



endesa

CAPITAL
MARKETS
DAY

November 25th 2021

Agenda



José Bogas, CEO

**Endesa
@2030**

**Our positioning
The landscape
Our strategy**



Luca Passa, CFO

**2022-24
Strategic Plan**

**Strategic Plan
Financial Targets**



José Bogas, CEO

Closing remarks

Our positioning

José Bogas
CEO

The Endesa logo is displayed in a lowercase, sans-serif font. The letters 'e', 'n', 'd', 'e', and 's' are rendered in a vibrant blue color, while the letters 'a' and 'a' are in a light grey color. The logo is positioned in the bottom right corner of the slide.

A portfolio of strategic assets...



2nd player in **generation**



56.1 TWh output ⁽¹⁾
~86% CO₂ free mainland

Largest retail **customer** base



~91 TWh power sales ⁽¹⁾
11.9 mn customers ⁽⁴⁾

1st **network** operator⁽²⁾



129 TWh distributed ⁽³⁾
11.7 €bn RAB
12.4 mn Grid Customers

Note: 2021E figures

(1) Energy at busbars
(2) By distributed energy

(3) In supplier busbars
(4) Electricity & gas clients

...with sound progress in all operating targets...



Decarbonization

	2014	2021E	Target 2023 Old plan
RES ⁽¹⁾	32%	~54%	~ 62%
CO2 emission free output (%) ⁽²⁾	~50%	~86%	~89%
Coal ⁽²⁾ (TWh)	22.2	0.4	0

Electrification

	2014	2021E	Target 2023 Old plan
Power integrated margin (€/MWh)	19	~30	~31
Power free clients (mn)	4.5	5.6	6.1
Endesa X (k# charging points) ⁽³⁾	-	11	56

Infrastructures & Networks

	2014	2021E	Target 2023 Old plan
Smart-meters (mn)	5	>12	>12
Distributed energy (TWh) ⁽⁴⁾	109	129	131
Opex/Grid Customer (€/cl.)	59	39	38

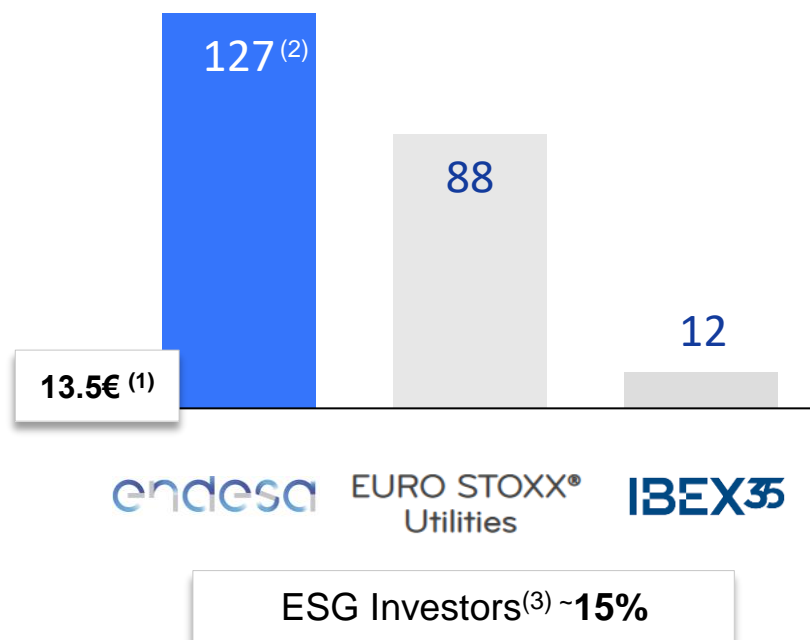
(1) % of mainland capacity
(2) Mainland

(3) Public and private
(4) In supplier busbars

...as well as in financial targets



Total shareholder return (%)



	2014	2021E	CAGR 2014-21E
Gross CAPEX (€bn)	1.0	2.1	+11%
EBITDA (€bn)	3.1	4.0	+4%
Net Ordinary Income (€bn)	0.9	1.7	+10%
Gross DPS (€/sh)	0.76	~1.3	+7%

(1) Preferential subscription share price on November 20th, 2014 (latest IPO)
 (2) Includes dividends assumed to be re-invested (2021 share price as of Nov 23rd: 19.62 €/sh). Calculated with Bloomberg data
 (3) Socially Responsible Investors over total Capital as of December 2020 (2020 Sustainability Report)

The landscape

endesa

European Fit for 55 sets the path for carbon neutrality by 2050



Energy and climate objectives to 2030

Before Green Deal

Green Deal (Fit for 55)

Reduction of GHG emissions

>-40% vs 1990

-55% vs 1990
(-61% ETS vs 2005)
(-40% no ETS vs 2005)

Renewables⁽¹⁾

>32%

40%

Energy Efficiency⁽²⁾

32.5%

~36%

Interconnection⁽³⁾

15%



Energy and Climate strategic framework

2030 Energy and Climate Integrated National Plan (PNIEC)

-23% vs 1990 @ 2030
(-62% ETS vs 2005)
(-40% no ETS vs 2005)
CO2 neutral @ 2050

42%

39.5%



>15%

(1) Renewable energy as % of the total energy consumption
(2) Savings in primary/final energy consumption versus reference level
(3) Interconnection capacity as % of peak demand

Strong pipeline of projects for Recovery Funds



Hydrogen

- Development of 23 green hydrogen projects for industrial final offtakers in hard to abate sectors
- Collaboration agreements with CEPSA & IQE Group  
- Presentation to funding mechanism ongoing, one already selected for IPCEI

Sustainable mobility

- 10 projects on clean mobility & charging infrastructure
- Up to date, participation in funds through programs like MOVES III or regional / local initiatives



Renewables

- 6 projects: repowering renewable plants and dispatchable renewables

Circular economy, plant upgrade & others

- 18 projects on circular economy, improving plants and e-city projects in Sevilla and Málaga  
- Agreement with Urbaser 

Refurbishment & efficiency

- 25 projects on building renovation, electrification and improving efficiency
- Agreements with Bankinter & OHLA  

Storage & flexibility

- 17 projects on batteries and pumping

Smart grids

- 23 projects on digitalization and resilience to improve distribution networks
- 1 project submitted to a call on IA





Our strategy

endesa

More ambitious commitment in our 2030 vision

Gross capex 2021-30



Endesa @2030

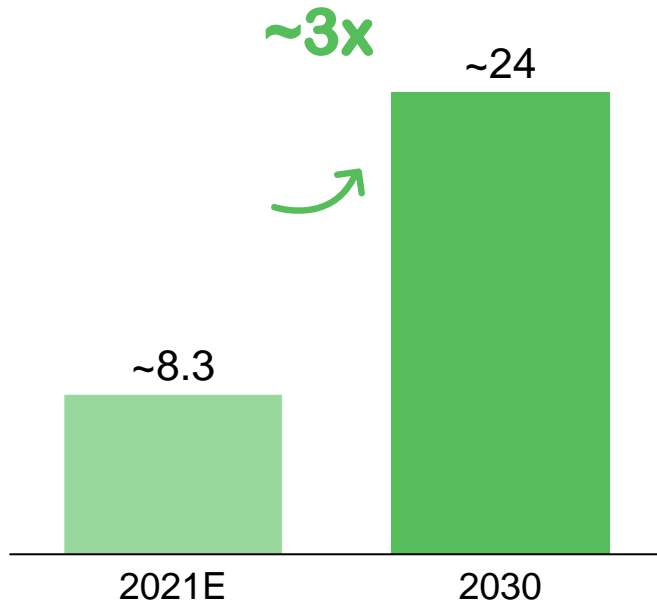
	2020	2030	
RES capacity ⁽¹⁾ (GW)	7.8	~24	+16 GW
		<i>1.6 GW</i>	<i>Avg. 2021-30</i>
Power free clients (mn)	5.7	~7	+23%
RAB (€bn)	11.7	~13	+11%

(1) Includes large hydro

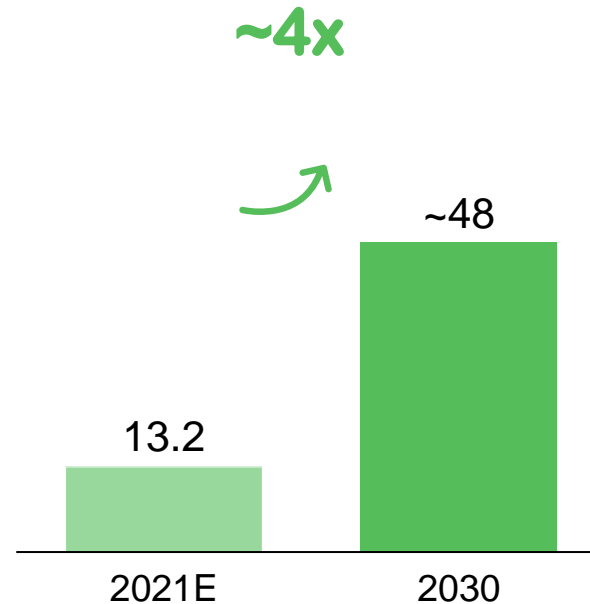
Foster renewable penetration with ~16 GW of new capacity to be deployed by 2030



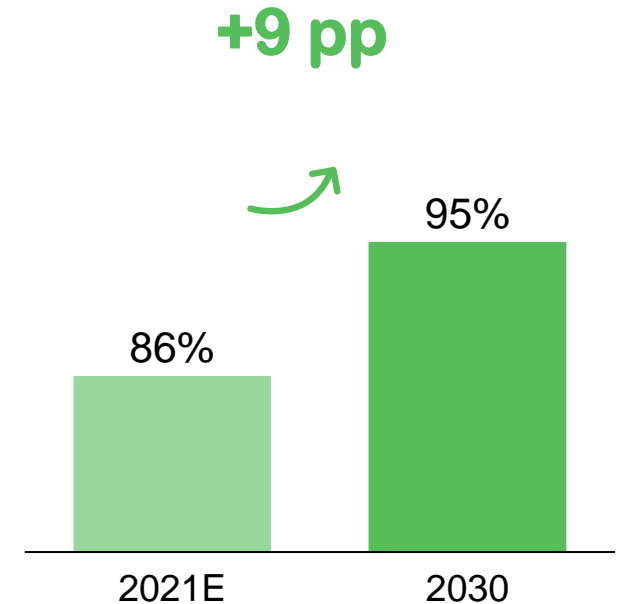
RES capacity evolution (GW)



RES output evolution (TWh)

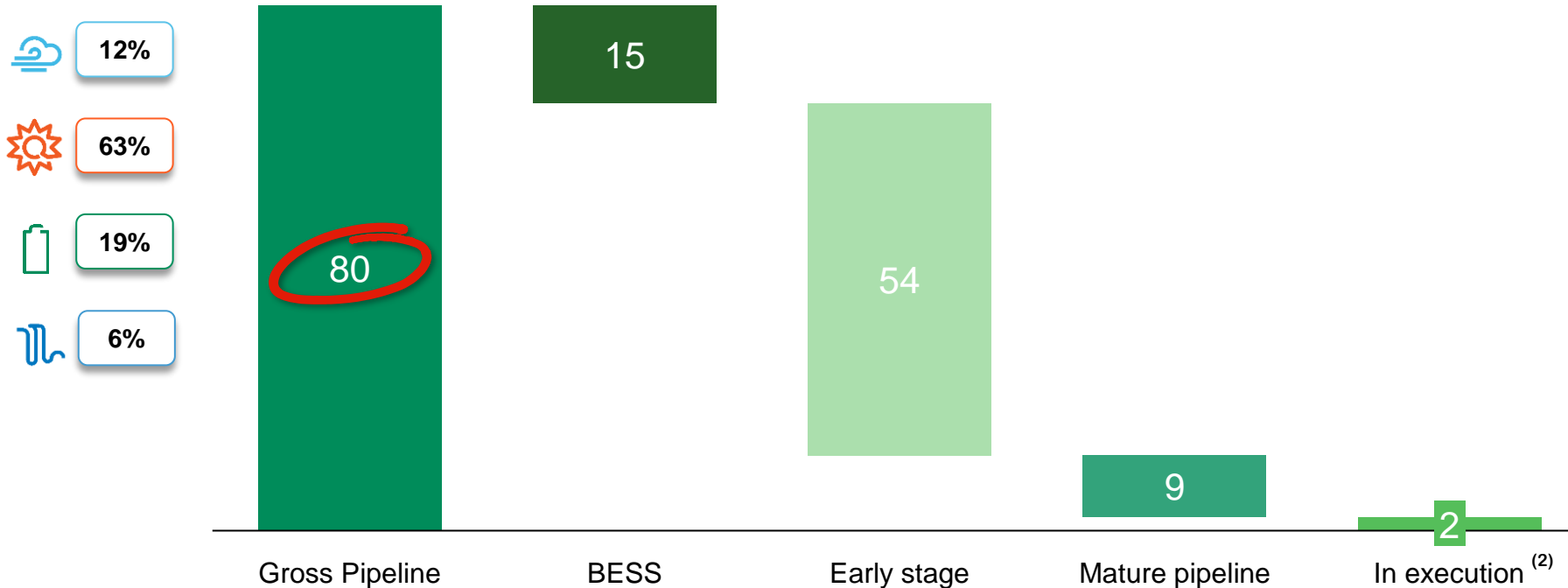


Mainland emission CO₂ free production



Solid pipeline to support renewable growth

Gross pipeline⁽¹⁾ of RES projects (GW)



Extensive pipeline
secures growth
ambitions,
covering by 4x
targets to 2030

(1) As of 31st October 2021

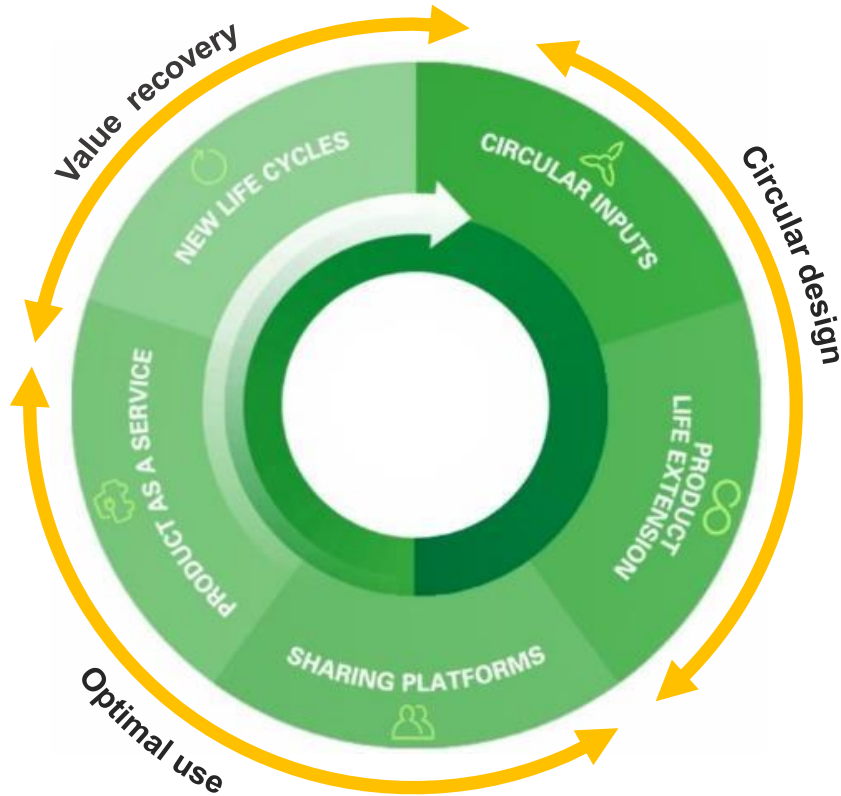
(2) Only considers projects with commissioning date 2022-24

Under a Circular Economy approach



Generation fleet circularity ⁽¹⁾

Material & fuel reduction vs 2015



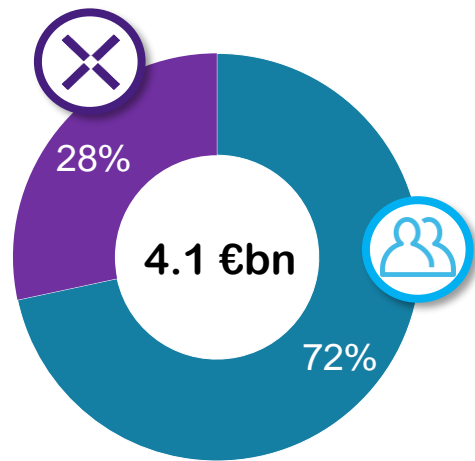
- ❑ **Circularity in the supply chain measurement for all the strategic technologies**
- ❑ **Second life for EV batteries through innovative project in Melilla**
- ❑ **Maximizing material recovery: Circular decommissioning of thermal power plants**
- ❑ **Made circular the strategic value chains: wind turbine blade & EV battery recycling plant in Compostilla**

(1) Materials and fuel consumption reduction of the power fleet throughout the life cycle, compared to 2015. Nuclear activities not included

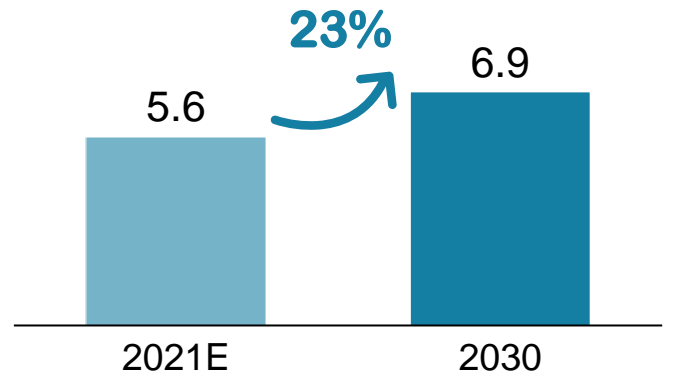
Demand electrification maximizing our customer value



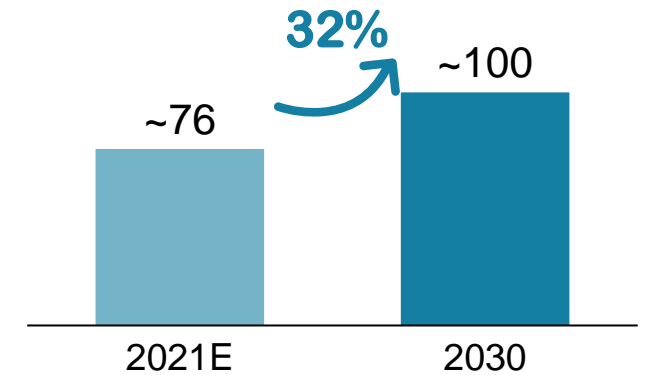
2021-30 Retail Capex (€bn)



Power free customers (mn)



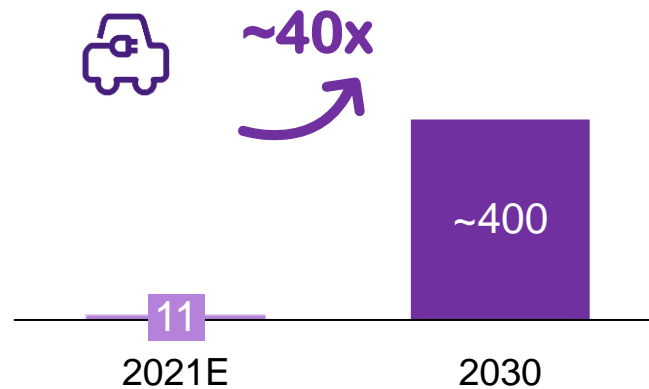
Power free sales (TWh)



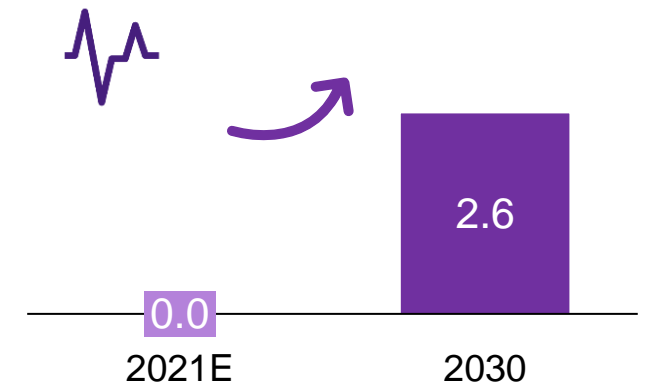
B2C unitary consumption (MWh/y)



