ENDESA SUSTAINABILITY PLAN (ESP)

2019-2021

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Index

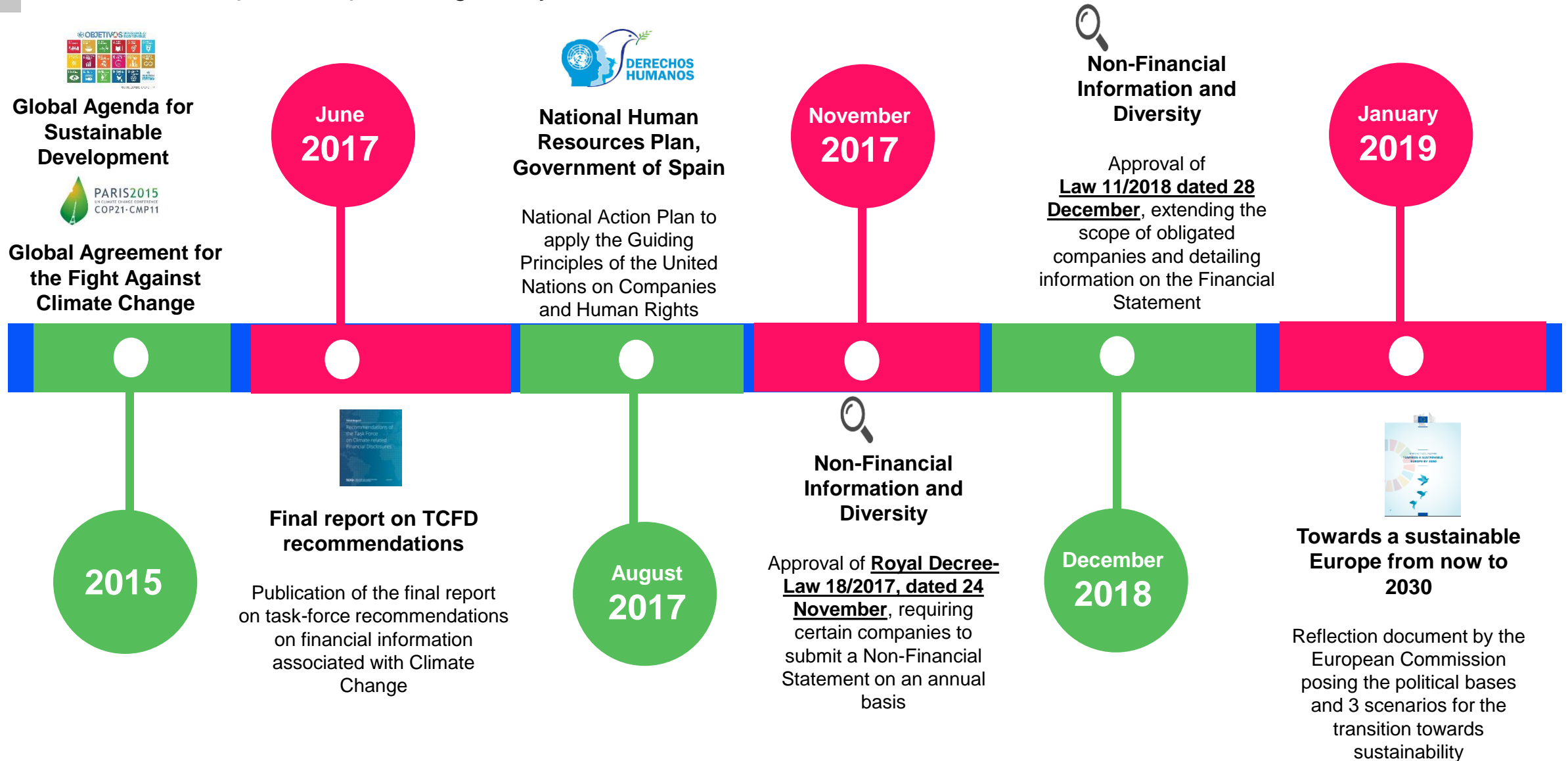**1** **Analysis of the Context and Identification of Priorities**

2 **New Sustainability Plan 2019-2021**

1. Analysis of the Context and Identification of Priorities

Materiality

Context in Europe and Spain: Regulatory Frameworks and Public Policies

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Global Agenda for Sustainable Development

Global Agreement for the Fight Against Climate Change

2015

June 2017

Final report on TCFD recommendations

Publication of the final report on task-force recommendations on financial information associated with Climate Change

National Human Resources Plan, Government of Spain

National Action Plan to apply the Guiding Principles of the United Nations on Companies and Human Rights

August 2017

November 2017

Non-Financial Information and Diversity

Approval of **Royal Decree-Law 18/2017, dated 24 November**, requiring certain companies to submit a Non-Financial Statement on an annual basis

Non-Financial Information and Diversity

Approval of **Law 11/2018 dated 28 December**, extending the scope of obligated companies and detailing information on the Financial Statement

December 2018

January 2019

Towards a sustainable Europe from now to 2030

Reflection document by the European Commission posing the political bases and 3 scenarios for the transition towards sustainability

New horizons towards a sustainable business

Evolution of society

- **Demographic expansion** worldwide due to population explosion in developing countries and ageing in developed countries, with social and financial effects.
- Heavy **urbanisation and increase in megacities**.
- New forms of **mobility**.
- Greater **knowledge** and awareness among the community of environmental aspects.

