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**ISSUER IDENTIFICATION DETAILS**

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Year end-date:

[ 31/12/2022 ]

TAX ID (CIF):

[ A-28023430 ]

Company name:

[ ENDESA, S.A. ]

Registered office:

[ RIBERA DEL LOIRA, 60 MADRID ]

**A. OWNERSHIP STRUCTURE**

A.1. Complete the following table on share capital and the attributed voting rights, including those corresponding to shares with a loyalty vote as of the closing date of the year, where appropriate:

Indicate whether company bylaws contain the provision of double loyalty voting:

Yes  
 No

Date of Last Change	Share Capital (€)	Number of Shares	Number of Voting Rights
01/10/1999	1,270,502,540.40	1,058,752,117	1,058,752,117

Indicate whether there are different classes of shares with different associated rights:

Yes  
 No

A.2. List the company's significant direct and indirect shareholders at year end, including directors with a significant shareholding:

Name or company name of shareholder	% of voting rights attributed to shares		% of voting rights through financial instruments		% of total voting rights
	Direct	Indirect	Direct	Indirect	
ENEL, S.P.A.	0.00	70.10	0.00	0.00	70.10

Breakdown of the indirect holding:

Name or company name of the indirect owner	Name or company name of the direct owner	% of voting rights attributed to shares	% of voting rights through financial instruments	% of total voting rights
ENEL, S.P.A.	ENEL IBERIA SRL	70.10	0.00	70.10

Indicate the most significant changes in the shareholder structure during the year:

**A.3.** Give details of the participation at the close of the fiscal year of the members of the board of directors who are holders of voting rights attributed to shares of the company or through financial instruments, whatever the percentage, excluding the directors who have been identified in Section A2 above:

Name or company name of director	% voting rights attributed to shares (including loyalty votes)		% of voting rights through financial instruments		% of total voting rights	From the total % of voting rights attributed to the shares, indicate, where appropriate, the % of the additional votes attributed corresponding to the shares with a loyalty vote	
	Direct	Indirect	Direct	Indirect		Direct	Indirect
JUAN SÁNCHEZ- CALERO GUILARTE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FRANCESCO STARACE	0.00	0.00	0.00	0.00	0.00	0.00	0.00
JOSE DAMIAN BOGAS GALVEZ	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MARÍA EUGENIA BIETO CAUBET	0.00	0.00	0.00	0.00	0.00	0.00	0.00
IGNACIO GARRALDA RUIZ DE VELASCO	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ALICIA KOPLOWITZ ROMERO DE JOSEU	0.00	0.02	0.00	0.00	0.02	0.00	0.00
ALBERTO DE PAOLI	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total percentage of voting rights held by the Board of Directors</b>						<b>0.02</b>	

Juan Sanchez-Calero Guilarte: 372

Francesco Starace: 10

José Bogas Gálvez: 2,374 direct shares and 6,000 indirect shares through a natural person related to the Director.

Ms. María Eugenia Bieto Caubet: 19 shares

Ignacio Garralda Ruíz de Velasco: 30,471 shares

Ms. Alicia Koplowitz y Romero de Juseu: 220,000 indirect shares through MORINVEST, SICAV, S.A.

Alberto de Paoli: 10 shares

Breakdown of the indirect holding:

Name or company name of director	Name or company name of the direct owner	% voting rights attributed to shares (including loyalty votes)	% of voting rights through financial instruments	% of total voting rights	From the total % of voting rights attributed to the shares, indicate, where appropriate, the % of the additional votes attributed corresponding to the shares with a loyalty vote
ALICIA KOPLOWITZ ROMERO DE JOSEU	MORINVEST SICAV, S.A.	0.02	0.00	0.02	0.00

List the total percentage of voting rights represented on the board:

Total percentage of voting rights held by the Board of Directors	0.02
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**A.4.** If applicable, indicate any family, commercial, contractual or corporate relationships that exist among significant shareholders to the extent that they are known to the company, unless they are insignificant or arise in the ordinary course of business, with the exception of those reported in section A.6:

Name or company name of related party	Nature of relationship	Brief description
ENEL IBERIA SRL, ENDESA, S.A.	Corporate	Enel, S.p.A owns 100% of the shares of Enel Iberia, SRL.

**A.5.** If applicable, please specify any commercial, contractual or corporate relationships that exist between significant shareholders and the company and/or its group, unless they are insignificant or arise in the ordinary course of business:

Name of Related Party	Nature of relationship	Brief description
ENDESA X SERVICIOS, S.L.U.	Corporate	ENDESA X SERVICIOS, S.L.U. (95%) AND ENEL SOLE, S.R.L. (5%) (Enel Group subsidiary) are participating in the Abarán UTE.
ENDESA X SERVICIOS, S.L.U.	Corporate	ENDESA X SERVICIOS, S.L.U. (49%) AND ENEL X WAY, S.R.L. (51%) (Enel Group subsidiary) are participating in ENDESA X WAY, S.L.

- A.6. Unless insignificant for both parties, describe the relationships that exist between significant shareholders, shareholders represented on the Board and directors or their representatives in the case of directors that are legal persons.

Explain, if applicable, how the significant shareholders are represented. Specifically, indicate those directors appointed to represent significant shareholders, those whose appointment was proposed by significant shareholders, or who are linked to significant shareholders and/or companies in their group, specifying the nature of such relationships or ties. In particular, mention the existence, identity and post of any directors of the listed company, or their representatives, who are in turn members or representatives of members of the Board of Directors of companies that hold significant shareholdings in the listed company or in group companies of these significant shareholders.

Name or company name of related director or representative	Name or company name of related significant shareholder	Company name of the group company of the significant shareholder	Description of relationship/post
JOSE DAMIAN BOGAS GALVEZ	ENEL, S.P.A.	ENEL IBERIA SRL	Mr Bogas, Chief Executive Officer of Endesa, S.A. was appointed to his current position with Enel Company being the controlling shareholder; he is also IBERIA COUNTRY MANAGER AT ENEL GROUP, director of ENEL IBERIA, S.R.L., Chairman and director of ENDESA GENERACIÓN, S.A., sole director of ENDESA RED, S.A., Chairman of ENEL GREEN POWER ESPAÑA, S.L. and joint director of ENDESA GENERACIÓN II.
FRANCESCO STARACE	ENEL, S.P.A.	ENEL, S.P.A.	Mr Starace is one of the four shareholder-appointed directors representing Enel; Vice-Chairman of Endesa S.A.; he is also Chief Executive Officer and General Manager of ENEL, S.p.A. Chairman of the Board of Directors of ENEL IBERIA, S.R.L.

Name or company name of related director or representative	Name or company name of related significant shareholder	Company name of the group company of the significant shareholder	Description of relationship/post
ALBERTO DE PAOLI	ENEL, S.P.A.	ENEL, S.P.A.	Mr De Paoli is one of the four shareholder-appointed directors, representing Enel; he is also General Manager - Administration, Finance and Control at ENEL. S.p.A.
ANTONIO CAMMISECRA	ENEL, S.P.A.	ENEL, S.P.A.	Mr Cammiscecra is one of the four shareholder-appointed directors representing Enel; he is also the sole director of ENEL GRIDS, S.r.l. and Manager of the ENEL GRIDS, S.r.l. Division at Enel Group
FRANCESCA GOSTINELLI	ENEL, S.P.A.	ENEL, S.P.A.	Ms. Gostinelli is one of the four shareholder-appointed directors representing Enel; she is also the Global Strategy Director of Enel Group and a Director of Enel Américas.

**A.7.** Indicate whether the company has been notified of any shareholders' agreements that may affect it, in accordance with the provisions of Articles 530 and 531 of the Spanish Corporate Enterprises Act. If so, describe them briefly and list the shareholders bound by the agreement:

Yes  
 No

Indicate whether the company is aware of any concerted actions among its shareholders. If so, please provide a brief description:

Yes  
 No

If any of the aforementioned agreements or concerted actions have been amended or terminated during the year, indicate this expressly:

**A.8.** Indicate whether any individual or company exercises or may exercise control over the company in accordance with Article 5 of the Securities Market Act. If so, identify them:

Yes  
 No

Name or company name
ENEL IBERIA SRL

Enel Iberia, S.R.L. is a fully-owned subsidiary of Enel S.p.A.

**A.9.** Complete the following table with details of the company's treasury shares:

At the close of the year:

Number of direct shares	Number of indirect shares (*)	Total percentage of share capital
254,610		0.02

On four occasions, ENDESA, S.A.'s Board of Directors has agreed to carry out temporary share buyback programs, in order to cover the Temporary Share Buy-Back Program – flexible share-based compensation for Endesa employees and the Temporary Share Buyback Programs linked to Endesa's 2020-2022, 2021-2023 and 2022-2024 Strategic Incentives Plans.

All the Programs have been managed and implemented by Exane, S.A. ("Exane BNP Paribas"), in compliance with the Commission Delegated Regulation (EU) 2016/1052 supplementing Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April.

On 31 December 2022, the shares that are included as part payment for the Strategic Incentive for 2020-2022, 2021-2023 y 2022-2024, have not yet been delivered, so the cumulative number of treasury shares and the percentage of share capital represented are as follows:

Cumulative number of shares: 254,610  
Cumulative percentage of share capital: 0.024%

(\*) Through:

Name or company name of direct shareholder	Number of direct shares
No data	

**A.10.** Provide a detailed description of the conditions and terms of the authority given to the Board of Directors to issue, repurchase, or dispose of treasury shares.

At the Annual General Shareholders' Meeting held on 5 May 2020, shareholders resolved to authorize the Company to acquire, directly or through its and subsidiaries, treasury shares;

I. To revoke and make void, as to the unused portion, the authorization for the derivative acquisition of treasury stock granted by the Annual General Shareholders' Meeting held on 27 April 2015.

II. To re-authorize the Board of Directors, with express power of substitution, to carry out the derivative acquisition of treasury stock, as well as the pre-emptive rights of first refusal in respect thereto, in accordance with Article 146 of the Spanish Capital Corporations Law, under the following conditions:

a) Acquisitions may be made through sale and purchase transactions, swap transactions or through any means legally accepted, either directly by the Company itself, by the companies of its group or by an intermediary person, up to the maximum figure permitted by Law.

b) Acquisitions shall be made at a minimum price per share of the par value and a maximum equal to their trading value the time of its acquisition.

c) The duration of the authorization shall be five years.

d) Net equity following the acquisition of shares, including those that the Company, or the individual acting in his/her name and on behalf of the Company, previously acquired and which were held thereby, may not fall below total share capital plus reserves which by law or the corporate bylaws are not available for distribution, all in accordance with the provisions of Article 146.1(b) of the Spanish Capital Corporations Law.

The authorization also includes any acquisition of shares which, as the case may be, must be delivered directly to the employees and directors of the Company or its subsidiaries, as a consequence of the exercise of stock option rights held thereby.

**A.11.** Estimated float:

	%
Estimated float	29.90

**A.12.** Indicate whether there are any restrictions (articles of incorporation, legislative or of any other nature) placed on the transfer of shares and/or any restrictions on voting rights. In particular, indicate the existence of any type of restriction that may inhibit a takeover of the company through acquisition of its shares on the market, as well as such regimes for prior authorisation or notification that may be applicable, under sector regulations, to acquisitions or transfers of the company's financial instruments.

Yes

No

**A.13.** Indicate whether the general shareholders' meeting has resolved to adopt measures to neutralise a takeover bid by virtue of the provisions of Law 6/2007.

Yes

No



If so, explain the measures approved and the terms under which such limitations would cease to apply:

**A.14.** Indicate whether the company has issued shares that are not traded on a regulated EU market.

Yes  
 No

If so, indicate each share class and the rights and obligations conferred:

**B. GENERAL SHAREHOLDERS' MEETING**

**B.1.** Indicate whether there are any differences between the minimum quorum regime established by the Spanish Corporate Enterprises Act for General Shareholders' Meetings and the quorum set by the company, and if so give details.

Yes  
 No

**B.2.** Indicate whether there are any differences between the company's manner of adopting corporate resolutions and the regime provided in the Spanish Corporate Enterprises Act and, if so, give details:

Yes  
 No

**B.3.** Indicate the rules for amending the company's articles of incorporation. In particular, indicate the majorities required for amendment of the articles of incorporation and any provisions in place to protect shareholders' rights in the event of amendments to the articles of incorporation.

In accordance with article 25 of the Corporate Bylaws, in order that an Annual or Special General Meeting may validly resolve the amendment of the Corporate Bylaws, the participation of shareholders present or represented who own at least 50% of the subscribed voting capital shall be necessary, in first call. In second call, the participation of 25% of said capital shall be sufficient.

**B.4.** Give details of attendance at General Shareholders' Meetings held during the reporting year and the two previous years:

Date of general meeting	Attendance data				
	% physical presence	% present by proxy	% distance voting		Total
			Electronic voting	Other	
05/05/2020	70.12	15.05	0.00	0.16	85.33
Of which float:	0.02	15.05	0.00	0.16	15.23
30/04/2021	70.10	15.29	0.00	0.20	85.59
Of which float:	0.00	15.29	0.00	0.20	15.49

Date of general meeting	Attendance data				
	% distance voting				
	% physical presence	% present by proxy	Electronic voting	Other	Total
29/04/2022	70.11	14.64	0.01	0.22	84.98
Of which float:	0.01	14.64	0.01	0.22	14.88
17/11/2022	70.10	14.38	0.00	0.22	84.70
Of which float:	0.00	14.38	0.00	0.22	14.60

The remote attendance data are included in the physical attendance %, as the table does not differentiate between physical and remote attendance, and for the purposes of attendance remote and physical attendance should be treated the same.

**B.5.** Indicate whether any point on the agenda of the General Shareholders' Meetings during the year was not approved by the shareholders for any reason.

Yes  
 No

**B.6.** Indicate whether the articles of incorporation contain any restrictions requiring a minimum number of shares to attend General Shareholders' Meetings, or to vote remotely:

Yes  
 No

Number of shares required to attend General Meetings	100
Number of shares required for voting remotely	

As from amendment of the Bylaws and General Shareholders' Regulations at the General Shareholders' Meeting of 5 May 2020, Endesa requires ownership of one hundred shares to physically attend the General Shareholders' Meeting. However, this restriction will not apply to remote attendance (which for the purposes of attendance is the same as physical attendance). Additionally, shareholders who own fewer than one hundred shares may vote remotely or may delegate their proxy to any shareholder with the right to attend, as well as form groups with other shareholders in identical circumstances to obtain the required number of shares, with the grouped shareholders conferring their representation to one shareholder within the group.

This feature was added to the General Shareholders' Meeting Regulations in fiscal year 2020 with the aim of simplifying and streamlining organization of the General Shareholders' Meetings from a logistics perspective, promoting its sustainability and remote and distance attendance as well as promoting a decreased number of shareholders physically attending the General Shareholders' Meetings.

This amendment is in line with the conclusions of the corporate governance report issued by the Expert Committee, established by resolution of the Council of Ministers dated 10 May 2013, which, regarding the right to attend General Shareholders' Meetings, proposed, as established in the Spanish Corporate Enterprises Act, that the maximum number of shares that may be required to physically attend the general shareholders' meetings of listed companies be capped at 1,000 shares. The Expert Committee noted that, in practice and considering that the shares owned by the shareholder can be added to those for which he/she holds proxy, this cap does not create a barrier to exercising the attendance right.

**B.7.** Indicate whether it has been established that certain decisions, other than those established by law, entailing an acquisition, disposal or contribution to another company of essential assets or other similar corporate transactions must be submitted for approval to the General Shareholders' Meeting.

Yes  
 No

**B.8.** Indicate the address and manner of access on the company's website to information on corporate governance and other information regarding General Shareholders' Meetings that must be made available to shareholders through the company website.

The Company's website is [www.endesa.com](http://www.endesa.com)

- From the main page of the website you can access the content for "Corporate Governance" in the "Shareholders and Investors" section

- On the main page of the website, from the time the Meeting is called and until it is held, there is a banner with direct access to the contents of the Shareholders' Meeting.

Outside the Meeting period, information on General Meetings can be accessed through two channels:

- Shareholders and Investors- Corporate Governance- General Meetings
- Shareholders and Investors- For Investors- Upcoming Events for Investors- Event History- More information about General Meetings

**C. STRUCTURE OF THE COMPANY'S ADMINISTRATION**

**C.1. Board of directors**

C.1.1 Maximum and minimum number of directors established in the articles of incorporation and the number set by the general meeting:

Maximum number of directors	15
Minimum number of directors	9
Number of directors set by the general meeting	12

C.1.2 Complete the following table on Board members:

Name or company name of director	Representative	Category of director	Position on the board	Date first appointed	Date of last appointment	Election procedure
ALICIA KOPLOWITZ ROMERO DE JOSEU		Independent	DIRECTOR	05/05/2020	05/05/2020	GENERAL SHAREHOLDERS MEETING RESOLUTION
PILAR GONZÁLEZ DE FRUTOS		Independent	DIRECTOR	05/05/2020	05/05/2020	GENERAL SHAREHOLDERS MEETING RESOLUTION
IGNACIO GARRALDA RUIZ DE VELASCO		Independent	DIRECTOR	27/04/2015	12/04/2019	GENERAL SHAREHOLDERS MEETING RESOLUTION
JUAN SÁNCHEZ-CALERO GUILARTE		Independent	CHAIRMAN	12/04/2019	12/04/2019	GENERAL SHAREHOLDERS MEETING RESOLUTION
JOSE DAMIAN BOGAS GALVEZ		Executive	CHIEF EXECUTIVE OFFICER	07/10/2014	29/04/2022	GENERAL SHAREHOLDERS MEETING RESOLUTION
MARÍA EUGENIA BIETO CAUBET		Independent	DIRECTOR	05/05/2020	05/05/2020	GENERAL SHAREHOLDERS MEETING RESOLUTION

Name or company name of director	Representative	Category of director	Position on the board	Date first appointed	Date of last appointment	Election procedure
FRANCISCO DE LACERDA		Independent	DIRECTOR	27/04/2015	12/04/2019	GENERAL SHAREHOLDERS MEETING RESOLUTION
FRANCESCO STARACE		Shareholder-Appointed	VICE CHAIRMAN	16/06/2014	29/04/2022	GENERAL SHAREHOLDERS MEETING RESOLUTION
ALBERTO DE PAOLI		Shareholder-Appointed	DIRECTOR	04/11/2014	12/04/2019	GENERAL SHAREHOLDERS MEETING RESOLUTION
ANTONIO CAMMISECRA		Shareholder-Appointed	DIRECTOR	27/09/2019	05/05/2020	GENERAL SHAREHOLDERS MEETING RESOLUTION
FRANCESCA GOSTINELLI		Shareholder-Appointed	DIRECTOR	29/04/2022	29/04/2022	GENERAL SHAREHOLDERS MEETING RESOLUTION
CRISTINA DE PARIAS HALCÓN		Independent	DIRECTOR	29/04/2022	29/04/2022	GENERAL SHAREHOLDERS MEETING RESOLUTION

Total number of directors	12
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Indicate any cessations, whether through resignation or by resolution of the general meeting, that have taken place in the Board of Directors during the reporting period:

Name or company name of director	Category of the director at the time of cessation	Date of last appointment	Date of cessation	Specialised committees of which he/she was a member	Indicate whether the director left before the end of his or her term of office
MARIA PATRIZIA GRIECO	Shareholder-Appointed	23/04/2018	29/04/2022	SUSTAINABILITY AND GOVERNANCE COMMITTEE	NO

C.1.3 Complete the following tables on the members of the Board and their categories:

EXECUTIVE DIRECTORS		
Name of Director	Post in organization chart of the company	Profile
JOSE DAMIAN BOGAS GALVEZ	CHIEF EXECUTIVE OFFICER	Born in Madrid in 1955. Industrial Engineer from ICAI (1978). Iberia Country Manager for the Enel Group. Chairman of Enel Green Power España, S.L., Chairman and Director of Endesa Generación, S.A., Joint Director of Endesa Generación II, Director of Enel Iberia S.R.L., Director of the Operator for the Iberian Energy Market - Polo Español, S.A. Member of the Board of Directors of AELEC, Honorary Vice-Chairman and member of the Board of Directors of the Spanish Energy Club, Member of the Board of Trustees and Vice-Chairman of the Endesa Foundation, Member of the Governing Board of APD, Member of the Board of Trustees of the Seres Foundation, Member of the Board of Trustees of the Integra Foundation, Member of the Board of Trustees of the Teatro Real Foundation, Member of the Board of Trustees of the ProCnic Foundation, Member of the Board of Trustees of AGFITEL, Member of the Spanish Council of INSEAD, Member of the International Advisory Board of Business Policy at the San Telmo International Institute, Member of the Board of Trustees of Aspen Institute Foundation Spain, Member of the Board of Trustees of Royal Elcano Institute Foundation, Member of the Board of Patrons of Queen Sofía College of Music, Member of Forética's Spanish Business Council for Sustainable Development and Member of the Management Council of the Italian Chamber of Commerce and Industry for Spain.

Total number of executive directors	1
Percentage of Board	8.33

EXTERNAL PROPRIETARY DIRECTORS		
Name of Director	Name or company name of the significant shareholder represented by the director or that nominated the director	Profile
FRANCESCO STARACE	ENEL, S.P.A.	Born in Rome in 1955. Nuclear Engineer at the Polytechnic University of Milan. Chief Executive Officer and General Manager of Enel, S.p.A., Vice-Chairman of Endesa, S.A., Chairman of Enel Iberia, S.R.L., member of the Executive Board of Fulbright, member of the Advisory Board of the Polytechnic University of Milan, member of the Advisory Board Confindustria and member of the General Council. Member of the WEF International Business Council, member of the Global Commission to End Energy Poverty, at the invitation of the Rockefeller Foundation, Member of "GLOBAL INVESTORS FOR SUSTAINABLE DEVELOPMENT" ALLIANCE - GISD, Chairman of SEforALL, "Sustainable Energy 4 All", member of the "Multi-stakeholder Platform on the Implementation of the Sustainable Development Goals in the EU", Co-Chairman of the WEF "Net Zero Carbon Cities - Systemic Efficiency Initiative", Co-Chairman of the European Clean Hydrogen Alliance Round Table on "Renewable and low-carbon hydrogen production", member of the WEF Alliance of CEO climate leader

EXTERNAL PROPRIETARY DIRECTORS		
Name of Director	Name or company name of the significant shareholder represented by the director or that nominated the director	Profile
ALBERTO DE PAOLI	ENEL, S.P.A.	Born in Pavia in 1965. Holds a degree in Economics from La Sapienza University (Rome). General Manager of Administration, Finance and Control of ENEL S.p.A.
ANTONIO CAMMISECRA	ENEL, S.P.A.	Born in Naples in 1970. Degree in Mechanical Engineering from the Federico II University of Naples (1996) and MBA Business and Economics from SDA Bocconi, Milan (2004). Sole director of ENEL GRIDS, S.r.l. and Head of the ENEL GRIDS, S.r.l. Division at Enel Group.
FRANCESCA GOSTINELLI	ENEL, S.P.A.	Born in Florence in 1973. Graduated cum laude in Environmental Engineering from the University of Florence in 1997 with coursework and exams at University College London (UK) and New York University (USA). Also received an M.A. in Energy Management and Economics and Environment from Milan's Scuola Superiore Enrico Mattei in 1999. Global Strategy Director for the Enel Group.

Total number of proprietary directors	4
Percentage of Board	33.33

EXTERNAL INDEPENDENT DIRECTORS	
Name or company name of director	Profile
ALICIA KOPLOWITZ ROMERO DE JOSEU	Born in Madrid in 1954. She studied at the French Lyceum in Madrid and completed her education with various courses in Economics and Fine Arts in Spain and elsewhere in Europe. Sole Director of the Omega Capital Group; Chairwoman of Morinvest SICAV; Chairperson of Alicia Koplowitz Foundation; Director of Omega Group companies (Omega Capital, S.L.; Tikhap Kwarp. S.L.O.; Fonsagrada, S.L.; Landis Inversiones, S.L.; Vesdor; Bell Capital S.L.; Alphavile 2002 Inversiones, S.L.; Feynman Capital, S.L.; Sikeir. S.L.; Alpalharo, S.A.O.; Leyton Investments, S.L.; Loyalty

<p>Square, S.L.; Darrow Capital, S.A.; Lacillo, S.L.; Fongadea Recoletos 7-9, S.L.; Castellana Veintiocho, S.L.U.; Rustica La Aljabara, S.L.O.; Omega Gestion De Inversiones, S.G.I.I.C, S.A.; Equitybox, S.R.S.A.O.; Komar Investmente, Inc.; - Gemoa, Inc.; Proherre Internacional, Lda.; Nepa, S.R.L.; Hospes Hoteles, S.L.; Morinvest Sicav, S.A. Life Chairwoman of Alicia Koplowitz Foundation; Sponsoring Partner of the Alicia Koplowitz Foundation Association of Mental Health Scientists for Children and Adolescents; Honorary Member of La Real Academia de Bellas Artes de San Fernando; Patron of Princesa de Asturias Foundation; Patron of the Cultural Advisory Council of Bancaria La Caixa Foundation; member of the Board of Union Centrale des Arts Décoratifs (UCAD); Honorary Member of Academia Médico Quirúrgica Española; member of the European Advisory Board of Christie's; Board Member of the Peres Centre for Peace in the Middle East; Patron of SHE Foundation, established by Dr. Valentín Fuster; Patron of Amigos del Museo del Prado Foundation; honorary member of Sociedad Española de Psiquiatría and International Ambassador to The Feuerle Collection.</p>
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EXTERNAL INDEPENDENT DIRECTORS	
Name or company name of director	Profile
PILAR GONZÁLEZ DE FRUTOS	Born in Segovia in 1956. Bachelor's in Law from the Autónoma University of Madrid (UAM). State Insurance Inspector specializing in financial regulation and supervision. Chairperson of UNESPA, Member of the Board of Directors of MARKTEL, S.A., Member of the Advisory Committee of the National Securities Market Commission (CNMV), member of the Insurance Advisory Board of the Ministry of Economy of Spain, Member of the Executive Committee and the Board of Directors of the Spanish Confederation of Business Organizations (CEOE), Vice-Chairperson of CEOE (2010-2014 and 2018-now). Chairperson of the Fiscal Commission and the Internal Regime Commission. Member of the Committee on Economics and Financial Policy, Member of the Strategic Board of Insurance Europe, Member of the Board of Directors of the Institute of Economic Studies (IEE), Member of the Board of Directors of the Spanish Institute of Financial Analysts - Estudios Financieros Foundation.
IGNACIO GARRALDA RUIZ DE VELASCO	Born in Madrid in 1951. Holds a Bachelor's Degree in Law from the Complutense University in Madrid (1974), Licensed Broker, Stockbroker and Notary Public (on leave). Chairman and Chief Executive Officer of Mutua Madrileña Automovilista, Director of El Corte Inglés, Chairman of the Mutua Madrileña Foundation, Patron of the ProReal Academia Española Foundation, Patron of the Reina Sofía Museum, Patron of the Princess of Asturias Foundation, Patron of the Ayuda contra la Drogadicción Foundation
JUAN SÁNCHEZ-CALERO GUILARTE	Born in 1956 (Rome). Degree in Law, Doctor of Law and University Professor. Chairman of Endesa and the Endesa Foundation, Partner of the Sánchez-Calero Law Firm, Professor of Commercial Law at the Faculty of Law of the Complutense University of Madrid, Director of Inversiones Buen Suceso, S.A. Member of the Board of the UCM's Faculty of Law. Other positions on Boards of Trustees as a representative of Endesa, S.A. and Endesa Foundation: Pro CNIC Foundation, Pro RAE Foundation, Ayuda contra la Drogadicción Foundation Princess of Asturias Foundation, Aspen Institute España Foundation, Princess of Girona Foundation and Mujeres por África Foundation.
MARÍA EUGENIA BIETO CAUBET	Born in Barcelona in 1950. Bachelor of Business Sciences and Master of Business Administration, ESADE. Advanced Studies Diploma, ESADE-Ramón Llull University. Professor in the Department of General Management and Strategy at ESADE since 1997. Administrator for the Círculo del Liceo de Barcelona, Chairperson of the Catalan Coordinator of Foundations, Vice-Chairperson of Orfeó Català, Member of the Board of Trustees of Orfeó Català/Palau de La Música Foundation, Member of the Board of Trustees of the Loyola University of Andalusia, Member of the Board of Trustees of the Sante María Foundation, Member of the Board of Trustees of Acció Solidaria contra l'Atur, Member of the Board of Trustees of the Climent Guitart Foundation, Member of the Management Board of ESADE Alumni, Member of the Control and Monitoring Committee and Asepoyo, Member of the International Advisory Boards of the University of St. Gallen, Switzerland, Fundagao Getulio Vargas EBAPE, Brazil, SKEMA Business School, France and School of Economics and Management of the University of Lisbon, Portugal, collaborates as an accreditor with AACSB and EFMD, the two benchmark international quality accreditation agencies in the business school sector, EFMD (European Foundation for Management Development) Fellow, Member of the International Cooperation Jury of the Princess of Asturias Awards.
FRANCISCO DE LACERDA	Born in Lisbon (Portugal) in 1960. Holds a Bachelor's Degree in Business Administration and Management from the Catholic University of Portugal (1982). Member of the Portuguese Group of the Trilateral Commission, Member of the Maturity Committee of Pharol SGPS, Member of the Management Team of Cotec Portugal from 2015 to 2022 (Chairman between 2015 and 2018), managing partner of Imagegate LDA and Ventos Cuidadosos LDA.