Charging points⁽¹⁾ (k)



Demand response (GW)

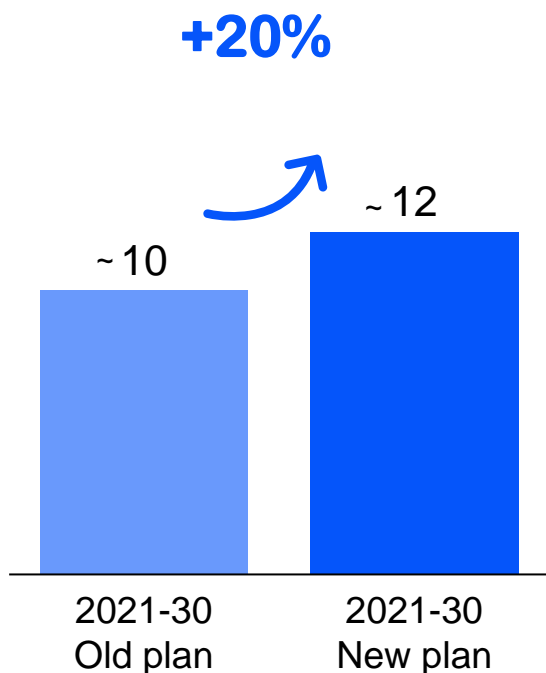


(1) Public and private

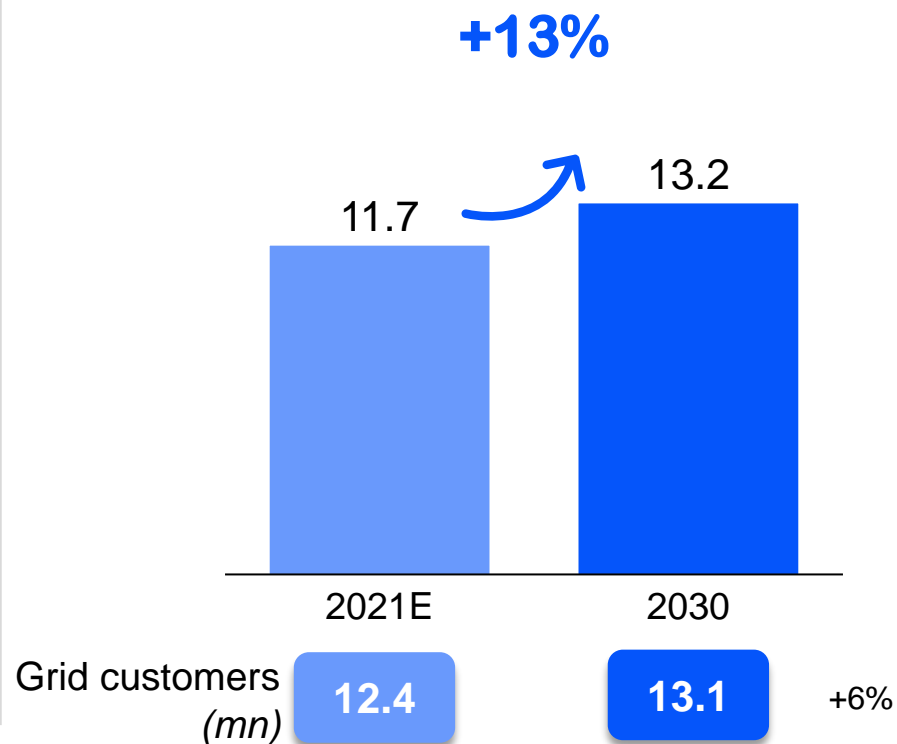
Higher investments in networks to boost **quality** and **resiliency**



2021-30 Networks Capex (€bn)



RAB (€bn)

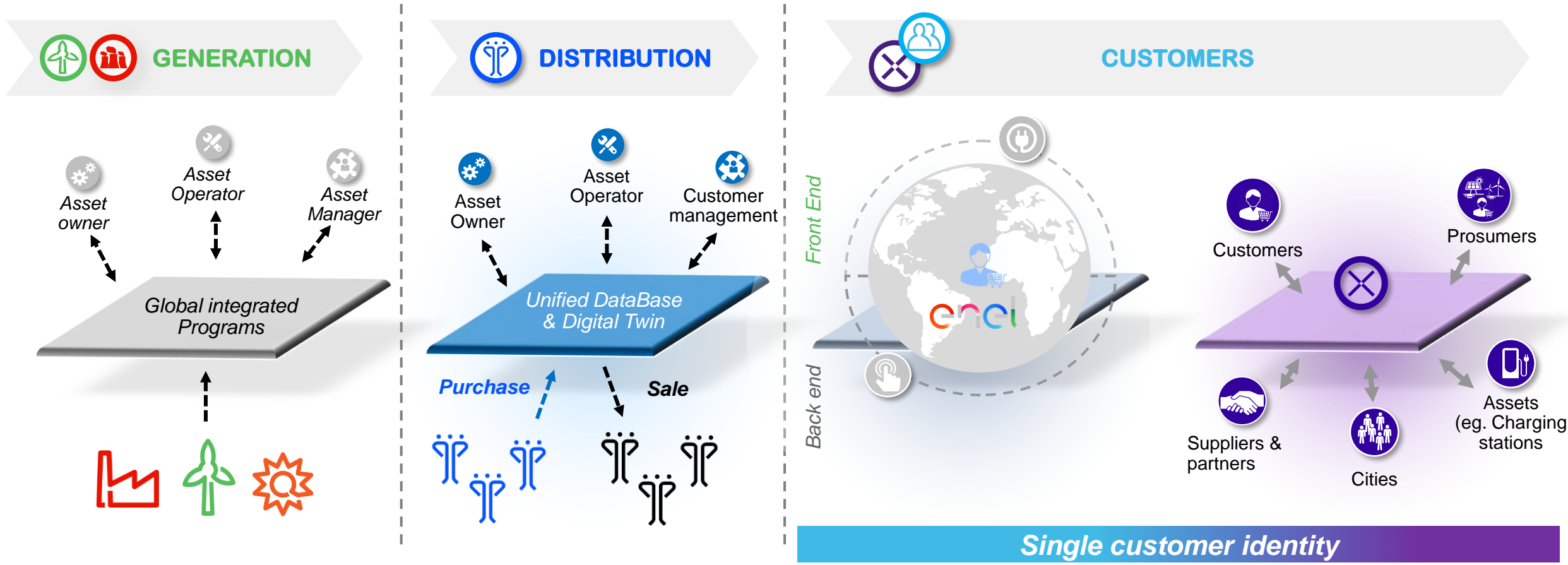


	2021E	2030	Δ
Opex/Grid Customer (€/cl.)	39	33	-15%
Electricity distributed (TWh)	129	143	+11%
TIEPI ⁽¹⁾ (min)	60	41	-32%
NIEPI ⁽²⁾ (#)	1.0	0.6	-40%

Grid Blue Sky

(1) Tiempo de Interrupción Equivalente a la Potencia Instalada (Installed Capacity Equivalent Interruption Time)
 (2) Número de Interrupciones Equivalente a la Potencia Instalada (Installed Capacity Equivalent Number of Interruptions)

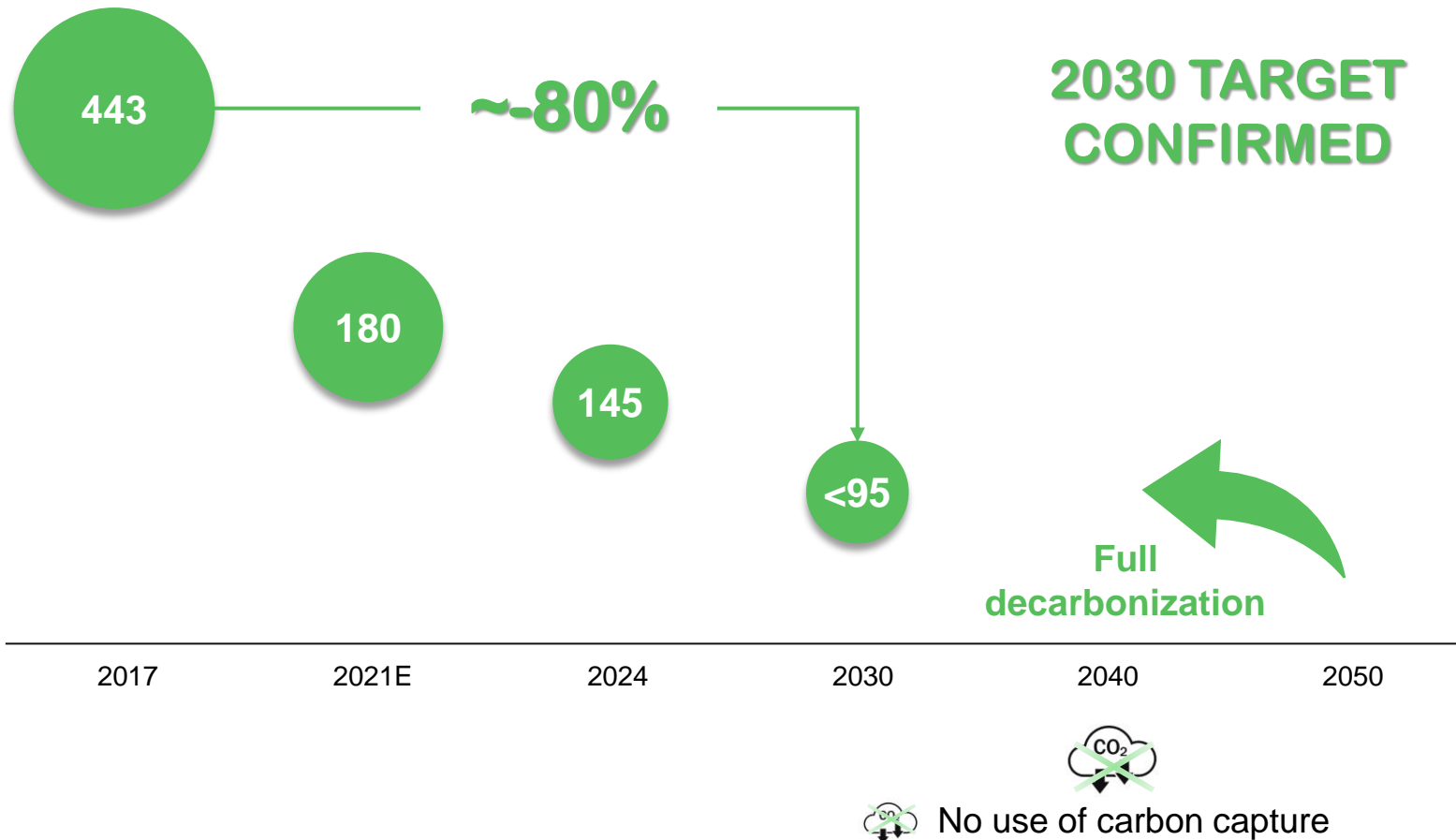
Focusing on a new platform-based business model



Bringing forward to 2040 the Net Zero target



Scope 1 emissions⁽¹⁾ (gCO₂e/kWh)



Accelerating the decommissioning of the thermal fleet to achieve full decarbonization

(1) It includes all scope1 emissions

The strategic milestones to become Net Zero by 2040



Deploy new RES capacity to have a 100% RES fleet by 2040



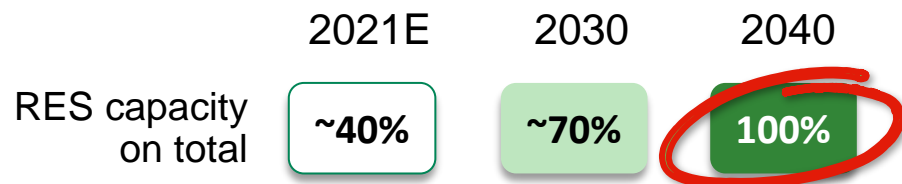
Exit from coal by 2027
Exit from gas by 2040



Exit gas retail by 2040



Capex plan fully aligned with 2040 Net Zero targets



Endesa positioning by 2030

The path to transformation



Affordable and clean energy

RES Capacity (GW)

24

RES Production (TWh)

48

Emission free production⁽¹⁾

95%

Wide portfolio of products and high quality service

Power free customers (mn)

6.9

Demand Response (GW)

2.6

Charging points (mn)

0.4

Reliable and safe delivery

RAB (€bn)

13.2

Electricity distributed (TWh)

143

TIEPI (min)

41

(1) Mainland

2022-2024 Strategic Plan

Luca Passa
CFO



An investment plan tailored to cover customers' needs



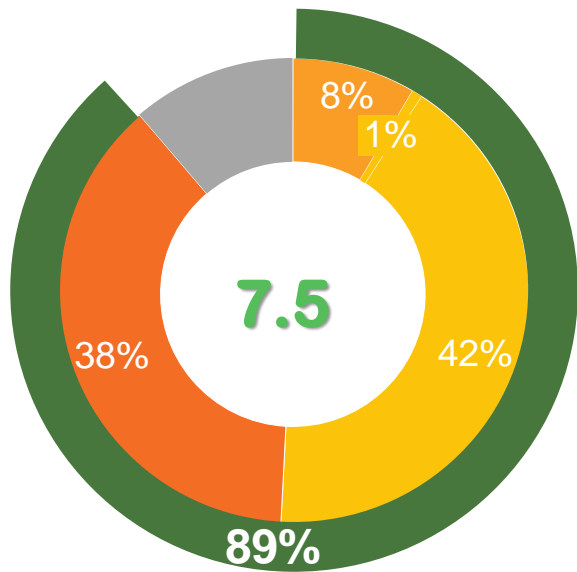
Endesa @2024

	2021	2024	
Renewables (GW)	8.3	12.3	+48%
	<i>1.3 GW avg. 2022-24</i>		
Power free clients (mn)	5.6	5.8	+4%
RAB (€bn)	11.7	11.7	-%

(1) Includes nuclear, CCGTs, non mainland and others

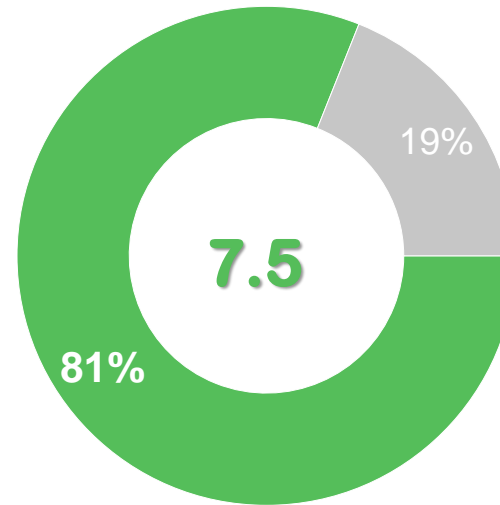
Highly aligned to SDGs and EU taxonomy

2022-24 Capital allocation by SDG (€bn)



- SDG 7
- SDG 9
- SDG 11
- SDG 7, 9 & 11
- SDG 13

2022-24 Capital allocation by EU taxonomy (€bn)



- Eligible
- Not eligible/covered



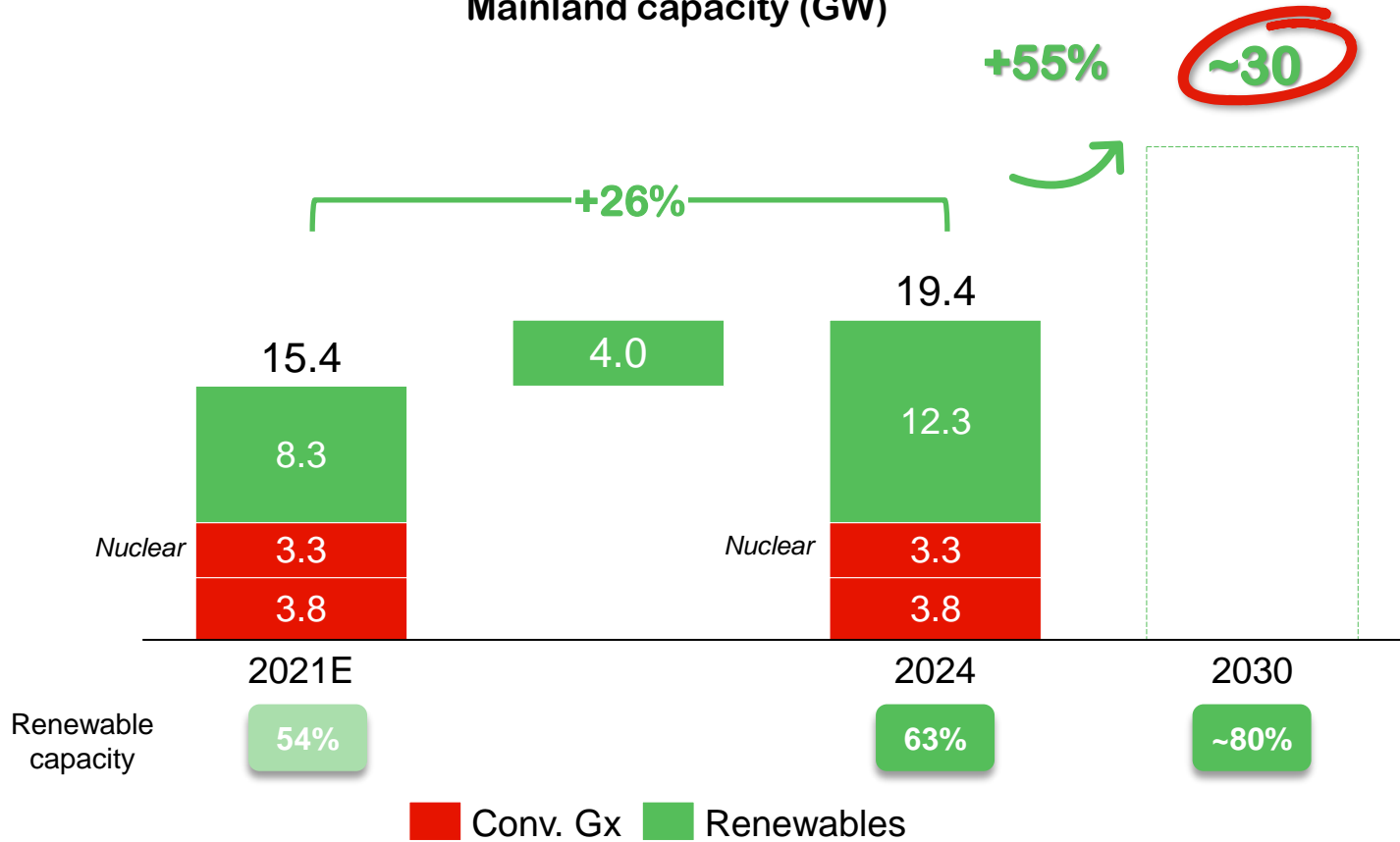
~90%
SDG aligned



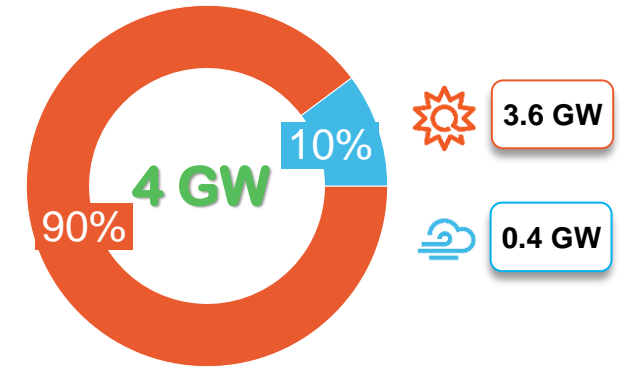
>80%
EU Taxonomy eligible

Greening our generation mix leveraging on mature pipeline...