Climate change and limits of the planet

- Increase in population, economic growth and climate changes that place **a lot of pressure on the planet's resources**.
- Drive from the **transition from fossil fuels** to renewable energies, commitment to the fight against climate change, technological innovation, development of electric vehicles, circular economy.

Technological revolution and digitalisation

- **Exponential development of digital technologies** and increasing application of connected and smart devices.
- **Automation**: robotics, wearables, machine learning, artificial intelligence, etc.
- **Cyber security.**
- **Innovation in business models.**
- Technology, employment, work and **skills**.

New social contract

- **Fairness and inclusion** have wide margins for improvement.
- To thrive on a planet subject to rapid changes, it is necessary to **redirect the relationship between** civil society, Government and companies.
- Growing **demand** for **sustainable products and services:** new driver for the company.
- **Sustainable Development Goals of the** United Nations.

A non-linear and interconnected change in which innovation and "Fair Transition" guide development

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Innovation

Infrastructure

Work and skills
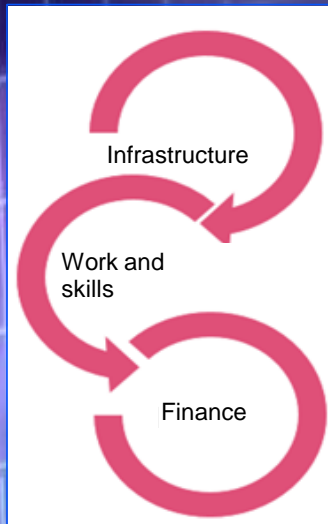
Finance

- **Open Innovability**
- **Digitalisation and cyber security**
- **New innovative business**

- **Agile, new skills**
- **Finance models**

«Fair Transition»
(environment, people, society)

Climate change

Social inclusion

New services and products

- *Decarbonisation*
- *Low-carbon growth*
- *New electric demand*

- *Creation of shared value*
- *Circular economy*

Materiality Process 2018

Materiality Study 2018: The Process

Analyses Conducted

Interviews with stakeholders
Customers
Suppliers
Civil society
Business associations
Academic institutions
Media
Investors

Focus Group
Employees
External
Civil Society BIDEA

Interviews with managers
Endesa's General Managers

Analysis of investors
FTSE4Good
Georgeson
Robeco DJSI
Vigeo
MSCI

Review of other studies
Reputation Report - Reptrak
Employee climate survey
Customer satisfaction survey

419 direct queries and ~3,500 indirect queries made to 18 stakeholders

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A zoom-in has been carried out to analyse the opinion of Third-Sector organisations regarding Endesa's relationship with the local communities in which it operates.

- **82 organisations** in a local and state-level setting: 12 in Zaragoza, 8 in Palma de Mallorca, 19 in Barcelona, 10 in Seville, 13 in Tenerife, 18 in Madrid and 2 in A Coruña.
- **87% social and 13% environmental →** results are more representative of the first

PRIORITY TOPICS FOR NGOs

GENERAL
- Involvement with local communities
- Customer orientation
- Environmental compliance and management.

COMMUNITIES
- Access to electricity
- Economic and social development of communities
- Support to local communities - training and voluntary work

NGO SATISFACTION LEVEL

GENERAL
(+)
- Occupational Health and Safety
- Employee management, development and motivation