EXTERNAL INDEPENDENT DIRECTORS	
Name or company name of director	Profile
CRISTINA DE PARIAS HALCÓN	Born in Seville in 1965. Bachelor's in Law from the University of Seville. MBA in Economics and Business Management at IESE Business School, including coursework through the Haas Business School's Exchange Program with University of California, Berkeley. Independent director of ENDESA and member of the Audit and Compliance Committee and of the Sustainability and Governance Committee since 2022, independent director of Sanitas Seguros and Chair of the Risk Committee since 2021. Member of the advisory board of BUPA Europe and Latin America since 2022, Member of the Board of Sanitas Seguros and Chair of the Risk Committee, Member of the Board of Trustees of Profesor Uría Foundation since 2021, Member of the Board of BBVA México and BBVA Bancomer Financial Group, Member of BBVA Microfinance Foundation's Board of Trustees since 2020 and President of IESE Alumni Madrid and Vice-Chair of the Executive Committee of IESE Alumni.

Total number of independent directors	7
Percentage of Board	58.33

Indicate whether any director classified as independent receives from the company or any company in its group any amount or benefit other than remuneration as a director, or has or has had a business relationship with the company or any company in its group during the past year, whether in his or her own name or as a significant shareholder, director or senior executive of a company that has or has had such a relationship.

If so, include a reasoned statement by the Board explaining why it believes that the director in question can perform his or her duties as an independent director.

Name or company name of director	Description of the relationship	Reasoned statement
IGNACIO GARRALDA RUIZ DE VELASCO	Entered into an agreement with Mutua Madrileña for the 2023 policy on Endesa's leased fleet, with a premium of up to €2.3 million. The Endesa Director Ignacio Garralda is the Executive Chairman of Mutua Madrileña. Contracting this policy with Mutua Madrileña cannot be technically considered to be a related-party transaction between Endesa and the Director Mr. Garralda for commercial purposes, since in accordance with paragraph 1 of Article 529 vicies of the Capital Corporations Law and with paragraphs 9 and 11 of International Accounting Standard number 24, Mutua cannot be considered a party related to Endesa, since Mr Garralda does not have control over Mutua or Endesa. Therefore, the transactions that Endesa may carry out with Mutua do not constitute a related-party transaction under the terms of the Capital Corporations Law.	The contracting of the 2023 policy for Endesa's leased fleet with Mutua Madrileña is an ordinary transaction; the services are provided on an arm's length basis, as confirmed by the report issued by an independent expert. Additionally, in accordance with international good corporate governance criteria, the amount is not significant or material, as the contract amounts account for much less than 1% of both companies' income and/or turnover.

**OTHER EXTERNAL DIRECTORS**

Identify the other external directors, indicate the reasons why they cannot be considered either proprietary or independent, and detail their ties with the company or its management or shareholders:

Name or company name of director	Reasons	Company, manager or shareholder to which or to whom the director is related	Profile
No data			

Total number of other external directors	N/A
Percentage of Board	N/A

Indicate any changes that have occurred during the period in each director's category:

Name or company name of director	Date of change	Previous category	Current category
No data			

C.1.4 Complete the following table with information relating to the number of female directors at the close of the past four years, as well as the category of each:

	Number of female directors				% of total directors for each category			
	Year 2022	Year 2021	Year 2020	Year 2019	Year 2022	Year 2021	Year 2020	Year 2019
Executive					0.00	0.00	0.00	0.00
Proprietary	1	1	1	1	25.00	25.00	25.00	25.00
Independent	4	3	3	1	57.00	50.00	37.50	16.66
Other External					0.00	0.00	0.00	0.00
Total	5	4	4	2	41.67	36.36	30.77	18.18

C.1.5 Indicate whether the company has diversity policies in relation to its Board of Directors on such questions as age, gender, disability, education and professional experience. Small and medium-sized enterprises, in accordance with the definition set out in the Spanish Auditing Act, will have to report at least the policy that they have implemented in relation to gender diversity.

Yes  
 No  
 Partial policies

If so, describe these diversity policies, their objectives, the measures and the way in which they have been applied and their results over the year. Also indicate the specific measures adopted by the Board of Directors and the nomination and remuneration committee to achieve a balanced and diverse presence of directors.

If the company does not apply a diversity policy, explain the reasons why.

**Description of policies, objectives, measures and how they have been applied, and results achieved**

On 10 November 2015, the Board of Directors approved the Director Candidate Selection and Diversity Policy of Endesa, S.A. (most recently updated on 21 December 2020), the purpose of which is to ensure that the proposed appointments or reappointments of directors are based on a previous analysis of the skills required by the Board of Directors, the Audit and Compliance Committee, the Appointments and Compensation Committee and the Sustainability and Governance Committee.

The ultimate goal of this process is to bring together professional and management experience and skills, as well as to promote diversity in terms of knowledge, experience, culture, nationality and gender, thereby explicitly declaring Endesa's commitment to the diverse composition of its highest governing body as from the first stage of selecting candidates.

Specifically, as relates to gender diversity, the Candidate Director Selection Policy promotes the objective of having female directors account for at least 40% of the total number of Board members from the end of 2022 on, and shall account for no less than 30% before that time. In order to promote gender diversity among senior management, Endesa's succession plans require that at least half of the candidates be women.

In accordance with this Policy, the Appointments and Compensation Committee analyses the candidates for director, assessing the technical skills required by the Board of Directors and the individual and collective requirements that the members of its internal committees must meet, taking into account, inter alia, the Company's strategic objectives, the dedication required to carry out the office and any potential conflicts of interest. Specifically, the Appointments and Compensation Committee assesses the technical/professional skills required in the following areas: economic/financial and non-financial, accounting, auditing, internal control and financial and non-financial business risk management, human resources, sustainability and corporate governance. After this prior analysis is complete, proposals or reports for appointment, ratification or reappointment of directors are made based on the results of an objective, attestable and transparent selection process, based on an analysis of the skills required on the Board of Directors and its Committees as a whole.

For the purposes of verifying compliance with the Policy, the following should be noted:

- The Appointments and Compensation Committee analyzed the size of the Board of Directors, the profile of the Directors, their dedication and gender diversity, the age and seniority of the members of the Board, as well as their nationality. See details in Annex H1. In addition, during the assessment process of the Board of Directors carried out in fiscal year 2022 by PWC, it was highlighted that not only is the Board compliant with certain gender diversity ratios, but it also has complementary profiles of an exceptional caliber, possessing considerable experience of the business and of the wider industry, and with financial, managerial, academic, legal and other backgrounds. The independent consultant also noted that the Board's international experience is sufficient and adequate in view of the markets in which the Company currently operates.

Endesa believes that the Directors play a pivotal role in promoting good governance at the Company, and the composition of the Board of Directors and its Committees is a decisive factor in that sense, enhancing the decision-making process and making the Directors more adept and effective at promoting the corporate interest. In this regard, Director knowledge and expertise are increasingly becoming a key asset for the Company, for the proper operation of the Board and the Committees, and for stakeholders.

However, Endesa considers the regular updating of the Directors' knowledge to be essential in ensuring that the Directors have an outstanding grasp of innovative, technical and complex matters and this training is approved by the Appointments and Compensation Committee each year. It is also considered immensely important for Board members and Committee members alike to be able to rely on the advice and support of independent third-party experts on any aspects that they deem appropriate. For this reason, both the Board of Directors and the Committees of Endesa have budgets set aside so that their members can seek and obtain any advice they consider appropriate in each case.

Endesa understands that diversity in all its forms, at every level of its professional team, is a key component to ensuring the Company's competitiveness and also plays a key role in its corporate governance strategy that ensures a critical attitude, as well as the expression of different points of view and positions and the analysis of its strong and weak points.

For all these reasons, the Committee considers the diversity of the Board of Directors to date to be appropriate.

**C.1.6 Describe the measures, if any, agreed upon by the nomination committee to ensure that selection procedures do not contain hidden biases which impede the selection of female directors and that the company deliberately seeks and includes women who meet the target professional profile among potential candidates, making it possible to achieve a balance between men and women. Also indicate whether these measures include encouraging the company to have a significant number of female senior executives:**

#### Explanation of measures

The measures implemented by Endesa's Appointments and Compensation Committee to ensure that the selection procedures do not have any implicit flaws that would prevent the selection of female Directors and to ensure that the company has a significant number of female senior officers were as follows:

- Gender diversity in the Board: The "Candidate Director Selection and Diversity Policy" promotes the objective that the number of female directors will represent at least 40% of the members of the Board of Directors. The Appointments and Compensation Committee's analysis of the verification of compliance with the Candidate Director Selection Policy in fiscal year 2022 makes clear that the composition of the Board of Directors has attained gender balance pursuant to the CNMV's best corporate governance practices and in line with the recently approved Directive (EU) 2022/2381 on improving the gender balance among directors of listed companies, which has yet to be transposed.

In 2022, the Appointments and Compensation Committee used the services of an external advisor, EGON ZEHNDER, which specializes in searching for and selecting candidates in order to enhance the efficiency, effectiveness and impartiality of the procedure for identifying candidates to the position of independent director and the suitability of the appointment and reappointments.

- Gender Diversity in Senior Management: In order to promote gender diversity among senior management, and as reflected in the Candidate Director Selection and Diversity Policy, Endesa's succession plans for senior management will require that at least half of the candidates be women. In December 2022, the Sustainability and Governance Committee received the report on Endesa's gender diversity and equal opportunity policies.

In addition, the objectives of the Appointments and Compensation Committee for the long-term variable compensation of the CEO and Senior Managers provide that, in the manager succession plans (not limited to senior management), at least half of the total number of nominations should be for persons of the less-represented gender.

If in spite of any measures adopted there are few or no female directors or senior managers, explain the reasons for this:

#### Explanation of reasons

The percentage of female Senior Managers in the workforce of Endesa's consolidation scope represents 12.5% of the Senior Management; in Endesa, S.A. the percentage of women in senior management amounts to 16.67%.

This inequality in senior positions can be better understood by considering several factors, including the historical gender composition of the Company due to historical cultural and sociodemographic factors, the industrial nature of the Company and low workforce turnover, especially in top positions.

Nevertheless, the data show a progressive annual increase in number of women employed by Endesa, increasing the ratio of women among total workers, an important change that shows the Company's firm commitment to gender balance, despite the challenges posed in this regard in the energy sector given the limited number of women with a technical background. As of 31 December 2021, Endesa had 2,434 female employees, i.e. 26.3% of the workforce (31 December 2021, 25.5%).

#### C.1.7 Explain the conclusions of the nomination committee regarding verification of compliance with the policy aimed at promoting an appropriate composition of the Board of Directors.

The Appointments and Compensation Committee, at its meeting on 19 December 2022, verified compliance with Endesa's Director Selection Policy, concluding that the composition of the Board of Directors, as relates to the number of members, structure and professional experiences and skills, is adequate to meet the needs of the Company and complies with best corporate governance practices.

The proposed resolutions on appointments and reappointments approved at the General Shareholders' Meeting held on 29 April 2022 were based on a prior analysis of the experience of its current members, as well as the needs of the Board and its Committees, in order to include different backgrounds and professional and management skills, and the need to promote diversity of knowledge, experience, culture and nationality and specifically to attain gender balance. This is in line with the complex regulatory framework in which the Company operates and the corporate governance challenges posed by its shareholder structure and organizational chart, and in accordance with Endesa's Corporate Governance Policy and its Candidate Director Selection Policy. Furthermore, the Appointments and Compensation Committee assessed the conditions and dedication required of directors to properly perform their duties, all in compliance with Endesa's Corporate Governance Policy and Candidate Director Selection Policy.

The Appointments and Compensation Committee used the services of an external advisor, EGON ZEHNDER, which specializes in searching for and selecting candidates in order to enhance the efficiency, effectiveness and impartiality of the procedure for identifying candidates to the position of independent director and the suitability of the appointment and reappointments.

The appointment of Ms. Cristina de Parias Halcón as an independent director and of Ms. Francesca Gostinelli as a shareholder-appointed director strengthens Endesa's capabilities linked to experience in management and in strategic monitoring, as well as to knowledge of finance, risk management and business digitalization, engineering and in the area of sustainability, climate change, evolution of technologies and alternative policies and the identification of climate change-related risks and opportunities.

Mr. José Damián Bogas Gálvez's reappointment as the Company's executive director ensures that the Board has experience in senior management, business strategy, company management, specific knowledge of the energy, industrial and engineering sectors, as well as experience in renewable energies and broad experience in the institutional sphere. These qualities are necessary and consistent with the Company's size, the complexity of its businesses, its growth expectations and the needs stemming from the implementation of the Strategic Plan.

Mr. Francesco Starace's reappointment as shareholder-appointed director of the Company ensures experience in senior management, business strategy, company management, specific knowledge of the energy, industrial and engineering sectors, as well as experience in renewable energies. These qualities are necessary and consistent with the Company's size, the complexity of its businesses, its growth expectations and the needs stemming from the implementation of the Strategic Plan.

Hence, the appointments and reappointments give Endesa's Board of Directors experience in the energy and engineering sector, especially with the presence of shareholder-appointed and executive directors who have worked in the sector, and knowledge of important matters such as talent management through directors with experience in business administration and management and corporate governance, as well as legal and regulatory aspects thanks to the presence of directors with experience and skills in the legal field. In addition, the energy sector is immersed in a significant process of transformation towards a greater presence in clean energies and the growing importance of energy efficiency. The presence of profiles with expertise in the energy sector, climate change and especially renewable energies is considered a key capability for the Board of Directors of Endesa.

With the new appointments of Cristina de Parías Halcón and Francesca Gostinelli the target to have female directors account for at least 40% of total Board members by 2022 has been attained and, additionally, strengthened the independence of the Board of Directors, such that Independent Directors represent 58.3% of Board members, in line with the most demanding international good governance practices.

The appointments made on the Board's Committees were based on a prior analysis on the competencies required by said Committees, with an emphasis on diversity of knowledge, experience, age and gender.

**C.1.8 If applicable, explain the reasons for the appointment of any proprietary directors at the request of shareholders with less than a 3% equity interest:**

Name or company name of shareholder	Reason
No data	

Indicate whether the Board has declined any formal requests for presence on the Board from shareholders whose equity interest is equal to or greater than that of others at whose request proprietary directors have been appointed. If so, please explain why the aforementioned requests were not met:

- Yes  
 No

**C1.9 Indicate the powers, if any, delegated by the Board of Directors, including those relating to the option of issuing or repurchasing shares, to directors or board committees:**

Name or company name of director or committee	Brief description
JOSE DAMIAN BOGAS GALVEZ	On 7 October 2014, the Board of Directors delegated to the Chief Executive Officer each and every one of the powers and responsibilities of the Board of Directors that are delegable by law or under the Company's bylaws.

**C.1.10 Identify any members of the Board who are also directors, representatives of directors or managers in other companies forming part of the listed company's group:**

Name or company name of director	Company name of the group entity	Position	Does the director have executive powers?
JOSE DAMIAN BOGAS GALVEZ	ENDESA GENERACIÓN II	Joint Director	NO
JOSE DAMIAN BOGAS GALVEZ	ENDESA RED, S.A.	Sole director	NO

Name or company name of director	Company name of the group entity	Position	Does the director have executive powers?
JOSE DAMIAN BOGAS GALVEZ	ENEL GREEN POWER ESPAÑA,S.L.	Chairman	NO
JOSE DAMIAN BOGAS GALVEZ	ENDESA GENERACIÓN, S.A.	Chairman	NO

C1.11 List the positions of director, administrator or representative thereof, held by directors or representatives of directors who are members of the company's board of directors in other entities, whether or not they are listed companies:

Identity of the director or representative	Company name of the listed or non-listed entity	Position
ALICIA KOPLOWITZ ROMERO DE JOSEU	OMEGA CAPITAL S.L.	SOLE DIRECTOR
ALICIA KOPLOWITZ ROMERO DE JOSEU	MEMBER OF THE ROYAL BOARD OF TRUSTEES OF EL PRADO NATIONAL MUSEUM	TRUSTEE
ALICIA KOPLOWITZ ROMERO DE JOSEU	TRUSTEE OF THE PRINCESS OF ASTURIAS FOUNDATION	TRUSTEE
ALICIA KOPLOWITZ ROMERO DE JOSEU	TRUSTEE OF THE SHE FOUNDATION	TRUSTEE
ALICIA KOPLOWITZ ROMERO DE JOSEU	TIKHAP SWARP, S.L.U.	SOLE DIRECTOR
ALICIA KOPLOWITZ ROMERO DE JOSEU	LANDIS INVERSIONES, S.L.	SOLE DIRECTOR
ALICIA KOPLOWITZ ROMERO DE JOSEU	VESDOR, S.L.U.	SOLE DIRECTOR
ALICIA KOPLOWITZ ROMERO DE JOSEU	BELL CAPITAL, S.L.	SOLE DIRECTOR
ALICIA KOPLOWITZ ROMERO DE JOSEU	FEYNMAN CAPITAL, S.L.	SOLE DIRECTOR
ALICIA KOPLOWITZ ROMERO DE JOSEU	SIKEIR, S.L.	SOLE DIRECTOR
ALICIA KOPLOWITZ ROMERO DE JOSEU	ALPALHARO, S.A.U.	SOLE DIRECTOR
ALICIA KOPLOWITZ ROMERO DE JOSEU	MORINVEST SICAV, S.A.	CHAIRWOMAN
ALICIA KOPLOWITZ ROMERO DE JOSEU	ALICIA KOPLOWITZ FOUNDATION	CHAIRWOMAN
JUAN SÁNCHEZ-CALERO GUILARTE	REPRESENTATIVE OF ENDESA AND ENDESA FOUNDATION AT THE AYUDA CONTRA LA DROGADICCION FOUNDATION	TRUSTEE



Identity of the director or representative	Company name of the listed or non-listed entity	Position
JUAN SÁNCHEZ-CALERO GUILARTE	REPRESENTATIVE OF ENDESA AND ENDESA FOUNDATION AT MUJERES POR ÁFRICA FOUNDATION	TRUSTEE
JUAN SÁNCHEZ-CALERO GUILARTE	REPRESENTATIVE OF ENDESA AND ENDESA FOUNDATION AT PRINCESS OF ASTURIAS FOUNDATION	TRUSTEE
JUAN SÁNCHEZ-CALERO GUILARTE	REPRESENTATIVE OF ENDESA AND ENDESA FOUNDATION AT PRINCESS OF GIRONA FOUNDATION	TRUSTEE
JUAN SÁNCHEZ-CALERO GUILARTE	REPRESENTATIVE OF ENDESA AND ENDESA FOUNDATION AT PRO CNIC FOUNDATION	TRUSTEE
JUAN SÁNCHEZ-CALERO GUILARTE	REPRESENTATIVE OF ENDESA AND ENDESA FOUNDATION AT PRO RAE FOUNDATION	TRUSTEE
JUAN SÁNCHEZ-CALERO GUILARTE	INVERSIONES BUEN SUCESO, S.A.	SOLE DIRECTOR
JUAN SÁNCHEZ-CALERO GUILARTE	SÁNCHEZ CALERO, SRLP LAW FIRM	JOINT DIRECTOR
JUAN SÁNCHEZ-CALERO GUILARTE	ENDESA FOUNDATION	CHAIRMAN
JOSE DAMIAN BOGAS GALVEZ	MEMBER OF THE BOARD OF TRUSTEES OF AGFTEL	TRUSTEE
JOSE DAMIAN BOGAS GALVEZ	MEMBER OF THE BOARD OF TRUSTEES OF ENDESA FOUNDATION	VICE-CHAIRMAN
JOSE DAMIAN BOGAS GALVEZ	MEMBER OF THE BOARD OF TRUSTEES OF INTEGRA FOUNDATION	TRUSTEE
JOSE DAMIAN BOGAS GALVEZ	MEMBER OF THE BOARD OF TRUSTEES OF PROCNIC FOUNDATION	TRUSTEE
JOSE DAMIAN BOGAS GALVEZ	MEMBER OF THE BOARD OF TRUSTEES OF SERES FOUNDATION	TRUSTEE
JOSE DAMIAN BOGAS GALVEZ	MEMBER OF THE BOARD OF TRUSTEES OF TEATRO REAL FOUNDATION	TRUSTEE
JOSE DAMIAN BOGAS GALVEZ	OP.MER IBENERGÍA-POLO ESPAÑO, S.A.	DIRECTOR
JOSE DAMIAN BOGAS GALVEZ	ENDESA, RED, S.A.	SOLE DIRECTOR
JOSE DAMIAN BOGAS GALVEZ	ENDESA GENERACIÓN II	JOINT DIRECTOR
JOSE DAMIAN BOGAS GALVEZ	ENEL GREEN POWER ESPAÑA,S.L.	CHAIRMAN
JOSE DAMIAN BOGAS GALVEZ	ENEL IBERIA, S.r.L.	DIRECTOR
PILAR GONZÁLEZ DE FRUTOS	MARKTEL, S.A.	DIRECTOR

Identity of the director or representative	Company name of the listed or non-listed entity	Position
PILAR GONZÁLEZ DE FRUTOS	UNESPA	CHAIRWOMAN
IGNACIO GARRALDA RUIZ DE VELASCO	MUTUA MADRILEÑA FOUNDATION	DIRECTOR
IGNACIO GARRALDA RUIZ DE VELASCO	DIRECTOR OF EL CORTE INGLES REPRESENTING MUTUA MADRILEÑA	DIRECTOR
IGNACIO GARRALDA RUIZ DE VELASCO	MEMBER OF THE BOARD OF TRUSTEES OF AYUDA CONTRA LA DROGADICCIÓN FOUNDATION	TRUSTEE
IGNACIO GARRALDA RUIZ DE VELASCO	MEMBER OF THE BOARD OF TRUSTEES OF PRINCESS OF ASTURIAS FOUNDATION	TRUSTEE
IGNACIO GARRALDA RUIZ DE VELASCO	MUTUA MADRILEÑA	CHAIRMAN-CHIEF EXECUTIVE OFFICER
IGNACIO GARRALDA RUIZ DE VELASCO	TRUSTEE OF THE PRO-REAL ACADEMIA ESPAÑOLA FOUNDATION	TRUSTEE
IGNACIO GARRALDA RUIZ DE VELASCO	TRUSTEE OF THE REINA SOFIA MUSEUM	TRUSTEE
MARÍA EUGENIA BIETO CAUBET	MEMBER OF THE BOARD OF TRUSTEES OF ACCIÓ SOLIDÀRIA CONTRA L'ATUR	TRUSTEE
MARÍA EUGENIA BIETO CAUBET	MEMBER OF THE BOARD OF TRUSTEES OF SANTA MARÍA FOUNDATION	TRUSTEE
MARÍA EUGENIA BIETO CAUBET	MEMBER OF THE BOARD OF TRUSTEES OF CLIMENT GUITART FOUNDATION	TRUSTEE
MARÍA EUGENIA BIETO CAUBET	MEMBER OF THE BOARD OF TRUSTEES OF LOYOLA UNIVERSITY OF ANDALUSIA	TRUSTEE
FRANCISCO DE LACERDA	IMAGEGATE LDA	OTHER
FRANCISCO DE LACERDA	VENTOS CUIDADOSOS LDA	OTHER
FRANCESCO STARACE	ENEL, S.p.A.	CHIEF EXECUTIVE OFFICER
FRANCESCO STARACE	ENEL IBERIA, S.r.L.	CHAIRMAN
ANTONIO CAMMISECRA	ENEL GRIDS, S.r.L.	SOLE DIRECTOR
JOSE DAMIAN BOGAS GALVEZ	MEMBER OF THE BOARD OF TRUSTEES OF ASPEN INSTITUTE FOUNDATION SPAIN	TRUSTEE
JOSE DAMIAN BOGAS GALVEZ	MEMBER OF THE BOARD OF TRUSTEES OF ROYAL ELCANO INSTITUTE FOUNDATION	TRUSTEE

Identity of the director or representative	Company name of the listed or non-listed entity	Position
JOSE DAMIAN BOGAS GALVEZ	MEMBER OF THE BOARD OF TRUSTEES OF QUEEN SOFÍA COLLEGE OF MUSIC	TRUSTEE
JOSE DAMIAN BOGAS GALVEZ	MEMBER OF FORÉTICA SPANISH BUSINESS COUNCIL FOR SUSTAINABLE DEVELOPMENT	OTHER
JOSE DAMIAN BOGAS GALVEZ	MEMBER OF THE MANAGEMENT COUNCIL OF THE ITALIAN CHAMBER OF COMMERCE AND INDUSTRY FOR SPAIN	OTHER
JOSE DAMIAN BOGAS GALVEZ	ENDESA GENERACIÓN, S.A.	CHAIRMAN
CRISTINA DE PARIAS HALCÓN	SANITAS SEGUROS	DIRECTOR
CRISTINA DE PARIAS HALCÓN	MEMBER OF THE ADVISORY BOARD OF BUPA EUROPE AND LATIN AMERICA	OTHER
CRISTINA DE PARIAS HALCÓN	MEMBER OF THE BOARD OF TRUSTEES OF PROFESOR URÍA FOUNDATION	TRUSTEE
CRISTINA DE PARIAS HALCÓN	BBVA MEXICO AND BANCOMER FINANCIAL GROUP	DIRECTOR
CRISTINA DE PARIAS HALCÓN	MEMBER OF THE BOARD OF TRUSTEES OF BBVA MICROFINANCE FOUNDATION	TRUSTEE
CRISTINA DE PARIAS HALCÓN	IESE ALUMNI MADRID	OTHER
CRISTINA DE PARIAS HALCÓN	ITALICA NUEVE, S.L.	SOLE DIRECTOR
CRISTINA DE PARIAS HALCÓN	DIEZMA, S.L.	DIRECTOR
MARÍA EUGENIA BIETO CAUBET	ORFEO CATALÀ	VICE CHAIRWOMAN
MARÍA EUGENIA BIETO CAUBET	MEMBER OF THE BOARD OF TRUSTEES OF ORFEÓ CATALÀ/PALAU DE LA MÚSICA FOUNDATION	TRUSTEE
FRANCESCA GOSTINELLI	ENEL AMÉRICAS	DIRECTOR
FRANCESCA GOSTINELLI	MEMBER OF THE ENERGY SOLUTIONS STEERING COMMITTEE OF THE WORLD BUSINESS COUNCIL FOR SUSTAINABLE DEVELOPMENT	OTHER
JUAN SÁNCHEZ-CALERO GUILARTE	REPRESENTATIVE OF ENDESA AND ENDESA FOUNDATION AT ASPEN INSTITUTE FOUNDATION	TRUSTEE

Indicate, where appropriate, the other remunerated activities of the directors or directors' representatives, whatever their nature, other than those indicated in the previous table.