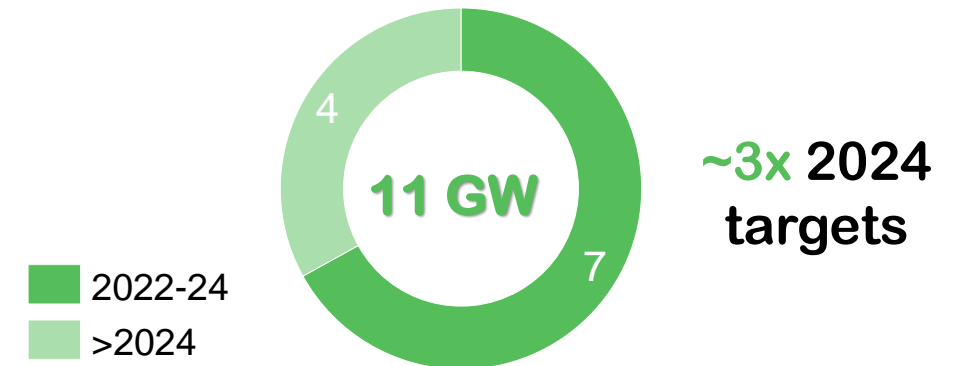
Mainland capacity (GW)



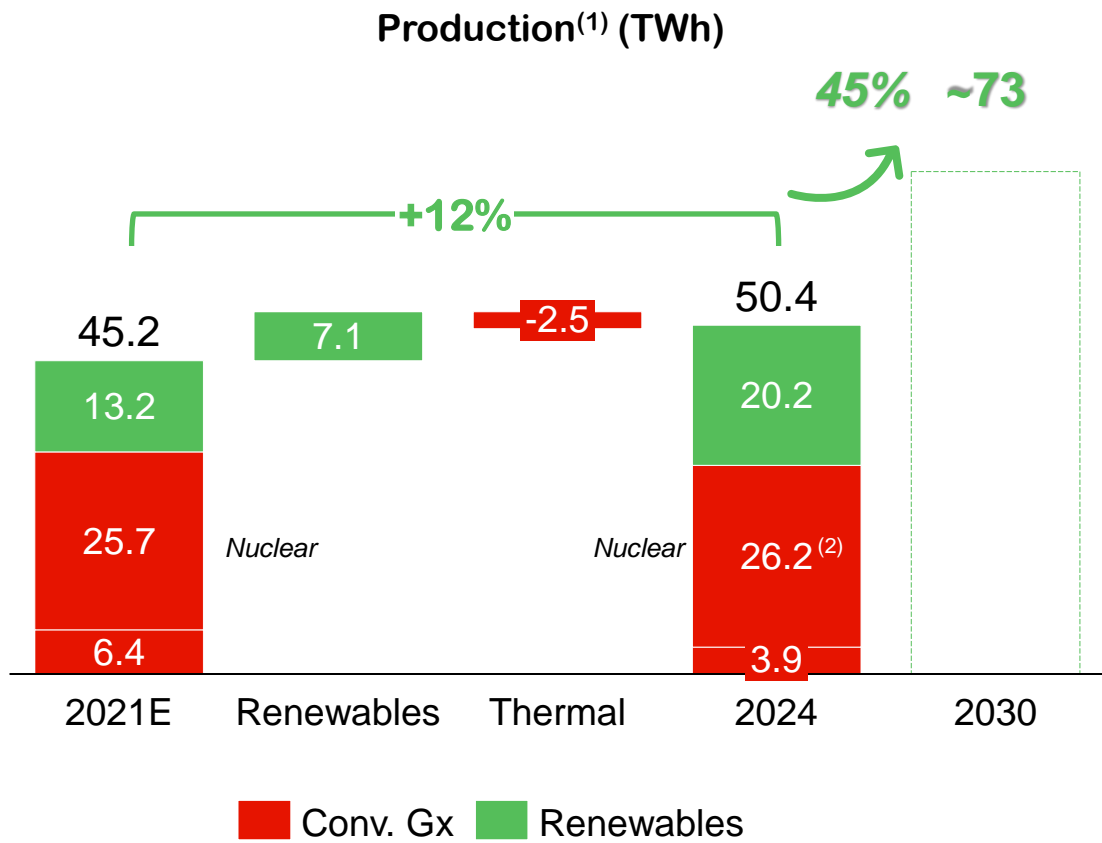
2022-24 RES capacity increase



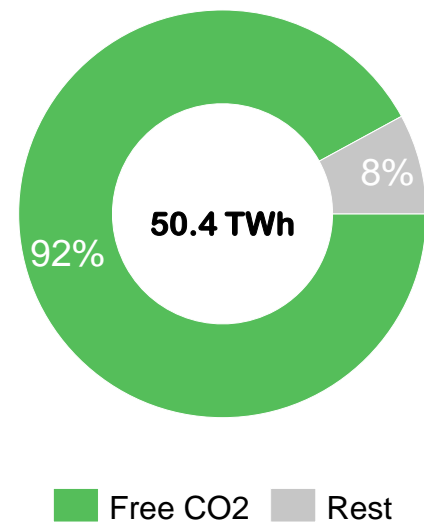
Mature & In execution pipeline by COD



...to boost renewable penetration and affordable clean energy...

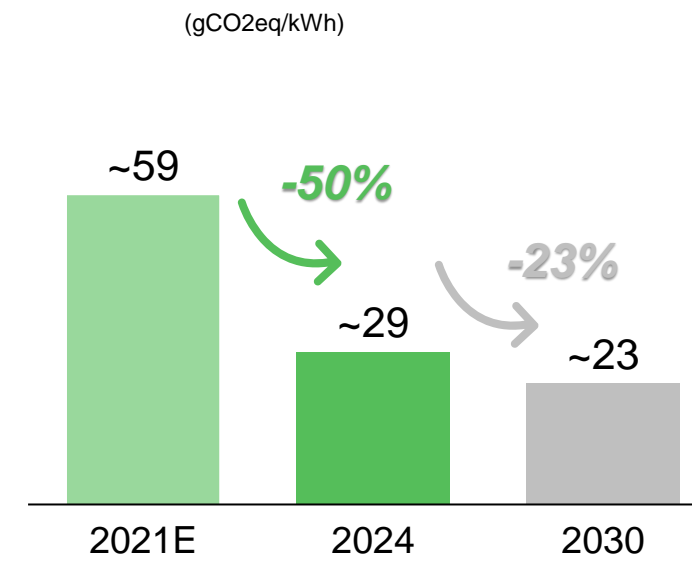


2024 Emission free production



86% in 2021E

-62% CO₂ emissions (contributing to Scope 1)



Note: figures related to mainland

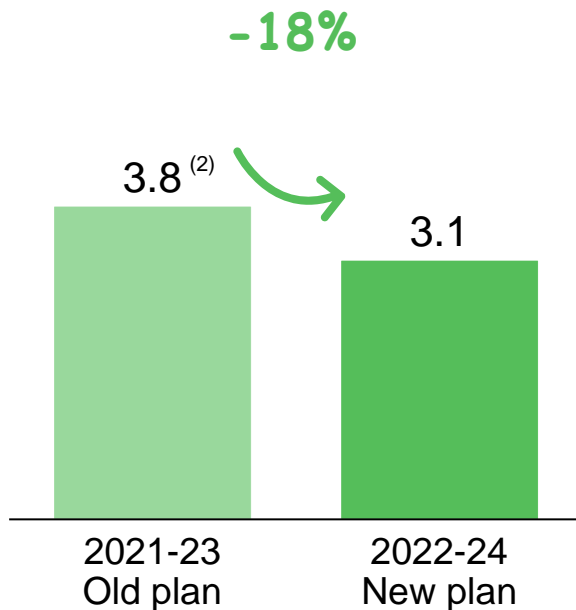
(1) Rounded figures

(2) Load factors increase

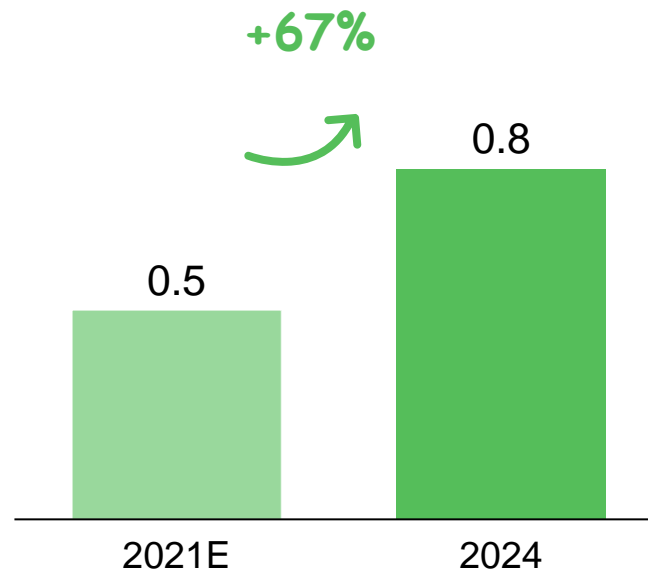
...providing EBITDA increase



Renewables cumulated capex (€bn) ⁽¹⁾



EBITDA (€bn)



IRR-WACC spread ~200bps

Financial KPIs

	2021E	2024	
Opex/MWh (€/MWh)	15	13	-13%
Opex/MW (k€/MW)	24	21	-13%

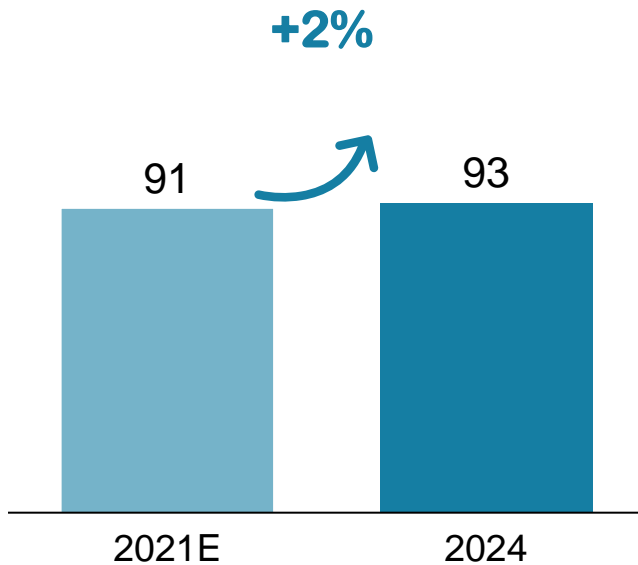
(1) includes maintenance

(2) Includes 0.3 €bn of BESS and H2 capex (Recovery Funds)

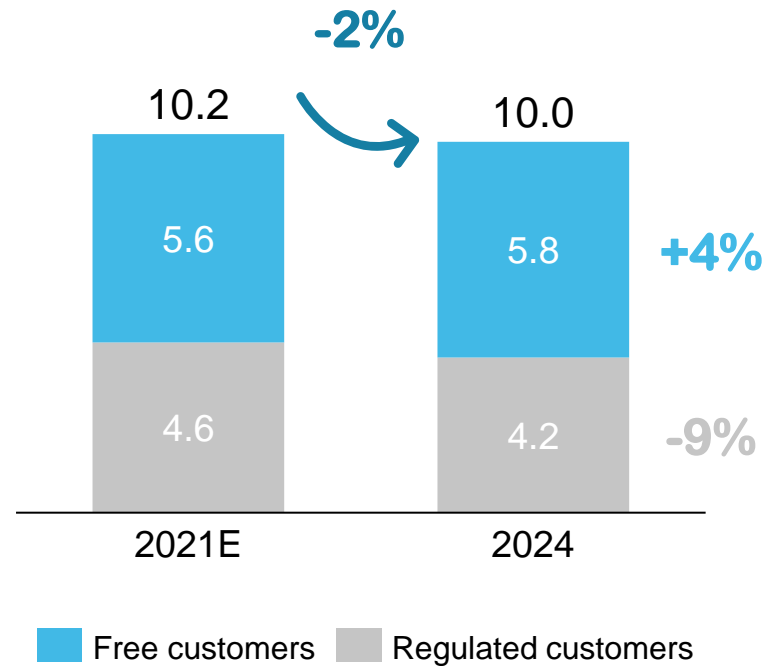
Focus on value and customer loyalty...



Power sold⁽¹⁾ (TWh)



Power customers (mn)



Operational KPIs⁽²⁾

	2021E	2024	Δ
Liberalized sales (TWh)	~76	~78	+3%
Regulated sales (TWh)	~13	~12	-8%
International sales (TWh)	~3	~3	-%
Churn rate (%)	17.6	16.9	-0.7pp

(1) Gross energy sales

(2) Rounded figures

...with pioneer commercial initiatives, such as Una Solución...



<p>Stable prices</p>	<p>No time slots</p>
<p>No permanence clause</p>	<p>100% online</p>

- “UNA SOLUCIÓN”**, attractive solution for regulated customers
- UNICA**: Competitive energy at fixed price of 58€/MWh guaranteed for 2 years.



- 100% renewable energy**
- Promos** linked to customer loyalty
- Sales capacity x2**: growth mainly in digital, outbound and new local models

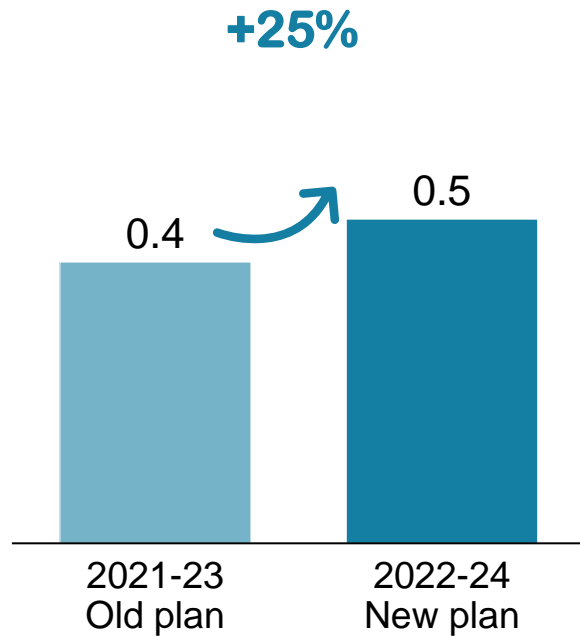
Única de Endesa

Energy ▾	✓	360 Protection ▾	✓
NETFLIX ▾	Opcional	Hogar Plus ▾	Opcional
Recompensas Plan	✓	One month free every year	✓

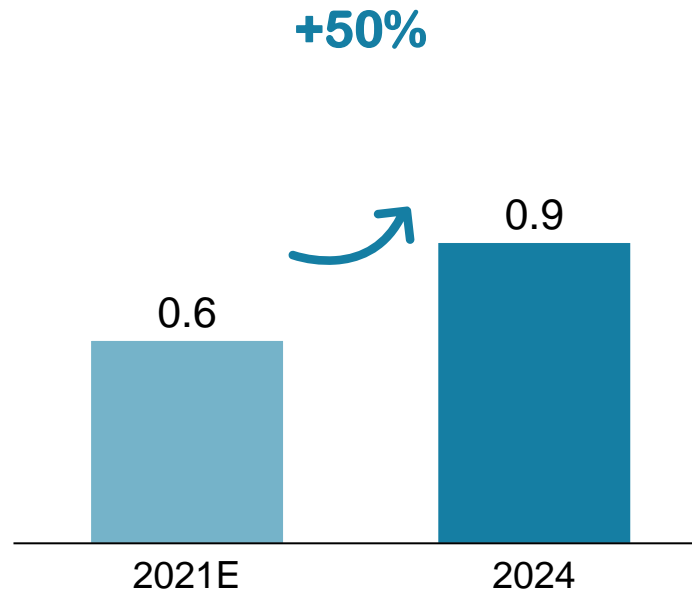
...resulting in higher EBITDA leveraged on digitalization effort



Retail cumulated capex (€bn)



EBITDA (€bn)



Financial KPI

	2021E	2024	
Cost to Serve (€/cust.)	11.6	9.9	-15%

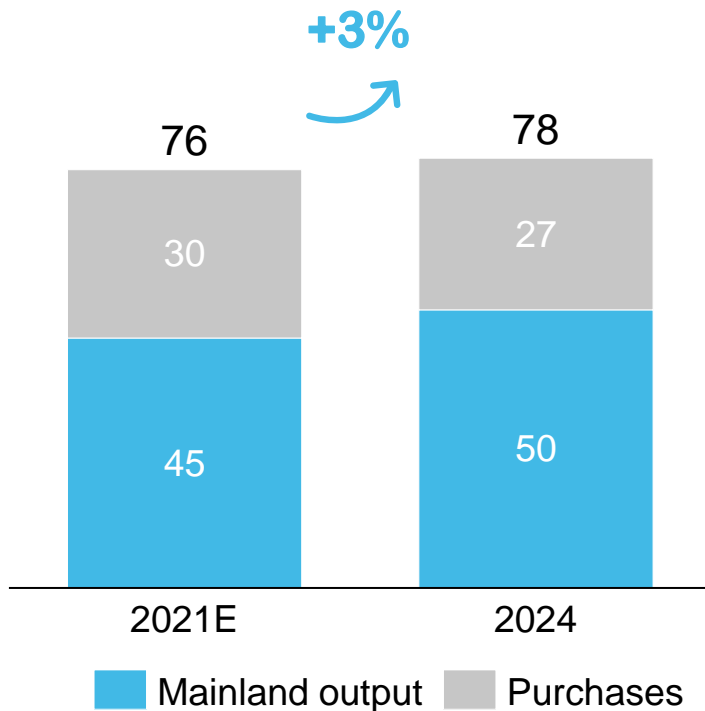
Digital KPIs

	2021E	2024	
Digital contracts (mn)	5.6	6.0	+7%
E-billing (mn)	4.2	5.3	+26%

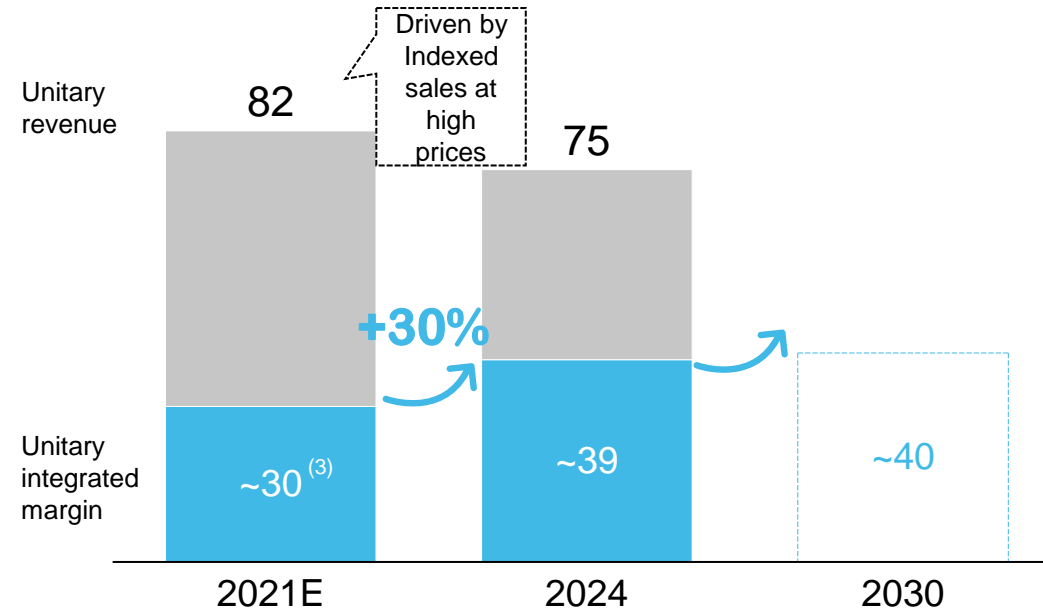
Integrated electricity margin resiliency thanks to renewable additions and favorable market context



Liberalized sales⁽¹⁾ (TWh)



Integrated margin⁽²⁾ (€/MWh)



Financial KPIs

	2021E	2024	
Supply margin (€/MWh)	~11	~12	+10%
Variable cost (€/MWh)	~53	~36	-32%

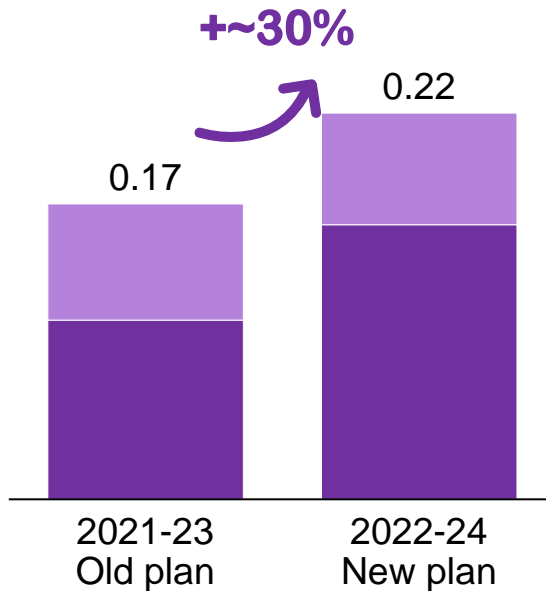
	2022	2023	2024
Output hedged	88%	30%	-

(1) Liberalized sales considered in integrated margin. Excluded international sales (2.6 TWh in 2021E and 2.7 TWh in 2024). Rounded figures
 (2) Rounded figures. Includes generation, supply and short position margin
 (3) Including settled derivative positions reported in SENP