(−)
- Customer orientation
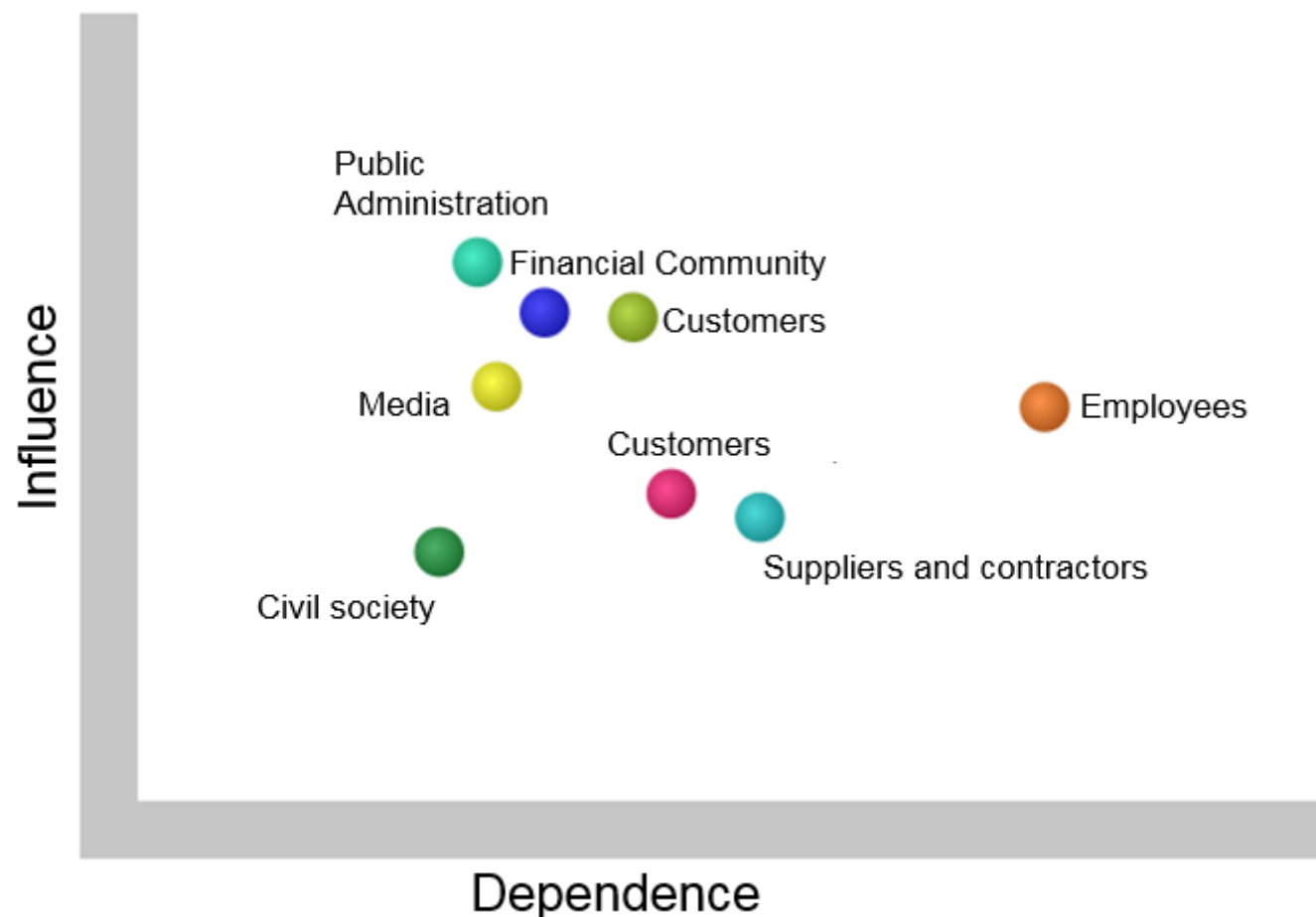- Decarbonisation of energy mix

COMMUNITIES
(+)
- Local community support
- Economic and social development of local communities

(−)
- Mitigation of impacts on communities
- Respect for the rights of communities

Materiality 2018

Prioritisation of Stakeholders: The Stakeholder Map

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- **Dependence**: groups or individuals directly or indirectly dependent on the organisation's activities, products or services and their associated functions.

- **Influence**: groups and individuals who may have an influence on the organisation, or strategic stakeholder groups for the decision-making process.