Identity of the director or representative	Other paid activities
JUAN SÁNCHEZ-CALERO GUILARTE	LAWYER, PROFESSOR AT THE COMPLUTENSE UNIVERSITY OF MADRID (UCM)
ALBERTO DE PAOLI	GENERAL MANAGER - ADMINISTRATION, FINANCE AND CONTROL AT ENEL S.p.A.
ANTONIO CAMMISECRA	HEAD OF THE ENEL GRIDS, S.r.L DIVISION
FRANCISCO DE LACERDA	MEMBER OF THE MATURITY COMMITTEE OF PHAROL SGPS
MARÍA EUGENIA BIETO CAUBET	PROFESSOR OF THE DEPARTMENT OF GENERAL MANAGEMENT AND STRATEGY AT ESADE AND MEMBER OF THE CONTROL AND MONITORING COMMITTEE AT MUTUA ASEPEYO
FRANCESCA GOSTINELLI	HEAD OF STRATEGY AT ENEL, S.p.A.

C.1.12 Indicate whether the company has established rules on the maximum number of company boards on which its directors may sit, explaining if necessary and identifying where this is regulated, if applicable:

Yes  
 No

**Explanation of the rules and identification of the document where this is regulated**

Article 10 of the Board of Directors Regulations governs the incompatibility of directors and provides that any individual sitting on more than four boards of directors of listed companies other than Endesa, S.A., or eight organizations in total (including listed and unlisted companies), may not be appointed as a director of the Company. Membership on various boards of directors for companies within the same group shall, for these purposes, count as one board for each group of companies. In addition, for these purposes, any board of directors on which the Director sits shall not count when said board is that of a company that may submit abridged balance sheets and statements of changes in net equity or which is a holding company or a mere financial vehicle corporation.

C.1.13 Indicate the remuneration received by the Board of Directors as a whole for the following items:

Remuneration accruing in favour of the Board of Directors in the financial year (thousands of euros)	4,482
Funds accumulated by current directors for long-term savings systems with consolidated economic rights (thousands of euros)	13,868
Funds accumulated by current directors for long-term savings systems with unconsolidated economic rights (thousands of euros)	
Pension rights accumulated by former directors (thousands of euros)	4,518

C.1.14 Identify members of senior management who are not also executive directors and indicate their total remuneration accrued during the year:

Name or company name	Position(s)
JUAN MARÍA MORENO MELLADO	GM. Energy Management
FRANCISCO BORJA ACHA BESGA	General Secretary and Secretary of the Board of Directors and GM Legal
JAVIER URIARTE MONEREO	GM. Supply
PATRICIA FERNÁNDEZ SALÍS	GM. Audit
PABLO AZCOITIA LORENTE	GM. Sourcing
RAFAEL GONZÁLEZ SÁNCHEZ	GM. Generation
MARÍA MALAXECHEVARRÍA GRANDE	GM. Sustainability
JOSÉ MANUEL REVUELTA MEDIAVILLA	GM. Infrastructure and Networks
GONZALO CARBÓ DE HAYA	GM. Nuclear
MANUEL MARÍN GUZMÁN	GM. ICT
IGNACIO MATEO MONTOYA	GM. PROCUREMENT
JOSÉ CASAS MARÍN	GM. Institutional Relations and Regulation
PAOLO BONDI	GM. People and Organization
IGNACIO JIMENEZ SOLER	GM. Communication
LUCA PASSA	GM. Administration, Finance and Control
DAVIDE CICILIATO	GM. Endesa X

Number of women in senior management	2
Percentage of total senior management	12.50
Total Senior Management Compensation (in thousands of euros)	10,537

On 1 January 2023, Mr. Marco Palermo was appointed General Manager of Administration, Finance and Control, replacing Mr. Luca Passa, who left this position on 31 December 2022.

C.1.15 Indicate whether the Board regulations were amended during the year:

Yes  
 No

Description of amendment(s)
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The Board Regulations were amended on 21 February 2022 to expressly add climate change-related duties, even though the Board is already responsible for approving the strategic or business plan which includes Endesa's Action Plan on Climate Change, and for determining the risk management and control policy, including climate change risks.

The key updates are discussed herein below, grouped by Title of the Regulations:

Title One - "General Duties and Powers of the Board of Directors": Article 6, "General functions and duties of the Board of Directors," now includes the governing body's duty relative to approving the strategic or business plan, and an express reference to including the action plan on climate change in the strategic plan: "which will include the action plan on climate change, including the objective of reducing greenhouse gases"; the governing body's duties now include, in addition to approving the sustainability policy and the sustainability plan or sustainability strategy, the approval of climate change policies or strategy: "as well as those that may be set forth with respect to the environment and climate change"; and lastly, the governing body's duties now include, in addition to determining the risk control and management policy, an express reference to "climate change risks."

Title Six - "Committees of the Board of Directors": Article 25, Section 8, "Sustainability and Governance Committee," now includes, as a Sustainability and Governance Committee function, regularly reviewing "climate change" policies, in addition to reviewing sustainability and environmental policies; furthermore, the wording of Article 25, section 8.c, has been technically improved, so as to include the duty to "inform the Board of Directors, prior to their approval," of the sustainability plan or sustainability strategy, and regularly assess the degree of compliance with the defined objectives; and lastly, Article 25.8, section G, on the Committee's duty to ensure that the non-financial information statement is in line with the Sustainability Plan has been amended to include the words "and that it includes information on the Company's climate-change related risks and objectives."

**C.1.16 Specify the procedures for selection, appointment, re-election and removal of directors.  
List the competent bodies, steps to follow and criteria applied in each procedure.**

- Selection: The Appointments and Compensation Committee's ("ACC") duties include defining the abilities and skills that the candidates must have in order to cover each vacancy and considering the time and dedication required in order to properly perform their mandate, ensuring that, in particular, non-executive directors have enough time to properly perform their duties.

In accordance with the Company's Director Candidate Selection Policy, the Appointments and Compensation Committee shall base its proposals or reports for appointment, ratification or re-appointment on the results of an objective, verifiable and transparent selection process, which shall be based on a prior analysis of the skills required by the Board of Directors and its Committee taken together, with the objective of integrating professional experiences and skills, as well as different management skills, and to promote diversity of experience, culture, nationality and gender, bearing in mind the relevant weight of the different activities performed by Endesa, as well as the specific areas or sectors that the Company wishes to promote, such as information technology.

The Appointments and Compensation Committee shall assess the following elements when evaluating the candidates, taking into account the skills required by the Board of Directors and the individual and collective requirements of the members of its internal committees:

- i) the technical-professional competences of the candidates, which will take into account the strategic objectives of the Company. The directors as a whole shall have the necessary knowledge of the business carried out by the Company, including economic/financial, accounting, auditing, internal control and financial and non-financial business risk management, human resources, sustainability and corporate governance, *inter alia*.
- ii) candidate's prior management experience, also taking into account the environment in which Endesa operates;
- iii) commitment required to carry out the office, also assessing other duties previously carried out by the candidate in other companies;
- iv) potential conflicts of interest;
- v) significance of potential commercial, financial or professional relationships held, or recently held, directly or indirectly, by the candidate with the Company or Group companies;
- vi) potential outstanding proceedings against the candidate, as well as criminal convictions or administrative sanctions imposed by competent authorities.

In the case of candidates for Independent Director, the Appointments and Compensation Committee shall verify, in particular, compliance with independence requirements as established by law.

In any case, the proposals for the appointment, ratification or reappointment of Directors shall be made with regard to renowned persons who have the relevant experience and professional knowledge to perform their duties and who assume a commitment of sufficient dedication for performance of the tasks inherent therein.

In proposals for re-appointment, the Appointments and Compensation Committee, in addition to taking into account the same factors as for the initial appointment, will evaluate the director's performance during the time he has held the position and his ability to continue to fulfil it satisfactorily, as well as the needs of the Board of Directors as a whole.

- Appointment, Ratification and Reappointment: The General Shareholders' Meeting or, as the case may be, the Board shall be responsible for appointing Board members in accordance with the provisions set forth in the Spanish Capital Corporations Law (*Ley de Sociedades de Capital*) and the Corporate Bylaws. The position of Director may be renounced, revoked and reappointed. Proposals for the appointment, ratification or reappointment of Directors made by the Board of Directors to the General Shareholders' Meeting, or as approved by the Board of Directors itself in the case of proposals for appointment, shall be made at the proposal of the Appointments and Compensation Committee, in the case of Independent Directors, and following a report by said Committee for all other types of Directors.

The Directors shall serve in their positions for a term of four years and may be reappointed for periods of the same duration. The Chairman of the Board may not hold office for more than twelve years from the date of his/her initial appointment as Director.

- Removal: The position of Director may be renounced and revoked. The term of office for Directors shall be four years. The power to remove members of the Board of Directors lies with the General Shareholders' Meeting. Furthermore, the duties of the ACC includes proposing or reporting on, on a prior basis, the resignation or removal of Directors, depending on whether they are independent Directors or other types of Directors, respectively, when: they are involved in any circumstance of incompatibility or prohibition provided by law, the Corporate Bylaws or these Regulations, any shareholder represented by the director fully transfers or decreases his/her shareholding or if they are affected by any other situations, whether or not related to their actions in the Company, that could seriously impair the Company's image or reputation.

**C.1.17 Explain to what extent the annual evaluation of the Board has given rise to significant changes in its internal organisation and in the procedures applicable to its activities:**

**Description of amendment(s)**

The outcome of the annual performance self-assessment of the Board of Directors and its Committees in fiscal year 2022 did not result in any changes to the internal organization of the Board of Directors or its Committees nor to the processes applicable to their activities.

Describe the evaluation process and the areas evaluated by the Board of Directors with or without the help of an external advisor, regarding the functioning and composition of the Board and its committees and any other area or aspect that has been evaluated.

**Description of the evaluation process and areas evaluated**

The Appointments and Compensation Committee executed and coordinated, with the advice of PwC and with the support of the Secretary of the Board of Directors, the self-assessment of the "Board of Directors" for the year 2022, in compliance with Article 529 nonies of the Capital Corporations Law and recommendation number 36 of the Corporate Governance Code for Listed Companies of the Spanish Securities Market Commission (CNMV) which states that the Board of Directors in full should assess once a year and adopt, where appropriate, an action plan that corrects any deficiencies detected with respect to:

- The quality and efficiency of the Board of Directors' work.
- The workings and composition of its committees.
- Diversity in the composition and skills of the Board of Directors.
- Performance of the chairman of the Board of Directors and of the Chief Executive Officer.
- Performance and input of each director, paying special attention to those in charge of the various Board committees.

In accordance with the Committee Regulations, as part of the assessment process, the attendance of directors at the meetings of the Board of Directors and of the Committees of which they are members was monitored.

Ensuring that the process for obtaining the opinion of the directors on the different aspects of the examination has been undertaken through the following two means, taking into account the organic relevance and availability of each of the members of the Board of Directors: interviews and questionnaires.

The results of this assessment cover three different areas:

- Strengths and areas for improvement of the Board of Directors, the Audit Committee, the Appointments and Compensation Committee, the Sustainability and Governance Committee, the Chairman of the Board, the Chief Executive Officer, Chairmen of the Committees and the Secretary to the Board of Directors.
- Compliance with good practices in the proceedings of the Board and its Committees in 2022.
- Maintenance of good practices in the proceedings of the Board and its Committees in 2023

**C.1.18 Provide details, for years in which the evaluation was carried out with the help of an external advisor, of the business relationships that the external advisor or company in its group maintains with the company or any company in its group.**

PwC is not in a situation that might compromise or affect its independence in providing the services covered by this proposal. Nevertheless, PwC has established strict risk control, independence and conflict of interest policies intended to eliminate or minimize potential threats in these areas.

The amounts invoiced to Endesa by PwC represent less than 1% of the firm's turnover in Spain.

**C.1.19** Indicate the cases in which directors are obliged to resign.

Directors must tender their resignation when any of the circumstances set forth in Article 12.2 of the Regulations of the Board of Directors applies to them.

In this regard, the Directors shall tender their resignation to the Board of Directors when: they are involved in any circumstance of incompatibility or prohibition provided by law, the Corporate Bylaws or these Regulations; any shareholder represented by the director fully transfers or decreases his/her shareholding. In the latter case, the number of shareholder-appointed directors shall be reduced accordingly; or if they are affected by any other situations, whether or not related to their actions in the Company, that could seriously impair the Company's image or reputation.

Additionally, the Board of Directors shall not propose the dismissal of any independent director to the General Meeting before the completion of the term of office for which the member was appointed in accordance with the Bylaws, unless just cause is identified by the Board of Directors, at the proposal of the Appointments and Compensation Committee. In particular, just cause shall be deemed to exist when the director is appointed to new positions or undertakes new obligations that prevent said director from dedicating the time required to perform the duties inherent in its position as a director, or significantly breaches such duties.

If a Director ceases in his/her position before the end of his/her term of office, whether by resignation or by resolution of the General Shareholders' Meeting, the Director shall send a letter to the Board members sufficiently explaining the reasons for such resignation or, in the case of non-executive directors, explaining his/her opinion on the reasons for his/her removal by the General Meeting. Notwithstanding the reporting of said removal to the Spanish Securities Market Commission, insofar as it is relevant to the investors, the reason for removal shall be provided in the Annual Corporate Governance Report, including sufficient references to the reasons provided by the Director.

**C.1.20** Are qualified majorities other than those established by law required for any particular kind of decision?:

Yes  
 No

If so, describe the differences.

**C.1.21** Explain whether there are any specific requirements, other than those relating to directors, for being appointed as chairman of the Board of Directors:

Yes  
 No

**C.1.22** Indicate whether the articles of incorporation or Board regulations establish any limit as to the age of directors:

Yes  
 No

**C.1.23** Indicate whether the articles of incorporation or Board regulations establish any term limits for independent directors other than those required by law or any other additional requirements that are stricter than those provided by law:

Yes  
 No

**C.1.24** Indicate whether the articles of incorporation or Board regulations establish specific rules for appointing other directors as proxy to vote in Board meetings, if so the procedure for doing so and, in particular, the maximum number of proxies that a director may hold, as well as whether any limit has been established regarding the categories of director to whom votes may be delegated beyond the limits imposed by law. If so, briefly describe these rules.



Article 44 of the Company's Bylaws and Article 20.2 of the Board of Directors Regulations provide that each Director may appoint another member of the Board of Directors to represent him/her. Proxies shall be granted in writing and specifically for each Board Meeting. No director may hold more than three proxies, with the exception of the Chairman, to whom this limit shall not apply, although he/she may not represent the majority of the Board of Directors. Non-Executive Directors may only delegate their proxy to another non-executive.

C.1.25 Indicate the number of meetings held by the Board of Directors during the year.

Also indicate, if applicable, the number of times the Board met without the chairman being present. Meetings where the chairman gave specific proxy instructions are to be counted as attended.

Number of board meetings	14
Number of board meetings held without the chairman's presence	0

Indicate the number of meetings held by the coordinating director with the other directors, where there was neither attendance nor representation of any executive director:

Number of meetings	0
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Indicate the number of meetings held by each Board committee during the year:

Number of meetings held by the NOMINATION AND REMUNERATION COMMITTEE	7
Number of meetings held by the SUSTAINABILITY AND GOVERNANCE COMMITTEE	5
Number of meetings held by the AUDIT AND COMPLIANCE COMMITTEE	13

Once Mr. Roca's term of office had ended, at the latest General Shareholders' Meeting, on 30 April 2021, the Board approved, at the proposal of the Appointments and Compensation Committee, the non-reappointment of the ICoordinating Director in light of the status of the Board Chairman as an independent director.

C.1.26 Indicate the number of meetings held by the Board of Directors during the year with member attendance data:

Number of meetings at which at least 80% of the directors were present in person	14
Attendance in person as a % of total votes during the year	91.45
Number of meetings with attendance in person or proxies given with specific instructions, by all directors	11
Votes cast in person and by proxies with specific instructions, as a % of total votes during the year	98.70

C.1.27 Indicate whether the individual and consolidated financial statements submitted to the Board for issue are certified in advance:

Yes  
 No

Identify, if applicable, the person(s) who certified the individual and consolidated financial statements of the company for issue by the Board:

Name	Position
JOSE DAMIAN BOGAS GALVEZ	Chief Executive Officer
LUCA PASSA	General Manager of Administration, Finance and Control

The Director of Administration, Finance and Control, Mr. Luca Passa, left the Company on 1 January 2023, and was replaced by Mr. Marco Palermo.

**C.1.28 Explain the mechanisms, if any, established by the Board of Directors to ensure that the financial statements it presents to the General Shareholders' Meeting are prepared in accordance with accounting regulations.**

The Audit and Compliance Committee performs oversight and control duties on the preparation and presentation of financial and non-financial information, with the following specific duties:

- To monitor and assess the preparation and presentation of all required financial and non-financial information on the Company and, as the case may be, the Endesa Group, as well as to submit recommendations or proposals to the Board of Directors with a view to safeguarding the integrity thereof.

a) To review, analyze and discuss on an on-going basis the financial statements and other non-financial information related to the management, internal audit, external auditor or, as the case may be, audit firm, as applicable.

b) To assess, taking into account the different available sources of information, whether the Company has properly applied all accounting policies and used its own judgment to reach its own conclusions.

As relates to non-financial information, the Committee shall propose to the Board of Directors the appointment of the independent verification provider responsible for verifying the information contained in the non-financial information statement.

To report to the Board of Directors on the clarity and integrity of the financial and non-financial information which the Company, in its condition as a listed company, is legally required to periodically make public, namely:

a) An annual financial report including the annual financial statements and management reports both for the Company and its consolidated Group, reviewed by the auditor.

b) A consolidated Group non-financial information statement, following a report from the Sustainability and Governance Committee.

c) A semi-annual financial report for the first six months of each fiscal year, including the Summary Annual Financial Statements and the Company and consolidated Group Interim Management Reports.

d) Interim statements on the first and third quarters of each fiscal year, explaining all significant events and transactions carried out as from the beginning of the fiscal year up to the end of the relevant quarter, and including also a general statement on the financial position and profits of the Company and its Consolidated Group.

- To monitor the effectiveness of internal controls on financial and non-financial information of the Company, which should include receiving reports from the internal control and internal audit managers, and determining the trustworthiness and reliability of the system, reporting such conclusions to the Board of Directors, as well as to discuss with the External Auditor any significant weaknesses in the internal control system detected during the audit. For such purpose, as the case may be, the Audit and Compliance Committee may submit recommendations or proposals to the Board of Directors, including the periods established for compliance therewith.

- To review and ensure that all financial and non-financial information published on the Company's website remains up to date and matches the information drawn up by the Company's directors and published, as the case may be and as so required, on the website of the CNMV.

- Ensure that compensation of the External Auditor for work completed does not compromise its quality or independence and verify limits on the concentration of the Auditor's business.

- Monitor compliance with the audit agreement, regularly receiving information from the External Auditor on the audit plan and on the results of its implementation as well as on any other topics related to the account auditing process.

- Issue of a report expressing the opinion on the independence of the statutory auditor, in accordance with Article 529 quaterdecies of the Capital Corporations Law.

In order to meet all of its oversight duties, the Audit and Compliance Committee shall complete a final assessment of the auditor's performance, addressing its contribution to the quality of the audit and the comprehensiveness of the financial information. If based on this assessment of the auditor the Audit and Compliance Committee has unresolved concerns regarding the quality of the audit, the Committee shall consider notifying the Board of Directors and, if appropriate, shall notify such circumstance to the relevant oversight bodies.

Throughout the process, in accordance with Recommendation 42.2(d) of the Corporate Governance Code for Listed Companies, and by virtue of Article 33 of the Board of Directors Regulations, the Audit and Compliance Committee maintains an objective, professional and ongoing relationship with the Company's statutory auditor, respecting the independence thereof and ensuring that said auditor is provided with all information necessary to carry out its work. For such purpose, during fiscal 2022, KPMG, S.K. attended several meetings of the Board of Directors and the Audit and Compliance Committee in order to report, *inter alia*, on the following items:

- Presentation of the statutory auditor on the audit of the fiscal year: Favorable report on the Consolidated and Individual Annual Financial Statements and Management Report for the fiscal year ending 31 December 2022. Additionally, the external auditor, in accordance with Article 36 of the Spanish Statutory Auditing Law (LAC), presented and explained the contents of the additional report to the Audit and Compliance Committee.

- Information on the work performed in relation to the half-yearly results. Limited review of the Financial Information of ENDESA, S.A. and its subsidiaries for the half year ended 30 June 2020.

- KPMG Audit Activity Plan for 2022.

C.1.29 Is the secretary of the Board also a director?

Yes  
 No

If the secretary is not a director, complete the following table:

Name or company name of the secretary	Representative
FRANCISCO BORJA ACHA BESGA	

C.1.30 Indicate the specific mechanisms established by the company to safeguard the independence of the external auditors, and any mechanisms to safeguard the independence of financial analysts, investment banks and rating agencies, including how legal provisions have been implemented in practice.

In accordance with the provisions of Article 51 of the Company's Bylaws and the Regulations of the Audit and Compliance Committee, the Audit and Compliance Committee (ACC) is responsible for monitoring independence of the statutory auditor, and as such is required to:

- The relationship with the external auditors in order to receive information on all matters which may threaten their independence, to be examined by the Committee, as well as on any other matters related to the auditing of the accounts, and, as applicable, on the authorization of services other than those services prohibited under the terms set forth in applicable regulations on the independence regime.

- To refer proposals for the selection, appointment, reappointment and removal of the statutory auditor, taking responsibility for the selection process in accordance with the provisions of applicable regulations, as well as for the hiring conditions thereof, to the Board of Directors, and regularly gather information from the external auditor on the auditing plan and execution thereof, in addition to maintaining its independence in carrying out its duties.

For this reason the Committee, in accordance with the CNMV's Technical Guide on audit committees of public interest entities approved in 2018 a selection procedure for the statutory auditor specifying the criteria or parameters to be assessed, from among a sufficient number of auditors and audit firms invited to participate by the audit committee itself.

- The Audit and Compliance Committee shall, after assessing both threats to independence and the safeguard measures applied by the auditor, authorize the engagement of the External Auditor to provide non-audit services not classified as prohibited services under applicable law to the Company, its parent company or its controlled companies.

In this sense, it approved in January 2019 a policy on the provision of non-audit services and relations with the auditor that includes criteria defining its performance; among others, the prohibition of providing certain services by the auditor, the approval of the provision of non-audit services and the establishment of limits on the fees to be received by the auditor for non-audit services taking into account the provisions of European and national legislation.

In financial year 2022, the Audit and Compliance Committee, in order to ensure the independence of the external auditor and in accordance with the policy for the provision of non-audit services and relations with the statutory auditor:

- At a meeting on 22 February 2022, prior to issuance of the statutory auditor's report, and in accordance with Article 529 quaterdecies of the Spanish Capital Corporations Law, Spanish Securities Market Commission (CNMV) Technical Guidelines 3/2017 and Endesa's Policy for the Provision of Non-Audit Services and Relations with the Statutory Auditor, approved a report expressing an opinion on the independence of the statutory auditor. This report concluded that the additional services rendered during fiscal year 2021 by KPMG and the network through which it operates to Endesa, S.A. and its group companies do not compromise, to the best of its knowledge, the independence of said audit firm. Furthermore, the external auditor presented a letter expressing its independent status.

- The Committee approved and reported to the Board of Directors on the provision of additional services by the audit firm KPMG, including the relevant budgets thereof. Endesa requires that the external auditor provide a certificate of independence for each additional service rendered prior to the approval thereof by the Audit and Compliance Committee, in which the auditor confirms that, to the best of its knowledge, the services comply with relevant rules on independence. Likewise, in accordance with the policy for the provision of additional services, approval by the Administration, Finance and Control Department, the Audit Department and the Secretary General is required.

- Received the independence statement from the external auditor KPMG at its meeting in February 2022, evidencing its effective independence as at the fiscal year ended 31 December 2021.

The Committee, to meet its oversight duties relating to the statutory auditor's performance and its contribution to audit quality and integrity of the financial information, at its meeting in May 2022, issued the final Assessment Report of the statutory auditor's performance, based on the work and opinion of the Administration, Finance and Control Department and the Audit Department. In preparing the assessment report, the Committee focused its assessment on an analysis of the following criteria: frequency and quality of communications, independence of the statutory auditor, Management's opinion on the statutory auditor, transparency report of the statutory auditor, public results of the quality controls completed by the supervisory bodies and other available information.

Additionally, and in accordance with the Action Protocol for Relations between Endesa and Enel approved by Endesa's Board of Directors on 21 September 2020 and updated in December 2021, Endesa's Audit and Compliance Committee shall, as relates to the services provided to Enel by Endesa's statutory auditor or by any other company within the same network, request the following from the auditor each year prior to preparation of the annual financial statements:

- A statement declaring that neither the statutory auditor nor any members of its network have provided to ENEL during the audited year any of the services prohibited by applicable regulations.
- A statement in which non-audit services of any kind provided to ENEL during the audited year and the corresponding fees paid thereby to the External Auditor or to persons or entities related thereto are individually outlined in accordance with the provisions of the regulations governing statutory auditing activities, expressly confirming the percentage of fees for non-audit services as compared to audit services.
- Confirmation that the auditor has issued an individual certificate of independence for each of the non-audit services other than the audit services provided to ENEL by the auditor or by any organization within the auditor's network.
- A statement verifying that it has internal Policies and Procedures in place to ensure that the Audit Firm and its staff (including staff within its Network) maintain independence as required by applicable regulations and to ensure that the procedures include measures aimed at identifying and assessing any threats to independence, as well as the results of application of these Policies and Procedures during the audited year.
- A statement confirming that each of the non-audit services performed for ENEL have been authorized by ENEL's Collegio Sindacale, either directly or through a pre-approval process.

There are no relations other than those deriving from professional activities with financial analysts, investment banks or credit rating agencies.

C.1.31 Indicate whether the company changed its external auditor during the year. If so, identify the incoming and outgoing auditors:

- Yes  
 No

If there were any disagreements with the outgoing auditor, explain their content:

- Yes  
 No

C.1.32 Indicate whether the audit firm performs any non-audit work for the company and/or its group and, if so, state the amount of fees it received for such work and express this amount as a percentage of the total fees invoiced to the company and/or its group for audit work:

- Yes  
 No

	Company	Group companies	Total
Amount invoiced for non-audit services (thousands of euros)	378	24	402
Amount invoiced for non-audit work/Amount for audit work (in %)	21.94	2.48	14.89

C.1.33 Indicate whether the auditors' report on the financial statements for the preceding year contains a qualified opinion or reservations. If so, indicate the reasons given to shareholders at the general meeting by the chairman of the audit committee to explain the content and extent of the qualified opinion or reservations.

- Yes  
 No

C.1.34 Indicate the number of consecutive years for which the current audit firm has been auditing the company's individual and/or consolidated financial statements. Also, indicate the number of years audited by the current audit firm as a percentage of the total number of years in which the financial statements have been audited:

	Individual	Consolidated
Number of consecutive years	3	3
	Individual	Consolidated
Number of years audited by the current audit firm/number of years in which the company has been audited (in %)	11.90	14.29

KPMG, S.L. also served as the company's statutory auditor in financial years 2009 and 2010.