Evolving towards innovative, high growth solutions



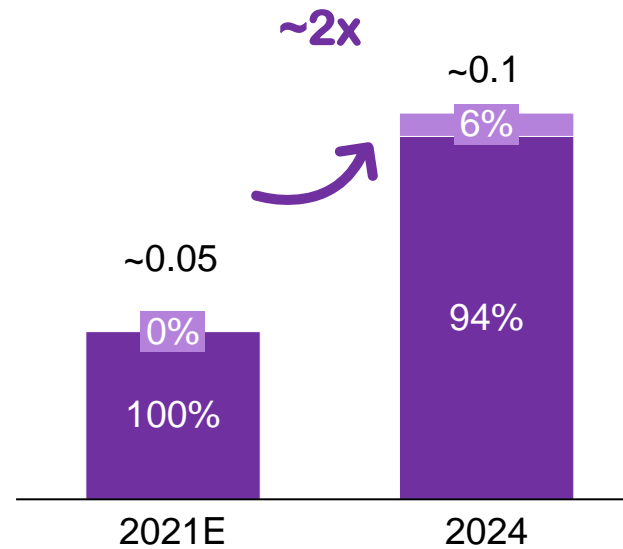
Cumulated capex (€bn)



E-mobility capex ~0.1 €bn

■ Mature business⁽¹⁾ ■ Growth business⁽²⁾

EBITDA (€bn)



Infrastructure KPIs

	2021E	2024	
Charging points (k#)	11	46	4x
e-bus charging points (#)	23	125	5x

Services KPIs

	2021E	2024	
E-home contracts (mn)	2.0	2.7	+35%
Demand Response (MW)	-	185	-

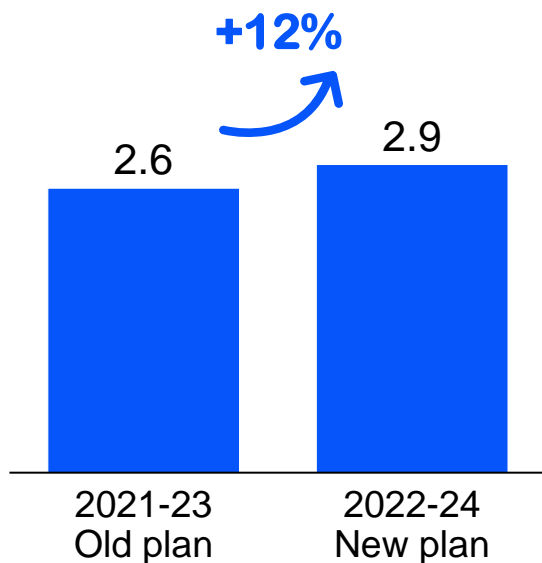
(1) Mature business: e-home, e-industry and e-City

(2) Growth business: e-mobility

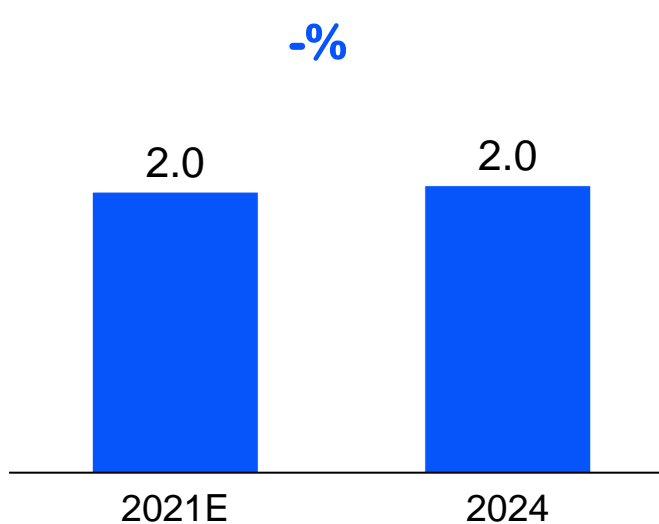
Higher investments in grid infrastructure focused on service quality and resilience



Cumulated Gross Capex⁽¹⁾ (€bn)



EBITDA (€bn)



Operational KPIs

	2021E	2024	
NIEPI (#)	1.0	0.9	-10%
TIEPI (min.)	60	45	-25%
Losses (%)	7.1	6.9	-3%

Net Capex, (€bn) **2.2** **2.0** -9%

RAB (€bn) **11.7** **11.7** -%

Digital Capex (€bn) **1.3** **1.3** -

Opex/Grid Customer (€/cl.) **39** **39** -%

(1) Includes client contributions.

2022-2024 Financial Targets

Luca Passa
CFO



Strategic plan at a glance

€bn



Cumulated gross capex⁽¹⁾

2021-23 Old plan	2022-24 New plan
7.9	7.5
-5%	

EBITDA

2021E	2024
4.0	4.7
+18%	

Net Ordinary Income

2021E	2024
1.7	2.0
+18%	

FFO/EBITDA

2021E	2024
41%	71%

FFO/Net Debt

2021E	2024
17%	31%

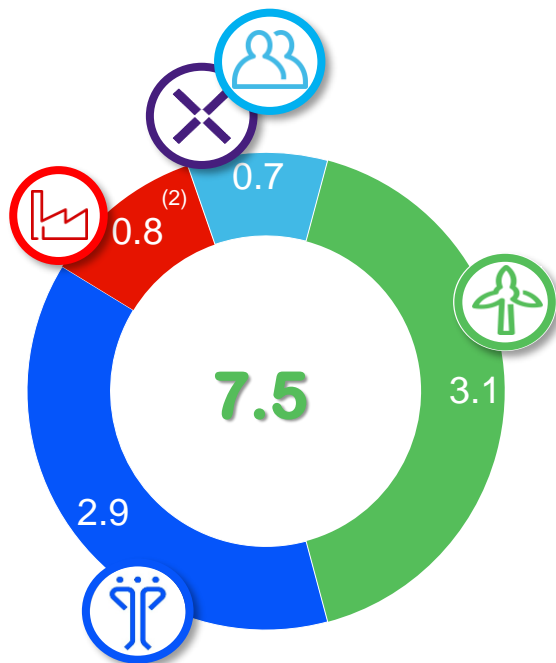
Net debt/EBITDA

2021E	2024
2.4x	2.3x

(1) Reduction mainly due to lower eligible capex for EU Recovery Funds

EBITDA growth due to investment effort and market context recovery

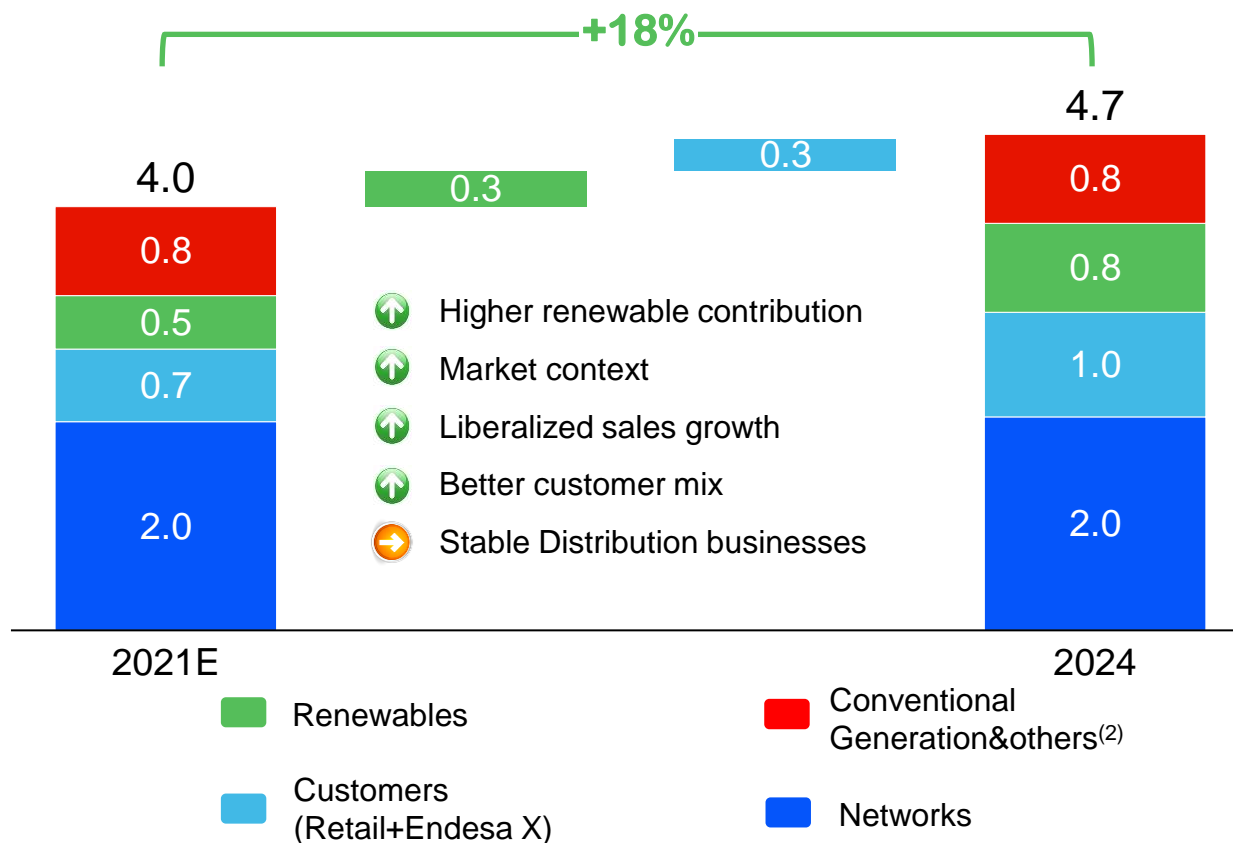
Gross capex by business (€bn)



Net Capex (€bn)

6.7

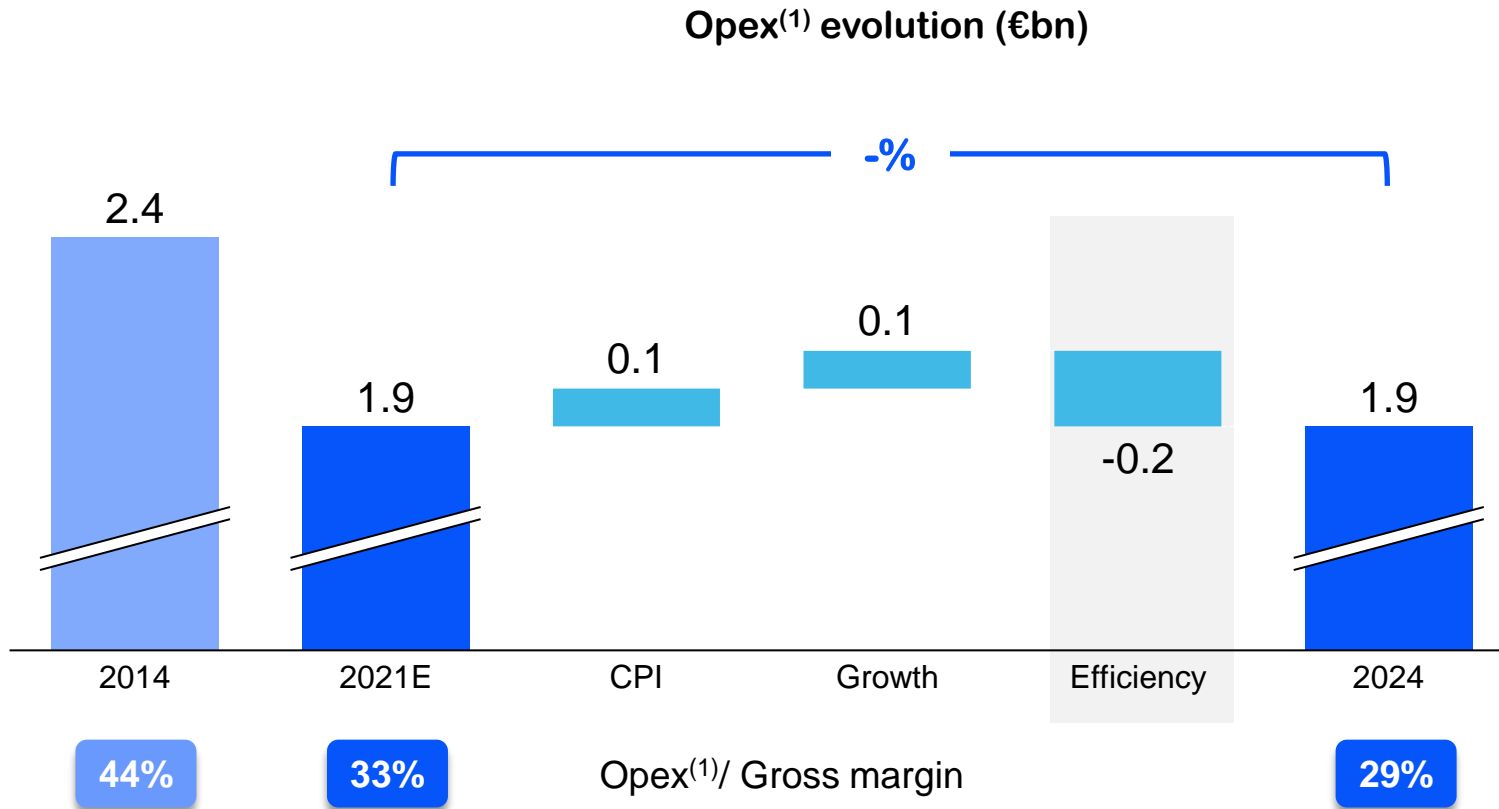
EBITDA by business⁽¹⁾ (€bn)



(1) Rounded figures

(2) Includes nuclear, CCGTs, non mainland and others

Further efficiencies



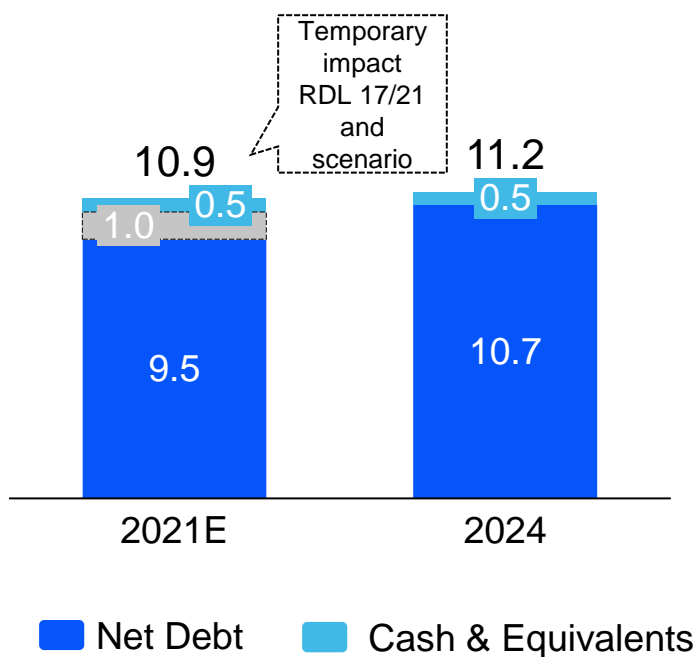
Efficiency improvements from **digitalization, platformization** and **process optimization**

(1) Opex: Total fixed costs in nominal terms (net of capitalizations)

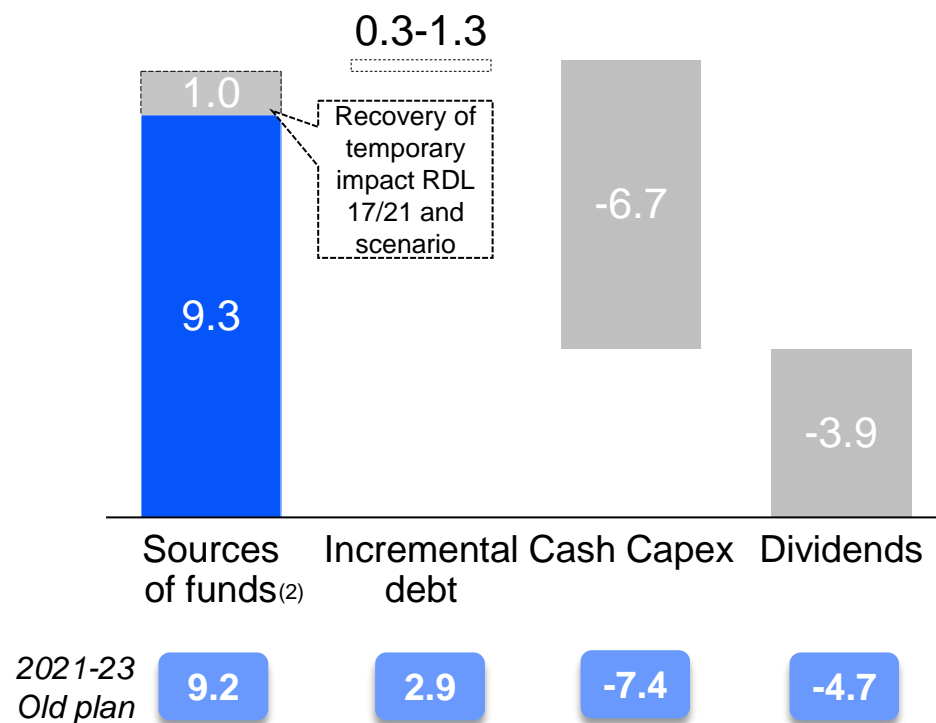
Sound financial position with record low cost of debt



Gross debt⁽¹⁾ (€bn)



Source of funds allocation 2022-24 (€bn)



Financial KPIs

	2021E	2024	Δ
Net debt/EBITDA	2.4x	2.3x	-4%
Cost of debt	1.5%	1.4%	-0.1bp
FFO/Net Debt	17%	31%	+14bp
FFO/EBITDA	41%	71%	+30bp

(1) Rounded figures
 (2) Includes FFO, IFRS 16 effect and Others

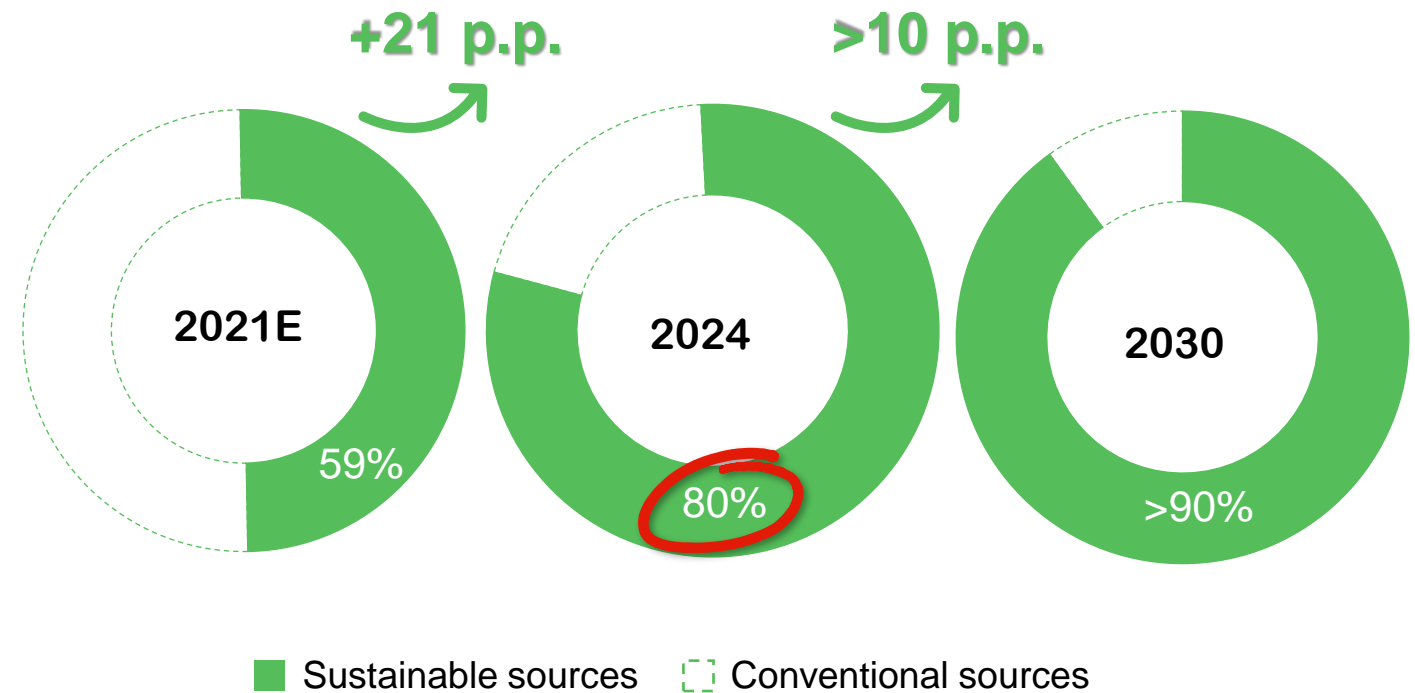
Sustainable finance at the core of our financial strategy



Sustainability-Linked instruments ⁽¹⁾

	Amount (€bn) ²	KPIs	Pricing adj.
Loans	1.2	7 AFFORDABLE AND CLEAN ENERGY 13 CLIMATE ACTION	✓
RCFs ⁽²⁾	4.1	7 AFFORDABLE AND CLEAN ENERGY 13 CLIMATE ACTION	✓
ECPs ⁽³⁾	4.0	7 AFFORDABLE AND CLEAN ENERGY 13 CLIMATE ACTION	✓
Guarantees	2.9	7 AFFORDABLE AND CLEAN ENERGY 13 CLIMATE ACTION	✓
Other	0.9	7 AFFORDABLE AND CLEAN ENERGY 13 CLIMATE ACTION	✓
Total	13.1		

Sustainable finance evolution ⁽⁴⁾



(1) Operations closed during 2021. Nominal values, inclusive of undrawn notional.
 (2) RCF: Revolving Credit Facility.