Materiality 2018

Materiality Matrix: Priority of stakeholders vs. Priorities of the company
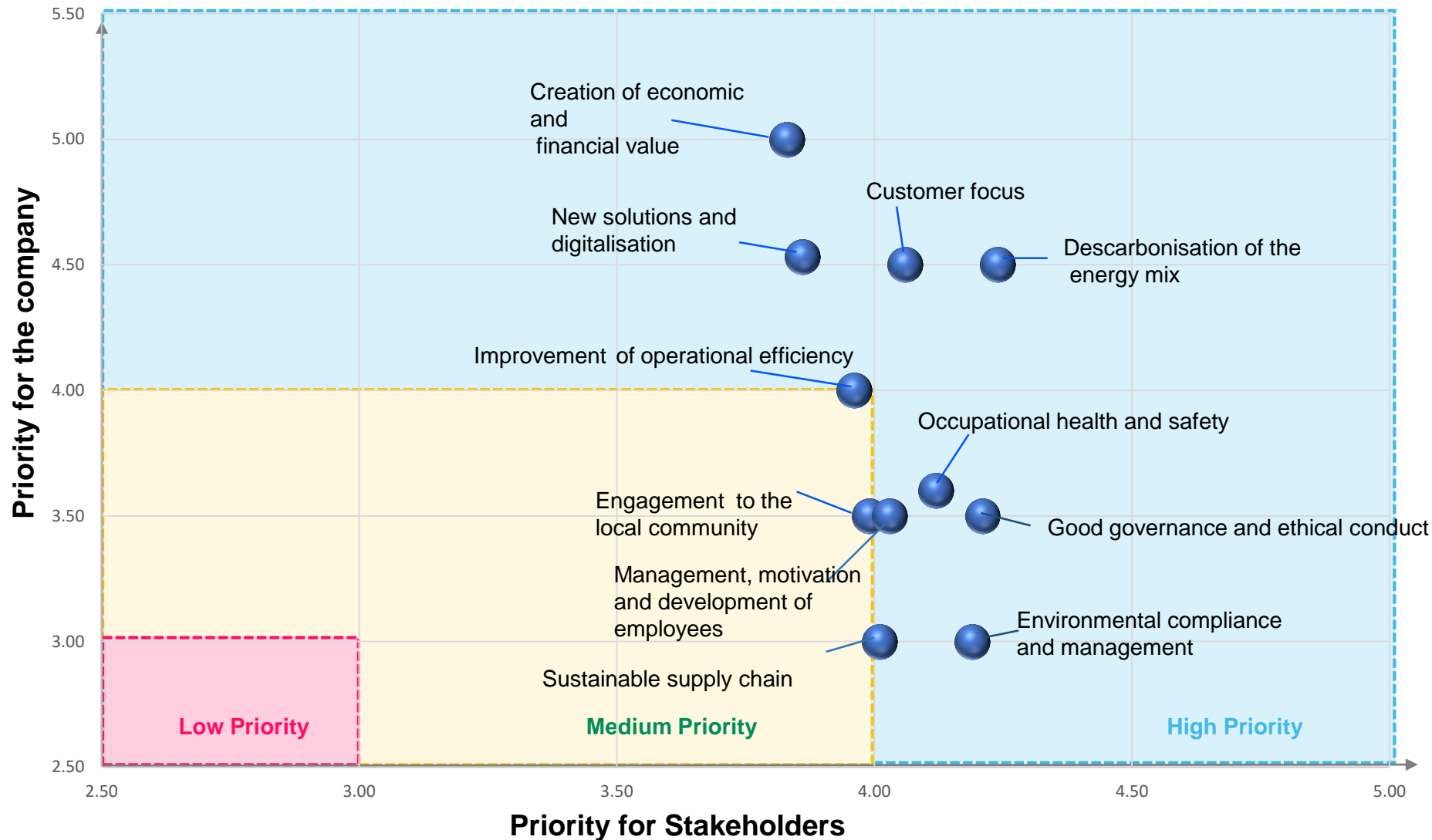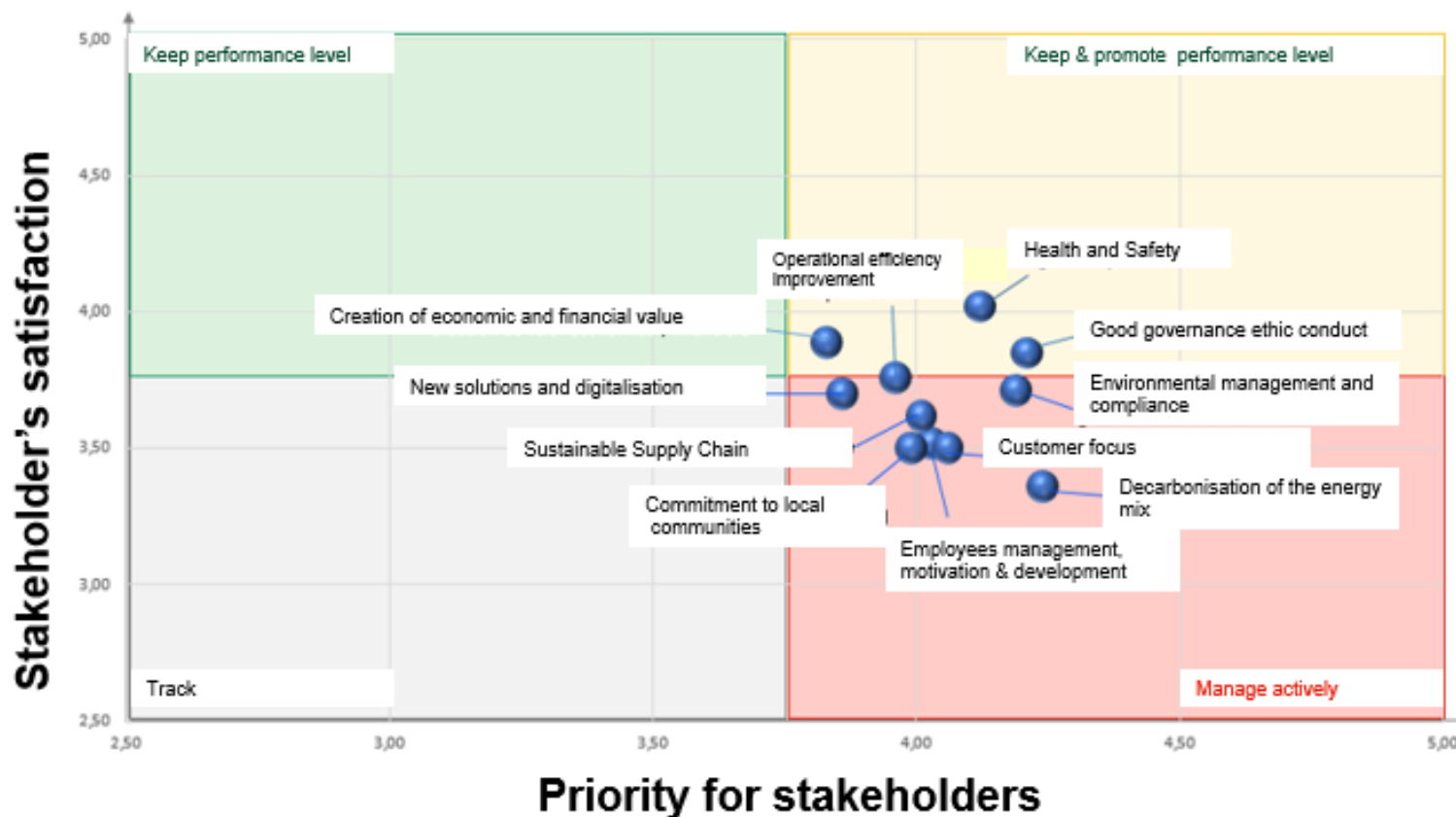