C.1.35 Indicate whether there is a procedure for directors to be sure of having the information necessary to prepare the meetings of the governing bodies with sufficient time; provide details if applicable:

Yes  
 No

#### Details of the procedure

In accordance with the provisions of the Board Regulations, the call to meeting of the Board shall be made with the required notice, at least 48 hours before the date set for the meeting, to each of the Directors and shall include the agenda, clearly identifying the items on which the Board of Directors shall make a decision or adopt a resolution so that the directors may study or gather, in advance, the information required to make such decisions. Also, the minutes of the previous meeting shall be attached.

Directors have an IT application to handle documents for Board meetings and Committee meetings online, facilitating the right to information and availability and access thereto.

In accordance with the provisions of the Board Regulations, Directors, as required to perform their duties, have access to all of the Company's services and have a duty to request, and the right to gather, all information from the Company which may be appropriate or necessary in order to perform their duties, as well as any advising required in relation to any matter. The right to information shall also cover investees, making requests to the Chairman, through the Board Secretary, and conveyed by the Chief Executive Officer.

Furthermore, the Board may request information on the actions of Senior Management of the Company and may ask for such explanations as it sees fit. Such requests shall be made by the Chairman through the Board Secretary and shall be conveyed by the Chief Executive Officer.

C.1.36 Indicate whether the company has established rules obliging directors to inform the Board of any circumstances, whether or not related to their actions in the company itself, that might harm the company's standing and reputation, tendering their resignation where appropriate. If so, provide details:

Yes  
 No

#### Explain the rules

Directors must tender their resignation when any of the circumstances set forth in Article 12.2 of the Regulations of the Board of Directors applies to them: They are involved in any circumstance of incompatibility or prohibition provided by law, the Corporate Bylaws or these Regulations; any shareholder represented by the director fully transfers or decreases his/her shareholding. In the latter case, the number of shareholder-appointed directors shall be reduced accordingly; or if they are affected by any other situations, whether or not related to their actions in the Company, that could seriously impair the Company's image or reputation.

Additionally, in accordance with Article 28.bis of the Board Regulations, the Directors must disclose to the Company, through the Secretary of the Board of Directors: a) any direct or indirect conflict of interest between them and the Company; b) any domestic or foreign investigations or criminal claims opened in which they are defendants, whether or not related to their actions in the Company, as well as of all developments in said cases and proceedings, and of any other situation by which the director is affected and which could impair the Company's value or reputation; c) and in general, any fact or circumstance that could be relevant to his/her conduct as a director of the Company.

The Secretary shall report such circumstances to the Chairman of the Board of Directors and, depending on the matter, to the Chairman of the Appointments and Compensation Committee or the Chairman of the Audit and Compliance Committee, such that, taking into account the specific circumstances, the appropriate Committee may report or make such proposals as deemed appropriate to the Board of Directors.

When a director reports any of the circumstances referred to above in sections b) or c), or if the Board becomes aware of such circumstances of a director by any other means, the Board of Directors shall assess the circumstances as soon as possible and, taking into account the specific circumstances, shall decide, following the proposal or report of the Appointments and Compensation Committee, whether to adopt any measures, such as opening an internal investigation or requesting the resignation or proposing the removal of the director, and shall report on such measures in the annual corporate governance report, unless there are special circumstances justifying such a situation, in which case such circumstances shall be recorded in the minutes.

C.1.37 Indicate whether, apart from such special circumstances as may have arisen and been duly minuted, the Board of Directors has been notified or has otherwise become aware of any situation affecting a director, whether or not related to his or her actions in the company itself, that might harm the company's standing and reputation:

Yes  
 No

C.1.38 Detail any material agreements entered into by the company that come into force, are modified or are terminated in the event of a change in control of the company following a public takeover bid, and their effects.

As at 31 December 2022, ENDESA, S.A. has loans and other borrowings from banks and ENEL Finance International, N.V. for an amount equivalent to €12,604 million, with an outstanding nominal debt of €7,654 million, which might have to be repaid early in the event of a change in share capital control.

Also, certain ENDESA subsidiaries that operate in the renewable energy business, and which are financed through project finance have financial debt of €70 million, in addition to associated derivatives with a positive net market value of €2 million, which might have to be redeemed early if there is a change in share capital control.

C.1.39 Identify individually as regards directors, and in aggregate form in other cases, and provide details of any agreements between the company and its directors, executives or employees containing indemnity or golden parachute clauses in the event of resignation or dismissal without due cause or termination of employment as a result of a takeover bid or any other type of transaction.

Number of beneficiaries	15
Type of beneficiary	Description of the agreement
Managers, Senior Managers and Executive Directors	These kinds of clauses have been approved by the Board of Directors following a report by the Appointments and Compensation Committee and contain cases in which severance pay is payable due to termination of employment and a post-contractual non-competition clause. As regards management personnel, although these types of termination clauses are not common, in the event that such a clause exists, the content thereof shall be similar to those applicable in an average employment relationship. The general regime of these clauses for senior managers is as follows:

Type of beneficiary	Description of the agreement
	<p>- Termination by mutual agreement: severance pay of one to three times annual pay, depending on the case. The Directors Compensation Policy of ENDESA provides that, when new Senior Management joins the Company or its Group, a maximum limit of two years of total annual compensation shall be established for payments for termination of contracts, including amounts not already paid out under long-term savings systems as well as amounts paid under post-contractual non-competition agreements, which shall also apply under the same terms to the contracts with executive Directors. - Termination due to a unilateral decision by the manager/director: no severance pay, unless his/her resignation is based on a serious, culpable breach of the company's obligations or constructive dismissal, a change of control or other cases of termination for which severance pay is payable pursuant to Royal Decree 1382/1985. - Termination due to the Company's decision: the same severance pay as in the first point. - Termination due to a decision by the Company based on serious misconduct or culpable conduct by the manager/director in the performance of his/her duties: no severance pay. These conditions are alternatives to those arising from the modification of the pre-existing employment or termination of the latter due to early retirement for Senior Executives. - Post-contractual non-competition covenant: In the vast majority of contracts, the Senior Executive who is leaving the company is required not to carry out activity in competition with ENDESA for a two-year period; as consideration for this, the Manager will be entitled to receive an amount of up to one year's fixed compensation. The general regime of these clauses for Executive Directors is as follows: The contract signed with the Chief Executive Officer does not provide for compensation for dismissal from office. Notwithstanding the foregoing, when the Chief Executive Officer resigns, their previous relationship – his senior management contract, suspended since his appointment as CEO – will be automatically terminated, in which case, through the termination of his executive management relationship, Mr. Bogas will be entitled to receive a net amount of €6,951 thousand, this sum being the result of reducing the gross severance payment consolidated by the amount of withholdings on account of personal income tax and, where appropriate, the Social Security contributions applicable on the date of payment. This compensation is incompatible with any other indemnity payment that may arise from termination of his/her employment as director. This net amount of €6,951 thousand includes the two-year post-contractual non-competition covenant included in the CEO's senior management contract. This indemnity or guaranteed compensation is compatible with the defined benefit saving scheme for the CEO. The termination in the event of death or retirement recognizes the right of the CEO or its assignees to the guaranteed compensation.</p>

Indicate whether, beyond the cases established by legislation, these agreements have to be communicated and/or authorised by the governing bodies of the company or its group. If so, specify the procedures, the cases concerned and the nature of the bodies responsible for their approval or communication:

	Board of directors	General shareholders' meeting
Body Authorizing the Clauses	√	
	Yes	No
Are the clauses reported to the general shareholders meeting?	√	

## C.2. Committees of the Board of Directors

C.2.1 Provide details of all committees of the Board of Directors, their members, and the proportion of executive, proprietary, independent and other external directors forming them:

APPOINTMENTS AND COMPENSATION COMMITTEE		
Name	Position	Category
IGNACIO GARRALDA RUIZ DE VELASCO	CHAIRMAN	Independent
MARÍA EUGENIA BIETO CAUBET	MEMBER	Independent
ANTONIO CAMMISECRA	MEMBER	Shareholder-Appointed
PILAR GONZÁLEZ DE FRUTOS	MEMBER	Independent
FRANCISCO DE LACERDA	MEMBER	Independent

% of executive directors	0.00
% of proprietary directors	20.00
% of independent directors	80.00
% of other external directors	0.00

Explain the functions assigned to this committee, including where applicable those that are additional to those prescribed by law, and describe the rules and procedures for its organisation and functioning. For each of these functions, briefly describe its most important actions during the year and how it has exercised in practice each of the functions assigned to it by law, in the articles of incorporation or in other corporate resolutions.

The Appointments and Compensation Committee ("ACC") shall be made up of a minimum of three and a maximum of six Non-Executive Directors from the Board of Directors, appointed with the favorable vote of the majority of the Board itself, and the majority of whom shall be Independent Directors. The members of the Appointments and Compensation Committee shall serve in their positions for a term of four years and may be reappointed for periods of the same duration. The Board of Directors shall aim to appoint members to the Appointments and Compensation Committee based on their knowledge, skills and experience. The Chairman of the Appointments and Compensation Committee shall be appointed by the Board of Directors, by a favorable vote of the majority thereof, from among the Independent Directors on the Committee. The Appointments and Compensation Committee will meet as often as convened by its Chairman, when so resolved by the majority of its members or at the request of the Board of Directors. Committee meetings shall take place at the Company's registered offices or at such other location as may be determined by the Chairman and stated in the meeting notice. Committee meetings shall be validly assembled when the majority of its members are in attendance, in person or by proxy. Resolutions must be passed by a majority vote of the Directors attending the meeting. In the event of a tie, the Chairman or Acting Chairman shall have the casting vote. As deemed necessary for the performance of its duties, the Appointments and Compensation Committee may seek external advice



The Board Secretary shall serve as the Secretary of the Committee, who shall draft minutes for all meetings and resolutions passed, which shall be reported to the Board. The minutes shall be made available to all members of the Board of Directors. The Appointments and Compensation Committee may call a meeting with any employee or executive of the company. This duty shall be exercised through the Secretary of the Board of Directors.

The main role of the Appointments and Compensation Committee is to advise the Board of Directors and to monitor, *inter alia*, all matters related to the selection, appointment and definition of the compensation scheme for directors and senior officers. In any case, the Board of Directors may assign other duties to the Appointments and Compensation Committee not reserved to another body by virtue of law, the Bylaws or the Board of Directors Regulations.

The main actions of the Committee during 2022 included:

**A) Responsibilities Relating to Appointments**

Analyzing the schedule for reappointment of directors, in order to take into account the need for gradual replacement of the Board, as well as diversity and seniority objectives, among others.

Reporting on or proposing director reappointments: Mr. José Damián Bogas Gálvez as executive director; Mr. Francesco Starace and Ms. Francesca Gostinelli as shareholder-appointed directors; and Ms. Cristina de Parias Halcón as independent director.

Reporting on or proposing appointments as members of the Sustainability and Governance Committee of Ms. Francesca Gostinelli and Ms. Cristina de Parias Halcón, and of the latter as a member of the Audit and Compliance Committee.

Reporting on the departure of Mr. Luca Passa as General Manager of Administration, Finance and Control owing to his voluntary resignation, and reporting on the appointment of Mr. Marco Palermo as the General Manager of Administration, Finance and Control.

**B) Responsibilities Relating to Compensation**

Reporting on and/or proposing to the Board the compensation measures of the Executive Management Committee, as well as contractual changes; the short- and long-term variable compensation of senior managers; and the Annual Report on Directors' Compensation; Reporting on the proposed amendments to the 2021-2023 Director Compensation Policy; verifying 2021 compensation; and verifying malus and claw-back clauses.

**C) Director Continuing Training Program and Update Plan**

Reporting on the 2022 Induction Program and reporting on and approving 2023 Director Continuing Training and Update Program.

**D) Endesa's Candidate Director Selection Policy and Promotion of Diversity**

Verification of Compliance with Endesa's Candidate Director Selection Policy during fiscal year 2022.

**E) Assessment of the Appointments Committee and of the Board of Directors**

The 2022 assessment of the Committee and the Board with the collaboration of an external consultant, and the approval of the Annual Report on Committee Activities, among other matters.

All the activities of the Appointments and Compensation Committee in 2022 are detailed in the Appointments and Compensation Committee Activity Report published on the company's website.

AUDIT AND COMPLIANCE COMMITTEE		
Name	Position	Category
FRANCISCO DE LACERDA	CHAIRMAN	Independent
MARÍA EUGENIA BIETO CAUBET	MEMBER	Independent
PILAR GONZÁLEZ DE FRUTOS	MEMBER	Independent
ALBERTO DE PAOLI	MEMBER	Shareholder-Appointed
CRISTINA DE PARIAS HALCÓN	MEMBER	Independent

% of executive directors	0.00
% of proprietary directors	20.00
% of independent directors	80.00
% of other external directors	0.00

Explain the functions assigned to this committee, including where applicable those that are additional to those prescribed by law, and describe the rules and procedures for its organisation and functioning. For each of these functions, briefly describe its most important actions during the year and how it has exercised in practice each of the functions assigned to it by law, in the articles of incorporation or in other corporate resolutions.

The Audit and Compliance Committee ("ACC") shall be comprised of a minimum of three and a maximum of six members of the Board of Directors, appointed at the proposal of the Appointments and Compensation Committee and with the favorable vote of the majority of the Board itself. The Committee shall be exclusively comprised of non-executive directors, the majority of which shall be independent directors. The members of the Audit and Compliance Committee shall serve in their positions for a term of four years and may be reappointed for periods of the same duration.

The Board of Directors shall aim to appoint members to the Audit and Compliance Committee such that the members as a whole have knowledge and experience in financial and non-financial accounting, auditing, finances, internal control and risk management. The members of the Committee shall collectively have the relevant technical expertise in relation to the electricity and gas industries in which the Company operates.

The Chairman of the Audit and Compliance Committee shall be appointed by the Board of Directors from among the independent directors sitting on the Committee, with the favorable vote of the majority of the Board itself, and taking into account their knowledge and experience in financial and non-financial accounting, auditing and risk management. The Chairman shall be replaced every four years but may be reappointed one year after removal thereof has lapsed. The Committee shall meet as often as convened by its Chairman, when so resolved by the majority of its members or at the request of the Board of Directors. The Audit and Compliance Committee shall pass resolutions in accordance with the Audit and Compliance Committee Regulations, and its meetings shall be held at the registered offices or such other location as may be determined by the Chairman and stated in the meeting notice. Committee meetings shall be validly assembled when the majority of its members are in attendance, in person or by proxy. Resolutions must be passed by a majority vote of the Directors attending the meeting. In the event of a tie, the Chairman or Acting Chairman shall have the casting vote. As deemed necessary for the performance of its duties, the Audit and Compliance Committee may seek external advice. The Board Secretary shall serve as the Secretary of the Committee, who shall draft minutes for all meetings and resolutions passed, which shall be reported to the Board. The minutes shall be made available to all members of the Board of Directors.

The primary duty of this Committee is to advise the Board of Directors and to monitor and oversee the independence of the statutory auditor, the effectiveness of internal control and risk management mechanisms, and the processes for drafting and presenting financial and non-financial information, as well as to report to the Board of Directors on related-party transactions. These duties shall be deemed to be without limitation and notwithstanding such other duties as may be set forth in the Audit and Compliance Committee Regulations or applicable law, or as entrusted to the Committee by the Board of Directors.

The most significant actions of the Committee during fiscal year 2020 included:

- A) Financial and Non-Financial Information and Internal Control Mechanisms The Committee, in exercising its duties, supervised and, where applicable, reported to the Board on: Annual financial statements and management reports, interim financial statements, internal control over financial and non-financial reporting system, Non-Financial Information and Sustainability Statement.
- B) Internal Audit: The committee approved, or informed the Board on, 2022 Internal Audit budget and work plan, Internal Audit activity reports and follow-up of action plans, and related-party transaction monitoring report. Assessment of the duties and performance of the head of the Internal Audit function, by an independent expert.
- C) Legal Audit: supervision of the independence of the external auditor, KPMG: received the independence statement from KPMG, reported favorably to the Board of Directors on increasing KPMG's fees; recommended the renewal of KPMG to carry out the statutory audit for the 2023-2025 period and issued its report on the outcome of the 2021 statutory audit; was also apprised of KPMG's 2022 activities plan;
- D) Risk Management Control System: Report to the Board on the annual assessment of financial and non-financial risks, the 2022 risk map, and the level of tolerance established for the most significant risks and the Risk Appetite Framework for 2023.
- E) Tax Matters: Information on the Endesa Audit Department's Review of the Tax Compliance Management System in 2021 and on maintaining AENOR's certification of the system in 2022.
- F) Regulatory Compliance: Report on the activities of the Crime Risk Supervisory Committee and on the renewal of the AENOR certifications of Endesa's Crime Risk Prevention and Anti-Bribery Model for fiscal year 2022. Monitor compliance with the applicable data-protection regulations and approval of the Monitoring and Control Activities Program with respect to compliance with antitrust regulations.
- G) Related-Party Transactions: All information on related-party transactions reported by the Committee in 2022 is available in the "Report on Related-Party Transactions Carried out with Significant Shareholders and Directors reported by the Audit and Compliance Committee to the Board of Directors or the General Shareholders' Meeting.

All the activities of the Audit and Compliance Committee in 2022 are detailed in the Committee's Activity Report published on the company's website.

Identify the directors who are members of the audit committee and have been appointed taking into account their knowledge and experience in accounting or audit matters, or both, and state the date on which the Chairperson of this committee was appointed.

Names of directors with experience	FRANCISCO DE LACERDA
Date of appointment of the chairperson	01/09/2020

SUSTAINABILITY AND GOVERNANCE COMMITTEE		
Name	Position	Category
JUAN SÁNCHEZ-CALERO GUILARTE	CHAIRMAN	Independent
IGNACIO GARRALDA RUIZ DE VELASCO	MEMBER	Independent

SUSTAINABILITY AND GOVERNANCE COMMITTEE		
Name	Position	Category
FRANCESCA GOSTINELLI	MEMBER	Shareholder-Appointed
CRISTINA DE PARIAS HALCÓN	MEMBER	Independent

% of executive directors	0.00
% of proprietary directors	25.00
% of independent directors	75.00
% of other external directors	0.00

Explain the functions delegated or assigned to this committee, other than those that have already been described in Section C.1.9, and describe the rules and procedures for its organisation and functioning. For each of these functions, briefly describe its most important actions during the year and how it has exercised in practice each of the functions assigned to it by law, in the articles of incorporation or in other corporate resolutions.

The Sustainability and Governance Committee (SGC) shall be comprised of a minimum of three and a maximum of six members of the Board of Directors. The Committee shall be exclusively comprised of non-executive directors, the majority of which shall be independent directors. The members of the SGC shall serve in their positions for a term of four years and may be reappointed for periods of the same duration. The Board of Directors shall aim to appoint members to the SGC based on their knowledge, skills and experience. The Chairman of the Committee shall be appointed from among the independent directors on the Committee by the favorable vote of the majority of the Board of Directors. The SGC shall meet as often as convened by its Chairman, when so resolved by the majority of its members or at the request of the Board of Directors. Committee meetings shall take place at the Company's registered offices or at such other location as may be determined by the Chairman and stated in the meeting notice. Committee meetings shall be validly assembled when the majority of its members are in attendance, in person or by proxy. Resolutions must be passed by a majority vote of the Directors attending the meeting. In the event of a tie, the Chairman or Acting Chairman shall have the casting vote. As deemed necessary for the performance of its duties, the Committee may seek external advice. The Board Secretary shall serve as the Secretary of the Committee, who shall draft minutes for all meetings and resolutions passed, which shall be reported to the Board. The minutes shall be made available to all members of the Board of Directors. The Sustainability and Governance Committee may call a meeting with any employee or executive of the company. This duty shall be exercised through the Secretary of the Board of Directors.

The main role of the Sustainability and Governance Committee is to advise the Board of Directors on and to monitor, inter alia, all environmental, sustainability, human rights and diversity matters in relation to the strategy for social action, as well as on the scope of the Company's corporate governance strategy. In any case, the Board of Directors may assign other duties to the Sustainability and Governance Committee not reserved to another body by virtue of law, the Bylaws or the Board of Directors Regulations.

The most significant actions of the Committee during fiscal year 2020 included:

**A) Corporate Governance:**

Report to the Board of Directors the proposed amendments to the Board of Directors Regulations and the Sustainability and Governance Committee Regulations, in order to expressly include the climate change-related duties of the Board and the Committee.

Supervision, within its area of competence, of the contracting of services for holding and reviewing Annual Shareholders' Meetings.

Assessment, prior to the approval of the 2022 Annual Corporate Governance Report, of compliance with the recommendations set out in the Corporate Governance Code.

The Sustainability and Governance Committee received information on the Board Secretary's contacts with proxy advisors in fiscal year 2022.

Submit proposals to the Board on the 2021 Sustainability and Governance Committee's Activities Report and the 2021 Annual Corporate Governance Report.

**B) Sustainability:**

Report to the Board on Endesa's 2021-2025 Sustainability Plan and the Report on the 2022-2026 Sustainability Plan, as well as ensuring that non-financial information conforms to that plan, prior to its review and reporting by the Audit and Compliance Committee and to its subsequent authorization for issue by the Board.

Receiving information on the Endesa Group's social action and its sponsorship and patronage plans, as well as the Endesa Foundation's actions and projects in fiscal year 2021.

Receiving information on the Endesa project "Creating shared value (CSV): the value added to the local community in generation."

Receiving information on Endesa's gender diversity objectives and plans at year-end, as well as the monitoring of Valuable Action Plan 500.

Receiving information on the position of the Endesa Group on the most widely recognized international sustainability indexes.

Receiving information on the current status and the main developments in regulatory frameworks relative to sustainability.

C) Assessment of the Sustainability and Governance Committee

D) Approval of a work program for the Sustainability and Governance Committee in 2023 and the relevant meeting schedule.

All the activities of the SGC in 2022 are detailed in the Sustainability and Governance Committee Activity Report published on the company's website.

C.2.2 Complete the following table with information regarding the number of female directors who were members of Board committees at the close of the past four years:

	Number of female directors							
	Year 2022		Year 2021		Year 2020		Year 2019	
	Number	%	Number	%	Number	%	Number	%
APPOINTMENTS AND COMPENSATION COMMITTEE	2	40.00	2	40.00	2	40.00	1	16.65
AUDIT AND COMPLIANCE COMMITTEE	3	60.00	2	40.00	1	16.65	1	16.65
SUSTAINABILITY AND GOVERNANCE COMMITTEE	2	50.00	2	50.00	2	50.00	N/A	N/A

C.2.3 Indicate, where applicable, the existence of any regulations governing Board committees, where these regulations are to be found, and any amendments made to them during the year. Also indicate whether any annual reports on the activities of each committee have been voluntarily prepared.

**AUDIT AND COMPLIANCE COMMITTEE**

The Audit and Compliance Committee is regulated by the Bylaws, the Regulations of the Board of Directors and the Regulations of the Audit and Compliance Committee.

The Audit Committee prepares, *inter alia*, the annual activity report of the Audit and Compliance Committee.

**APPOINTMENTS AND COMPENSATION COMMITTEE**

The Appointments and Compensation Committee is regulated by the Bylaws, the Regulations of the Board of Directors and the Appointments and Compensation Committee Regulations.

The Appointments and Compensation Committee prepares an Activity Report annually.

**SUSTAINABILITY AND GOVERNANCE COMMITTEE**

The Sustainability and Governance Committee is regulated by the Bylaws, the Regulations of the Board of Directors and the Regulations of the Sustainability and Governance Committee.

The regulations of the Sustainability and Governance Committee were amended on 21 February 2022 in order to expressly include climate change duties in light of the ongoing commitment of Endesa's Board of Directors to the best environmental, sustainability and best governance practices and the promotion of effective business management.

The Sustainability and Governance Committee had already been given duties relative to supervising sustainability and environmental policies, as well as the sustainability strategy; however, because of the importance of the matter, it was decided to revise the Sustainability and Governance Committee Regulations so as to expressly include the Committee's duties with regard to climate change. Specifically, section 1 of Article 17, "Sustainability Duties", now includes the review of the Company's climate change policies, and section 8 now expressly calls for the review of the non-financial reporting statement to include information on the Company's climate change risks and objectives.

The Sustainability and Governance Committee prepares an Activity Report annually.

All regulations referred to in this section are available for consultation on the Company's website [www.endesa.com](http://www.endesa.com) at the following link:

<https://www.endesa.com/es/accionistas-e-inversores/gobierno-corporativo/normativa-interna>

#### **D. RELATED PARTY AND INTRAGROUP TRANSACTIONS**

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**D.1.** Explain, where appropriate, the procedure and competent bodies relating to the approval of transactions with related and intragroup parties, indicating the criteria and general internal rules of the entity that regulate the abstention obligations of the affected director or shareholders. Detail the internal information and periodic control procedures established by the company in relation to those related-party transactions whose approval has been delegated by the board of directors.

ENDESA has a comprehensive regulatory framework (Related-Party Transaction Regulations, Related-Party Transaction Operating Procedure, Operating Instructions on Technical Service and Management Support, Procedure for Related-Party Financial Transactions and Global Corporate Governance Guidelines) which sets out the rules on authorization and transparency of related-party transactions.

The regulations contain, *inter alia*, the procedure to be followed for approving related-party transactions:

- Request for approval of the transaction- The departments, through the Board Secretary, must, prior to the Board meeting, request approval for the related-party transaction from the Board of Directors or the General Shareholders' Meeting, as applicable. In the event of absolutely exceptional, duly substantiated, unforeseeable circumstances, the CEO may authorize transactions, limited to aspects that are absolutely essential to ensure Endesa's corporate interest, between companies that are part of the same group, carried out on an arm's length basis. Such transactions must be submitted immediately for approval at the first Board meeting held after the decision has been taken, following a report from the Audit and Compliance Committee, in accordance with the requirements set out in the Related-Party Transaction Procedure for the approval of related-party transactions.
- Audit and Compliance Committee Report- Before the Board of Directors or the General Shareholders' Meeting approves the related-party transaction, the Audit and Compliance Committee must issue a report assessing the transaction and concluding whether it is fair and reasonable from the standpoint of Endesa and, if applicable, that of the shareholders other than the related party. The Audit and Compliance Committee, through the Secretary of the Board, will generally require, before issuing its report, an assessment of the related-party transaction by an independent expert. The Committee may also require any other independent external advice that it considers appropriate in order to fulfill its duty. It will also have an opinion issued by the department requesting the execution of the related-party transaction on the transaction's fairness and reasonability.
- Approval of the transaction by the Board- Related-party transactions, when their individual value, or when the cumulative value of various related-party transactions with a single counterparty in the last twelve months, is less than 10% of the total for the company's assets according to the most recent consolidated balance sheet, must be approved by the Board of Directors. Before passing a resolution, the Board shall consider the report issued by the Audit and Compliance Committee. A director with a direct or indirect conflict with respect to the related-party transaction shall refrain from participating in and voting on the resolution in question. Nevertheless, any Endesa shareholder-appointed director representing or being related to Endesa's parent company, and who directly or indirectly (related parties) enters into related-party transactions with Endesa or its subsidiaries, will take part in the discussion and will vote on said resolutions.
- Approval of the transaction by the General Shareholders' Meeting- Related-party transactions, when their individual value, or when the cumulative value of various related-party transactions with a single counterparty in the last twelve months, is less than 10% of the company's assets according to the most recent consolidated balance sheet, must be approved by the General Meeting. The Board will submit the related-party transactions to the General Shareholders' Meeting after receiving a report from the Audit and Compliance Committee. The affected shareholder will not have the right to vote, unless the proposed resolution has been approved by the Board of Directors without the negative vote of a majority of the independent directors.
- Publication of related-party transactions at the CNMV and on Endesa's website; Endesa shall announce publicly, both on its website and on that of the National Securities Market Commission, any related-party transactions carried out by Endesa or its subsidiaries when the total amount of the transactions individually or the cumulative sum of transactions with a single counterparty in the preceding 12 months reaches or surpasses 5% of company's assets or 2.5% of its annual revenue, as per the most recent consolidated financial statements approved by Endesa's General Shareholders' Meeting. After one or more transactions have been published, because the thresholds have been surpassed either individually or jointly, it will not be necessary to publish each new transaction carried out until the new threshold described in paragraph one is once again reached.