(3) ECP: Euro Commercial Paper
 (4) Gross Debt

Closing remarks

José Bogas
CEO

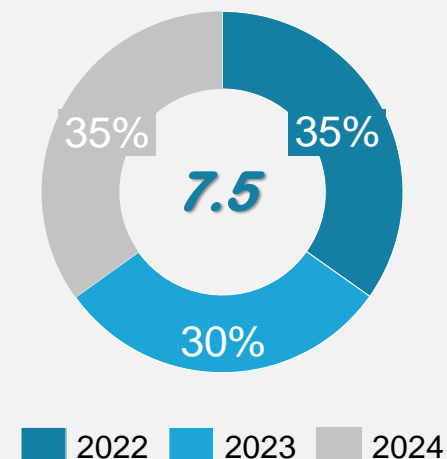
The logo for Endesa, featuring the word "endesa" in a lowercase, blue, sans-serif font. The letters are stylized with a slight shadow or gradient effect, giving them a three-dimensional appearance. The logo is positioned in the bottom right corner of the slide.

Closing Remarks



	2021E	2022	2023	2024	CAGR 2021E-24	
Earnings growth	EBITDA (€bn)	4.0	4.1	4.5	4.7	+6%
	Net Ordinary Income (€bn)	1.7	1.8	1.9	2.0	+6%
Value creation	Pay out (%)	80%	70%	70%	70%	
	Implicit DPS (€/share)	~1.3	~1.2	~1.3	~1.3	
	Implicit Dividend Yield⁽¹⁾	6.6%	6.1%	6.6%	6.6%	

Gross capex per year (€bn)



(1) Share price as of 23/11/21: 19.62€

Closing Remarks

**Confirmation
of our 2030
vision with
improved
targets**

**Net Zero
brought
forward by
2040**

**Solid pipeline
supporting
renewable
targets
acceleration
by 2030**

**Focus on
value
customer
leveraged on
electrification**

**Sound
performance
for our
stakeholders**

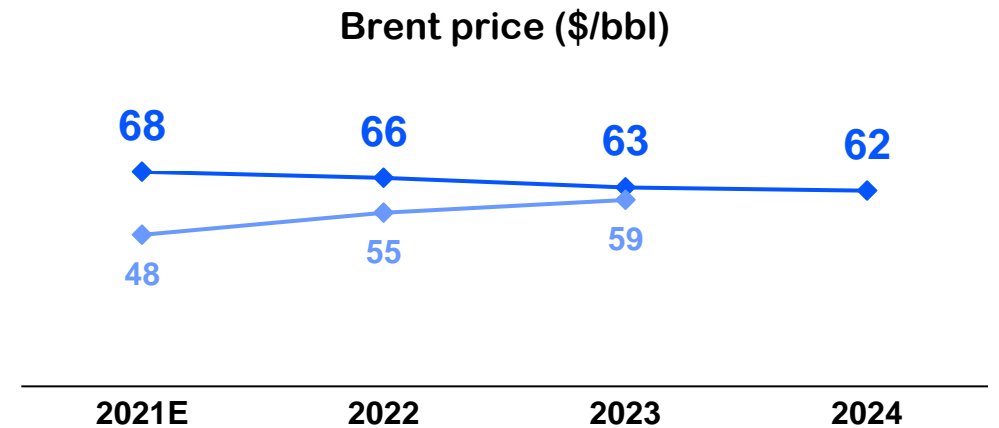
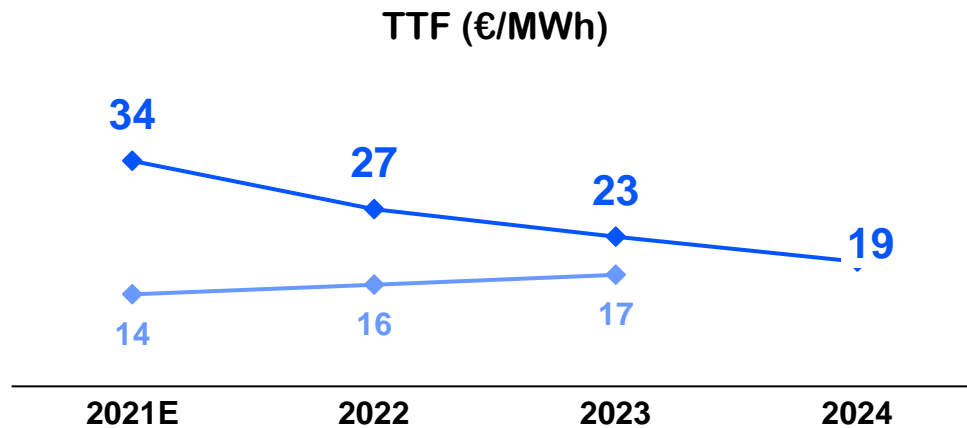
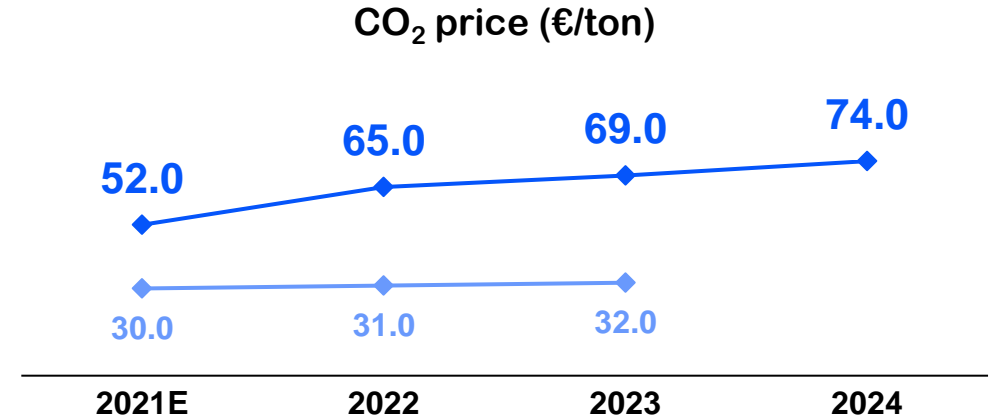
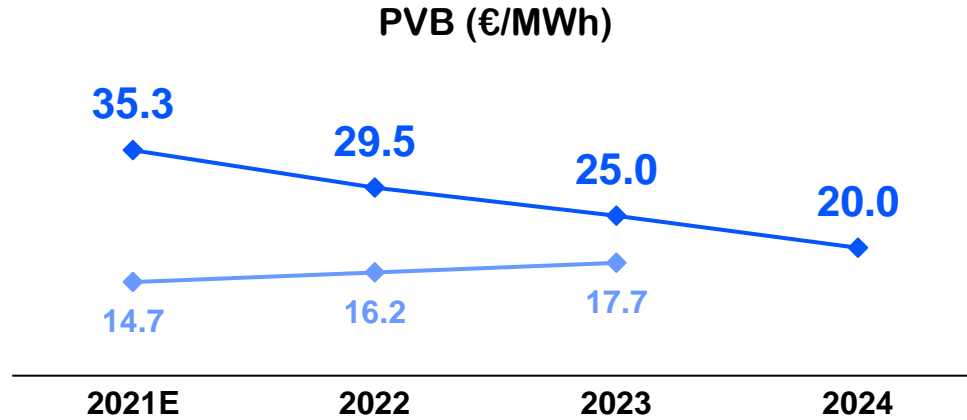
Appendix

endesa

Macro context



- 2022-24 plan
- 2021-23 plan

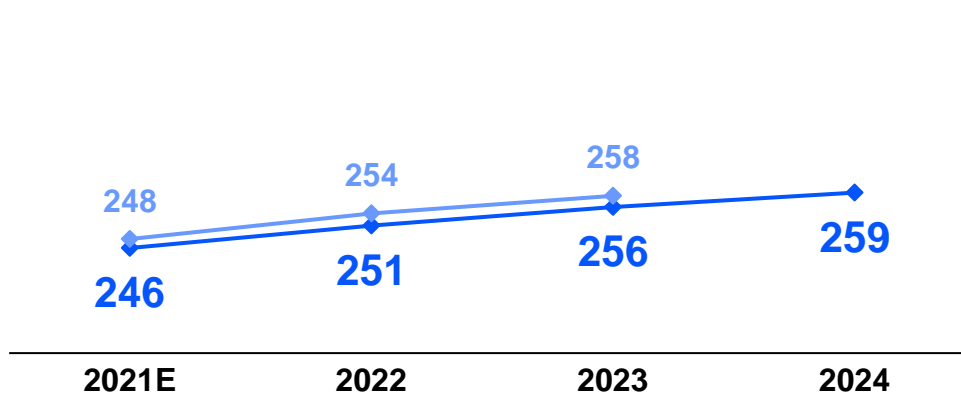


Macro context

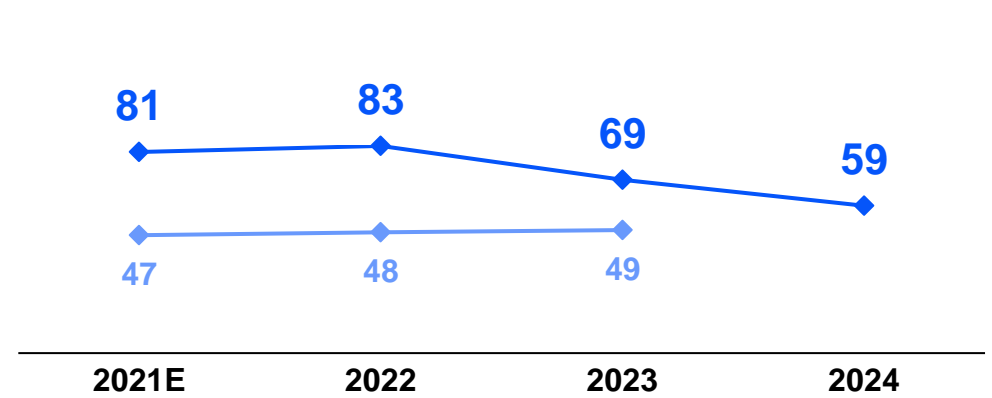


◆ 2022-24 plan
◆ 2021-23 plan

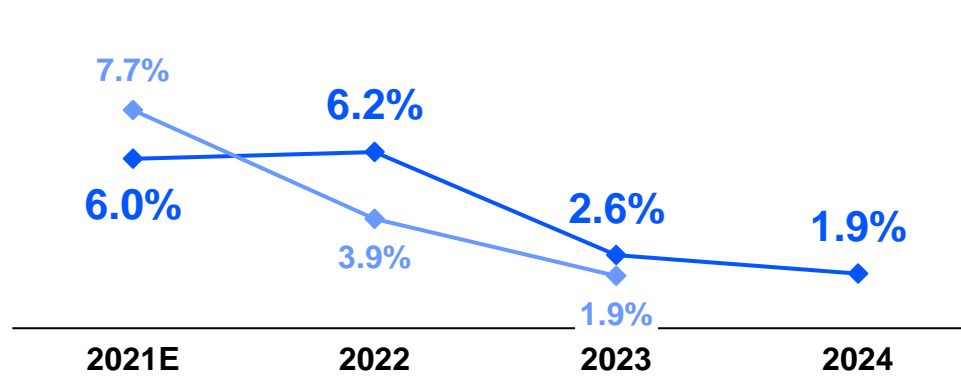
Mainland Spain demand⁽¹⁾ (TWh)



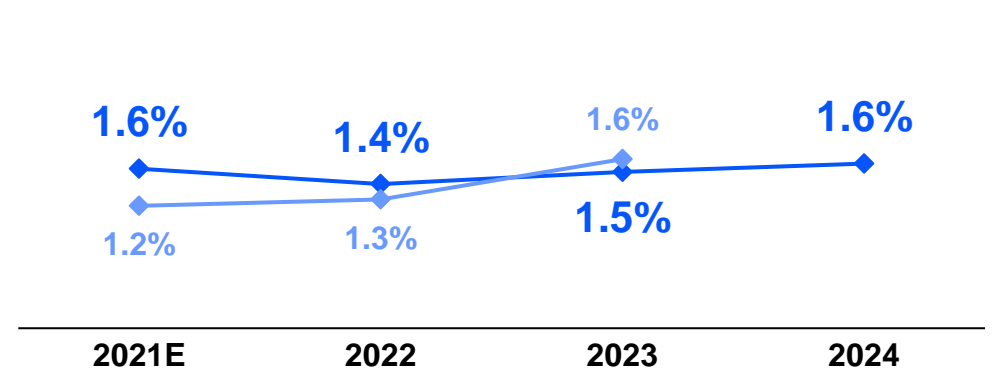
Average daily market price⁽²⁾ (€/MWh)



Spain GDP growth (%)



CPI⁽³⁾ (%)

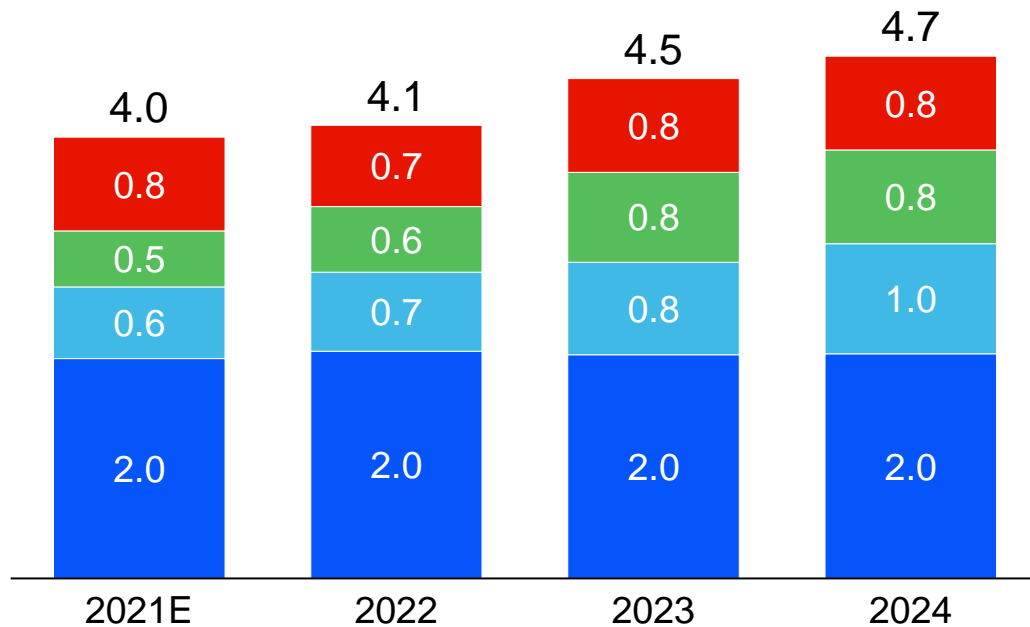


(1) In bus bars
(2) Arithmetic power prices
(3) Average CPI

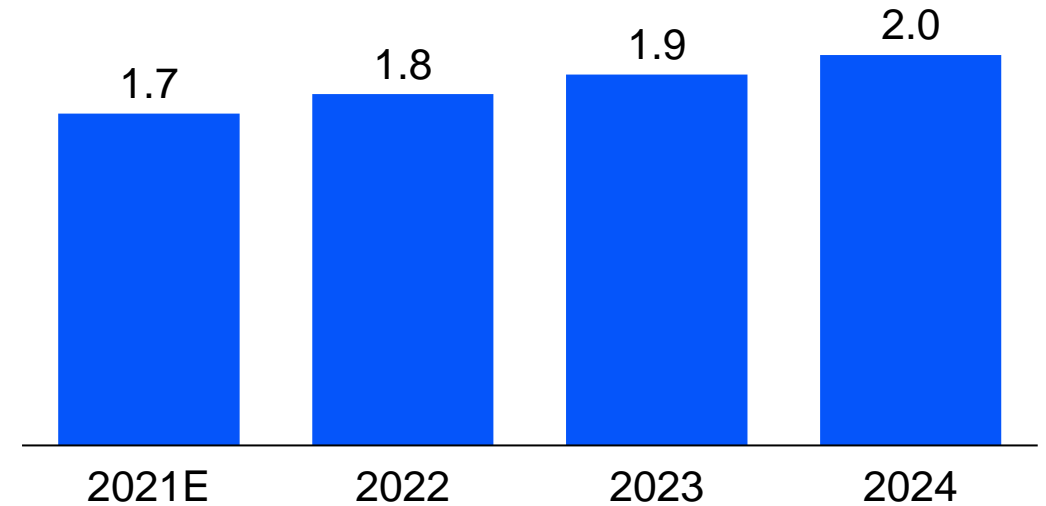
Key Financial Indicators: EBITDA and Net Ordinary Income



EBITDA per year⁽¹⁾ (€bn)



Net Ordinary Income per year (€bn)

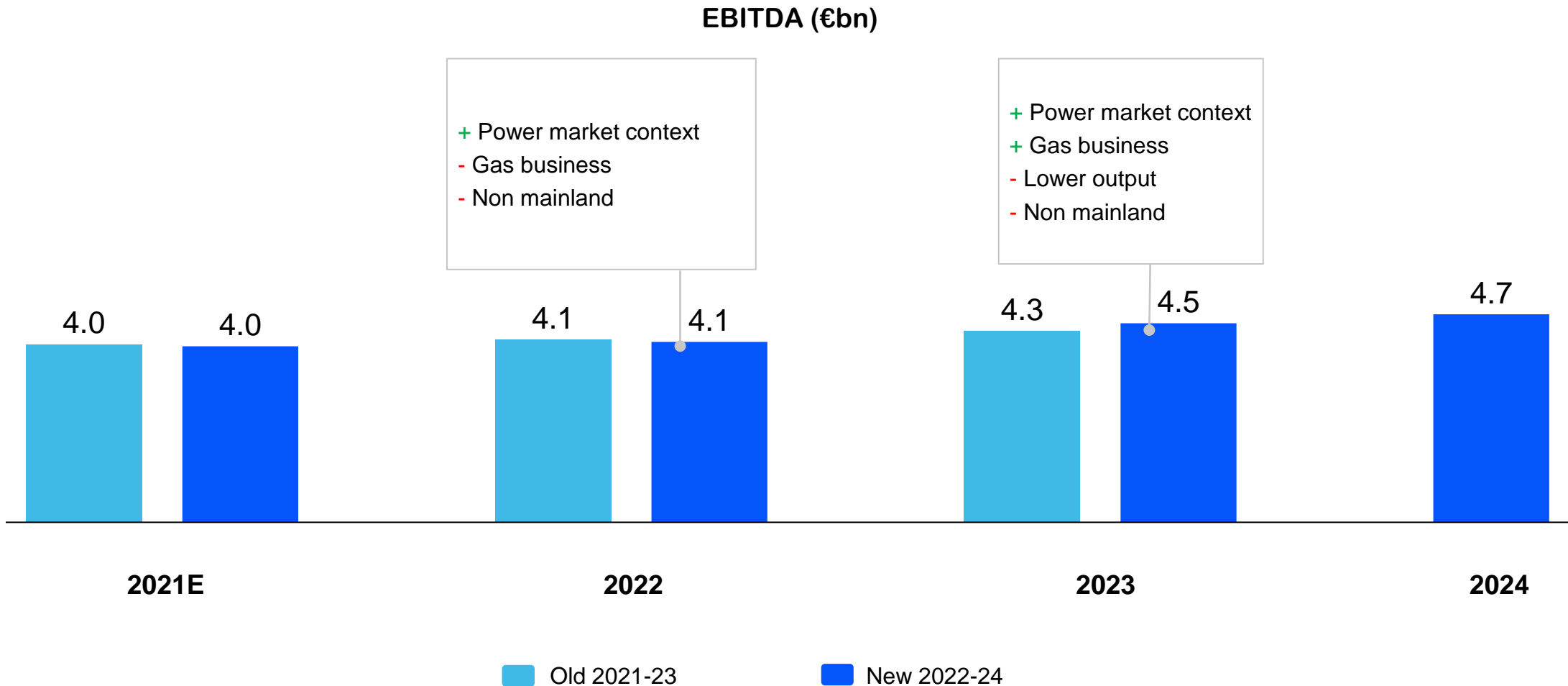


- Renewables
- Conventional Generation & Others⁽²⁾
- Customers (Retail+Endesa X)
- Networks

(1) Rounded figures

(2) Conventional Gx EBITDA figure includes CCGT's , nuclear generation, non-mainland businesses, Corporate Structure, Services and Adjustments.