MORE MATERIAL TOPICS

1. Decarbonisation of energy mix
2. Customer orientation
3. New solutions and digitalisation
4. Improved efficiency and Creation of economic and financial value

Materiality 2018

Stakeholder expectations matrix: Priority vs. Satisfaction

Stakeholder Expectations

1. Decarbonisation of energy mix

2. Customer orientation

3. Management, motivation and development of employees

4. Commitment to local community

5. Sustainable supply chain

6. New solutions and digitalisation
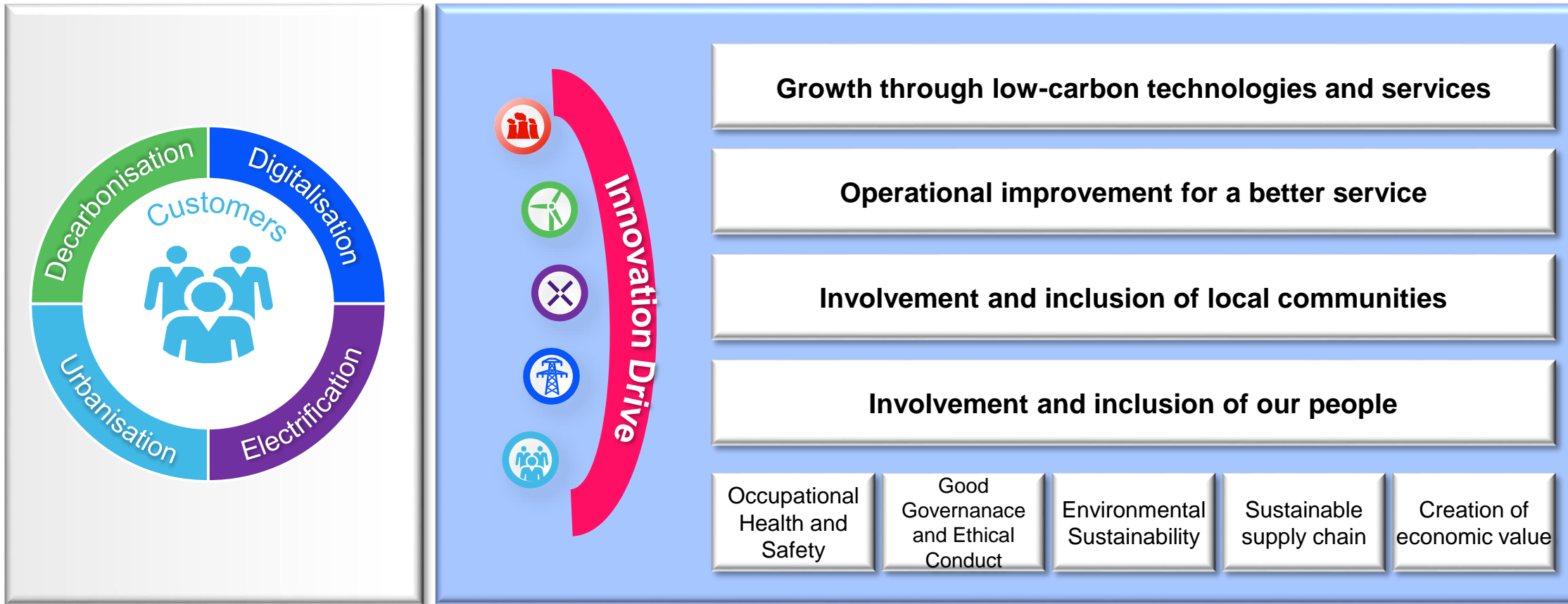
7. Compliance and environmental management

2. ENDESA's 2019-2021 Sustainability Plan
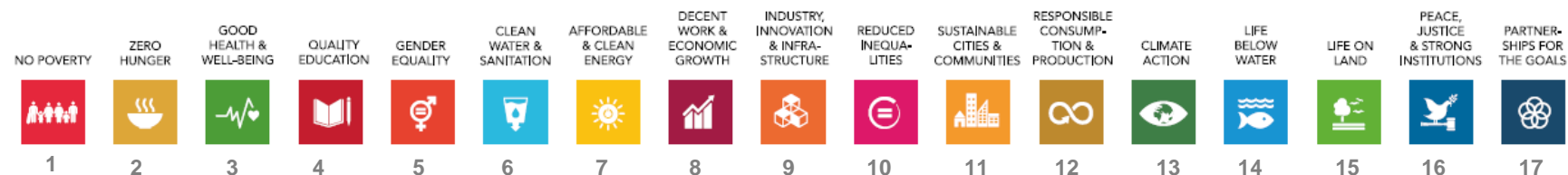
2019-2021 ESP Structure

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ENERGY TRANSITION

Customers

- Decarbonisation
- Digitalisation
- Urbanisation
- Electrification

Innovation Drive

Growth through low-carbon technologies and services

Operational improvement for a better service

Involvement and inclusion of local communities

Involvement and inclusion of our people

Occupational Health and Safety	Good Governanace and Ethical Conduct	Environmental Sustainability	Sustainable supply chain	Creation of economic value

2019-2021 ESP Structure
Aligned with the UN's Sustainable Development Goals

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		NO POVERTY (1)	ZERO HUNGER (2)	GOOD HEALTH & WELL-BEING (3)	QUALITY EDUCATION (4)	GENDER EQUALITY (5)	CLEAN WATER & SANITATION (6)	AFFORDABLE & CLEAN ENERGY (7)	DECENT WORK & ECONOMIC GROWTH (8)	INDUSTRY, INNOVATION & INFRA-STRUCTURE (9)	REDUCED INEQUA-LITIES (10)	SUSTAINABLE CITIES & COMMUNITIES (11)	RESPONSIBLE CONSUMP-TION & PRODUCTION (12)	CLIMATE ACTION (13)	LIFE BELOW WATER (14)	LIFE ON LAND (15)	PEACE, JUSTICE & STRONG INSTITUTIONS (16)	PARTNER-SHIPS FOR THE GOALS (17)
Priorities	Growth through low-carbon technologies							●		●		●		●				●
	Operational improvement for a better service							●		●		●						●
	Involvement and inclusion of local communities	●	●	●	●	●		●	●	●	●							●
	Involvement and inclusion of our people			●	●	●			●									●
Pillars	Occupational health and safety			●														
	Good Governance																●	●
	Environmental Sustainability						●						●	●	●	●		
	Sustainable supply chain												●					
	Creation of economic and financial value								●	●								
Reinforcement	Drive towards innovation							●		●		●	●					●

● Public or ongoing commitment with the United Nations.

ESP 2019-2021

Growth through low-carbon technologies and services

13 CLIMATE ACTION

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Courses of action

Goals

Reduction of total CO_2 emissions ($MtCO_2$)

Vs 2005 | **-39%** | **-52%** | **-69%** | **-85%** | **100%**

2005	2018	2020	2030	2040	2050
51	31	24	<20	<10	~0

Reduction of specific CO_2 emissions
(Kg CO_2/KWhbc)