**D.2.** Give individual details of operations that are significant due to their amount or of importance due to their subject matter carried out between the company or its subsidiaries and shareholders holding 10% or more of the voting rights or who are represented on the board of directors of the company, indicating which has been the competent body for its approval and if any affected shareholder or director has abstained. In the event that the board of directors has responsibility, indicate if the proposed resolution has been approved by the board without a vote against the majority of the independents:

	Name or company name of the shareholder or any of its subsidiaries	% Shareholding	Name or company name of the company or entity within its group	Amount (thousands of euros)	Approving body	Identity of the significant shareholder or director who has abstained	The proposal to the board, if applicable, has been approved by the board without a vote against the majority of independents
(1)	ENEL GLOBAL TRADING SPA	70.10	ENDESA ENERGÍA	60,000	BOARD OF DIRECTORS		YES
(2)	ENEL X ITALIA, SRL	70.10	ENDESA X SERVICIOS SL	125	BOARD OF DIRECTORS		YES
(3)	CODENSA	70.10	ENDESA ENERGÍA	620	BOARD OF DIRECTORS		YES
(4)	CODENSA	70.10	ENDESA OPERACIONES Y SERVICIOS COMERCIALES	904	BOARD OF DIRECTORS		YES
(5)	ENEL, S.P.A.	70.10	ENDESA, S.A.	139,210	BOARD OF DIRECTORS		YES
(6)	ENEL GREEN POWER S.P.A	70.10	ENEL GREEN POWER ESPAÑA	7,000	BOARD OF DIRECTORS		YES
(7)	ENEL TRANSMISIÓN CHILE	70.10	ENDESA INGENIERÍA	1,460	BOARD OF DIRECTORS		YES
(8)	ENEL GENERACIÓN CHILE, S.A.	70.10	ENDESA ENERGÍA	75,000	BOARD OF DIRECTORS		YES
(9)	ENEL X WAY SRL	70.10	ENDESA X	569,900	BOARD OF DIRECTORS		YES
(10)	ENEL GLOBAL TRADING SPA	70.10	ENDESA ENERGÍA	197,100	BOARD OF DIRECTORS		YES
(11)	ENEL GREEN POWER, S.P.A.	70.10	ENEL GREEN POWER ESPAÑA	22,730	BOARD OF DIRECTORS		YES
(12)	ENEL GLOBAL INFRASTRUCTURE AND NETWORKS	70.10	ENDESA DISTRIBUCIÓN REDES DIGITALES, S.L.	144,400	BOARD OF DIRECTORS		YES
(13)	ENEL FINANCE INTERNACIONAL NV	70.10	ENDESA, S.A.	2,350,000	BOARD OF DIRECTORS		YES

	Name or company name of the shareholder or any of its subsidiaries	% Shareholding	Name or company name of the company or entity within its group	Amount (thousands of euros)	Approving body	Identity of the significant shareholder or director who has abstained	The proposal to the board, if applicable, has been approved by the board without a vote against the majority of independents
(14)	ENEL IBERIA SRL	70.10	ENDESA FINANCIACIÓN FILIALES, S.A.	150,000	BOARD OF DIRECTORS		YES
(15)	ENEL PRODUZIONE SPA	70.10	ENDESA GENERACIÓN, S.A.	5,100	BOARD OF DIRECTORS		YES
(16)	ENEL, S.P.A.	70.10	ENDESA, S.A.	14,546	BOARD OF DIRECTORS		YES
(17)	GRIDSPERTISE, SRL	70.10	ENDESA DISTRIBUCIÓN REDES DIGITALES, S.L.	3,630	BOARD OF DIRECTORS		YES
(18)	ENEL, S.P.A.	70.10	ENDESA, S.A.	138,786	BOARD OF DIRECTORS		YES
(19)	ENEL, S.P.A.	70.10	ENDESA, S.A.	466	BOARD OF DIRECTORS		YES
(20)	ENEL GLOBAL TRADING SPA	70.10	ENDESA ENERGÍA	205,000	GENERAL SHAREHOLDERS' MEETING		YES
(21)	ENEL GLOBAL TRADING SPA	70.10	ENDESA ENERGÍA	290,000	GENERAL SHAREHOLDERS' MEETING		YES
(22)	ENEL GENERACIÓN CHILE, S.A.	70.10	ENDESA ENERGÍA	121,000	GENERAL SHAREHOLDERS' MEETING		YES
(23)	ENEL FINANCE INTERNACIONAL NV	70.10	ENDESA, S.A.	5,000,000	GENERAL SHAREHOLDERS' MEETING		YES
(24)	ENEL GREEN POWER S.P.A	70.10	ENEL GREEN POWER ESPAÑA	5,000	GENERAL SHAREHOLDERS' MEETING		YES
(25)	ENEL GLOBAL TRADING SPA	70.10	ENDESA ENERGÍA	72,000	BOARD OF DIRECTORS		YES
(26)	GNL CHILE, S.A.	70.10	ENDESA ENERGÍA	27,000	BOARD OF DIRECTORS		YES

	Name or company name of the shareholder or any of its subsidiaries	Nature of the relationship	Type of operation and other information required for its evaluation
(1)	ENEL GLOBAL TRADING SPA	Contractual	Renewal of the Joint Management Agreement for Methane Tankers and of the FOB LNG from United States between Endesa Energía. and Enel Global Trading for 2022

	Name or company name of the shareholder or any of its subsidiaries	Nature of the relationship	Type of operation and other information required for its evaluation
(2)	ENEL X ITALIA, SRL	Contractual	Purchase Agreement of Homix Home devices from Endesa X Servicios S.L. to Enel X Italia
(3)	CODENSA	Contractual	Telephone support platform and multinational offshore telemarketing services to Endesa Energía
(4)	CODENSA	Contractual	Telephone support platform and multinational offshore telemarketing services to EOSC
(5)	ENEL, S.P.A.	Contractual	Technical and management-support service agreements between the Enel Group and Endesa for 2022
(6)	ENEL GREEN POWER S.P.A.	Contractual	Provision of engineering services for the conducting of optimization projects at hydroelectricity plants
(7)	ENEL TRANSMISIÓN CHILE	Contractual	Contract for engineering, equipment purchase and services and work at substations project in Santiago, Chile
(8)	ENEL GENERACIÓN CHILE, S.A.	Contractual	Acquisition of a liquefied natural gas tanker from Enel Generación Chile by Endesa Energía
(9)	ENEL X WAY SRL	Contractual	Partial sale of Endesa X Servicios's electromobility business, as well as related-party transactions linked to said sale.
(10)	ENEL GLOBAL TRADING SPA	Contractual	Purchases and sales of LNG
(11)	ENEL GREEN POWER, S.P.A.	Contractual	Contracting of engineering services in the conducting of Endesa projects.
(12)	ENEL GLOBAL INFRASTRUCTURE AND NETWORKS	Contractual	License contract for the use of the Grid Blue Sky platform
(13)	ENEL FINANCE INTERNACIONAL NV	Contractual	Execution of a credit facility and a long-term loan.
(14)	ENEL IBERIA SRL	Contractual	Renewal of the Intercompany Current Account Contract
(15)	ENEL PRODUZIONE SPA	Contractual	Logistical services for Carboneras and Ferrol
(16)	ENEL, S.P.A.	Contractual	Recharge agreements for personnel secondment between Endesa Group companies and Enel Group companies
(17)	GRIDSPERTISE, SRL	Contractual	Supplying of LVM concentrators, Bird 3.0 sensors and QED equipment
(18)	ENEL, S.P.A.	Contractual	Technical and management-support service agreements between the Enel Group and Endesa for 2023
(19)	ENEL, S.P.A.	Contractual	Extension of the insurance mandate with Enel
(20)	ENEL GLOBAL TRADING SPA	Contractual	Renewal of the Joint Management Agreement for Methane Tankers and of the supply contracts for liquefied natural gas (LNG) from United States for 2023.
(21)	ENEL GLOBAL TRADING SPA	Contractual	Liquefied natural gas (LNG) purchases and sales for 2023.
(22)	ENEL GENERACIÓN CHILE, S.A.	Contractual	Acquisition of two liquefied natural gas (LNG) vessels from Enel Generación Chile, S.A. for 2024.
(23)	ENEL FINANCE INTERNACIONAL NV	Contractual	Financial transactions, in the form of a credit facility and guarantees.



	Name or company name of the shareholder or any of its subsidiaries	Nature of the relationship	Type of operation and other information required for its evaluation
(24)	ENEL GREEN POWER S.P.A	Contractual	Provision of the wind turbine vibration analysis service by ENEL GREEN POWER ESPAÑA S.L. to ENEL GREEN POWER S.P.A.
(25)	ENEL GLOBAL TRADING SPA	Contractual	Purchases and sales of LNG
(26)	GNL CHILE, S.A.	Contractual	Sale of LNG to Sociedad GNL Chile, S.A. by Endesa Energía, S.A.U.

For all related-party transactions referred to in this section (entered into between ENDESA and the companies controlled, directly or indirectly, by ENDESA and ENEL, and the companies controlled, directly or indirectly, by ENEL, excluding the ENDESA Group), the shareholder-appointed directors representing Enel, in accordance with section 2 of Art. 529 duovicies of the Capital Corporations Law, are not required to abstain.

The only abstention was that of the shareholder-appointed director Mr. de Paoli, as a member of the Audit and Compliance Committee, in each of the reports issued by that Committee for each of the related-party transactions dealt with in this section.

With respect to the information needed to assess each related-party transaction in this section, each fairness and reasonability report issued by the Audit and Compliance Committee is available to the shareholders at the following links:

<https://www.endesa.com/content/dam/endesa-com/home/inversores/informacionpublicaperiodica/documentos/comunicacion-de-operaciones-vinculadas-aprobadas-por-el-consejo-de-administracion.pdf>

<https://www.endesa.com/content/dam/endesa-com/home/inversores/informacionpublicaperiodica/documentos/2022/1t/comunicacion-operaciones-vinculadas.pdf>

<https://www.endesa.com/content/dam/enel-es/home/inversores/infoeconomicafinanciera/resultadosfinancieros/documentos/2022/3t/cnmv-informe-operaciones-vinculadas-es-18-11-2022.pdf>

<https://www.endesa.com/content/dam/enel-es/home/inversores/gobiernocorporativo/juntagenerales/documentos/junta-extraordinaria-2022/004-Informe-operaciones-vinculadas.pdf>

In any event, it should be noted that the Audit and Compliance Committee has issued a report for each related-party transaction, concluding that the transactions entered into are fair and reasonable from the standpoint of Endesa and of the shareholders other than the related party. In addition, for all of the related-party transactions there is, at a minimum, a report from an independent expert concluding that the transactions entered into between Enel and Endesa are fair and reasonable from the standpoint of Endesa and of the shareholders other than the related party.

All of the transactions were unanimously approved by the Company's Board of Directors or proposed (unanimously) by it to the Extraordinary General Shareholders' Meeting held in 2022 for their approval, which was given with a favorable vote percentage of at least 99.95%.

It should also be pointed out that in accordance with International Financial Reporting Standards (IFRS), Note 49 of the notes to the Consolidated Financial Statements for the fiscal year ended 31 December 2022 includes information relating to the Balances and transactions with related parties of ENDESA.

**D.3.** Give individual details of the operations that are significant due to their amount or relevant due to their subject matter carried out by the company or its subsidiaries with the administrators or managers of the company, including those operations carried out with entities that the administrator or manager controls or controls jointly, indicating the competent body for its approval and if any affected shareholder or director has abstained. In the event that the board of directors has responsibility, indicate if the proposed resolution has been approved by the board without a vote against the majority of the independents:

Name or company name of the administrators or managers or their controlled or jointly controlled entities	Name or company name of the company or entity within its group	Relationship	Amount (thousands of euros)	Approving body	Identity of the significant shareholder or director who has abstained	The proposal to the board, if applicable, has been approved by the board without a vote against the majority of independents
No data						

Name or company name of the administrators or managers or their controlled or jointly controlled entities	Nature of the operation and other information necessary for its evaluation
No data	

**D.4.** Report individually on intra-group transactions that are significant due to their amount or relevant due to their subject matter that have been undertaken by the company with its parent company or with other entities belonging to the parent's group, including subsidiaries of the listed company, except where no other related party of the listed company has interests in these subsidiaries or that they are fully owned, directly or indirectly, by the listed company.

In any case, report any intragroup transaction conducted with entities established in countries or territories considered as tax havens:

Company name of the entity within the group	Brief description of the operation and other information necessary for its evaluation	Amount (thousands of euros)
No data		

**D.5.** Give individual details of the operations that are significant due to their amount or relevant due to their subject matter carried out by the company or its subsidiaries with other related parties pursuant to the international accounting standards adopted by the EU, which have not been reported in previous sections.

Company name of the related party	Brief description of the operation and other information necessary for its evaluation	Amount (thousands of euros)
No data		

**D.6.** Give details of the mechanisms in place to detect, determine and resolve potential conflicts of interest between the company and/or its group and its directors, senior management, significant shareholders or other associated parties.

The directors shall establish necessary measures to prevent their interests, whether for themselves or on behalf of third parties, from coming into conflict with corporate interests and their duties to the Company.

In particular, the duty to avoid conflicts of interest requires directors to abstain from:

- Carrying out transactions with the Company, except as related to ordinary transactions made under standard conditions for all clients and which are immaterial.
- Using the Company's name or invoking their condition as a Director thereof to unduly influence private transactions.
- Using corporate assets, including the Company's confidential information, for private purposes.
- Taking advantage of the Company's business opportunities.
- Obtaining advantages or compensation from third parties other than the Company and its group for performing their duties, excluding as minor hospitality.
- Performing activities, whether for themselves or on behalf of third parties, potentially or actually involving effective competition with the Company or which, in any other manner, place the Director in a permanent conflict of interest with the Company.

The provisions set forth shall also apply when the beneficiary of the restricted actions or activities is related to the Director.

The waiver of the obligations set forth in this section, as the case may be, shall require approval of the Board of Directors or of the General Shareholders' Meeting, in accordance with the provisions of law and all other internal regulations of the Company.

Furthermore, the Directors shall abstain from deliberating and voting on resolutions or decisions regarding which they and/or a related person has a direct or indirect conflict of interest. Those resolutions or decisions which affect the Directors in their condition as administrators, including as regards appointment and removal from offices on the Board of Directors, its Committees and the Executive Committee, or other analogous bodies, shall not be covered by the aforesaid requirement to abstain.

Nevertheless, in accordance with Article 529 duovicies, section 2, of the Capital Corporations Law, any Endesa shareholder-appointed director representing or being related to Endesa's parent company, and who directly or indirectly (related parties) enters into related-party transactions with Endesa or its subsidiaries, will take part in the discussion and will vote on said resolutions.

Furthermore, Endesa has an action protocol for conflicts of interest, exclusive dedication and market competition, aimed at regulating the conduct of Endesa employees in relation to exclusive dedication and market competition and establishing rules to follow in the case of behaviors or situations potentially giving rise to a conflict of interest between the Company and the direct or indirect personal interests of any of its collaborators.

**D.7.** Indicate whether the company is controlled by another entity in the meaning of Article 42 of the Commercial Code, whether listed or not, and whether it has, directly or through any of its subsidiaries, business relationships with said entity or any of its subsidiaries (other than the listed company) or carries out activities related to those of any of them.

Yes  
 No

Indicate whether the respective areas of activity and any business relationships between the listed company or its subsidiaries and the parent company or its subsidiaries have been defined publicly and precisely:

[  ] Yes  
[  ] No

Report covering the respective areas of activity and any business relationships between the listed company or its subsidiaries and the parent company or its subsidiaries, and identify where these aspects have been publicly reported

Relations between Endesa and its controlling shareholder Enel:

In pursuance of Recommendation 2 of the Corporate Governance Code, Endesa's Board of Directors has an Action Protocol for Relations between ENDESA S.A. and ENEL S.P.A. which is published on the Company's website.

The provisions of the Protocol are based on the standards and criteria approved by the Board of Directors and Audit and Compliance Committee of Endesa to ensure and guarantee the interests of Endesa in transactions between Endesa and Enel. Likewise, the Protocol takes into account the Enel Group Corporate Governance Guidelines, which were established by Enel, with the participation of Endesa, following best international corporate governance practices, and following the conclusions of the working group established, comprised of international experts, to determine standard rules and procedures applicable to conflicts of interest and related-party transactions. By resolution of the Board of Directors on 22 October 2018, Endesa agreed to adhere to these Guidelines, which were updated in November 2022 (and the Board of Directors of Endesa resolved on the adhesion of the company to such updated version).

Endesa Group's inclusion in the Enel Group gives rise to, inter alia, the generation of synergies, coordination of best practices and application of economies of scale, which primarily affect: the purchase of goods and services; corporate services; Information Systems and Telecommunications technologies and electricity generation, distribution and marketing activities, including primarily: research, development, engineering and execution, implementation and operation and maintenance of facilities, as well as acquisition and sale of commodities in global markets.

The most relevant transactions between ENDESA and its Subsidiaries and ENEL and its Subsidiaries primarily include:

- Trading Transactions:

ENDESA provides integrated management of the marketing and generation businesses, covering long and short positions in electricity and commodity sales, with the dual objective of maximizing margins and managing risks through suitable hedges. In carrying out the first, ENDESA participates in physical and financial wholesale markets to ensure competitive fuel and CO<sub>2</sub> costs for operating generation plants in wholesale markets. As regards the second, ENDESA contracts brokerage transactions and hedging instruments with a view to reducing risk arising from price changes of certain critical products for the company's business, including electricity, gas, coal, Brent and carbon dioxide emission allowances.

ENDESA manages a portfolio of framework agreements with different counterparties in order to execute commodity supply agreements and financial hedging agreements for the price thereof. To optimize these transactions, the possibility has been established that Enel may act in the market conducting trading transactions for and on behalf of Endesa, and following its operating indications, on the basis of a representation mandate, notwithstanding which Endesa may also buy the respective transactions directly from Enel, at market prices.

Specifically, the possibility has been established that Enel may act for and on behalf of Endesa and its subsidiaries in the sale and trading – physical and financial – transactions on the electricity, gas, and CO<sub>2</sub> markets and the markets of any other commodities and provide services for Endesa and its subsidiaries in financial-trading and energy transactions. The pricing formula (including the cost basis, applied margin and allocation key) of the mandate as well as the remaining contractual terms and conditions are consistent with the provisions of transfer pricing regulations.

The foregoing is understood to be without prejudice to the possibility of trading through other suitable mechanisms, such as a mandate without representation or bilateral contracts, always within the applicable limits and with the same controls referred to above.

- Transactions related to business support services (provision of various intra-group services):

The ENEL Group and the ENDESA Group mutually provide technical and corporate services to each other. Through the provision of these services, the Group seeks to optimize resources by centralizing functions, thus attaining a more functional and efficient cost structure. Corporate services include all activities providing centralized support for the management of the different business units and entities of the ENDESA Group.

The different services include those provided by ENEL and some of its Italian Subsidiaries to ENDESA and its Subsidiaries by virtue of technical and management support service agreements, as well as insurance mandates with ENEL so that it can negotiate and contract in its own name and on behalf of ENDESA insurance policies for ENDESA and its subsidiaries.

- Intra-Group Financing Transactions.

All activities aimed at structurally financing and making liquidity unconditionally available from the ENEL Group to the different business units and entities of the ENDESA Group are considered intra-group financing transactions and services.

Identify the mechanisms in place to resolve potential conflicts of interest between the parent of the listed company and the other group companies:

#### Mechanisms for resolving possible conflicts of interest

Endesa has developed its own internal regulatory framework on related-party transactions, which includes, *inter alia*, a Related-Party Transaction Regulations approved by the Board of Directors, as well as a Related-Party Transaction Operating Procedure approved by the Committee, implementing the guidelines set forth in the Regulations and defining the proceedings, functions and responsibilities relating to the general rules on requests for and the approval, publication and monitoring of related-party transactions. These regulations, as well as the applicable laws, have been applied in each of the related-party transactions reported by this Committee.

In accordance with Endesa's internal regulations, for the preparation of the report on each related-party transaction, the Audit and Compliance Committee will generally require, prior to issuing its report, the assessment of the related-party transaction by an independent expert, who in turn, in his analysis and assessment process, shall reach a conclusion on the transaction's fairness and reasonability from the standpoint of Endesa and, if applicable, of the shareholders other than the related party. The Audit and Compliance Committee may also require any other independent external advice that it considers appropriate in order to fulfill its duty. In addition, the Audit and Compliance Committee, in order to issue its report, shall assess and analyze the opinion issued by the General Management of Endesa requiring the execution of the related-party transaction on the transaction's fairness and reasonability, from the standpoint of Endesa and, if applicable, of the shareholders other than the related party.

Moreover, ENDESA completes its regulatory framework on related-party transactions with the following texts:

Action Protocol for Relations Between Endesa S.A. and Enel S.p.A.: In accordance with Recommendation 2 of the Spanish Corporate Governance Code for Listed Companies, ENDESA drafted and published an "Action Protocol for Relations between ENDESA and ENEL" to disclose the procedures and practices followed to safeguard ENDESA's corporate interests and to resolve any conflicts of interest that may arise out of ENDESA's relationships with other companies controlled, directly or indirectly, by ENDESA or ENEL, and with the companies controlled, directly or indirectly, by ENEL, excluding the ENDESA Group.

Operating Instructions on Technical Service and Management Support: Instructions governing the internal approval and control procedures for Technical Service and Management Support agreements granted by the majority shareholder and that allow for the services received to be assessed and for monitoring of the supporting documentation.

Procedures for Related-Party Financial Transactions: Procedures governing the internal approval and control processes for agreements on related-party financial transaction services provided by the ENEL Group and that allow for the services received to be assessed and for monitoring of the supporting documentation.

Global Corporate Governance Guidelines: ENEL Group, with the participation of ENDESA, following international corporate governance best practices, has established a working group, comprised of international experts, to determine standard rules and procedures applicable to conflicts of interest and related-party transactions, and which has resulted in establishment of the "ENEL Group Corporate Governance Guidelines".

The Guidelines are based on the following general principles:

- Adequate protection of the Corporate Interests of each Subsidiary, fair treatment of the Group's public and private Stakeholders and equitable distribution of the benefits and costs derived from membership in the Enel Group.

- Commitment to identifying, avoiding and adequately resolving potential Conflicts of Interest that may arise between Enel Group companies, and between Enel Group companies and their respective Directors and other related parties.

- Commitment to establishing an Information Flow system within the Enel Group in accordance with the restrictions imposed by applicable regulations.

- Development of systems that enable the governing bodies to monitor risks, specifically those arising from conflicts of interest.

The Corporate Governance Manual, which recognizes the advantages generated by Enel's coordination of the strategies and plans of the Enel Group, ensures the required respect for the legal independence of Enel's Subsidiaries, within a framework designed to adequately protect the Corporate Interests of each of the Subsidiaries. The foregoing is with special regard to Related-Party Transactions and Conflicts of Interest.

## **E. RISK MANAGEMENT AND CONTROL SYSTEMS**

### **E.1. Explain the scope of the company's financial and non-financial risk management and control system, including tax risk.**

The General Risk Control and Management Policy establishes the basic principles and general framework for the control and management of risks of all kinds that could affect the fulfillment of the objectives, ensuring that they are systematically identified, analyzed, assessed, managed and controlled within the established risk levels. The General Risk Control and Management Policy identifies the different types of financial and non-financial risks (including but not limited to operating, technological, legal, social, environmental, political, reputational or corruption-related) faced by the Company, considering as financial and economic risks any contingent liabilities and other off-balance sheet risks.

The Risk Control and Management Policy seeks to guide and steer the set of strategic, organizational and operational actions that allow the Board of Directors of ENDESA, S.A. to precisely delineate the acceptable level of risk, so that the managers, staff and service functions of the different business lines can maximize the profitability of the Company, preservation or increase of its net equity and certainty of its level of success, preventing uncertain and future events from having a negative influence on its ability to achieve the profitability objectives, its operations, sustainability, resilience or reputation in a sustained manner over time, providing an adequate level of guarantees to shareholders and safeguarding their interests, as well as those of customers and other stakeholders.

The general guidelines of the Risk Management and Control Policy are implemented and supplemented by other specific corporate risk policies for each business line, as well as by limits established for optimal risk management.

The General Risk Control and Management Policy is implemented through an Internal Risk Control and Management System (Spanish acronym: SCIGR), which comprises an organisation, principles, a regulatory system and a risk control and management process.

The Risk Control and Management System follows a model based, on the one hand, on an ongoing study of the risk profile, current best practices in the energy or benchmark sectors as regards risk management, based on consistent measurement criteria within the same risk typology, separation of risk managers and controllers, and, on the other hand, on ensuring a link between acceptable risk levels, effective risk assumed and the necessary resources to operate the business, optimizing the risk reward trade off of the business as defined by the Board of Directors of ENDESA, S.A.

The company's risk control and management model is aligned with international standards following a methodology based on the three lines model.

The organisation of the Internal Control and Risk Management System is implemented through independent risk management and risk control functions that ensure adequate segregation of duties.

The Risk Management and Control Policy defines the Risk Control System as an interwoven system of rules, processes, controls and reporting systems in which overall risk is defined as the total consolidated amount of all risks to which it is exposed, taking into account the mitigating effects for the different exposures and risk classes, allowing for consolidation and appraisal of risk exposure, from the Company's different business units and areas, as well as the development of management information relevant to making decisions on risk and the proper use of capital.

The risk control and management process consists of the identification, evaluation, monitoring and management in time of the different risks, and contemplates the main risks to which the company is exposed, both endogenous (for internal factors) and exogenous (for external factors).

The General Risk Control and Management Policy, established and approved by ENDESA, S.A.'s Board of Directors is the core of the system from which the following documents are derived:

- Specific risk control and management policies, for example, the "Tax Risk Management and Control Policy" and the "Criminal Compliance and Anti-Bribery Policy", which are approved by the ENDESA, S.A.'s Board of Directors and which define risk catalogs and specific controls.
- Organizational documents, which complement and specify relevant aspects of the control and risk management processes.
- The ENDESA Risk Appetite Framework, which determines the main risk indicators, the risk levels considered acceptable, and management and mitigation mechanisms.
- The ENDESA Risk Map, which give a prioritized view of all relevant risks.

In addition, in view of the growing interest in the management and control of the risks to which companies are exposed and given the growing complexity in identifying them from a comprehensive point of view, it is important that employees take part in this process at all levels. In this regard, a risk mailbox is available for employees to help identify market risks and come up with suggestions for measures to mitigate them, thereby complementing the existing top-down risk management and control systems and mailboxes and specific procedures for reporting breaches of ethical behavior, criminal risks tax risks and occupational risks.

### **E.2. Identify the bodies within the company responsible for preparing and executing the financial and non-financial risk management and control system, including tax risk.**

Board of directors. The Board of Directors is responsible for determining the General Risk Management and Control Policy, including tax policies, and setting the level of risk that the Company considers acceptable in the Risk Appetite Framework, as well as the supervision of internal information and control systems.

Audit and Compliance Committee ("ACC"). Its duties include: Report on the General Risk Control and Management Policy to the Board of Directors, including tax policies, and their amendments and monitor the effectiveness of internal controls and risk management systems.

