be paid, if relevant, once the Ordinary Shareholders Meeting approves the Annual Report, Balance Sheet, Financial Statements, Reports of External Auditors and Account Reviewers for the year ended December 31, 2017.

In an event where a Director of Enel Américas S.A. serves on more than one Board of Directors in subsidiaries and/or related companies, or serves as a Director or Counsel in another firm or a legal entity in which Enel Américas S.A. holds any direct or indirect interest, the Director will only be compensated for the participation in one Board of Directors or a Management Committee.

Executive Officers of Enel Américas S.A., and/or of its subsidiaries or related companies will not be compensated or receive any payment if they serve as a Director of any subsidiary, related company, or are affiliated in any way to Enel Américas S.A.

In general, such remunerations or payments may be received by the Executive Officers if they are authorized in advance, and specifically, as part of their annual variable fee to be paid by their respective companies with which they have a labor contract.

- **Setting the Directors' Committee's remuneration and budget for 2016.**

Enel Iberoamérica, S.R.L. has proposed to pay the members of the Directors' Committee an annual variable remuneration equal to 0.11765 per thousand of net earnings of current financial year.



Furthermore, each member of the Directors' Committee shall be assigned a monthly compensation, consisting of fixed and variable remuneration. Such remuneration is broken down as follows: 60 UF as a fixed monthly payment, and 22 UF for attending each session, with a maximum of 15 sessions per financial year; ordinary or extraordinary within the fiscal year.

The amounts received each month as early payment will be deducted from the above-mentioned annual variable remuneration.

The annual variable remuneration will have a deduction from payments in advance, without refund if variable remuneration is lower than anticipated funds. The annual variable remuneration will be paid, if relevant, once the Ordinary Shareholders Meeting approves the Annual Report, Balance Sheet, Financial Statements, Reports of External Auditors and Account Reviewers for the year ended December 31, 2017.

Furthermore, the Board of Directors of Enel Américas S.A., at the session held on February 24, 2017, agreed to set the 2016 expense and performance budget of the Directors' Committee of Enel Américas S.A., by Agreement No. 20/2017, and its advisors for the fiscal year 2017. The amount of 10,000 UF was proposed and will be voted at the Ordinary Shareholders Meeting of Enel Américas S.A. to seek the final approval.

- **Report on the expenses of the Board of Directors and Annual Management Report of Activities and Expenses of the Directors' Committee.**

This matter is only reported to the Board and therefore is not subject to vote.

- **Appointment of an External Auditing Company governed by Title XXVIII of Law 18,045:**

In accordance with Article 50 bis of Law 18,046 and Executive Orders No. 718/2012 and No. 764/2012 of the Superintendence of Securities and Insurance, it is established, with respect to the proposal of external auditors that *"the Board of Directors should provide the shareholders with its justifications of the various options to be proposed at the shareholders' meeting, so that they have all the required information to engage an auditing firm to examine the financial statements. Such justification should contain, in detail, the Board's reasons for proposing each firm, taking into account*



aspects like the hours and resources that they will devote to the review process, the experience of the auditing firm, the knowledge and experience of the team that will be in charge of such review, taking into account the industry, sector, size and other characteristics of the Company to be reviewed, and any other relevant aspect. The above should be accompanied by the corresponding order of preference of the different options to be proposed.”

In view of the above, the shareholders will be informed about the different options of external auditing firms taken into consideration and with which the Board proceeded to determine their order of preference for its proposal to the Ordinary Shareholders' Meeting. Proposals were requested from the firms E&Y, RSM Chile Auditores Ltda., PKF Chile Auditores Consultores Ltda., KPMG Auditores Consultores Limitada, BDO Auditores & Consultores Ltda. and Deloitte, the latter excused itself from participating due to lack of independence.

On March 31, 2017, after analyzing the proposals received in terms of their qualitative and quantitative characteristics, the Board of Directors of Enel Américas S.A. agreed to propose to the Ordinary Shareholders' Meeting of Enel Américas S.A. to engage as external auditors of Enel Américas S.A. for the year 2017 one of the following firms as stated below:

- 1° EY - Ernst & Young
- 2° KPMG Auditores Consultores Ltda.
- 3° RSM Chile Auditores Limitada
- 4° BDO Auditores & Consultores Ltda.