2018	2019	2020	2021
418	382	332	332

Increase in the free production of CO_2

% production[1] of free CO_2

2005	2018	2020	2030	2040	2050
36%	49%	56%	~65%	>78%	100%

Increase in the capacity of renewables[2]	1.9 GW more in 2019-2021
Production from renewable sources[3]	15.760 GWh in 2021
Installation of storage capacity	85 MW installed in the period 2019-2021
Environmental improvements in thermal power plants	~ €124 M invested in the period 2019-2021
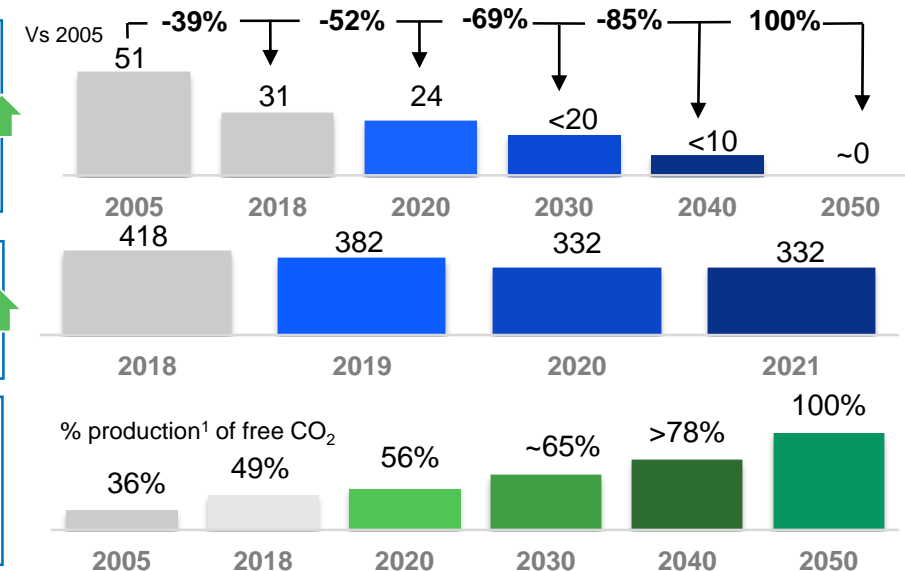
1: Estimation considering the total production measured at power plant busbars
2: Gross installed capacity
3: Net production

Actual closing figure | NEW New goal | ⬆ Increase in the goal vs. previous plan | ⟳ Redefined goal | ⬆ Compared with 2018

SUSTAINABLE DEVELOPMENT GOALS

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Courses of action

Generation

| Maintain high efficiency in renewable power plants ⬆ |

| ISO 9001 quality certification in thermal and renewable generation assets |

Distribution

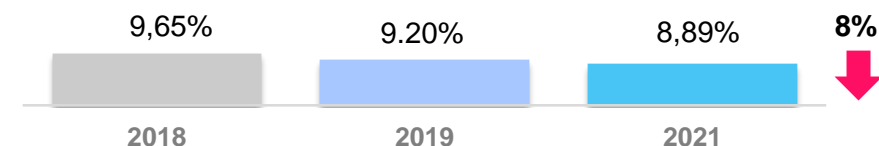| Reduction in electricity losses[1]
(% losses measured at substation busbar) |

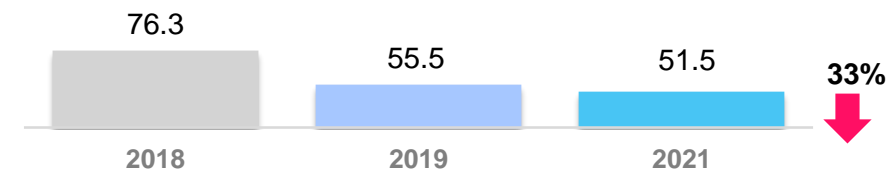| Energy Recovery (GWh) |

| Improved continuity of supply
(SAIDI[2], min) |

Goals

| 94.8% in wind power in 2019-2021
98.8% in hydroelectric power in 2019-2021 |

| Maintain 100% in the 2019-2021 period |

9,65% (2018) — 9.20% (2019) — 8,89% (2021) — 8% ⬇

3.947 GWh in the period 2019-2021

76.3 (2018) — 55.5 (2019) — 51.5 (2021) — 33% ⬇

1:OS criterion
2:Own SAIDI+ programmed

| ▬ Actual closing figure | NEW New goal | ⬆ Increase in the goal vs. previous plan | ◯ Redefined goal | ⬆ Compared with 2018 |

Operational improvement for a quality service (2/4)

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Courses of action

Roll-out of the remote management plan in the Low Voltage network (M installed remote meters)

Installation of remote controls in the Medium Voltage network (accumulated)

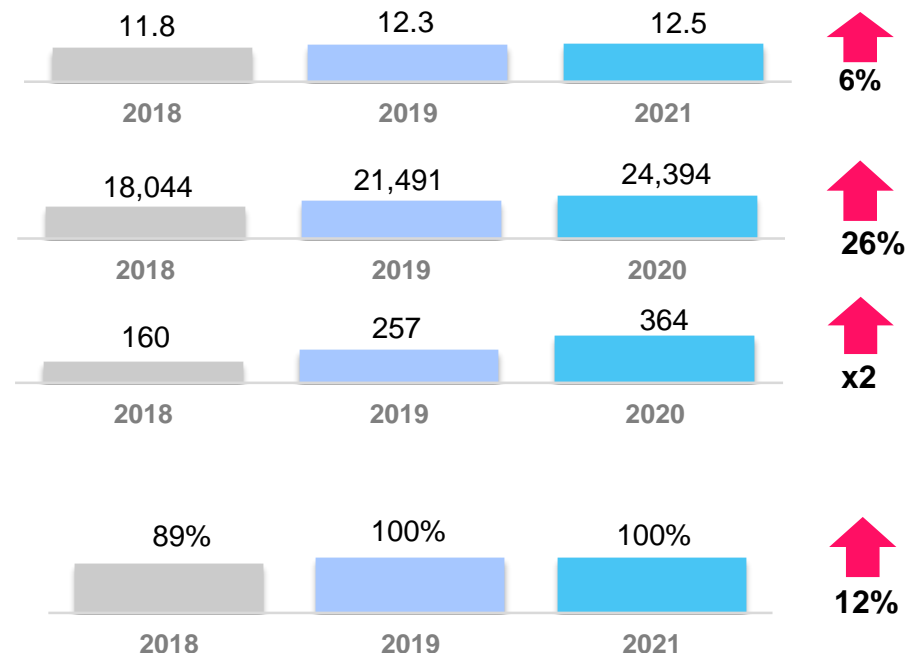Project SIMON: Technological updating of the High Voltage remote control system (accumulated)