The company's risk control and management model is aligned with international standards following a methodology based on the three lines model. The main roles and responsibilities of the governing bodies and areas involved in the risk control and management process are:

The first line is the responsibility of the heads of the business lines, staff and service functions (including the Fiscal Affairs unit regarding risks of a fiscal nature, and the Legal unit for legal risks). Businesses, staff and service functions manage the risks and establish the necessary controls to ensure that transactions in the markets are carried out in compliance with ENDESA's policies, standards and procedures.

The second line is carried out by a set of organizational areas and Committees that cover the different types of risk and report on them independently in coordination with the Audit and Compliance Committee. It is comprised of three categories, according to the type of risk: risks related to internal control of financial and non-financial information, criminal risks and other risks.

A) Risks related to internal control of financial and non-financial information

Transparency Committee. The Transparency Committee is chaired by the CEO and comprised of the key executives of ENDESA. Its main objective is to ensure compliance with and proper application of the general principles governing financial and non-financial reporting (confidentiality, transparency, consistency and responsibility); to assess events, transactions, reports or other relevant matters reported externally; and to determine the manner and deadlines for presenting public information. Furthermore, the Transparency Committee is the Endesa management body that evaluates the conclusions on compliance and effectiveness of the controls of the Internal Information Control System and internal controls and procedures for dissemination of information abroad, formulating corrective and/or preventive actions in this regard. The conclusions of the Transparency Committee are then forwarded to the Audit and Compliance Committee. Internal Information Control. The Endesa Internal Control Unit is the area responsible for identifying the most relevant processes, activities, risks and controls of the Internal Information Control System that estimates materials to reasonably ensure that the information disclosed abroad by Endesa is reliable and adequate. Compliance. The Corporate Affairs and Compliance area is primarily responsible for ensuring best practices as relate to Regulatory Compliance: Corporate Governance, Data Protection and Competition.

B) Crime risk

Supervisory Committee of the Crime Risk Prevention and Anti-Bribery Model. This is a collegiate body with autonomous powers of initiative and control in regard to criminal risks, which is directly supervised by the Audit and Compliance Committee. It supervises compliance and updating of the model to prevent risks of crime for which Endesa may be held liable. Compliance. The Corporate Affairs and Compliance area is primarily responsible for overseeing crime risk prevention and ensuring regulatory compliance.

C) Other risks

Risk Committee. The Risk Committee oversees the management and monitoring of all risks, including tax risks in particular, other than those of a criminal nature and those related to internal control and financial and non-financial information, referring the results of its deliberations and conclusions to the Audit and Compliance Committee of the ENDESA Board of Directors. The Risk Committee must be composed of at least the CEO and his first reporting line and is based on the internal procedures of the different business lines, staff and service functions.

Risk control. This is the area delegated by the Risk Committee to define the procedures and norms of the internal control and risk management system, to ensure that all the risks are homogeneously and periodically identified, characterized, quantified and properly managed in the area of responsibility that affects the entity, including off-balance sheet, monitoring risk exposure and the control activities implemented.

The function of reporting to the governing bodies on the effectiveness of the internal control and risk management (3<sup>rd</sup> line) lies with Internal Audit, which validates the Model and continuously monitors the structure and operation of the Internal Risk Control Management System (SCIGR).

The three lines report to the Audit and Compliance Committee and the Board of Directors to fulfill their responsibilities.

The Sustainability and Governance Committee reviews the Company's sustainability, environmental and climate change policies, as well as the non-financial information statement in order to verify that it includes information on the Company's climate-change related risks and objectives.

### **E.3. Indicate the main financial and non-financial risks, including tax risks, as well as those deriving from corruption (with the scope of these risks as set out in Royal Decree Law 18/2017), to the extent that these are significant and may affect the achievement of business objectives**

The risk factors faced by ENDESA in performing its activity are grouped as follows:

- Strategic risk
- Financial risk
- Digital technology risk
- Operational risk
- Compliance risk, including corruption and tax risks
- Culture and corporate governance risk

One of the main risks facing the company is climate change. ENDESA is decisively committed to the fight against climate change and for this reason, decisions are taken at the highest Management level. The Company's climate change policy is one of its main strategic pillars, and the Board of Directors of ENDESA, S.A. is responsible for formulating and implementing it. As evidence of this commitment, ENDESA has set out to be fully decarbonized by 2040. ENDESA aims to play an active role in transition, which is why its Strategic Plan includes actions aimed at taking advantage of any opportunities that may be identified as a result of the analyses made based on different scenarios.

Further details of the main risks affecting ENDESA's operations, including climate change, can be found in the main risks and uncertainties section of the management report.

**E.4. Indicate whether the entity has risk tolerance levels, including for tax risk.**

With regard to the main risks, the Board of Directors of ENDESA annually approves the risk levels that are considered acceptable, as well as the related management and mitigation mechanisms.

**E.5. Indicate which risks, including tax risks, have materialised during the year.**

The conflict between Russia and Ukraine, and the evolution of the COVID-19 pandemic, which cannot be considered over, has given rise to higher prices in the energy markets, high inflation and interest rate hikes, regulatory changes in the electricity sector, tax effects resulting from the introduction of short-term measures in the energy sector, delays in delivering supplies and fulfilling contracts and tighter credit, on top of the challenge of meeting the objectives of the Strategic Plan.

In particular, the execution of market-volatility risk hedging strategies, so as to ensure stable results, has entailed a considerable increase in cash collateral requirements in order to continue operating in organized markets. The widespread uncertainty has also impacted financial credit markets, with rises in risk premiums on both sovereign debt and corporate debt. In addition, higher commodity prices have translated into a sharp increase in long-term euro interest rates.

The control systems established within the Risk Appetite Framework of ENDESA have been found to function suitably.

**E.6. Explain the response and oversight plans for the company's main risks, including tax risks, as well as the procedures followed by the company in order to ensure that the Board of Directors responds to any new challenges that arise**

ENDESA has a risk identification system that enables a regular assessment of the nature and magnitude of the risks faced by the organization. The development of a risk control and management process and, in this framework, of a structured and standardized reporting system, has helped to obtain synergies from the consolidation and comprehensive treatment of risks and has allowed the development of key indicators to detect potential risks and send early alerts.

The risk control and management process comprises the following stages:

- **Identification:** The purpose of the risk identification process is to generate the risk inventory based on events that could prevent, degrade or delay the achievement of the objectives. The identification must include risks whose origin is under the control of the organisation and those due to non-manageable external causes.
  - **Assessment:** The objective is to obtain the parameters that allow the measurement of the economic and reputational impact of all risks for their subsequent prioritization. Evaluation includes different methodologies according to the characteristics of the risk, such as the assessment of scenarios and the estimation of the potential loss from the impact and likelihood evaluation distributions.
  - **Follow up:** The objective is to monitor the risks and establish management mechanisms that keeping the risks within the established limits, as well as taking the appropriate management actions.
  - **Management:** The objective is the performance of the actions aimed at keeping risk levels at optimum levels and respecting and always within the established limits.
- The conclusions drawn from applying this process are shared with the various committees ultimately responsible for periodically informing the Audit and Compliance Committee. Such committees are, depending on the nature of the risk, the Risk Committee, the Transparency Committee or the Supervisory Committee of the Crime Risk Prevention and Anti-Bribery Model.



## **F. INTERNAL RISK MANAGEMENT AND CONTROL SYSTEMS RELATING TO THE PROCESS OF PUBLISHING FINANCIAL INFORMATION (ICFR)**

Describe the mechanisms forming your company's Internal Control over Financial Reporting (ICFR) system.

### **F.1. The entity's control environment.**

Report on at least the following, describing their principal features:

- F.1.1** The bodies and/or departments that are responsible for: (i) the existence and maintenance of a proper and effective ICFR; (ii) its implementation; and (iii) monitoring of the ICFR.

#### **Board of directors**

The supervision of internal reporting and control systems is a duty assigned to the Board of Directors that cannot be delegated. And the Audit and Compliance Committee, in accordance with the Capital Corporations Law, is responsible for monitoring the effectiveness of the Company's Internal Control, as established in the Corporate Governance Code for Listed Companies (revised by the CNMV in June 2020), in addition to other responsibilities.

#### **Audit and Compliance Committee**

Endesa, S.A.'s Audit and Compliance Committee Regulations provides that the primary duty of the Audit and Compliance Committee is to advise the Board of Directors and to monitor and oversee the independence of the statutory auditor, the effectiveness of internal control and risk management mechanisms, and the processes for drafting and presenting financial and non-financial information, as well as to report to the Board of Directors on related-party transactions, in accordance with the legislation in force. Its duties include monitoring the effectiveness of the Company's internal controls on financial and non-financial information, reporting thereon to the Board of Directors, as well as to discuss with the External Auditor any significant weaknesses detected in the internal control system during the audit.

It is also responsible for overseeing the internal audit unit, ensuring its independence and effectiveness. In this regard, it assesses on annual basis the operation of the Internal Audit function and performance of its manager.

The members of the Audit and Compliance Committee are appointed in consideration of their knowledge and experience in accountancy, audit or financial and non-financial risk management.

#### **Transparency Committee**

In 2004 the Transparency Committee was created. It is chaired by the CEO and made up of the key executives of ENDESA, including all members of the Executive Management Committee and those members of ENDESA management who are directly involved in the preparation, verification and disclosure of financial and non-financial information.

The main purpose of this Committee is to ensure compliance with and proper application of the General Principles governing Financial and Non-Financial Reporting (confidentiality, transparency, consistency and responsibility); to assess events, transactions, reports or other relevant matters reported externally; and to determine the manner and deadlines for presenting public information.

The duties of the Transparency Committee also include assessing the conclusions submitted thereto by the Director General of Administration, Finance and Control of ENDESA on the report issued by the Internal Control unit of ENDESA with respect to compliance and effectiveness of the internal controls and procedures and controls for disclosing information to external stakeholders, implementing corrective and/or preventive measures in such regard, and reporting on such circumstances to the Audit and Compliance Committee of the Board of Directors. Administration, Finance and Control Department

The Administration, Finance and Control Department of ENDESA in its actions aimed at supporting the Transparency Committee, performs the following functions in relation to the Internal Control of Financial Reporting:

- Proposing Financial Reporting Management Policies to the Transparency Committee for approval.
- Assessing the effectiveness of the Internal Control over Corporate Reporting in place, including any breaches of the approved Internal Control policies, reporting the results to the Transparency Committee.

#### **Internal Control Unit**

Within ENDESA's Administration, Finance and Control Department, there is a dedicated Internal Control Unit tasked with the following duties:

- Communicating approval of Internal Control over Corporate Reporting policies and procedures to ENDESA's various companies and organizational areas.
- Maintaining, updating and making available to the company the Internal Control over Corporate Reporting model and the documentation associated with the processes and controls.
- Defining the channels for certifying the evaluation of the effectiveness of the controls and procedures defined in the Internal Control over Corporate Reporting Model.
- Overseeing the process of certifying internal reporting controls and the internal controls and procedures for external disclosure, and submitting periodical reports on its conclusions with respect to the system's effectiveness.

All matters relating to Internal Control over Corporate Reporting are regulated in the organizational procedure No. 2407 "Internal Control over Corporate Reporting", the purpose of which is to establish the operating principles and lines of responsibility for the establishment and maintenance of internal reporting controls, to guarantee that they are reliable and that reports, events, transactions and other material developments are disclosed internally and externally in an appropriate form and time frame. The System of Internal Control over Corporate Reporting is evaluated and certified every six months.

**F.1.2 Indicate whether the following exist, especially in relation to the drawing up of financial information:**

- Departments and/or mechanisms in charge of: (i) the design and review of the organizational structure; (ii) clear definition of lines of responsibility and authority with an appropriate distribution of tasks and functions; and (iii) ensuring that adequate procedures exist for their proper dissemination throughout the entity:

The design and review of the first level organizational structure is approved by the Board of Directors, at the proposal of the CEO and following a report from the Appointments and Compensation Committee. Additionally, and in accordance with the Capital Corporations Law, the duties of the Board of Directors include monitoring the performance of Senior Management.

The People and Organization Unit is responsible for analyzing, designing, planning and implementing organizational changes based on the company's strategy and consistent with the change management framework that in many cases entail major transformations both in processes and in organizational aspects. Based on this, the appropriate organizational structure is defined (formalized in organizational guidelines) along with the dimensioning of the units and the evaluation of key positions. Likewise, this Unit defines and ensures the appropriate reflection and implementation of this information in internal systems. Corporate policy No. 26 "Organizational Guidelines" defines and establishes criteria for developing, formalizing and communicating organizational structures.

Additionally, internal procedures are developed that define and regulate the processes and responsibilities of the various units involved in order to ensure their proper functioning. These documents, as well as the various organizational guidelines, are published in the regulatory repository enabled on the ENDESA Intranet, available to all Company employees.

- Code of conduct, the body approving this, degree of dissemination and instruction, principles and values covered (stating whether there is specific mention of record keeping and preparation of financial information), body charged with analysing breaches and proposing corrective actions and sanctions:

In relation to internal regulations on ethics and crime prevention, ENDESA has the following documents:

**Code of Ethics**

ENDESA has a Code of Ethics approved by the Board of Directors that sets forth the Company's ethical commitments and duties as related to management of the business and business activities undertaken by people within ENDESA and its subsidiaries, be it Directors or employees, of any kind, in said companies.

The Code of Ethics comprises:

- The general principles that govern relations with stakeholders and define ENDESA's benchmark business values;
- The standards of conduct for dealing with all groups of stakeholders, enshrining the specific guidelines and rules which ENDESA professionals must adhere to in order to uphold the general principles and avoid unethical behavior.
- The implementation mechanisms, which describe the organizational structure around the Code of Ethics, responsible for ensuring that all employees are fully aware of, understand and comply with the Code.

The principles and provisions of ENDESA's Code of Ethics must be observed and complied with by the members of the Board of Directors, the Audit and Compliance Committee and other control bodies of ENDESA and its subsidiaries, in addition to their executives, employees and other persons linked to ENDESA by contractual relationships arising under any circumstances, including occasional or seasonal relationships.

Among the General Principles contained in the Code of Ethics is "Transparency and integrity of information" which states that "ENDESA employees must provide complete, transparent, understandable and accurate information, so that, when establishing relations with the company, those involved can make autonomous decisions in full awareness of the interests at stake, the relevant alternatives and consequences."

**Zero Tolerance Plan Against Corruption**

Endesa's Zero Tolerance Plan Against Corruption has been approved by the Board of Directors and requires all ENDESA employees to be honest, transparent and fair in the performance of their duties. All other stakeholders (i.e. individuals, groups or institutions that contribute to attaining ENDESA's objectives, or that participate in those activities performed to achieve such objectives) are required to abide by the same commitments.

In compliance with Principle 10 of the Global Compact, to which ENDESA is a signatory, and which provides that "[b]usinesses should work against corruption in all its forms, including extortion and bribery," ENDESA rejects all forms of corruption, both direct and indirect, and has implemented a commitment program to fight against corruption in the performance of its activities.

**Crime Risk Prevention and Anti-Bribery Model**

Endesa's Crime Risk Prevention and Anti-Bribery Model is comprised of a structured and organic system of procedures and surveillance and monitoring activities to prevent crimes within the company's area of responsibility, in other words, crimes that could result in criminal liability for legal persons within its business group. Endesa's current Crime Risk Prevention and Anti-Bribery Model was adopted by the Board of Directors at its meeting on 25 January 2016 and was updated in November 2018 and May 2020.

The Model is comprised of five elements that, combined, ensure an adequate control system for preventing crime risk: Control Environment, Risk Assessment and Control Activities, Monitoring Activities, Reporting and Communication, and Disciplinary System.

The Model is continually monitored to ensure the design and functioning thereof comply with the provisions of applicable law, analysing and resolving any incidents identified. The Audit and Compliance Committee is responsible for monitoring compliance and operation of the Model in accordance with law and the regulations of ENDESA. The Supervisory Committee, under the direct and exclusive supervision of the Audit and Compliance Committee, will perform the duties entrusted thereto including but not limited to monitoring and proposing updates to the Model, performing its duties with assistance from the Audit Department, based on the powers conferred and the specialization required.

The Criminal Compliance and Anti-Bribery Policy was approved by the Board of Directors on 6 November 2017 and updated on 4 May 2020 and is additional to the Risk Management and Control Policy; it establishes the general principles of the Compliance System, which inspire the content and application of all corporate internal standards, as well as the Organization's actions. ENDESA's criminal and anti-bribery risk prevention system certified in accordance with the UNE 19601 (Criminal Compliance Management Systems) and UNE-ISO 37001 (Anti-Bribery Management Systems) standards.

Internal Regulations on Conduct in Securities Markets and Markets for Emission Allowances

These Internal Regulations on Conduct in Securities Markets and Markets for Emission Allowances establish the rules of conduct to be followed by all ENDESA Group employees in relation to their actions in securities markets and markets for emission allowances and, in particular, in relation to insider information, with a view to preventing market abuse.

- Whistleblower channel allowing notifications to the audit committee of irregularities of a financial and accounting nature, in addition to potential breaches of the code of conduct and unlawful activities undertaken in the organisation, indicating whether this channel is confidential and whether anonymous notifications can be made, protecting the rights of the whistleblower and the person reported.

ENDESA has had an Ethics Channel or mailbox in place since 2005. This is accessible via its corporate website and intranet, so that all stakeholders can report, securely and anonymously, any irregular, unethical or illegal conduct which has, in their opinion, occurred in the course of ENDESA's activities.

The procedure established for the use of the channel guarantees confidentiality, being managed by an external and independent firm, through which all complaints or communications are processed.

In addition to the Channel, complaints are received through other means and always routed to the Audit Department, in accordance with ENDESA's internal procedures.

The Audit Department is responsible for ensuring the correct handling of complaints received, acting according to its own judgment, independently of other units in the organization. It has access to all Company documents necessary for the performance of its duties and monitors the implementation of the recommendations included in its audit reports. In addition, the Audit Department is attached to the Board of Directors through the Audit and Compliance Committee, which centralizes and channels complaints of significant relevance and forwards them to the Board.

- Training and periodic refresher programmes for personnel involved in the preparation and revision of financial information, as well as in the assessment of the ICFR system, covering at least accounting standards, auditing, internal control and risk management:

The People and Organization Department and the Administration, Finance and Control Department jointly develop training plans for all personnel involved in the preparation of ENDESA's financial statements. This Plan includes permanent updating both on the evolution of the business and regulatory environment of the activities carried out by the various ENDESA subsidiaries and on awareness of the International Financial Reporting Standards (IFRS) and the regulations and evolution of the principles of Internal Control over Financial Reporting.

During 2022 the Administration, Finance and Control Department of ENDESA completed 8,837 hours of training that addressed the following topics: Languages 24.8%, Digitalization 19.6%, Security 12.3%, Cross-Functional Skills 16.5%, Technical Skills 14.4% and Soft Skills 12.4%. Additionally, whenever necessary, specific training sessions are conducted on aspects relating to the process of preparation and control of Financial Reporting for personnel not belonging to the Administration, Finance and Control department but who are directly or indirectly involved in providing information for the preparation of Financial Reporting.

## **F.2. Assessment of risks in financial reporting.**

Report on at least the following:

F.2.1 The main characteristics of the risk identification process, including risks of error and fraud, as regards:

- Whether the process exists and is documented:

ENDESA's System of Internal Control over Corporate Reporting incorporates and records all internal control risks arising out of the relevant processes for preparation of financial reporting, including risk of error or fraud. All information related to the System of Internal Control over Corporate Reporting is documented through the SAP-GRC PROCESS CONTROL internal control software tool ("SAP-GRC-PC"). The documentation of the processes of the System of Internal Control over Corporate Reporting is also kept up to date and available on the corporate intranet, such as administrative-accounting procedures.

The Corporate Governance Code for Listed Companies, approved by the CNMV in June 2020, delegated the duty of supervising and evaluating the process for the preparation and completeness of non-financial information to the audit committee, as was already similarly established in Technical Guidelines 3/2017 on audit committees, also approved by the CNMV.

Consistent with the foregoing, Endesa's Audit and Compliance Committee Regulations provide that said Committee shall be responsible for supervising and evaluating the process for preparation and presentation of non-financial information, as well as for monitoring the effectiveness of internal controls on non-financial information. The foregoing has established that non-financial information must be uniformly prepared with the financial information and subject to similar internal control mechanisms, as the responsibility of the directors in this regard is the same.

Since fiscal year 2020, the Company has been implementing the extension of the ENDESA ICFR strategy to non-financial and sustainability reporting in order to have a single Internal Control over Corporate Reporting System, ensuring supervision of processes and systems, risk identification and a suitable design and implementation of controls for ENDESA's financial and non-financial information.

- Whether the process covers all the objectives of financial reporting, (existence and occurrence; completeness; valuation; presentation; disclosure and comparability; and rights and obligations), whether it is updated and if so how often:

The process of identifying and updating risks for Financial Reporting covers the following Financial Reporting objectives:

- Existence and occurrence
- Integrity
- Measurement/valuation
- Presentation, disclosure and comparability
- Rights and obligations

ENDESA's Internal Control Unit updates the map of processes relevant to the System of Internal Control over Corporate Reporting so as to incorporate any quantitative or qualitative changes affecting the Internal Control model.

Risks are reviewed whenever changes in processes occur or when new processes are introduced or new companies included in the scope.

This review may result in the identification of new risks, which would be mitigated by updating controls or designing new ones.

- The existence of a process for identifying the scope of consolidation, taking into account, among other factors, the possible existence of complex corporate structures or special purpose vehicles:

ENDESA keeps a corporate register, which is permanently updated, with information on all the Group's shareholdings, whether direct or indirect, including all entities over which ENDESA has the power to exercise control, regardless of the legal structure giving rise to such control, so that this register also includes holding companies and special purpose vehicles.

In addition, the Board of Directors Regulations provides, in accordance with Articles 529 ter and 529 quaterdecies of the Spanish Capital Corporations Law, that the Board of Directors, among other matters, must approve, following a report from the Audit and Compliance Committee, the creation or acquisition of stakes in special purpose vehicles or organizations registered in countries or territories regarded as tax havens, as well as any other transactions or operations of a similar nature that, due to their complexity, may detract from the transparency of the Company or its group.

The management and updating of this corporate register is carried out in accordance with a procedure regulated by Operating Instruction no. 3789 "ENDESA's corporate information records".

ENDESA's scope of consolidation is determined on a monthly basis by the Administration, Finance and Control Department based on the information available in the corporate register and in accordance with the criteria set forth in the International Financial Reporting Standards (IFRS), as adopted by the European Union and local accounting regulations. Any changes in the scope of consolidation are communicated to all ENDESA companies.

- Whether the process takes into account the effects of other types of risk (operational, technological, financial, legal, tax, reputational, environmental, etc.) to the extent that they affect the financial statements:

The identification and updating of financial reporting risks forms an intrinsic part of the continuous review of the processes that make up the System of Internal Control over Corporate Reporting and of the design of new processes deemed relevant to it.

- The governing body within the company that supervises the process:

The Audit and Compliance Committee is responsible for monitoring the effectiveness of ENDESA's Internal Control over Corporate Reporting and for reporting thereon to the Board of Directors. For such purpose, it may submit recommendations or proposals to the Board of Directors, including the periods established for compliance therewith.

### **F.3. Control activities**

Report on whether the company has at least the following, describing their main characteristics:

**F.3.1 Review and authorisation procedures for financial information and a description of the ICFR, to be disclosed to the securities markets, indicating those responsible, as well as documentation describing the flow of activity and controls (including those relating to the risk of fraud) of the various types of transactions which may materially affect the financial statements, including accounting closing procedures and the specific review of significant judgements, estimates, valuations and projections**

ENDESA provides Financial Information to the stock market on a quarterly basis. This Financial Information is prepared by the Administration Area, which performs the necessary control activities in the accounting closing process to ensure the reliability of said information.

Additionally, the Planning and Control Area analyses and supervises the information prepared.

The General Manager of Administration, Finance and Control analyzes the reports received, provisionally approving the aforementioned Financial Information for submission to the Transparency Committee.

The Transparency Committee itself for half-years, and the representatives designated by the Transparency Committee for quarters, analyze the information received from the Administration, Finance and Control Department and, once approved, it forwards said information to the Audit and Compliance Committee. The Audit and Compliance Committee oversees the financial information presented to it. In the accounting closings that coincide with the end of a half year, as well as in those others in which the Audit and Compliance Committee considers it desirable, the Committee also has information prepared by ENDESA's external auditors on the results of their work. Finally, the Audit and Compliance Committee informs the Board of Directors of its conclusions on the financial information submitted so that, once approved by the Board of Directors, it can be published in the securities markets.

Internal Control Over Financial Reporting Model

ENDESA has an Internal Control Model for Financial and Non-Financial Reporting based on the COSO (Committee of Sponsoring Organizations of the Treadway Commission) model.

First, there are Entity Level Controls (ELCs) and Company Level Controls (CLCs). These are structural elements that work transversally in all divisions and companies. There are also specific ELCs to mitigate the risks of Segregation of Duties (ELC-SOD) and access controls (ELC-ACCESS) that mitigate the risk of unauthorized access to IT applications which are relevant for the processes.

At the process level, ENDESA has identified the following business cycles common to all its subsidiaries:

- 1) Fixed assets
- 2) Accounting close
- 3) Capital investments
- 4) Finance
- 5) Inventory
- 6) Personnel expenses
- 7) Procurement cycle
- 8) Revenue cycle
- 9) Taxes
- 10) Sustainability

The Internal Control Unit continuously manages and updates the documentation relating to each of the processes, following the methodology established for this purpose. Any organizational change implies the revision of the control model to assess its impact and make any changes needed to guarantee its operational continuity. The main components identified for each process are:

- Risks.
- Control activities. Also called "Process Level Controls" (PLC), except for the specific case of Information Systems processes, which are called Information Technology General Controls (ITGC).

The control activities ensure that, in the normal course of business, ENDESA's control objectives are met in all the captions of the consolidated financial statements.

The Internal Control model applied in 2022 entails an average coverage ratio of 96.3% of the main consolidated figures (total assets, indebtedness, income and profit before tax).

All information relating to the Internal Control model is documented in the Internal Control software tool SAP-GRC-PC. The persons responsible for each control activity are appointed by the process owners, and are responsible for carrying out the six-monthly self-assessments.

The Internal Control Unit provides those responsible for the processes and controls with the necessary support and guarantees the proper development of the assessment process.

The System of Internal Control over Corporate Reporting assessment process includes:

- The certification of the Internal Control system, covering the following stages:
  - Self-assessment of the Control Activities, Management Controls, Segregation of Duties controls and access controls.
  - Sign-off by the Heads of the various Organizational Units involved, escalated through the company's hierarchical structure to the final sign-off by the CEO.

All the above-mentioned stages are monitored and supported on an ongoing basis by the Internal Control Unit.

- The verification carried out by the independent expert on the design and operation of a representative sample of the most relevant controls of ENDESA's System of Internal Control over Corporate Reporting.

The outcome of the Internal Control System certification and the results obtained as part of the verification performed by the independent expert are included in the report submitted by the Internal Control Unit to the Transparency Committee and the Audit and Compliance Committee.

The weaknesses detected are classified into three categories according to their potential impact on the financial statements, as follows:

- Control (not significant) weaknesses
- Significant weaknesses
- Material weaknesses

All the weaknesses detected by the Internal Control System trigger the implementation of a specific action plan to rectify each of them. The Internal Control Unit reports to the Transparency Committee and the Audit and Compliance Committee on the weaknesses detected in the System of Internal Control over Corporate Reporting, until its final resolution.

### F.3.2 Internal IT control policies and procedures (access security, control of changes, system operation, operational continuity and segregation of duties, among others) which support significant processes within the company relating to the preparation and publication of financial information.

The Global Digital Solutions area is responsible for Information and Telecommunication Systems for all businesses and territories in which ENDESA operates.

One of the functions of Global Digital Solutions is the definition, application and monitoring of security standards, development and operation of applications and infrastructure, both for traditional models and for the new cloud computing paradigm. All IT activities are carried out applying the Internal Control model in the field of information technologies.