The reasons for proposing EY first as the external auditor of Enel s Américas S.A. are the following: (i) EY submitted the most competitive proposal according to the technical and economic evaluations of the proposals received; (ii) it presented a high quality standard of the resources available for performing its audit and has a broad experience in the electricity sector; (iii) it is one of the four largest auditing firms worldwide and an auditing firm with the highest level of synergy with Enel Américas S.A., as Enel Américas S.A.'s parent and controller companies have Ernst & Young as their main auditor, and (iv) Ernst & Young has been the external auditor of the Company since 2011 and to continue with EY does not pose any problems from the perspective of the Sarbanes Oxley Act and the Chilean legislation.

- **Designation of two main Account Reviewers and two substitutes and their remunerations**

Enel Américas S.A. will propose to the Ordinary Shareholders Meeting as Account Reviewers to Messrs. **Waldo Gómez** and **Luis Bone** and their respective alternates **Luis Rivera H.** and **Fernando Yevenesh H.** who have confirmed their independence and have provided a copy of the Certificate that certifies the validity of their registration in the Registry of Account Reviewers and External Auditors (IICAE) held by the Superintendency of Securities and Insurance.

The remuneration for the Account Reviewers that will be proposed to the Ordinary Shareholders' Meeting will be the amount of 50 UF, to be voted on.

- **Appointment of private Credit Rating Agency:**

On February 24, 2017, through Resolution No. 19/2017, the Board of Directors of Enel Américas S.A. unanimously agreed, by those in attendance, to propose to the Ordinary Shareholders' Meeting the selection, as Rating Agencies **Feller Rate Clasificadora de Riesgo Limitada** and **Fitch Chile Clasificadora de Riesgo Limitada** as the local private Credit Rating Agencies, and **Fitch Ratings**, **Moody's Investors Service** and **Standard & Poor's International Ratings Services** as the international private Credit Rating Agency of Enel Américas S.A. for 2017.

- **Approval of Investment and Financing Policy:**

On February 24, 2017, through Resolution No. 21/2017, the Board of Directors of Enel Américas S.A. agreed to propose the Investment and Financing Policy described below.

1. INVESTMENTS.

A) Areas of Investment:

i) Enel S.A. will invest, as authorized by its bylaws, in the following areas: Contributions for investment in, or for the creation of subsidiaries and related companies whose activity is aligned,



related or linked to any form or type of energy, the supply of public utilities, or whose main raw material is energy. ii) Investments consistent in the acquisition, exploitation, construction, rental, administration, trading and disposal of any class of fixed assets, whether directly or through subsidiaries. iii) Other investments in all kinds of financial assets, titles or securities.

B) Maximum investment limits: The maximum investment limits for each investment area shall be the following:

i) Investments in subsidiaries in the electricity sector: amounts required by the subsidiaries to meet their respective corporate purposes, with a maximum amount equal to 50% of the Net Equity in the consolidated balance sheet of Enel Américas S.A. as of December 31, 2016. ii) Investments in other companies outside the electricity sector, as long as at least 50.1% of Enel Américas consolidated assets are part of the electricity sector.

C) Participation in controlling investment area:

In order to control the investment areas and pursuant to Enel Américas S.A.' corporate purpose, the following procedure will be followed whenever possible:

i) At the Ordinary Shareholders Meeting will be proposed for subsidiaries or related companies the Directors of Enel Américas S.A. in proportion of at least the stake in those companies, and preferably they should be chosen among directors or executives of Enel Américas S.A. or its subsidiaries, ii) Investment, financial and commercial policies as well as accounting criteria and systems that they should follow will be proposed to the subsidiaries and related companies, iii) The management of the subsidiaries and related companies will be supervised, and iv) A permanent control of the debt level will be undertaken.

2. FINANCING.



A) Maximum indebtedness level: The maximum indebtedness of Enel Américas S.A. is defined as the relation between the Total Financial Debt (measured as Other current financial liabilities and Other non-current financial liabilities) lower than or equal to total equity ratio of 2.20 times, based on the consolidated statements of financial position of Enel Américas S.A. as of December 31, 2016.