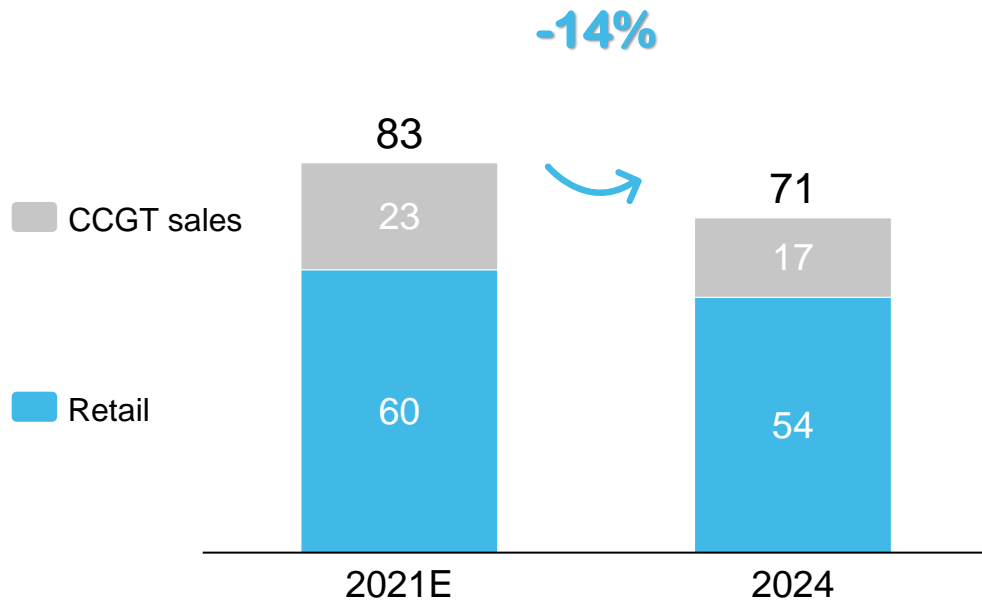
2022-24 EBITDA comparison vs. 2021-23 plan



Gas business



Volumes sold 2021E-24⁽¹⁾ (TWh)



Key figures⁽²⁾

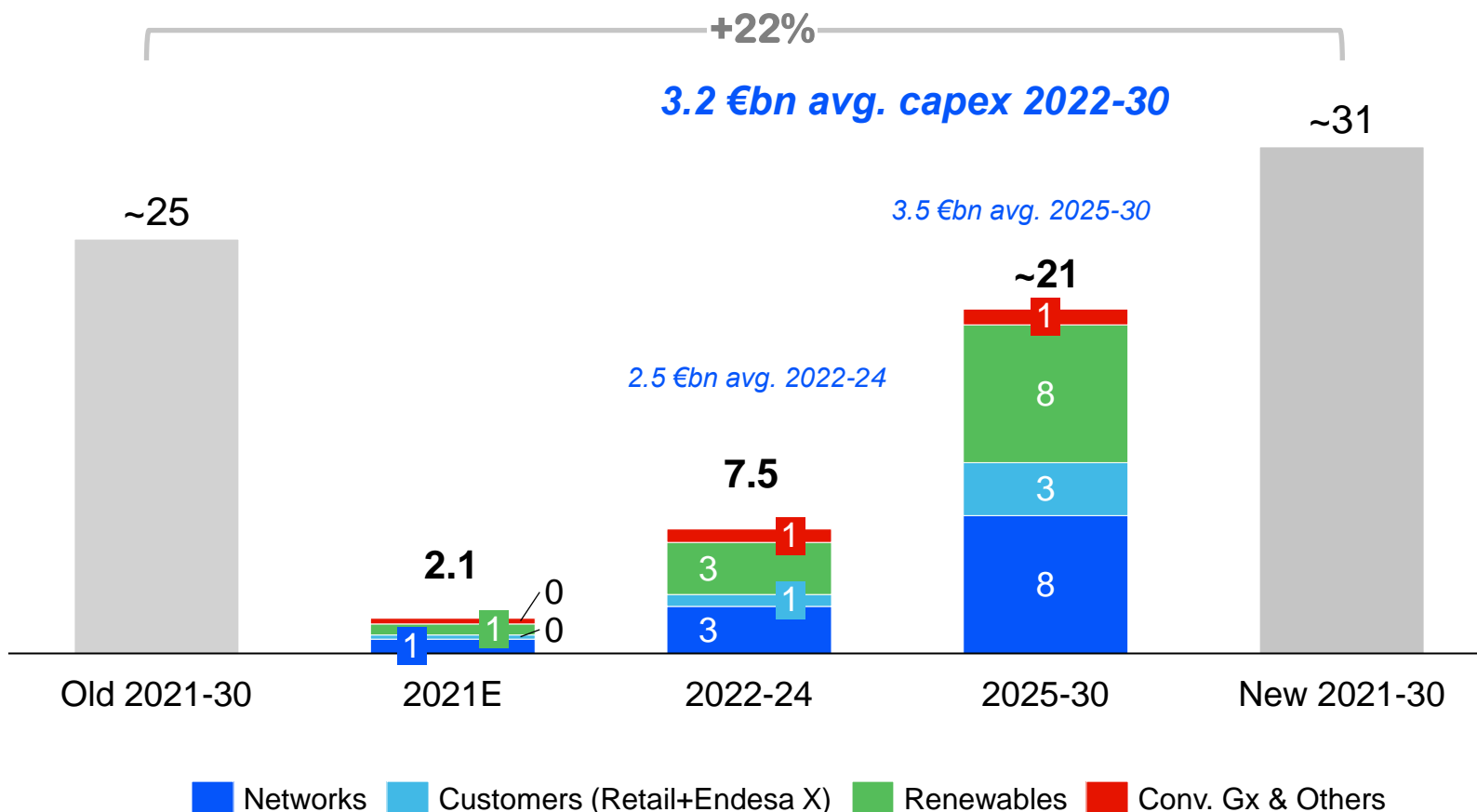
	2021E	2024	Δ
Free customers (mn)	~1.5	1.6	+7%
Regulated cust. (mn)	0.2	0.2	-
Total customers (mn)	1.7	1.8	+6%
Gross integrated margin (€bn)	~0.1	~0.3	2x
Churn rate ⁽³⁾ (%)	16.6%	16.1%	-0.5 PP

(1) Diversions not included
 (2) Rounded figures

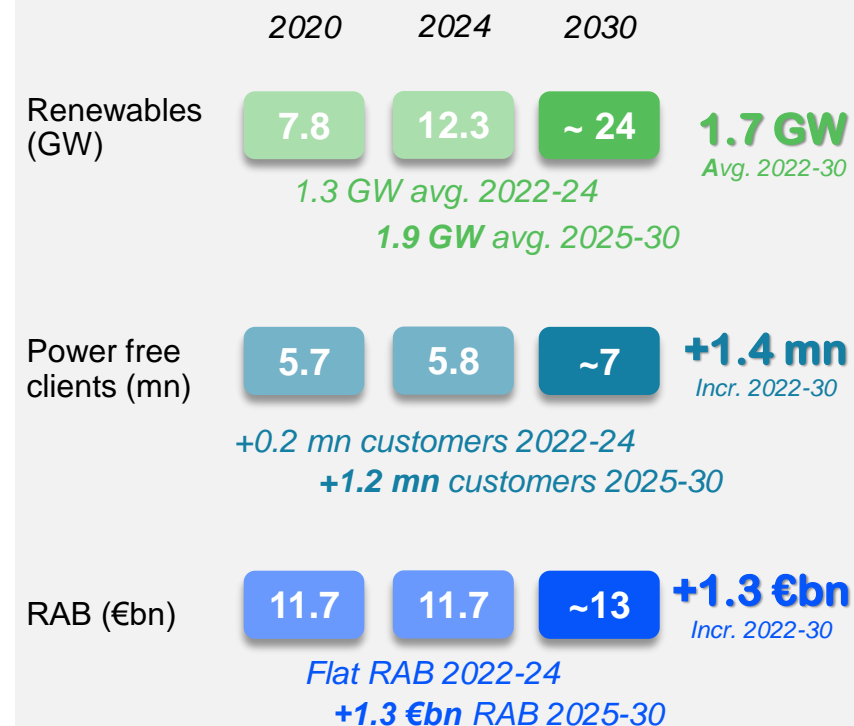
(3) Churn rate B2C and B2B free

Rolling investment plan to 2024 ready to be stepped up by the 2nd half of decade

2021-30 Gross capex, €bn



Endesa @2030

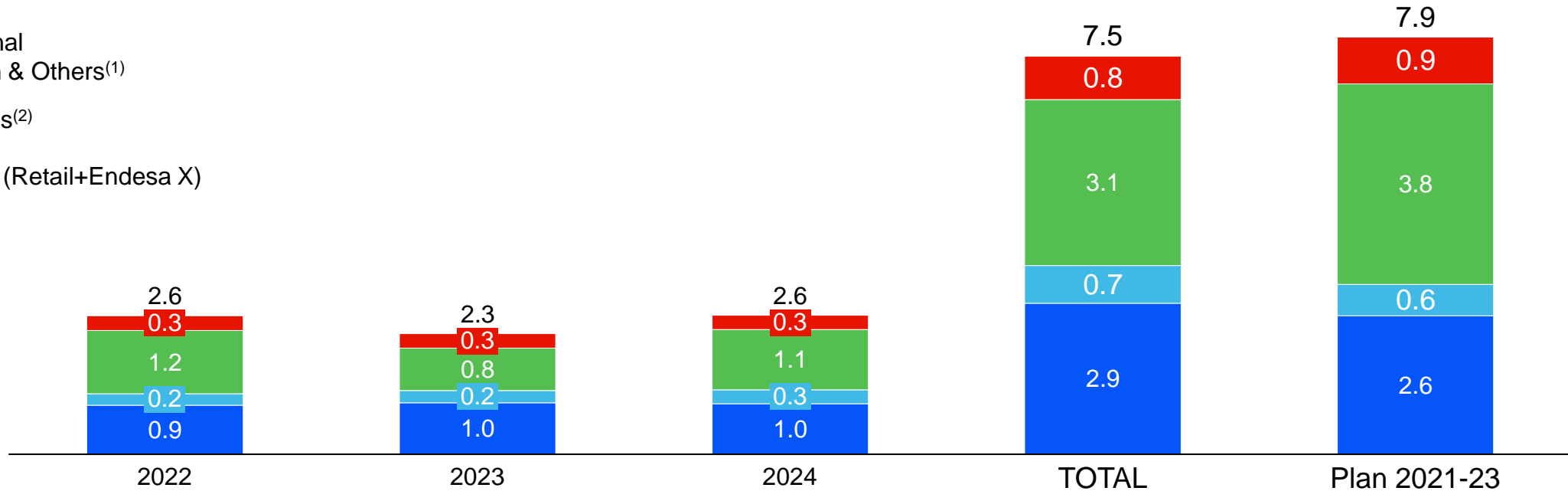


2022-24 Gross Capex by business

€bn



- Conventional Generation & Others⁽¹⁾
- Renewables⁽²⁾
- Customers (Retail+Endesa X)
- Networks



Note: Includes client contributions. Rounded figures

(1) Includes Capex in CCGTs, nuclear generation, non-mainland businesses, Corporate Structure, Services and Adjustments.

(2) Renewable capex includes maintenance

2022-24 Net Capex by business

€bn

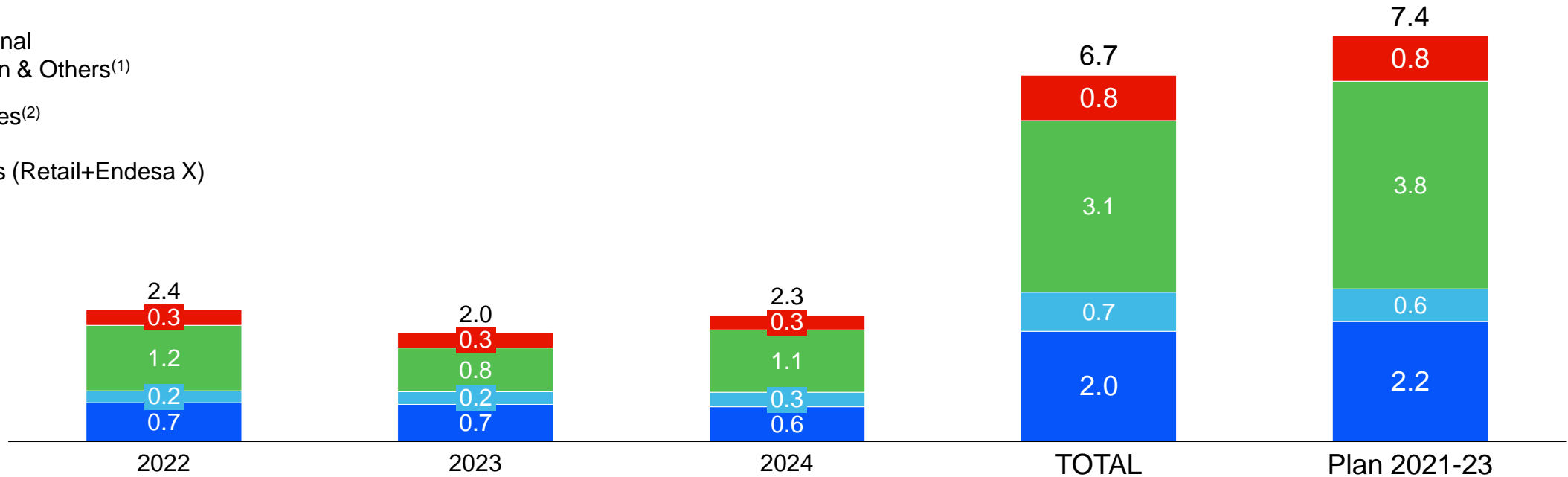


Conventional Generation & Others⁽¹⁾

Renewables⁽²⁾

Customers (Retail+Endesa X)

Networks



Note: Not including client contributions. Rounded figures

(1) Includes Capex in CCGTs, nuclear generation, non-mainland businesses, Corporate Structure, Services and Adjustments.

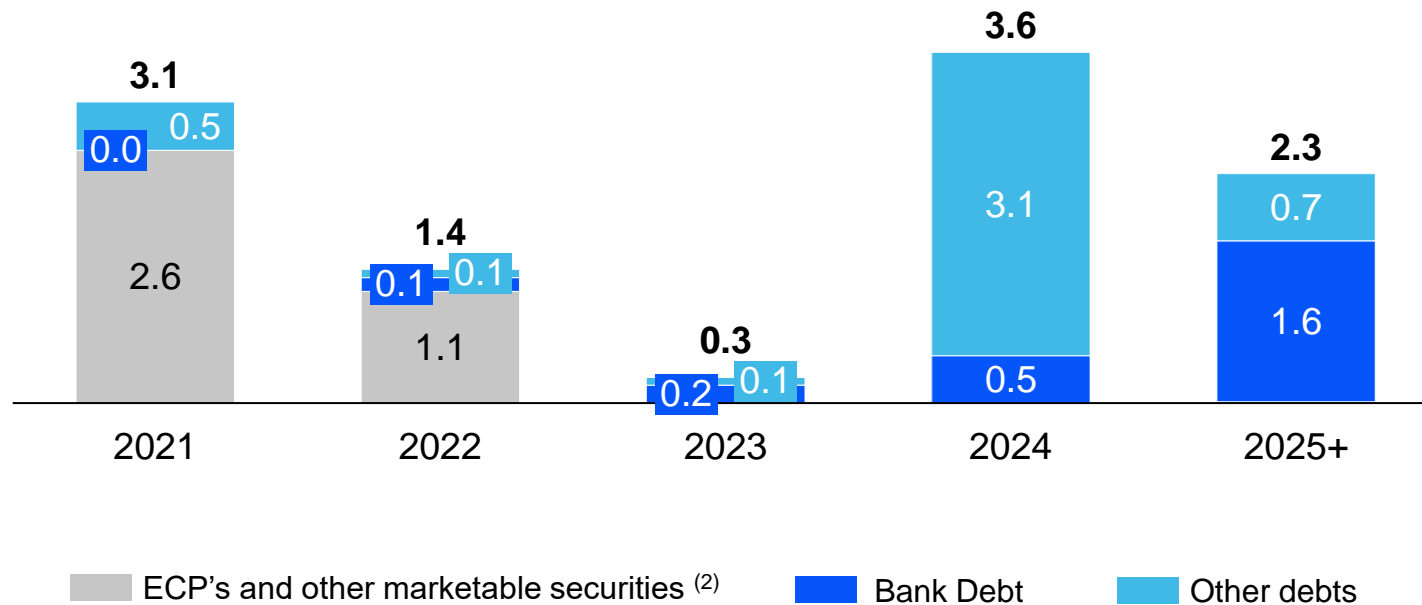
(2) Renewable capex includes maintenance

Financial debt maturity calendar

€bn



Gross balance of maturities⁽¹⁾

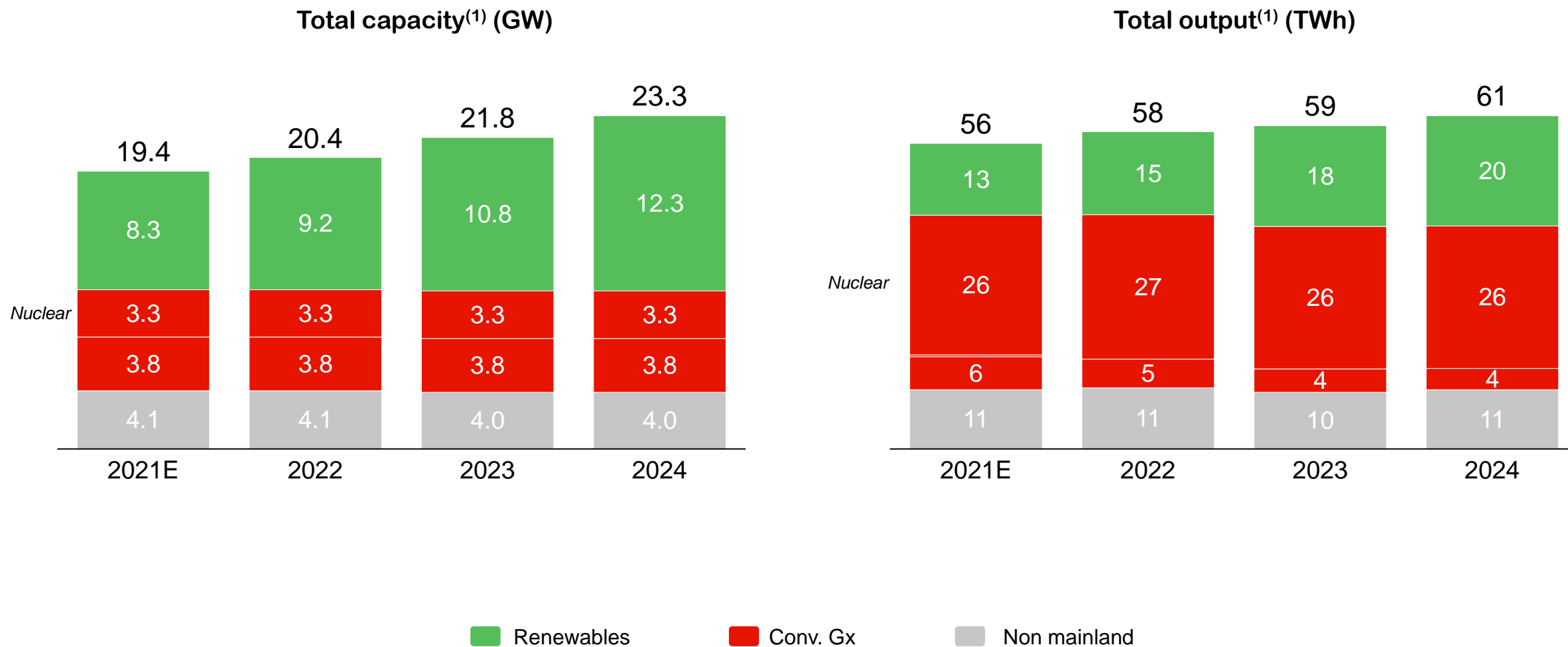


- Average life of debt: 4.2 years
- Coverage of 20 months of debt maturities

(1) Outstanding at 30 September 2021. Rounded figures. Does not include financial derivatives.