ENDESA's Internal Control model and in particular the Global Digital Solutions model (Information Technology Control System (ITCS), based in Cobit 2019 and which includes IT processes, both on the environment, architecture and infrastructures of information technologies, and applications that affect transactions, which directly affect the Company's main business processes, and therefore have an impact on the Financial Reporting and the Company's closing processes. These controls can be carried out by means of automated activities in the IT programs, or using manual procedures. ENDESA applies a global Internal Control model to IT systems considered relevant to the financial statements, focused on guaranteeing the overall quality and reliability of the Financial Information in the closing process and, therefore, of the information reported to the markets.

This framework has five principles that an organization should follow to adopt IT management.

- Meet stakeholder requirements
- Provide end-to-end coverage for the company
- Apply a single integrated reference framework
- Enable a comprehensive approach
- Separate governance from management

This Cobit 2019 control model is then structured into 5 domains:

- Governance Objectives
  - o Evaluate, Direct & Monitor (EDM)

- Management Objectives:
  - o Monitor, Evaluate & Assess (MEA)
  - o Align, Plan & Organize (APO)
  - o Build, Acquire & Implement (BAI)
  - o Deliver, Service & Support (DSS)

The ITCS model's processes in the Internal Control environment for ENDESA's information technologies contain the control activities required to cover the following risks with regard to the information systems relating to Financial Reporting to guarantee the integrity, availability and confidentiality of each company's economic-financial information:

- Competition landscape
- Compliance with other laws and regulations
- Consumer rights and data protection
- Corruption
- Cybersecurity
- Digitalization
- Innovation
- Intellectual Property
- IT Effectiveness
- People and Organization

- Process Efficiency
- Procurement, logistics and supply chain
- Reputational
- Continuity of Service
- Service Quality Management
- Strategic Planning and Capital Allocation

In addition, in terms of information security, to ensure the accessibility, confidentiality, integrity and availability of information, and to comply with requirements arising from the applicable laws, the technological environment and the market, ENDESA built an internal regulatory framework which, in accordance with these guiding principles, consists of various policies and their respective implementing regulations: "Cybersecurity Framework", "Information Classification and Protection Policy" and "Policy for the Control of Logic Access to Information Systems" which link to the "Critical Event Management Policy" and its corresponding Operational Procedure, as well as those that comply with specific legal requirements, such as the "Operational Instructions for the Protection of Personal Data", "Audit of Data Processing Security Measures" and "Critical Infrastructure Security". The security policies establish the formal risk identification framework for the company's assets and refer to the technical and organizational measures for managing and mitigating such risks. Compliance with the laws in force and the application of security regulations and standards is also established as a principle.

Its objective is to:

- Protect employees from risks of an intentional nature or those resulting from natural disasters
- Establish an internal security model for applications, networks and information systems, as well as industrial automation systems and for the Company's control systems.
- Protect tangible resources (workplaces, infrastructure systems belonging to the company) from threats that could alter their value or compromise their functional capacity.
- The aim of the Information Protection and Classification Policy is to:
  - Ensure that information is properly managed and protected throughout its entire life cycle.
  - Establish a system for classifying information and the security categories associated with it.
  - Identify roles and responsibilities in the management and protection of information assets.

The "Policy for the Control of Logic Access to Information Systems," defines and implements a control model that aims to ensure security in logic access to the company's infrastructures and information systems and to guarantee the segregation of functions in operations by means of a systematized role assignment model and a digital tool that provides automated support.

Apart from this, in order to comply with the Critical Infrastructure Law (Law 8/2011), ENDESA, as a Critical Operator whose networks and information systems are susceptible of special protection, reinforced its control framework with the publication in 2018 of the Operational Instruction on Critical Infrastructure Security, which:

- Defines security measures in systems that support essential services.
- Manages the escalation, internal management and communication of security incidents to the authorities.
- Applies a tool for compliance with the defined control model.

Also, in relation to the General Data Protection Regulation 2016/679 (GDPR), the "Operational Instruction on the Protection of Personal Data" and "Operational Instruction for Audit of Data Processing Security Measures" ensure internal compliance with ENDESA regulations:

- Establish a risk assessment model for the processing of Personal Data.
- Define the security measures to be taken and audits to be made when the processing of personal data is undertaken by third parties at the request and under the responsibility of Endesa, in accordance with the level of risk established, for the purpose of prevention and mitigation.
- Detail the operational management of security incidents affecting information systems and/or assets (in line with the provisions of the "Critical Events Management" policy and operational instruction), its assessment, escalation and internal communication, as well as its investigation and forensic analysis.
- Include a Control Framework on security measures applicable to the processing of personal data, as well as their regular update.

The Policy and Operational Instruction of "Critical Events Management" ensure prompt and effective management of security incidents through the coordinated engagement of all the areas involved and their appropriate treatment in the communication and institutional fields, with the knowledge and under the supervision of the company's Management.

In 2007, ENDESA established the Decision Rights Management function (currently called Segregation of Functions, within the Internal Control Unit) as a guarantee for the identification, management and control of functional incompatibilities to ensure that a single person could not be in control of a critical process.

With regard to the content of the above paragraphs, controls over the Segregation of Functions (ELC-SOD) and controls over logic access (ELC-ACCESS) are part of the ICFR and are assessed and verified in the same way as the remaining controls forming part of the model.

### **F.3.3 Internal control policies and procedures for overseeing the management of activities subcontracted to third parties, as well as of those aspects of assessment, calculation or valuation entrusted to independent experts, which may materially affect financial statements.**

When ENDESA subcontracts an activity necessary for the issuance of its financial statements, the supplier is required to guarantee the internal control of the activities carried out. In cases of process outsourcing, service providers are required to obtain an ISAE 3402 "International Standard on Assurance Engagements" report. In the case of delegation of computer infrastructure services (Datacenter and Hardware), the counterparties are contractually required to obtain a SOC1/SSAE16 report. These types of reports allow ENDESA to verify whether or not the control objectives of the service provider and the control activities that support them have worked during the relevant period. In other cases, such as the delegation services of computer or software platforms, ENDESA obtains information from an independent expert that the services do not present any aspect that could lead to a significant deficiency in the process of obtaining the consolidated financial statements of ENDESA.

When ENDESA uses the services of an independent expert, the competence and technical and legal qualifications of the professional are ensured. With regard to reports from independent experts, ENDESA has implemented control activities and qualified personnel to validate that the conclusions reached are reasonable. Additionally, there is an internal procedure for hiring external advisors that require certain levels of approval depending on the amount in question, including, where appropriate, the approval of the CEO of the Company. The results or reports of the accounting, tax or legal services contracted are supervised by the Administration, Finance and Control Department, the Legal Department or other departments, as deemed necessary.

#### **F.4. Information and communication.**

Report on whether the company has at least the following, describing their main characteristics:

- F.4.1** A specifically assigned function for defining and updating accounting policies (accounting policy area or department) and resolving doubts or conflicts arising from their interpretation, maintaining a free flow of information to those responsible for operations in the organisation, as well as an up-to-date accounting policy manual distributed to the business units through which the company operates.

Responsibility for the application of ENDESA's accounting policies is centralized in ENDESA's Administration, Finance and Control Department. In ENDESA's Administration, Finance and Control department there is a Standardization and Reporting Unit, whose functions include analyzing the application of the International Financial Reporting Standards as adopted by the European Union ("IFRS") and the Spanish General Chart of Accounts ("PGC") to ENDESA Group companies. These functions, require the Standardization and Reporting Unit to undertake the following tasks:

- Defining ENDESA's Accounting Policies.
- Analyzing executed or planned one-off transactions to determine the appropriate accounting treatment in line with ENDESA's accounting policies.
- Monitoring the draft new regulations in progress in the International Accounting Standards Board ("IASB") and the Institute for the Accounting and Auditing of Financial Statements ("ICAC"), any new standards approved by the above-mentioned bodies and the process for the endorsement of the IASB standards by the European Union, assessing the impact of their implementation on the Group's Financial Statements at different levels.
- Resolving any queries from any subsidiary company about the application of ENDESA's Accounting Policies.

The Standardization and Reporting Unit keeps all those with financial reporting responsibilities at the various levels within ENDESA abreast of amendments to accounting standards, settling any doubts they may have and gathering the required information from subsidiaries to ensure consistent application of ENDESA's accounting policies and to enable it to quantify the impact of the application of new or amended accounting standards.

ENDESA's Accounting Policies are developed on the basis of IFRS, and are documented in the "ENDESA Accounting Manual." This document is regularly updated and distributed annually to all those responsible for preparing the financial statements of the various companies that make up ENDESA.

- F.4.2** Mechanisms for capturing and preparing financial information in standardised formats for application and use by all units of the entity or group, and support its main financial statements and notes, as well as disclosures concerning ICFR.

ENDESA has a set of IT tools (internally classified as relevant for ICFR purposes) to cover all the reporting needs of its individual financial statements in addition to facilitating the consolidation process and subsequent analysis. These tools form part of a consistent process, under a single accounting plan for the information corresponding to the individual financial statements of ENDESA subsidiaries, including the notes and additional disclosures needed to prepare the consolidated annual financial statements.

On an annual basis, ENDESA obtains information from an independent expert to the effect that the tools do not present any aspect that could lead to a significant deficiency in the process of preparing ENDESA's consolidated financial statements.

The capture of the information in the consolidation system is carried out through a loading process that begins in the economic (transactional) information system, which is also unique and is implemented in almost all ENDESA companies.

In turn, ENDESA's System of Internal Control Over Corporate Reporting is supported in a computer system, through which all the information necessary to determine the conclusions regarding the operation of the System is obtained.



## **F.5. Supervision of the functioning of the system**

Report on at least the following, describing their principal features:

- F.5.1 The activities of the audit committee in overseeing ICFR as well as whether there is an internal audit function one of the responsibilities of which is to provide support to the committee in its task of supervising the internal control system, including ICFR. Please also include information on the scope of the assessment of the ICFR completed during the fiscal year, as well as on the procedures followed by the party responsible for the assessment to report his or her results, whether the company has an action plan detailing the potential corrective measures, and whether its impact on financial information has been considered.

Each half-year, ENDESA's Internal Risk Control Unit monitors the process of assessing and certifying the design and operation of the Internal Control over Corporate Reporting System, in order to inform the Audit and Compliance Committee, as the body responsible for monitoring the effectiveness of internal controls over the financial and non-financial information of the Company.

For this purpose, the Internal Control Unit receives an assessment of Company Level Controls (ELC/CLC) and Process Level Controls (PLC) and the Global Digital Solutions area receives an assessment of the ITGCs in order to verify:

- In the event of process changes, whether the identification of Control Activities has been duly updated and the new Control Activities sufficiently cover the Process Control Objectives.
- Whether all weaknesses in the control system design or functioning have been Identified. A weakness refers to an incident which implies, to a greater or lesser extent, that the control system may not be able to guarantee with reasonable assurance the ability to acquire, prepare, summarize and disclose the Company's Financial and Non-Financial Information.
- Whether the actual/potential impact of the aforementioned weaknesses has been assessed and any required mitigating control activities put in place to guarantee the reliability of the financial information, notwithstanding the existence of such weaknesses.
- The existence of Action Plans for each weakness identified.

In addition, throughout the year, the degree of progress of the action plans established by ENDESA to address any shortcomings previously identified. These plans are defined by those responsible for each process and shared with the Internal Control Unit.

Semi-annually, the Transparency Committee is informed and approves the evaluation of the model, the characterization of the weaknesses and the status of the action plans.

Then, the Administration, Finance and Control Department presents to the Audit and Compliance Committee the conclusions of the assessment process of the System of Internal Control Over Corporate Reporting, and progress on the implementation of the action plans resulting from previous semi-annual assessments.

The Audit and Compliance Committee monitors the effectiveness of internal controls on financial and non-financial information of the Company, which includes receiving reports from the internal control and internal audit managers, and determining the trustworthiness and reliability of the system, reporting such conclusions to the Board of Directors, as well as to discuss with the External Auditor any significant weaknesses in the internal control system detected during the audit. For such purpose, as the case may be, the Audit and Compliance Committee may submit recommendations or proposals to the Board of Directors, including the periods established for compliance therewith.

The six-monthly assessments undertaken in 2022 did not identify any material weaknesses in the System of Internal Control Over Corporate Reporting. Details of the number of controls assessed and reviewed by the independent expert are shown below:

Of the 2,066 controls assessed, 800 were reviewed by an independent expert (of the 1,863 PLCs, 686 were reviewed; of the 187 ELCs/CLCs, 106 were reviewed (ELC SOD 112 controls and 53 reviewed and the remaining ELCs/CLCs 75 controls and 53 reviewed); of the 16 ELC-ACCESS Controls, 8 were reviewed. Additionally there are 229 general ITGC controls, 88 of which were reviewed.

Therefore, the total number of controls assessed was 2,295 of which a total of 888 were reviewed by the external consultant.

In total, as a result of both the self-assessment process and the review carried out by the independent expert, 3 control weaknesses were identified that do not significantly affect the quality of the Information, and 5 non-significant weakness related to general ITGC controls. In accordance with the above, ENDESA Management understands that the Internal Control over Corporate Reporting Model for the period from 1 January to 31 December 2022 proved effective, as were the controls and procedures established to reasonably ensure that the information disclosed externally by ENDESA is reliable and adequate.

Furthermore, ENDESA's Internal Audit Unit, in performing process audits, identifies the main weaknesses in the Internal Control System, proposing the action plans required to resolve them, those responsible for implementing them and the corresponding period for following up.

In the course of this process, any incidents of fraud, no matter how insignificant, involving managers or staff participating in processes with a financial reporting impact are identified and reported.

Additionally, the independent expert contracted by ENDESA's Audit and Compliance Committee to carry out a comprehensive assessment of the operation and effectiveness of ENDESA's Internal Control over Financial and Non-Financial Reporting System presents its results and conclusions to the Audit and Compliance Committee at its end-of-year meeting.

Specifically, EY concluded by noting that the assessment of the performance of Endesa's ICFR, with respect to financial and non-financial information as of 31 December 2022, was satisfactory, and no deficiency affecting system's overall performance was found.

**F.5.2** Whether there is a discussion procedure whereby the auditor (as defined in the Spanish Technical Audit Standards), the internal auditor and other experts can report to senior management and the audit committee or directors of the company any significant weaknesses in internal control identified during the review of the annual financial statements or any others they have been assigned. Additionally, state whether an action plan is available for correcting or mitigating any weaknesses detected.

The Board of Directors holds an annual meeting with the external auditor in order to be informed regarding the work performed and the financial position of and risks faced by the Company. ENDESA's auditor has direct access to ENDESA's Senior Management and holds regular meetings in order to gather the information required to perform its work and to notify any control weaknesses identified in the course of its work.

The Internal Audit function reports regularly to Senior Management and the Audit and Compliance Committee on the main Internal Control weaknesses identified in the review of the different processes during the year, and also reports on the status of the implementation of any action plans established to mitigate these weaknesses.

The duties of the Audit and Compliance Committee include reviewing, analyzing and discussing on an on-going basis the financial statements and other non-financial information related to the Management, the Internal Audit Department, the external auditor or, as the case may be, an independent expert.

#### **F.6. Other relevant information**

There is no further significant information with regard to ENDESA's Reporting Control System other than as described in the preceding sections of this report.

#### **F.7. External auditor's report.**

Report:

**F.7.1** Whether the ICFR information sent to the markets has been subjected to review by the external auditor, in which case the entity should include the corresponding report as an attachment. If not, reasons why should be given.

In accordance with the provisions of Circular 7/2015 of 22 December of the Spanish National Securities Market Commission (CNMV), as amended by CNMV Circular 3/2021 of 28 September, ENDESA presents in its Annual Corporate Governance Report for 2022 the information relating to the main characteristics of its internal control and risk management systems in relation to the process of Financial Reporting, following the structure proposed in the aforementioned Circular.

Also, ENDESA considered it appropriate to ask the external auditor to issue a report reviewing the information detailed in this ICFR report in accordance with the professional conduct guide for corporations.

**G. DEGREE OF COMPLIANCE WITH CORPORATE GOVERNANCE RECOMMENDATIONS**

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Specify the company's degree of compliance with recommendations of the Good Governance Code for listed companies.

In the event that a recommendation is not followed or only partially followed, a detailed explanation of the reasons must be included so that shareholders, investors and the market in general have enough information to assess the company's conduct. General explanations are not acceptable.

1. That the articles of incorporation of listed companies should not limit the maximum number of votes that may be cast by one shareholder or contain other restrictions that hinder the takeover of control of the company through the acquisition of its shares on the market.

Complies [ X ]      Explain [ ]

2. That when the listed company is controlled by another entity in the meaning of Article 42 of the Commercial Code, whether listed or not, and has, directly or through its subsidiaries, business relations with said entity or any of its subsidiaries (other than the listed company) or carries out activities related to those of any of them it should make accurate public disclosures on:

- a) The respective areas of activity and possible business relationships between the listed company or its subsidiaries and the parent company or its subsidiaries.
- b) The mechanisms in place to resolve any conflicts of interest that may arise.

Complies [ X ]      Complies partially [ ]      Explain [ ]      Not applicable [ ]

3. That, during the ordinary General Shareholders' Meeting, as a complement to the distribution of the written annual corporate governance report, the chairman of the Board of Directors should inform shareholders orally, in sufficient detail, of the most significant aspects of the company's corporate governance, and in particular:

- a) Changes that have occurred since the last General Shareholders' Meeting.
- b) Specific reasons why the company has not followed one or more of the recommendations of the Code of Corporate Governance and the alternative rules applied, if any.

Complies [ X ]      Complies partially [ ]      Explain [ ]

4. That the company should define and promote a policy on communication and contact with shareholders and institutional investors, within the framework of their involvement in the company, and with proxy advisors that complies in all aspects with rules against market abuse and gives equal treatment to similarly situated shareholders. And that the company should publish this policy on its website, including information on how it has been put into practice and identifying the contact persons or those responsible for implementing it.

And that, without prejudice to the legal obligations regarding dissemination of inside information and other types of regulated information, the company should also have a general policy regarding the communication of economic-financial, non-financial and corporate information through such channels as it may consider appropriate (communication media, social networks or other channels) that helps to maximise the dissemination and quality of information available to the market, investors and other stakeholders.

Complies [ X ]      Complies partially [ ]      Explain [ ]

5. That the Board of Directors should not submit to the General Shareholders' Meeting any proposal for delegation of powers allowing the issue of shares or convertible securities with the exclusion of preemptive rights in an amount exceeding 20% of the capital at the time of delegation.

And that whenever the Board of Directors approves any issue of shares or convertible securities with the exclusion of preemptive rights, the company should immediately publish the reports referred to by company law on its website.

Complies [ X ]      Complies partially [ ]      Explain [ ]

6. That listed companies that prepare the reports listed below, whether under a legal obligation or voluntarily, should publish them on their website with sufficient time before the General Shareholders' Meeting, even if their publication is not mandatory:

- a) Report on the auditor's independence.
- b) Reports on the workings of the audit and nomination and remuneration committees.
- c) Report by the audit committee on related party transactions.

Complies [ X ]      Complies partially [ ]      Explain [ ]

7. That the company should transmit in real time, through its website, the proceedings of the General Shareholders' Meetings.

And that the company should have mechanisms in place allowing the delegation and casting of votes by means of data transmission and even, in the case of large-caps and to the extent that it is proportionate, attendance and active participation in the General Meeting to be conducted by such remote means.

Complies [ X ]      Complies partially [ ]      Explain [ ]

8. That the audit committee should ensure that the financial statements submitted to the General Shareholders' Meeting are prepared in accordance with accounting regulations. And that in cases in which the auditor has included a qualification or reservation in its audit report, the chairman of the audit committee should clearly explain to the general meeting the opinion of the audit committee on its content and scope, making a summary of this opinion available to shareholders at the time when the meeting is called, alongside the other Board proposals and reports.

Complies [ X ]      Complies partially [ ]      Explain [ ]

9. That the company should permanently publish on its website the requirements and procedures for certification of share ownership, the right of attendance at the General Shareholders' Meetings, and the exercise of the right to vote or to issue a proxy.

And that such requirements and procedures promote attendance and the exercise of shareholder rights in a non-discriminatory fashion.

Complies [ X ]      Complies partially [ ]      Explain [ ]

10. That when a duly authenticated shareholder has exercised his or her right to complete the agenda or to make new proposals for resolutions in advance of the General Shareholders' Meeting, the company:

- a) Should immediately distribute such complementary points and new proposals for resolutions.
- b) Should publish the attendance, proxy and remote voting card specimen with the necessary changes such that the new agenda items and alternative proposals can be voted on in the same terms as those proposed by the Board of Directors.
- c) Should submit all these points or alternative proposals to a vote and apply the same voting rules to them as to those formulated by the Board of Directors including, in particular, assumptions or default positions regarding votes for or against.
- d) That after the General Shareholders' Meeting, a breakdown of the voting on said additions or alternative proposals be communicated.

Complies [ ]      Complies partially [ ]      Explain [ ]      Not applicable [ X ]

11. That if the company intends to pay premiums for attending the General Shareholders' Meeting, it should establish in advance a general policy on such premiums and this policy should be stable.

Complies [ ]      Complies partially [ ]      Explain [ ]      Not applicable [ X ]

12. That the Board of Directors should perform its functions with a unity of purpose and independence of criterion, treating all similarly situated shareholders equally and being guided by the best interests of the company, which is understood to mean the pursuit of a profitable and sustainable business in the long term, promoting its continuity and maximising the economic value of the business.

And that in pursuit of the company's interest, in addition to complying with applicable law and rules and conducting itself on the basis of good faith, ethics and a respect for commonly accepted best practices, it should seek to reconcile its own company interests, when appropriate, with the interests of its employees, suppliers, clients and other stakeholders that may be affected, as well as the impact of its corporate activities on the communities in which it operates and on the environment.

Complies [ X ]      Complies partially [ ]      Explain [ ]

13. That the Board of Directors should be of an appropriate size to perform its duties effectively and in a collegial manner, which makes it advisable for it to have between five and fifteen members.

Complies [ X ]      Explain [ ]

14. That the Board of Directors should approve a policy aimed at favouring an appropriate composition of the Board and that:

- a) Is concrete and verifiable;
- b) Ensures that proposals for appointment or re-election are based upon a prior analysis of the skills required by the Board of Directors; and
- c) Favours diversity of knowledge, experience, age and gender. For these purposes, it is considered that the measures that encourage the company to have a significant number of female senior executives favour gender diversity.

That the result of the prior analysis of the skills required by the Board of Directors be contained in the supporting report from the nomination committee published upon calling the General Shareholders' Meeting to which the ratification, appointment or re-election of each director is submitted.

The nomination committee will annually verify compliance with this policy and explain its findings in the annual corporate governance report.

Complies [ X ]      Complies partially [ ]      Explain [ ]

15. That proprietary and independent directors should constitute a substantial majority of the Board of Directors and that the number of executive directors be kept to a minimum, taking into account the complexity of the corporate group and the percentage of equity participation of executive directors.

And that the number of female directors should represent at least 40% of the members of the Board of Directors before the end of 2022 and thereafter, and no less 30% prior to that date.

Complies [ X ]      Complies partially [ ]      Explain [ ]

16. That the number of proprietary directors as a percentage of the total number of non- executive directors not be greater than the proportion of the company's share capital represented by those directors and the rest of the capital.

This criterion may be relaxed:

- a) In large-cap companies where very few shareholdings are legally considered significant.
- b) In the case of companies where a plurality of shareholders is represented on the Board of Directors without ties among them.

Complies [ X ]      Explain [ ]

17. That the number of independent directors should represent at least half of the total number of directors.

That, however, when the company does not have a high level of market capitalization or in the event that it is a large-cap company with one shareholder or a group of shareholders acting in concert who together control more than 30% of the company's share capital, the number of independent directors should represent at least one third of the total number of directors.

Complies [ X ]      Explain [ ]

18. That companies should publish the following information on its directors on their website, and keep it up to date:

- a) Professional profile and biography.
- b) Any other Boards to which the directors belong, regardless of whether or not the companies are listed, as well as any other remunerated activities engaged in, regardless of type.
- c) Category of directorship, indicating, in the case of individuals who represent significant shareholders, the shareholder that they represent or to which they are connected.
- d) Date of their first appointment as a director of the company's Board of Directors, and any subsequent re-elections.
- e) Company shares and share options that they own.

Complies [ X ]      Complies partially [ ]      Explain [ ]

19. That the annual corporate governance report, after verification by the nomination committee, should explain the reasons for the appointment of any proprietary directors at the proposal of shareholders whose holding is less than 3%. It should also explain, if applicable, why formal requests from shareholders for presence on the Board were not honoured, when their shareholding was equal to or exceeded that of other shareholders whose proposal for proprietary directors was honoured.

Complies [  ]      Complies partially [  ]      Explain [  ]      Not applicable [  ]

20. That proprietary directors representing significant shareholders should resign from the Board when the shareholder they represent disposes of its entire shareholding. They should also resign, in a proportional fashion, in the event that said shareholder reduces its percentage interest to a level that requires a decrease in the number of proprietary directors.

Complies [  ]      Complies partially [  ]      Explain [  ]      Not applicable [  ]

21. That the Board of Directors should not propose the dismissal of any independent director before the completion of the director's term provided for in the articles of incorporation unless the Board of Directors finds just cause and a prior report has been prepared by the nomination committee. Specifically, just cause is considered to exist if the director takes on new duties or commits to new obligations that would interfere with his or her ability to dedicate the time necessary for attention to the duties inherent to his or her post as a director, fails to complete the tasks inherent to his or her post, or is affected by any of the circumstances which would cause the loss of independent status in accordance with applicable law.

The dismissal of independent directors may also be proposed as a result of a public tender offer, merger or other similar operation implying a change in the share structure of the company, provided that such changes in the structure of the board of directors are required by virtue of the proportionate representation criteria discussed in recommendation 16.

Complies [  ]      Explain [  ]



22. That companies should establish rules requiring that directors inform the Board of Directors and, where appropriate, resign from their posts, when circumstances arise which affect them, whether or not related to their actions in the company itself, and which may harm the company's standing and reputation, and in particular requiring them to inform the Board of any criminal proceedings in which they appear as suspects or defendants, as well as of how the legal proceedings subsequently unfold.

And that, if the Board is informed or becomes aware in any other manner of any of the circumstances mentioned above, it must investigate the case as quickly as possible and, depending on the specific circumstances, decide, based on a report from the nomination and remuneration committee, whether or not any measure must be adopted, such as the opening of an internal investigation, asking the director to resign or proposing that he or she be dismissed. And that these events must be reported in the annual corporate governance report, unless there are any special reasons not to do so, which must also be noted in the minutes. This without prejudice to the information that the company must disseminate, if appropriate, at the time when the corresponding measures are implemented.

Complies       Complies partially       Explain

23. That all directors clearly express their opposition when they consider any proposal submitted to the Board of Directors to be against the company's interests. This particularly applies to independent directors and directors who are unaffected by a potential conflict of interest if the decision could be detrimental to any shareholders not represented on the Board of Directors.

Furthermore, when the Board of Directors makes significant or repeated decisions about which the director has serious reservations, the director should draw the appropriate conclusions and, in the event the director decides to resign, explain the reasons for this decision in the letter referred to in the next recommendation.

This recommendation also applies to the secretary of the Board of Directors, even if he or she is not a director.

Complies       Complies partially       Explain       Not applicable

24. That whenever, due to resignation or resolution of the General Shareholders' Meeting, a director leaves before the completion of his or her term of office, the director should explain the reasons for this decision, or in the case of non-executive directors, their opinion of the reasons for cessation, in a letter addressed to all members of the Board of Directors.