B) Management attributions for agreeing Enel Américas' dividend payment restrictions with lenders: Dividend payment restrictions may only be agreed upon with lenders if previously approved by a shareholders' meeting (ordinary or extraordinary).

C) Management attributions for granting liens to lenders: An Extraordinary Shareholders Meeting must approve the granting of liens or warranties to third parties obligations, related to essential assets described below.

D) Assets essential for the normal operation of the Company: Assets that are essential for the normal operation of the Company. An essential asset for the operation of Enel Américas is its direct and/or indirect participation that allows control, by way of holding the majority of shares, agreements or shareholder agreements, of Enel Brasil and Emgesa.

- **Exposure of Dividend Policy for fiscal year 2017 and Information on the Procedures to be used in dividend distribution.**

On February 24, 2017, the Company's Board of Directors, through agreement No. 22/2017, approved to propose the following Dividend Policy for 2017 and the corresponding procedures related to the dividend payment of Enel Américas S.A to the Ordinary Shareholder's Meeting of Enel Américas S.A.

"2017 DIVIDEND POLICY"

The Board of Directors intends to distribute an interim dividend, charged to the net income of the 2017 accounting period, of up to 15% of the net income as of September 30, 2017, according to what is shown in the Enel Américas S.A.'s financial statements up to such date, to be paid in January 2018.



The Board of Directors plans to propose to the Ordinary Shareholders Meeting, to be held during the first four months of 2018, to distribute, as a definite dividend, an amount equal to 50% of the net income for the 2017 accounting period. The final dividend will be the one that will be established by the Ordinary Shareholders' Meeting, to be held during the first four months of 2018.

The compliance of the aforementioned dividend program will be subject the net income effectively recorded, as well as to the forecast result periodically prepared by the Company or the existence of determined conditions, as relevant.

Dividend Payment Procedure for Enel Américas S.A.

For dividend payments, whether interim or definite, and in order to avoid their undue collection, Enel Américas S.A. considers the methodologies indicated below:

1. Deposit in current account of the shareholder. 2. Deposit in saving account of the shareholder. 3. Nominative check or bank note to be send by mail to the residence of the shareholders and 4. Withdrawal of nominative check or bank note at the offices of DCV Registros S.A., as its condition of administrator of the Enel Américas S.A.' shareholders, or in bank or branch offices established for such purpose and that will be informed in notification to be published regarding the payment of dividends.

For the above mentioned purposes, current or savings accounts can be any branch of the country. The methodology chosen by each shareholder will be used by DCV Registros S.A. for all dividend payment, while the shareholder does not express in writing his intention of a new option.

The shareholders who do not have a payment modality, will be paid according to methodology No. 4 mentioned above.

In cases where the checks or on-site drafts are returned by mail to DCV Registros S.A., they will remain in their custody until the shareholders pick them up or request them.

In case of a deposits in current accounts, Enel Américas S.A. and/or DCV Registros S.A. may request, for security reasons, verifications by the corresponding banks. If the accounts indicated by

the shareholders are rejected, whether in a prior verification process or for any other cause, the dividend will be paid according to the methodology No. 4.

At the same time, the Company has adopted and will continue to take in the future all necessary security measures required by dividend payment process, in order to safeguard both the shareholders as well as Enel América S.A.

- **Information about the Board of Directors' agreements related to actions or contracts governed by Title XVI of Law No. 18,046.**

This matter is only reported to the Board and therefore is not subject to vote.

- **Other matters of corporate interest and competence of the Ordinary Shareholders Meeting.**

In relation to the remaining issues that the Ordinary Shareholders' Meeting must vote on, until today no shareholder proposals have been received for vote nor the Board of Directors has agreed to any proposal in this regard.

- **Approval of other agreements necessary for the due implementation of adopted resolutions.**

It will be proposed to the Shareholders' Meeting to authorise Messrs. Luca D'Agnese, Javier Galán Allué and Domingo Valdes Prieto, so that either of them may formalize and legalize agreements and resolutions adopted at the Shareholders' Meeting to issue essential facts that correspond to the agreements of the Shareholders Meeting or that are required by relevant public authorities; and to provide the clarifying or complementary public deeds that deal with the agreements adopted by the Shareholders' Meeting.