(2) Notes issued are backed by long-term credit lines and are renewed on a regular basis.

Net capacity and output evolution



(1) Rounded figures

2021E Spanish power market



Customers

	Customers (mn)			Endesa's market share ⁽¹⁾
	Regulated	Free	Total	
B2B	0,0	0,8	0,9	32%
B2C	10,9	17,9	28,8	33%
Total	10,9	18,7	29,6	
<i>Cuota Mercado Endesa ⁽¹⁾</i>	41%	28%		33%

Energy sold

	Energy sold (TWh)			Endesa's market share ⁽¹⁾
	Regulated	Free	Total	
B2B	1.6	169.9	171.5	29%
B2C	26.3	62.2	88.5	34%
Total	27.9	232.1	260.0	
<i>Endesa's market share ⁽¹⁾</i>	45%	29%		31%

Internal estimate based on Forecast 2021 Regulated; % calculated on Total Regulated Market

Internal estimate based on Forecast 2021 Free; % calculated on Total Free Market.

(1) Portugal is not included

Environmental, Social and Governance

Annexes

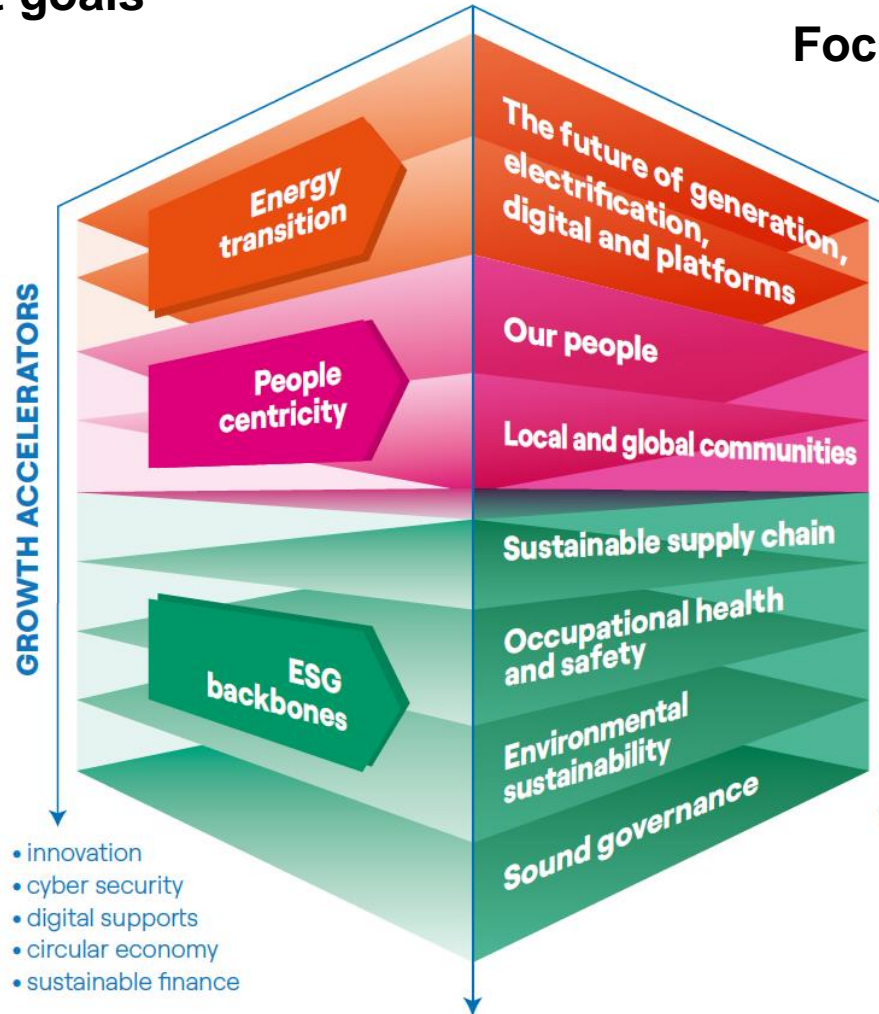
Sustainability Plan

endesa

Index

Sustainability strategy and contribution to Sustainable development goals

SDGs



- innovation
- cyber security
- digital supports
- circular economy
- sustainable finance

Focus on



- Just Transition for employees
- Circular economy
- Cyber security
- Diversity & inclusion
- Sustainability projects with communities
- Sustainable supply chain
- Health & safety
- Environmental sustainability
- Our Policies

Just Transition for employees



People centricity

Our strategy for a Just Transition promotes employees' skills improvement:

- **Redeployment and upskilling/reskilling processes** for people working in coal generation, which is gradually being phased out, enabling them to work in other units, ensuring **knowledge transfer**.
- **Voluntary early retirement plans**.
- **Hiring and upskilling/reskilling programs** to acquire new skills and support the generation mix coupled the sharing of knowledges.

2021E

- ~89% of people leaving coal power plants in 2021 have been redeployed and attended upskilling and reskilling programs (150 hours per capita in 2021)
- Coal redeployed people: ~90% within Power Generation perimeter, ~10% to other business areas.

2022-2024

- 100% of people leaving coal power plants will be redeployed, attending upskilling and reskilling programs.
- Overall training dedicated to all employees up to 30% to reskilling and upskilling
- Strengthening of 'internal training' approach

Cyber security



Cyber security Framework

- Structured cyber security system to manage all cyber risks, assigning a tailored accountability to relevant stakeholders
- It includes 8 processes fully applicable to the complexity of regular Information Technology (IT), industrial Operational Technology (OT) and Internet of Things (IoT) environments;
- Driven by a "risk-based" approach, which considers business risk analysis as the basic step of all strategic decisions, and a "cyber security by design" principle, which allows to focus on cyber security topics from the very early stages of system design and implementation



Approach

Targets¹

	2021 Planned	2021E	2022-2024
*Cyber exercises ² involving industrial plants/sites	10	18	40
*Information security verification activities	800	1,536	2,400
Knowledge sharing events	15	17	45

Cyber Security Framework 

1. Targets at Enel Group
 2. The goal of cyber exercises is to increase the ability of response, readiness, managing of incidents and training all the involved actors. The related output is a report that provides details of the cyber exercises results
 * 2021 has been characterized by an outstanding performance due to extra commitment and taking advantage of synergies and on-site cross operative opportunities

Diversity and inclusion



Purpose and actions

- Diversity and inclusion are essential factors to create long term value for employees, clients and all stakeholders.
- An organic set of actions aimed at:
 - allowing expression of **people uniqueness** ensuring non discrimination, equal opportunities, equal dignity, and inclusion of every person regardless to their **gender, age, disability, and any other form of diversity**
 - promoting cultural conditions for an inclusive and **unbiased workplace** that ensures a coherent mix of diversity in terms of skills, qualities and experiences that create value for people and business

Targets

	2021E	2024
Gender - Female managers (%)	20	20.5
Gender - Female middle managers (%)	33	33
Gender - Women in selection processes ¹ (%)	50	50
Action plan to promote a systemic approach to the inclusion of people with disabilities		
Promotion of an intergenerational, intercultural and bias-free inclusion culture		



Global Diversity & Inclusion Policy
 Global Workplace harassment Policy
 Statement against harassment

1. Selection processes involving blue collar workers (low qualification requirements) are not included.



Sustainability projects with communities



Creating shared value strategy

- Continuous CSV promotion in line with three pillars:
 - Making the **value chains** of the Business Lines **sustainable**.
 - Advancing equity through the business to create **equitable** outcomes also through its **inclusive business model**.
 - Expanding the **ecosystem** of **partnerships** and **collaborations**.

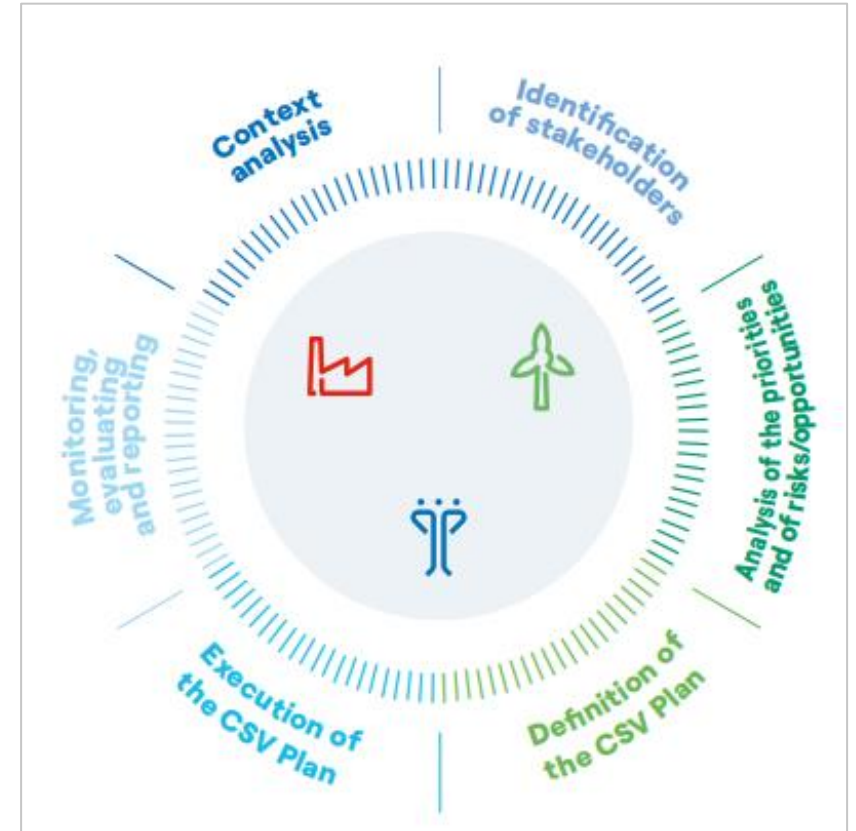
Inclusive Business Model

- The CSV model includes the development of sustainable and inclusive products and services in order to meet needs of clients with vulnerability and disabilities

Targets

n. Beneficiaries

	2015 -2021E	2015-2030
Quality education (SDG 4)	0.4M	0.87M
Affordable and clean energy (SDG 7)	2M	4.1M
Decent work, inclusive and sustainable economic growth (SDG 8)	0.9M	1.9M



Creating Shared Value process definition and management Policy





Sustainable Supply Chain



Approach

- Promoting long-term partnerships with suppliers, aiming at maximizing value creation in its various forms: effectiveness, safety, time, quality, performance, revenue, flexibility, risk reduction.

Qualification system

- It ensures the careful selection and assessment of companies wishing to participate in procurement procedures. The system assesses their satisfaction of the technical, financial, environmental, health and safety, human rights, legal and ethical requirements.
- The qualification is specific for Merchandise Groups (MG) and is valid for five years.

Environmental impact

- Defining metrics and setting reduction targets is crucial to reach sustainability objectives for our Supply Chain. Metrics are mainly based on ISO Carbon Footprint or Environmental Product Declaration (EPD) certification
- EPD is the declaration validated by third party, according to international standards ISO 14040 and ISO 14025, with the purpose of quantifying and certifying impacts (CO2 emissions, water consumption, soil impact, recycled material, etc.) of the entire lifecycle of a supply
- We have a wide library with K's and Tender Requirements to apply in all tenders in order to push suppliers to follow our Sustainability and Circular Economy principles.

Targets

	2021E	2024
Qualified suppliers assessed for health & safety, environmental and human rights aspects (%)	99	100
Coverage of tenders with sustainability K factors (%)	90	92



Health & safety



Management System

Data driven performance evaluation

Culture dissemination

Safety on supplier management

- Health and safety Management system based on **hazard identification**, on qualitative and quantitative risk analysis. Certification according to **ISO 45001** and relative implementation.
- Data-driven approach** based on digital tools, dashboard and analytics, used both for prevention and Consequence Management.
- Focus on **serious injuries** (absence from work of more than 3 days) and **dangerous events** (High Potential).
- A specific function (**SHE Factory**) which promotes the dissemination of a different **cultural approach to HSE issues** by everyone.
- Integration into the procurement processes. Suppliers are monitored both in qualification system, and in the contract execution phase through a control system (e.g. Supplier Performance Management (SPM), Contractor Safety Assessments, Evaluation Groups, operational controls in the field)

Targets

	2021E	2030
Lost Time Injury Frequency Rate ¹	0.36	0.30
Numer of Safety Extra Checking on Site (ECoS) performed	33	33

Health & Safety Policy
Extra checking on site Policy 2021

1. Number of accident with at least three days of absence from work / million worked hours according to the Policy 106.

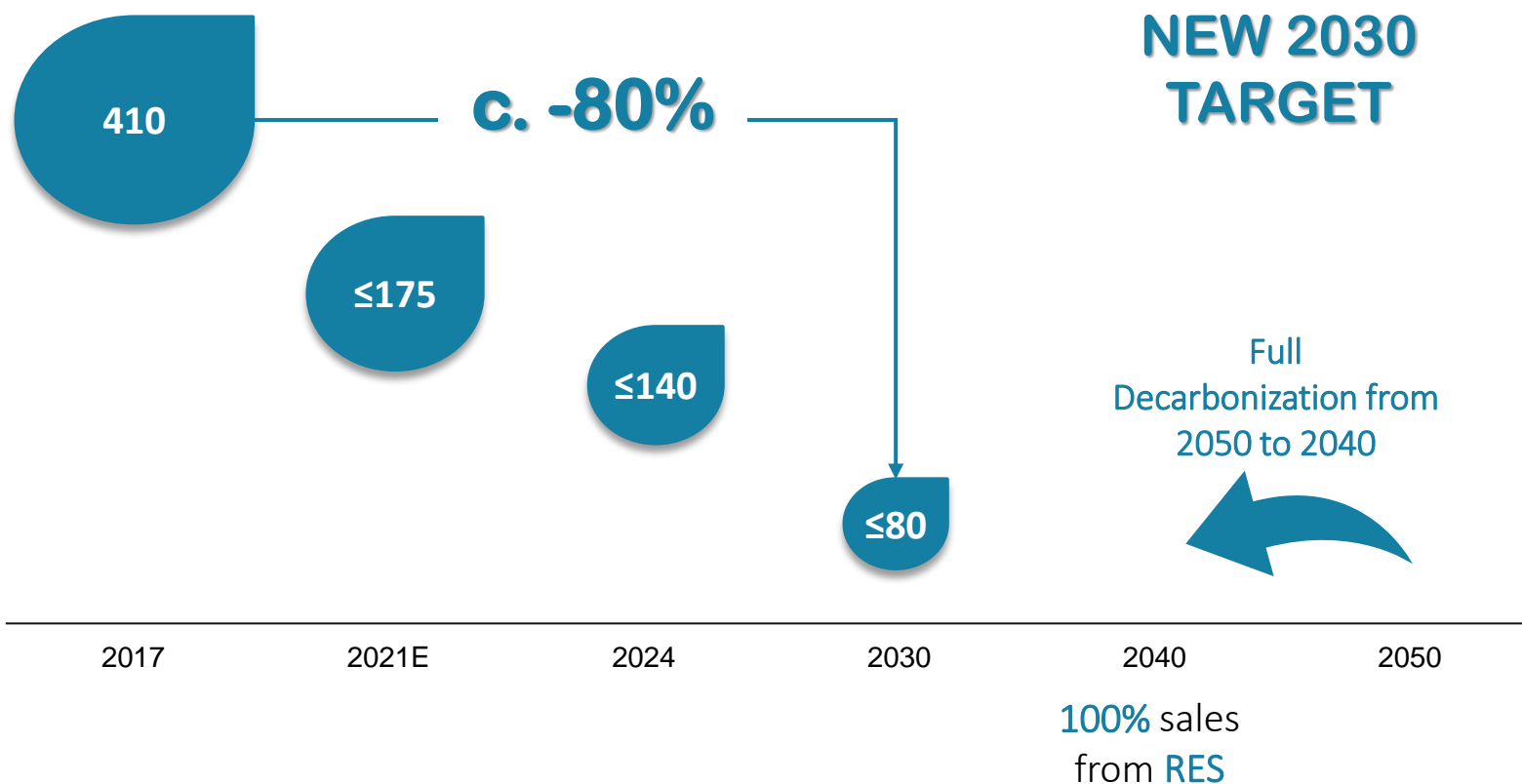


Environmental Sustainability

Power Sales - Path towards full decarbonization by 2040



Scope 1 & 3 integrated power (gCO2e/kWh)



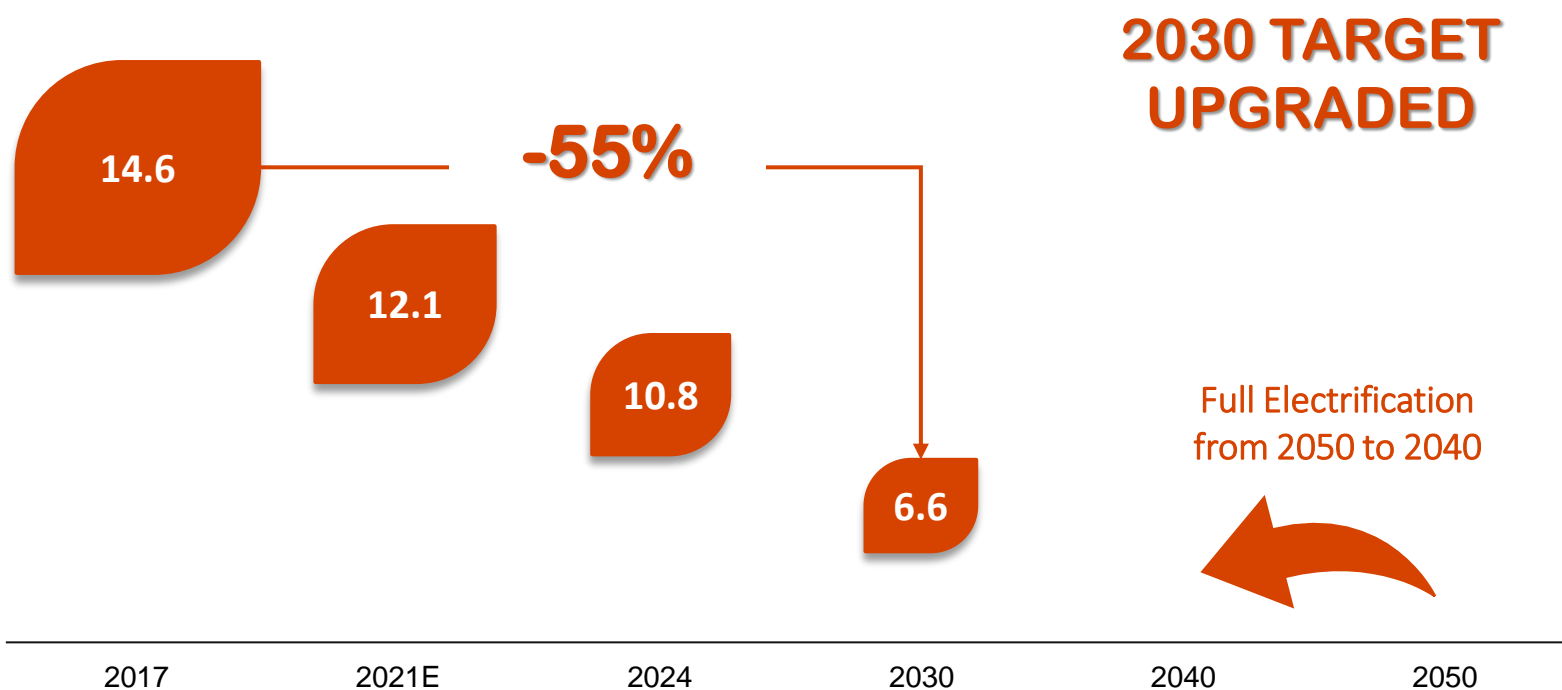
Electricity sold to our customers **100%** from **renewable** sources

Environmental Sustainability

Gas sales - Path towards full electrification by 2040



Scope 3 gas retail emissions (MtCO2)



Exit from gas retail business driven by electrification of consumption



Environmental Sustainability



Air Quality

- Commitment to improving the air quality in areas where we operate is testified by the constant reduction of the main atmospheric pollutants associated with thermal production.