And that, without prejudice to all this being reported in the annual corporate governance report, insofar as it is relevant to investors, the company must publish the cessation as quickly as possible, adequately referring to the reasons or circumstances adduced by the director.

Complies       Complies partially       Explain       Not applicable

25. That the nomination committee should make sure that non-executive directors have sufficient time available in order to properly perform their duties.

And that the Board regulations establish the maximum number of company Boards on which directors may sit.

Complies       Complies partially       Explain

26. That the Board of Directors meet frequently enough to be able to effectively perform its duties, and at least eight times per year, following a schedule of dates and agendas established at the beginning of the year and allowing each director individually to propose other items that do not originally appear on the agenda.

Complies       Complies partially       Explain

27. That director absences occur only when absolutely necessary and be quantified in the annual corporate governance report. And when absences do occur, that the director appoint a proxy with instructions.

Complies       Complies partially       Explain

In fiscal year 2022, in keeping with the criteria in section C.1.26 of this report, in-person or remote attendance of directors at the meetings of the Board of Directors, as a percentage of total votes during the year, stood at 91.45%, and 98.70% if proxies with detailed instructions given by Directors unable to attend are taken into account. That is, in 1.30% of the cases of non-attendance, proxies were not granted, owing to exceptional circumstances or situations preventing the Directors in question from attending or granting proxy.

28. That when directors or the secretary express concern regarding a proposal or, in the case of directors, regarding the direction in which the company is headed and said concerns are not resolved by the Board of Directors, such concerns should be included in the minutes at the request of the director expressing them.

Complies       Complies partially       Explain       Not applicable

29. That the company should establish adequate means for directors to obtain appropriate advice in order to properly fulfil their duties including, should circumstances warrant, external advice at the company's expense.

Complies       Complies partially       Explain

30. That, without regard to the knowledge necessary for directors to complete their duties, companies make refresher courses available to them when circumstances make this advisable.

Complies       Explain       Not applicable

31. That the agenda for meetings should clearly indicate those matters on which the Board of Directors is to make a decision or adopt a resolution so that the directors may study or gather all relevant information ahead of time.

The prior and express consent of the majority of the directors in attendance shall be required, and duly recorded in the minutes, if the chairman wishes, on an exceptional and urgent basis, to propose decisions or resolutions to the board of directors that were not listed on the agenda.

Complies       Complies partially       Explain

32. That directors be periodically informed of changes in shareholding and of the opinions of significant shareholders, investors and rating agencies of the company and its group.

Complies       Complies partially       Explain

33. That the chairman, as the person responsible for the efficient workings of the Board of Directors, in addition to carrying out the duties assigned by law and the articles of incorporation, should prepare and submit to the Board of Directors a schedule of dates and matters to be considered; organise and coordinate the periodic evaluation of the Board as well as, if applicable, the chief executive of the company, should be responsible for leading the Board and the effectiveness of its work; ensuring that sufficient time is devoted to considering strategic issues, and approve and supervise refresher courses for each director when circumstances make this advisable.

Complies       Complies partially       Explain

34. That when there is a coordinating director, the articles of incorporation or Board regulations should confer upon him or her the following powers in addition to those conferred by law: to chair the Board of Directors in the absence of the chairman and deputy chairmen, should there be any; to reflect the concerns of non-executive directors; to liaise with investors and shareholders in order to understand their points of view and respond to their concerns, in particular as those concerns relate to corporate governance of the company; and to coordinate a succession plan for the chairman.

Complies       Complies partially       Explain       Not applicable

35. That the secretary of the Board of Directors should pay special attention to ensure that the activities and decisions of the Board of Directors take into account such recommendations regarding good governance contained in this Good Governance Code as may be applicable to the company.

Complies       Explain

36. That the Board of Directors meet in plenary session once a year and adopt, where appropriate, an action plan to correct any deficiencies detected in the following:
- a) The quality and efficiency of the Board of Directors' work.
  - b) The workings and composition of its committees.
  - c) Diversity in the composition and skills of the Board of Directors.
  - d) Performance of the chairman of the Board of Directors and of the chief executive officer of the company.
  - e) Performance and input of each director, paying special attention to those in charge of the various Board committees.

In order to perform its evaluation of the various committees, the Board of Directors will take a report from the committees themselves as a starting point and for the evaluation of the Board, a report from the nomination committee.

Every three years, the Board of Directors will rely for its evaluation upon the assistance of an external advisor, whose independence shall be verified by the nomination committee.

Business relationships between the external adviser or any member of the adviser's group and the company or any company within its group must be specified in the annual corporate governance report.

The process and the areas evaluated must be described in the annual corporate governance report.

Complies       Complies partially       Explain

37. That if there is an executive committee, it must contain at least two non-executive directors, at least one of whom must be independent, and its secretary must be the secretary of the Board.

Complies       Complies partially       Explain       Not applicable

38. That the Board of Directors must always be aware of the matters discussed and decisions taken by the executive committee and that all members of the Board of Directors receive a copy of the minutes of meetings of the executive committee.

Complies       Complies partially       Explain       Not applicable

39. That the members of the audit committee, in particular its chairman, be appointed in consideration of their knowledge and experience in accountancy, audit and risk management issues, both financial and non-financial.

Complies       Complies partially       Explain

40. That under the supervision of the audit committee, there should be a unit in charge of the internal audit function, which ensures that information and internal control systems operate correctly, and which reports to the non-executive chairman of the Board or of the audit committee.

Complies [ X ]

Complies partially [ ]

Explain [ ]

41. That the person in charge of the unit performing the internal audit function should present an annual work plan to the audit committee, for approval by that committee or by the Board, reporting directly on its execution, including any incidents or limitations of scope, the results and monitoring of its recommendations, and present an activity report at the end of each year.

Complies [ X ]

Complies partially [ ]

Explain [ ]

Not applicable [ ]

42. That in addition to the provisions of applicable law, the audit committee should be responsible for the following:

1. With regard to information systems and internal control:
  - a) Supervising and evaluating the process of preparation and the completeness of the financial and non-financial information, as well as the control and management systems for financial and non-financial risk relating to the company and, if applicable, the group - including operational, technological, legal, social, environmental, political and reputational risk, or risk related to corruption - reviewing compliance with regulatory requirements, the appropriate delimitation of the scope of consolidation and the correct application of accounting criteria.
  - b) Ensuring the independence of the unit charged with the internal audit function; proposing the selection, appointment and dismissal of the head of internal audit; proposing the budget for this service; approving or proposing its orientation and annual work plans for approval by the Board, making sure that its activity is focused primarily on material risks (including reputational risk); receiving periodic information on its activities; and verifying that senior management takes into account the conclusions and recommendations of its reports.
  - c) Establishing and supervising a mechanism that allows employees and other persons related to the company, such as directors, shareholders, suppliers, contractors or subcontractors, to report any potentially serious irregularities, especially those of a financial or accounting nature, that they observe in the company or its group. This mechanism must guarantee confidentiality and in any case provide for cases in which the communications can be made anonymously, respecting the rights of the whistleblower and the person reported.
  - d) Generally ensuring that internal control policies and systems are effectively applied in practice.
2. With regard to the external auditor:
  - a) In the event that the external auditor resigns, examining the circumstances leading to such resignation.
  - b) Ensuring that the remuneration paid to the external auditor for its work does not compromise the quality of the work or the auditor's independence.
  - c) Making sure that the company informs the CNMV of the change of auditor, along with a statement on any differences that arose with the outgoing auditor and, if applicable, the contents thereof.
  - d) Ensuring that the external auditor holds an annual meeting with the Board of Directors in plenary session in order to make a report regarding the tasks performed and the development of the company's accounting situation and risks.
  - e) Ensuring that the company and the external auditor comply with applicable rules regarding the provision of services other than auditing, limits on the concentration of the auditor's business, and, in general, all other rules regarding auditors' independence.

Complies [ X ]

Complies partially [ ]

Explain [ ]

43. That the audit committee be able to require the presence of any employee or manager of the company, even stipulating that he or she appear without the presence of any other member of management.

Complies       Complies partially       Explain

44. That the audit committee be kept abreast of any corporate and structural changes planned by the company in order to perform an analysis and draw up a prior report to the Board of Directors on the economic conditions and accounting implications and, in particular, any exchange ratio involved.

Complies       Complies partially       Explain       Not applicable

45. That the risk management and control policy identify or determine, as a minimum:

- a) The various types of financial and non-financial risks (including operational, technological, legal, social, environmental, political and reputational risks and risks relating to corruption) which the company faces, including among the financial or economic risks contingent liabilities and other off-balance sheet risks.
- b) A risk control and management model based on different levels, which will include a specialised risk committee when sector regulations so require or the company considers it to be appropriate.
- c) The level of risk that the company considers to be acceptable.
- d) Measures in place to mitigate the impact of the risks identified in the event that they should materialise.
- e) Internal control and information systems to be used in order to control and manage the aforementioned risks, including contingent liabilities or off-balance sheet risks.

Complies       Complies partially       Explain

46. That under the direct supervision of the audit committee or, if applicable, of a specialised committee of the Board of Directors, an internal risk control and management function should exist, performed by an internal unit or department of the company which is expressly charged with the following responsibilities:

- a) Ensuring the proper functioning of risk management and control systems and, in particular, that they adequately identify, manage and quantify all material risks affecting the company.
- b) Actively participating in drawing up the risk strategy and in important decisions regarding risk management.
- c) Ensuring that the risk management and control systems adequately mitigate risks as defined by the policy laid down by the Board of Directors.

Complies       Complies partially       Explain

47. That in designating the members of the nomination and remuneration committee – or of the nomination committee and the remuneration committee if they are separate – care be taken to ensure that they have the knowledge, aptitudes and experience appropriate to the functions that they are called upon to perform and that the majority of said members are independent directors.

Complies  ]      Complies partially  ]      Explain  ]

48. That large-cap companies have separate nomination and remuneration committees.

Complies  ]      Explain  ]      Not applicable  ]

The Board of Directors of Endesa decided not to divide the existing Appointments and Compensation Committee into two separate committees (“appointments committee” and “compensation committee”). The existence of a single Committee ensures the coordination (an obligation that would be required between the two Committees if divided) of matters related to assessment and compensation, attracting and retaining talent and a focus on achieving results.

49. That the nomination committee consult with the chairman of the Board of Directors and the chief executive of the company, especially in relation to matters concerning executive directors.

And that any director be able to ask the nomination committee to consider potential candidates that he or she considers suitable to fill a vacancy on the Board of Directors.

Complies  ]      Complies partially  ]      Explain  ]

50. That the remuneration committee exercise its functions independently and that, in addition to the functions assigned to it by law, it should be responsible for the following:

- a) Proposing the basic conditions of employment for senior management to the Board of Directors.
- b) Verifying compliance with the company's remuneration policy.
- c) Periodically reviewing the remuneration policy applied to directors and senior managers, including share-based remuneration systems and their application, as well as ensuring that their individual remuneration is proportional to that received by the company's other directors and senior managers.
- d) Making sure that potential conflicts of interest do not undermine the independence of external advice given to the committee.
- e) Verifying the information on remuneration of directors and senior managers contained in the various corporate documents, including the annual report on director remuneration.

Complies  ]      Complies partially  ]      Explain  ]

51. That the remuneration committee should consult with the chairman and the chief executive of the company, especially on matters relating to executive directors and senior management.

Complies  ]      Complies partially  ]      Explain  ]



52. That the rules regarding the composition and workings of the supervision and control committees should appear in the regulations of the Board of Directors and that they should be consistent with those applying to legally mandatory committees in accordance with the foregoing recommendations, including:

- a) That they be composed exclusively of non-executive directors, with a majority of independent directors.
- b) That their chairpersons be independent directors.
- c) That the Board of Directors select members of these committees taking into account their knowledge, skills and experience and the duties of each committee; discuss their proposals and reports; and require them to render account of their activities and of the work performed in the first plenary session of the Board of Directors held after each committee meeting.
- d) That the committees be allowed to avail themselves of outside advice when they consider it necessary to perform their duties.
- e) That their meetings be recorded and the minutes be made available to all directors.

Complies [ X ]

Complies partially [ ]

Explain [ ]

Not applicable [ ]

53. That verification of compliance with the company's policies and rules on environmental, social and corporate governance matters, and with the internal codes of conduct be assigned to one or divided among more than one committee of the Board of Directors, which may be the audit committee, the nomination committee, a specialised committee on sustainability or corporate social responsibility or such other specialised committee as the Board of Directors, in the exercise of its powers of self-organisation, may have decided to create. And that such committee be composed exclusively of non- executive directors, with a majority of these being independent directors, and that the minimum functions indicated in the next recommendation be specifically assigned to it.

Complies [ X ]

Complies partially [ ]

Explain [ ]

54. The minimum functions referred to in the foregoing recommendation are the following:

- a) Monitoring of compliance with the company's internal codes of conduct and corporate governance rules, also ensuring that the corporate culture is aligned with its purpose and values.
- b) Monitoring the application of the general policy on communication of economic and financial information, non-financial and corporate information and communication with shareholders and investors, proxy advisors and other stakeholders. The manner in which the entity communicates and handles relations with small and medium- sized shareholders must also be monitored.
- c) The periodic evaluation and review of the company's corporate governance system, and environmental and social policy, with a view to ensuring that they fulfil their purposes of promoting the interests of society and take account, as appropriate, of the legitimate interests of other stakeholders.
- d) Supervision of the company's environmental and social practices to ensure they are in alignment with the established strategy and policy.
- e) Supervision and evaluation of the way in which relations with the various stakeholders are handled.

Complies [ X ]

Complies partially [ ]

Explain [ ]

55. That environmental and social sustainability policies identify and include at least the following:

- a) The principles, commitments, objectives and strategy relating to shareholders, employees, clients, suppliers, social issues, the environment, diversity, tax responsibility, respect for human rights, and the prevention of corruption and other unlawful conduct
- b) Means or systems for monitoring compliance with these policies, their associated risks, and management.
- c) Mechanisms for supervising non-financial risk, including that relating to ethical aspects and aspects of business conduct.
- d) Channels of communication, participation and dialogue with stakeholders.
- e) Responsible communication practices that impede the manipulation of data and protect integrity and honour.

Complies [ X ]

Complies partially [ ]

Explain [ ]

56. That director remuneration be sufficient in order to attract and retain directors who meet the desired professional profile and to adequately compensate them for the dedication, qualifications and responsibility demanded of their posts, while not being so excessive as to compromise the independent judgement of non-executive directors.

Complies [ X ]

Explain [ ]

57. That only executive directors should receive variable remuneration linked to corporate results and personal performance, as well as remuneration in the form of shares, options or rights to shares or instruments referenced to the share price and long-term savings plans such as pension plans, retirement schemes or other provident schemes.

Delivery of shares as compensation of non-executive directors may be used, provided the directors are required to hold said shares until they no longer serve as directors. The foregoing shall not apply to shares that the director may need to sell in order to meet the costs related to their acquisition.

Complies  Complies partially  Explain

58. That as regards variable remuneration, remuneration policies should incorporate the necessary limits and technical safeguards to ensure that such remuneration is in line with the professional performance of its beneficiaries and not based solely on general developments in the markets or in the sector in which the company operates, or other similar circumstances.

And, in particular, that variable remuneration components:

- a) Are linked to pre-determined and measurable performance criteria and that such criteria take into account the risk incurred to achieve a given result.
- b) Promote the sustainability of the company and include non-financial criteria that are geared towards creating long term value, such as compliance with the company's rules and internal operating procedures and with its risk management and control policies.
- c) Are based on balancing the attainment of short-, medium- and long-term objectives, so as to allow remuneration of continuous performance over a period long enough to be able to assess its contribution to the sustainable creation of value, such that the elements used to measure performance are not associated only with one-off, occasional or extraordinary events.

Complies  Complies partially  Explain  Not applicable

59. That the payment of variable remuneration components be subject to sufficient verification that previously established performance or other conditions have effectively been met. Entities must include in their annual report on director remuneration the criteria for the time required and methods used for this verification depending on the nature and characteristics of each variable component.

That, additionally, companies consider the inclusion of a reduction ('malus') clause for the deferral of the payment of a portion of variable remuneration components that would imply their total or partial loss if an event were to occur prior to the payment date that would make this advisable.

Complies  Complies partially  Explain  Not applicable

60. That remuneration related to company results should take into account any reservations that might appear in the external auditor's report and that would diminish said results.

Complies       Complies partially       Explain       Not applicable

61. That a material portion of executive directors' variable remuneration be linked to the delivery of shares or financial instruments referenced to the share price.

Complies       Complies partially       Explain       Not applicable

62. That once shares or options or financial instruments have been allocated under remuneration schemes, executive directors be prohibited from transferring ownership or exercising options or rights until a term of at least three years has elapsed.

An exception is made in cases where the director has, at the time of the transfer or exercise of options or rights, a net economic exposure to changes in the share price for a market value equivalent to at least twice the amount of his or her fixed annual remuneration through the ownership of shares, options or other financial instruments.

The forgoing shall not apply to shares that the director may need to sell in order to meet the costs related to their acquisition or, following a favourable assessment by the nomination and remuneration committee, to deal with such extraordinary situations as may arise and so require.

Complies       Complies partially       Explain       Not applicable

63. That contractual arrangements should include a clause allowing the company to demand reimbursement of the variable remuneration components in the event that payment was not in accordance with the performance conditions or when payment was made based on data subsequently shown to have been inaccurate.

Complies       Complies partially       Explain       Not applicable

64. That payments for contract termination should not exceed an amount equivalent to two years of total annual remuneration and should not be paid until the company has been able to verify that the director has fulfilled all previously established criteria or conditions for payment.

For the purposes of this recommendation, payments for contractual termination will be considered to include any payments the accrual of which or the obligation to pay which arises as a consequence of or on the occasion of the termination of the contractual relationship between the director and the company, including amounts not previously vested of long-term savings schemes and amounts paid by virtue of post-contractual non-competition agreements.

Complies       Complies partially       Explain       Not applicable



## ANNUAL CORPORATE GOVERNANCE REPORT FOR LISTED PUBLIC LIMITED COMPANIES

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The contractual conditions of the current executive director were agreed before this recommendation. Nonetheless, the Directors Compensation Policy of ENDESA provides that, when a new member of the Senior Management joins the Company or its Group, a maximum limit of two years of total annual compensation shall be established for payments for termination of contracts, including amounts not already paid out under long-term savings systems as well as amounts paid under post-contractual non-competition agreements, which shall also apply under the same terms to the contracts with executive Directors.

**H. FURTHER INFORMATION OF INTEREST**

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1. If there is any significant aspect regarding corporate governance in the company or other companies in the group that has not been included in other sections of this report, but which it is necessary to include in order to provide a more comprehensive and reasoned picture of the structure and governance practices in the company or its group, describe them briefly below.
2. This section may also be used to provide any other information, explanation or clarification relating to previous sections of the report, so long as it is relevant and not repetitive.

Specifically, indicate whether the company is subject to any corporate governance legislation other than that of Spain and, if so, include any information required under this legislation that differs from the data required in this report.

3. The company may also indicate whether it has voluntarily subscribed to other ethical or best practice codes, whether international, sector-based, or other. In such case, name the code in question and the date on which the company subscribed to it. Specific mention must be made as to whether the company adheres to the Code of Good Tax Practices of 20 July 2010.

CODE OF BEST PRACTICES

At a meeting on 20 December 2010 ENDESA's Board of Directors agreed ENDESA's accession to the Code of Good Tax Practices (CGTP). Likewise, on 25 January 2016, it ratified the accession of ENDESA, SA and its Spanish controlled subsidiaries, after the incorporation of an Annex with new conduct obligations for both the Company and the Administration. Endesa's Board of Directors, at its meeting on 21 December 2020, agreed that Endesa and its controlled subsidiaries and branches in France and Portugal will adhere to the Codes of Good Tax Practices in each of these countries. In compliance with the Corporate Governance rules with regard to tax issues and the provisions of the Code of Good Tax Practices, Endesa's Head of Tax Affairs regularly informs the Audit and Compliance Committee on the company's tax situation. ENDESA has been presenting the Reinforced Transparency Report to the State Tax Administration Agency since 2016. This Report consists of a breakdown of information that Endesa voluntarily submits to the Administration in accordance with the provisions of the Annex to the Code of Good Tax Practices. On 21 July 2022, the FY 2021 report was submitted, as indicated on the AEAT's electronic seat, on which a list of the companies having submitted Transparency Reports for FY 2021, including the Endesa Group, was posted.

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This Annual Corporate Governance Report was approved by the Board of Directors of the company in its meeting held on:

[ 22/02/2023 ]

Indicate whether any director voted against or abstained from approving this report.

[ ] Yes  
[ v ] No

## Annex I: Skills of the Members of the Board of Directors

DIRECTORS	Finance & Risk	Engineering	Legal	Management	Strategy	ICT	HR	Sustainability and Governance	Climate Change	Tenure (years)*	Nationality	Gender	Age*
Juan Sanchez-Calero Guilarte	✓		✓	✓	✓			✓		3.8	ESP	M	66
Francesco Starace	✓	✓		✓	✓				✓	8.6	ITA	M	67
José Bogas Gálvez	✓	✓		✓	✓				✓	8.3	ESP	M	67
Ms. Maria Eugenia Bieto Caubet	✓			✓	✓		✓	✓		2.7	ESP	F	72
Antonio Cammisecra	✓	✓		✓	✓				✓	3.3	ITA	M	52
Mr. Ignacio Garralda Ruiz de Velasco	✓		✓	✓	✓		✓	✓		7.8	ESP	M	71
Ms. Pilar Gonzalez de Frutos	✓		✓	✓	✓					2.7	ESP	F	66
Ms. Francesca Gostinelli	✓	✓		✓	✓			✓	✓	0.8	ITA	F	49
Francisco de Lacerda	✓			✓	✓		✓	✓		7.8	PRT	M	62
Ms. Alicia Koplowitz y Romero de Juseu	✓			✓	✓			✓		2.7	ESP	F	68
Alberto de Paoli	✓			✓	✓					8.2	ITA	M	57
Ms. Cristina de Parias Halcón	✓		✓	✓	✓	✓		✓		0.8	ESP	F	57

During the assessment process of the Board of Directors and its Committees carried out with the assistance of PWC, the latter remarked that not only is the Board compliant with certain gender diversity ratios, but it also has complementary profiles of an exceptional caliber, possessing considerable experience of the business and of the wider industry, and with financial, managerial, academic, legal and other backgrounds. The independent consultant also noted that the Board's international experience is sufficient and adequate in view of the markets in which the Company currently operates.

Endesa believes that the Directors play a pivotal role in promoting good governance at the Company, and the composition of the Board of Directors and its Committees is a decisive factor in that sense, enhancing the decision-making process and making the Directors more adept and effective at promoting the corporate interest. In this regard, Director knowledge and expertise are increasingly becoming a key asset for the Company, for the proper operation of the Board and the Committees, and for stakeholders.

However, Endesa considers the regular updating of the Directors' knowledge to be essential in ensuring that the Directors have an outstanding grasp of innovative, technical and complex matters and this training is approved by the Appointments and Compensation Committee each year. It is also considered immensely important for Board members and Committee members alike to be able to rely on the advice and support of independent third-party experts on any aspects that they deem appropriate. For this reason, both the Board of Directors and the Committees of Endesa have budgets set aside so that their members can seek and obtain any advice they consider appropriate in each case.



ENDESA, S.A.

**Auditor's Report on the "Internal Control over  
Financial Reporting (ICOFR) Information" of  
Endesa, S.A. for 2022**

*(Translation from the original in Spanish. In the  
event of discrepancy, the Spanish-language  
version prevails.)*





KPMG Auditores, S.L.  
Paseo de la Castellana, 259 C  
28046 Madrid

## **Auditor's Report on the "Internal Control over Financial Reporting (ICOFR) Information" of Endesa, S.A. for 2022**

*(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)*

To the Directors of Endesa, S.A.

As requested by the Board of Directors of Endesa, S.A. (the "Company") and in accordance with our proposal letter dated 20 July 2022, we have applied certain procedures to the "ICOFR information" attached hereto in section F of the Annual Corporate Governance Report (ACGR) of Endesa, S.A. for 2022, which summarises the Entity's internal control procedures for annual financial reporting.

The Board of Directors is responsible for adopting appropriate measures to reasonably ensure the implementation, maintenance and oversight of an adequate system of internal control, the development of improvements to that system and the preparation and definition of the content of the ICOFR information attached hereto.

In this respect, it should be borne in mind that irrespective of the quality of the design and operation of the internal control system adopted by the Entity in relation to annual financial reporting, the system may only provide reasonable, but not absolute assurance in relation to the objectives pursued, due to the limitations inherent in any internal control system.

In the course of our audit work on the annual accounts and in accordance with Technical Auditing Standards, our evaluation of the Entity's internal control was solely aimed at enabling us to establish the scope, nature and timing of the audit procedures on the Entity's annual accounts. Consequently, the scope of our evaluation of internal control, performed for the purposes of the audit of accounts, was not sufficient to enable us to issue a specific opinion on the effectiveness of this internal control over regulated annual financial reporting.

For the purposes of issuing this report, we have applied only the specific procedures described below and set out in the *Guidelines for preparing the auditor's report on the information on the system of internal control over financial reporting of listed companies*, published on the website of the Spanish National Securities Market Commission (CNMV), which define the work to be performed, the minimum scope thereof and the content of this report. As the scope of the work resulting from these procedures is in any event limited and substantially less than that of an audit or review of the internal control system, we do not express an opinion on the effectiveness thereof, nor on its design or operating effectiveness, with respect to the Entity's annual financial reporting for 2022 described in the ICOFR information attached hereto. Consequently, had additional procedures been applied other than those established in the aforementioned Guidelines, or had an audit or a review been performed of the internal control system in relation to regulated annual financial reporting, other events or matters could have been identified, which would have been reported to you.



*(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)*

As this special work did not constitute an audit of accounts and is not subject to current legislation regulating the audit of accounts in Spain, we do not express an audit opinion under the terms provided in such legislation.

The procedures applied were as follows:

1. Reading and understanding of the information prepared by the Entity regarding ICOFR – disclosures included in the directors' report – and an evaluation of whether this information meets all the minimum reporting requirements, taking into account the minimum content described in section F, on the description of ICOFR, of the ACGR template provided in the Spanish National Securities Market Commission (CNMV) Circular 5/2013 of 12 June 2013 and subsequent amendments, the most recent being CNMV Circular 3/2021 of 28 September 2021 (hereinafter the CNMV Circulars).
2. Inquiries of the personnel responsible for drawing up the information detailed in point 1 above in order to: (i) gain an understanding of the preparation process; (ii) obtain information that allows us to assess whether the terminology used conforms to the definitions contained in the reference framework; (iii) obtain information on whether the control procedures described are in place and operational in the Entity.
3. Review of the explanatory documentation supporting the information detailed in point 1 above, primarily including documents made directly available to those responsible for preparing the description of the ICOFR system. This documentation includes reports prepared by internal audit, senior management and other internal or external specialists supporting the audit committee.
4. Comparison of the information detailed in point 1 above with the understanding of the Entity's ICOFR gained as a result of the procedures performed within the framework of the audit work on the annual accounts.
5. Reading of the minutes of the meetings of the Board of Directors, audit and compliance committee and other committees of the Entity for the purposes of assessing the consistency of the matters discussed at these meetings in relation to the ICOFR with the information detailed in point 1 above.
6. Procurement of a representation letter concerning the work performed, duly signed by those responsible for preparing and authorising the information detailed in point 1 above.

As a result of the procedures applied to the ICOFR information, no inconsistencies or incidents have been detected that could affect it.



*(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)*

This report has been prepared exclusively within the context of the requirements laid down in article 540 of the Revised Spanish Companies Act and in the CNMV Circulars for the purposes of the description of ICOFR in annual corporate governance reports.

KPMG Auditores, S.L.

*(Signed on original in Spanish)*

Estibaliz Bilbao Belda

22 February 2023