Pollutants

- Sulphur dioxide (SO₂)** and **Dust** mainly associated to coal production, but also to Oil & Gas.
- Nitrogen oxides (NO_x)** mainly associated to gas production.

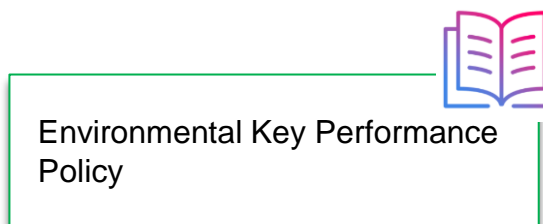
Waste reduction

- Constant commitment the reduction of waste production, as well as to the definition of new methods of reuse, recycling and recovery in the perspective of a circular economy.

Targets

	2021E*	2024*	2030*
SO ₂ Specific Emissions Reduction	- 84%	- 85%	- 89%
NO _x Specific Emissions Reduction	- 31%	- 37%	- 54%
Dust Specific Emissions Reduction	- 47%	- 60%	- 64%

* g/kWh Specific emissions estimated versus baseline year 2017



Environmental Sustainability

Focus on Biodiversity



Purpose

- Commitment to apply the **Mitigation Hierarchy principle** to avoid and prevent negative impacts respecting the principle of **No Net Loss (NNL)** of biodiversity when building new infrastructures

Risk Assessment

- Inclusion Biodiversity Risks Assessment to evaluate company-wide risk

Action Plan

- Development of a Biodiversity Action Plan taking into account the specific aspects of local environments with conservation and a biomonitoring activities

Targets

2021E	2024
Biodiversity Management Guideline	Improving processes for risk assessment and biodiversity management
New indicators tested on generation and distribution technologies	Group indicators and biodiversity performance monitoring
Participation to «Business for Nature Coalition»	Increasing the partnership framework and stakeholder engagement

- Minimizing operational site impacts on habitats and species included on the Red List of the International Union for Conservation of Nature (IUCN)

Biodiversity Policy 2020







Our Policies




Human Right Policy

- Commitment to respect all Human Rights along entire value chain, with due regard for cultural, social and economic diversities, and requirement for all stakeholders – 2013  **2021**


Code of Ethics

- Commitments on corporate conduct according to standards based on transparency and integrity towards stakeholders – 2002  **2021**

Zero Tolerance of Corruption Plan

- Defining metrics and setting reduction targets is crucial to reach sustainability objectives for our Supply Chain. Metrics are mainly based on ISO Carbon Footprint or Environmental Product Declaration (EPD) certification  **2020**

Endesa Compliance Program

- Governance tool aimed at strengthening the Group's ethical and professional commitment to preventing illicit committed in Spain  **2020**

Endesa Antitrust Program

- Specific program aimed to prevent antitrust behaviors within our group **2021**

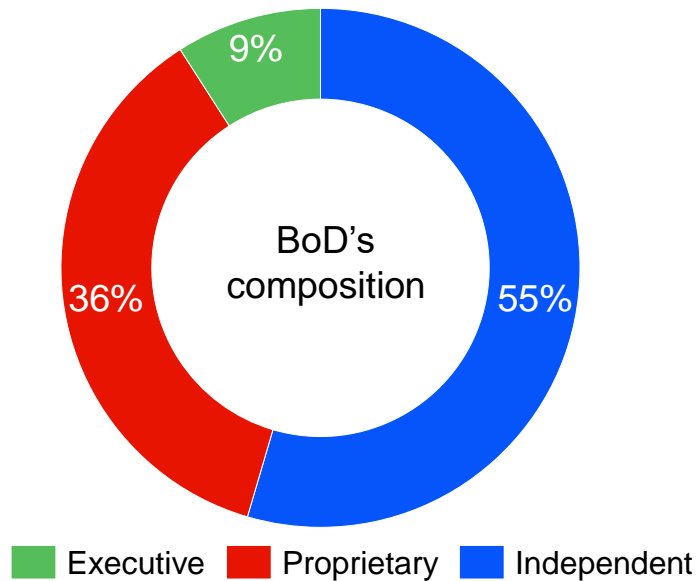
Focus on Corporate Governance

endesa

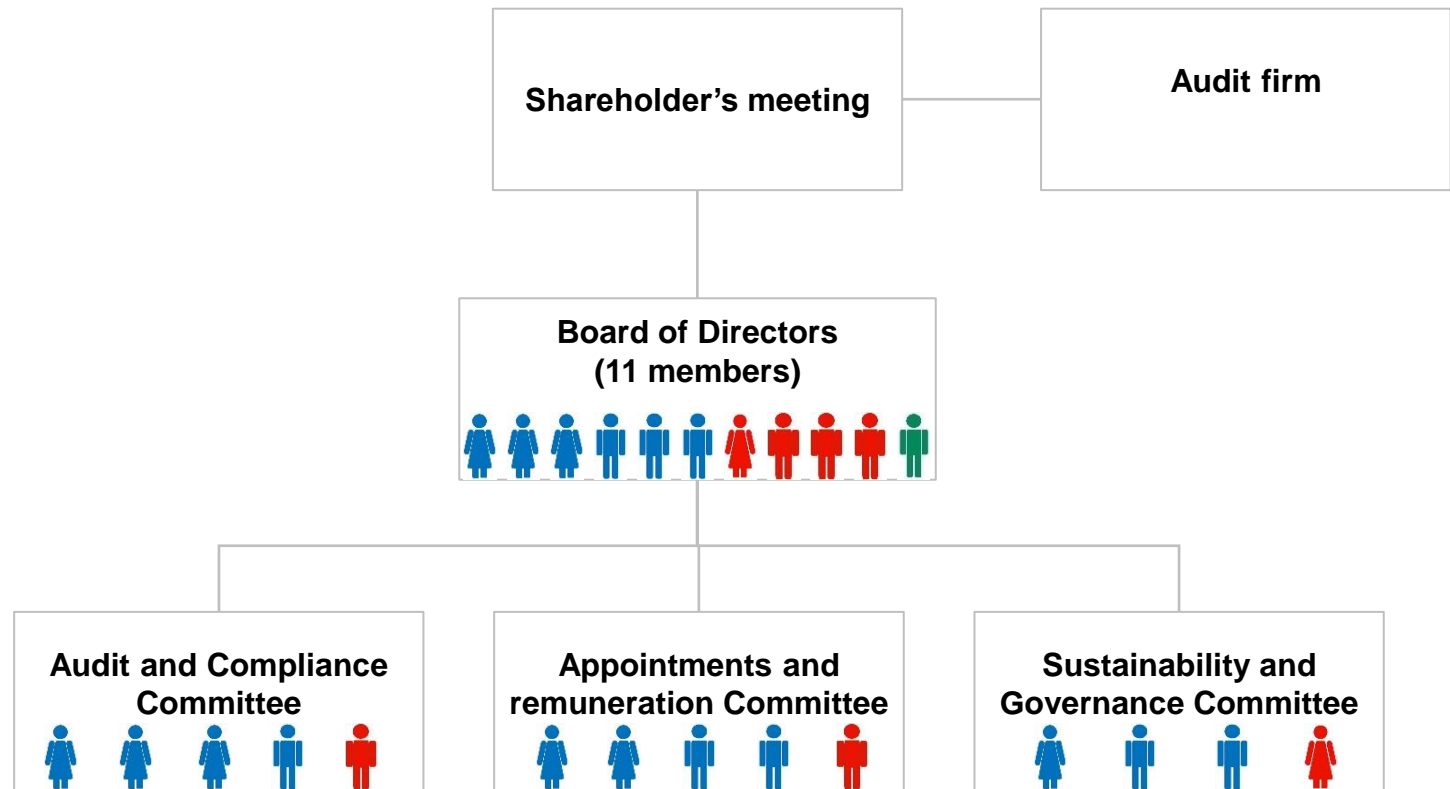
Corporate governance structure⁽¹⁾



Composition



BoD and Committees



(1) 2021 Ordinary General Shareholders' Meeting held on the 30th April

Board of Directors composition

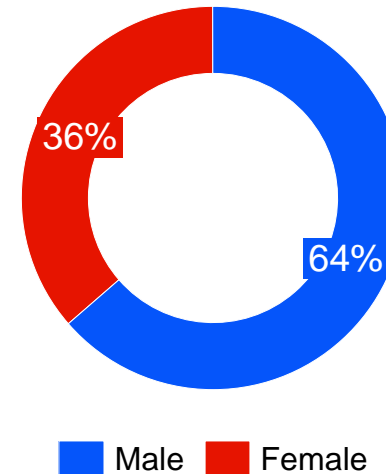


Board of Directors

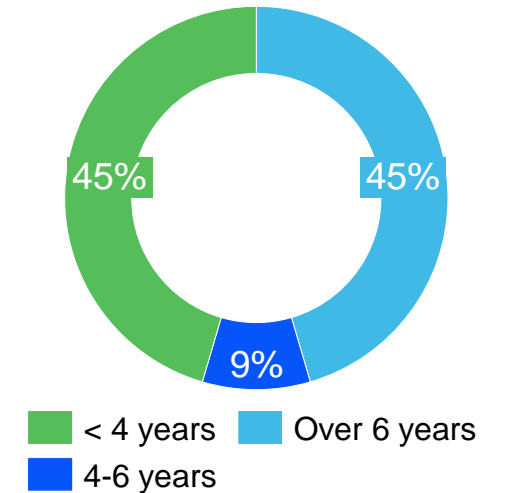
Name	Role	Category
J. Sánchez-Calero	Chairman Sustainability & Governance C.	Proprietary
J. Bogas	CEO	Executive
P. Grieco	Sustainability & Governance C.	Proprietary
F. Starace	Vice Chairman	Proprietary
A. de Paoli	Audit & Compliance C.	Proprietary
A. Cammisecra	Appointments & Remuneration C.	Proprietary
I. Garralda	Appointments & Remuneration C.	Independent
F. de Lacerda	Audit & Compliance C.	Independent
P. González	Audit & Compliance C. Appointments & Remuneration C.	Independent
E. Bieto	Audit & Compliance C. Appointments & Remuneration C.	Independent
A. Koplowitz	Sustainability & Governance C.	Independent

Board of Directors' diversity

By gender



By tenure



Equality gender policies reaching almost 40% women

Short-term variable remuneration⁽¹⁾



2021 Objective

Type of target

Macro objective

	Range	Weight		
Net ordinary income	Maximum 120%	25%	Economic	Profitability
FFO	Maximum 120%	15%	Financial	Cash and debt management
Optimization of commercial operations with customers	Maximum 120%	20%	Business	Efficiency
Activation of new customers and growth of the free-market customer portfolio	Maximum 120%	20%	Business	Growth
Safety in the workplace	Maximum 120%	20%	ESG	Safety

(1) 2021 executive director variable remuneration

Long-term variable remuneration⁽¹⁾



	Objective				Type of target	
	(0%)	Entry (100%)	Over I (150%)	Over II (180%)		
TSR⁽²⁾ 50% ⁽³⁾	Endesa's TSR <100% of TSR	Endesa's TSR from 100 % to 110% of TSR	Endesa's TSR from 110 % to 115% of TSR	Endesa's TSR > 115% of TSR	Market	Performance
ROACE⁽⁴⁾ 25% ⁽³⁾	<49.3%	49.3%	50%	≥50.7%	Financial	Profitability
Net Installed Capacity in renewable sources⁽⁴⁾ 15% ⁽³⁾	<50,3%	50,3%	50,6%	≥50,8%	ESG	Environmental
CO₂ emissions reduction (gCO₂ /KWh)⁽⁵⁾ 10% ⁽³⁾	>140.0	140.0	135.8	≤133.0	ESG	Environmental

(1) Executive director Long Term Incentive Plan (LTI) 2021-2023. 30 % payment (if any) in the 4th year. 70% payment (if any) in the 5th year (deferred payment)

(2) Average TSR Endesa compared to average TSR EUROSTOXX Utilities Index EMU.

(3) (%) Weight in the variable remuneration

(4) Defined as Net Installed Capacity in renewable sources, with respect to total net installed capacity in 2023.

(5) The target has been defined for a thermal gap of 32 TWh in 2023, as foreseen in the BIP 2021-2023. In the event that the thermal gap varies, it will be adjusted using the following formula: $E_{(Ht)} = (1,35 \times Ht) + 96$

Glossary of terms (I/II)



Item	Definition
Average cost of debt (%)	Cost of gross financial debt / gross average financial debt
Average life of debt (number of years)	(Principal x number of days of term) / (Principal in force at the end of the period x number of days of the period)
Cash flow from operations (€mn)	Net cash provided by operating activities
Debt maturities coverage (months)	Maturity period (months) for vegetative debt that could be covered with the liquidity available
EBITDA (€mn)	Revenues – Purchases and Services + Work performed by the entity and capitalized – Personnel expenses – Other fixed operating expenses
EBIT (€mn)	EBITDA - Depreciation and amortization
Fixed costs (Opex) (€mn)	Personnel expenses + Other fixed operating expenses - Work performed by the entity and capitalized
Gross margin (€mn)	Revenues – Purchases and Services
Leverage (times)	Net financial debt / EBITDA
Net Capex (€mn)	Gross tangible and intangible Capex - assets from clients' contributions and subsidies
Funds from Operations (FFO, €mn)	The higher profit before tax and non-controlling interests net of depreciation and amortisation and other adjustments + Change in Net Working Capital + Variation in the payment of the Income Tax

Glossary of terms (II/II)



Item	Definition
Net financial debt (€mn)	Long and short term financial debt - Cash and cash equivalents – Derivatives recognized as financial assets
Net financial results (€mn)	Financial Revenues - Financial Expenses - Foreign Exchanges
Revenues (€mn)	Sales + Other operating revenues
Electric Integrated Margin (€mn)	Contribution margin Gx+Sx - Margin SENP - Margin SCVP - Margin gas - Margin Endesa X - Others
Unitary electric integrated margin (€/MWh)	Electric Integrated Margin / Electric sales in the liberalized market in Spain and Portugal
Gas retail unitary margin (€/MWh)	Gas margin from retail sales / Gas Retail sales
Endesa X Gross Margin (€mn)	Gross margin generated by the added value products and services commercialized by the Endesa X unit

Disclaimer



In accordance with the provisions of Article 226 of the Spanish Securities Market Act, this document includes Insider Information.

This document contains certain "forward-looking" statements regarding anticipated financial and operating results and statistics and other future events. These statements are not guarantees of future performance and they are subject to material risks, uncertainties, changes and other factors that may be beyond ENDESA's control or may be difficult to predict.

Forward-looking statements include, but are not limited to, information regarding: estimated future earnings; anticipated increases in generation and market share; management strategy and goals; estimated cost reductions; tariffs and pricing structure; estimated capital expenditures and other investments; estimated increases in capacity and output and changes in capacity mix; repowering of capacity and macroeconomic conditions. The main assumptions on which these expectations and targets are based are related to the regulatory setting, exchange rates, increases in production and installed capacity in markets where ENDESA operates, increases in demand in these markets, assigning of production amongst different technologies, and the availability and cost of the gas, coal, fuel oil and emission rights necessary to run our business at the desired levels.

In these statements we avail ourselves of the protection provided by the Private Securities Litigation Reform Act of 1995 of the United States of America with respect to forward-looking statements.

The following important factors, in addition to those discussed elsewhere in this document, could cause actual financial and operating results and statistics to differ materially from those expressed in our forward-looking statements:

Economic and industry conditions: significant adverse changes in the conditions of the industry, the general economy or our markets; the effect of the prevailing regulations or changes in them; tariff reductions; the impact of interest rate fluctuations; the impact of exchange rate fluctuations; the impact of energy commodities price fluctuations; natural disasters; the impact of more restrictive environmental regulations and the environmental risks inherent to our activity; potential liabilities relating to our nuclear facilities.

Transaction or commercial factors: any delays in or failure to obtain necessary regulatory, antitrust and other approvals for our proposed acquisitions or asset disposals, or any conditions imposed in connection with such approvals; our ability to integrate acquired businesses successfully; the challenges inherent in diverting management's focus and resources from other strategic opportunities and from operational matters during the process of integrating acquired businesses; the outcome of any negotiations with partners and governments. Delays in or impossibility of obtaining the pertinent permits and rezoning orders in relation to real estate assets. Delays in or impossibility of obtaining regulatory authorisation, including that related to the environment, for the construction of new facilities, repowering or improvement of existing facilities or its closure or decommissioning; shortage of or changes in the price of equipment, material or labour; opposition of political or ethnic groups; adverse changes of a political or regulatory nature in the countries where we or our companies operate; adverse weather conditions, natural disasters, accidents or other unforeseen events, defaults quantifiable of monetary obligations by the counterparties to which the Company has effectively granted net credit and the impossibility of obtaining financing at what we consider satisfactory interest rates.

Regulatory, environmental and political/governmental factors: political conditions in Spain and Europe generally; changes in Spanish, European and foreign laws, regulations and taxes.

Operating factors: technical problems; changes in operating conditions and costs; capacity to execute cost-reduction plans; capacity to maintain a stable supply of coal, fuel and gas; acquisitions or restructuring; capacity to successfully execute a strategy of internationalisation and diversification.

Competitive factors: the actions of competitors; changes in competition and pricing environments; the entry of new competitors in our markets.

Further details on the factors that may cause actual results and other developments to differ significantly from the expectations implied or explicitly contained in this document are given in the Risk Factors section of the current ENDESA regulated information filed with the Comisión Nacional del Mercado de Valores (the Spanish securities regulator or the "CNMV" for its initials in Spanish).

No assurance can be given that the forward-looking statements in this document will be realised. Except as may be required by applicable law, neither Endesa nor any of its affiliates intends to update these forward-looking statements.

This presentation does not constitute a recommendation regarding the securities of Endesa, S.A.. This presentation does not contain an offer to sell or a solicitation of any offer to buy any securities issued by Endesa, S.A. or any of its subsidiaries or affiliates.

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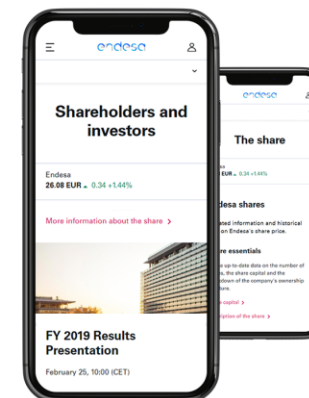


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