Cybersecurity

Promotion of cyber security in web applications exposed to the Internet

Response to cybernetic emergencies

Raising of awareness on cyber security amongst employees and their families

Goals

| 11.8 | 12.3 | 12.5 | 6% |
| 2018 | 2019 | 2021 | |

| 18,044 | 21,491 | 24,394 | 26% |
| 2018 | 2019 | 2020 | |

| 160 | 257 | 364 | x2 |
| 2018 | 2019 | 2020 | |

| 89% | 100% | 100% | 12% |
| 2018 | 2019 | 2021 | |

CERT national accreditation and affiliation with international organisations (First and Trusted Introducer)

45 actions in the period 2019-2021

Actual closing figure | NEW | New goal   ↑ Increase in the goal vs. previous plan   ◯ Redefined goal   ↑ Compared with 2018

SUSTAINABLE DEVELOPMENT GOALS

ESP 2019-2021

Operational improvement for a quality service (3/4)

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Courses of action

Customer

Promotion of electronic billing
(M contracts)

Promotion of e-care management
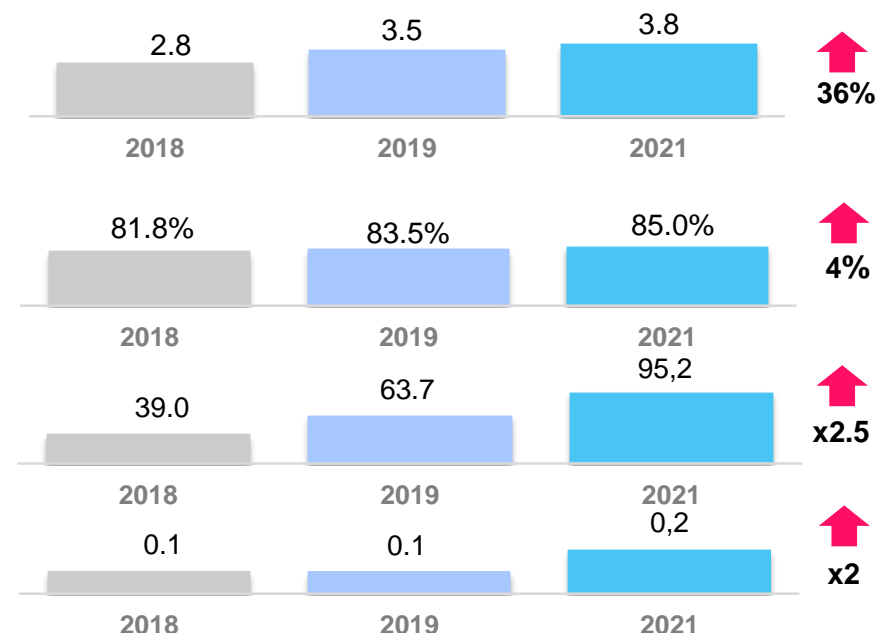(% of total management) ⬆

Investment in the development of e-solutions [1]
(€M) ⟲

Sale of e-solutions
(margin obtained €M thousands) ⟲

Promotion of the online Twenergy channel

Installation of public access electric vehicle
charging points ⟲

Goals

	2018	2019	2021	
	2.8	3.5	3.8	⬆ 36%
	81.8%	83.5%	85.0%	⬆ 4%
	39.0	63.7	95,2	⬆ x2.5
	0.1	0.1	0,2	⬆ x2

18,4 M visits during the period
2019-2021

3.300 public charging points in 2021

1: The Goal for 2018 has changed, due to a change in the
Accounting Standard (IFRIC16). This standard enables CTA costs
to be capitalised.

Actual closing figure   NEW New goal   ⬆ Increase in the goal vs. previous plan   ⟲ Redefined goal   ⬆ Compared with 2018

Courses of action	Goals

| Provision of efficient and sustainable products via the online store | +1.600 products in 2021 |

| Improvement in overall customer satisfaction | Score of 7.4 / 10 in overall customer satisfaction in 2021 |

| Installation of VNG service stations open to the public | 22 stations in 2021 |

Innovation and digitalisation

| Promotion of the partnership with startups for the development of new energy solutions and the improvement of internal processes | 15 projects with startups in the period 2019-2021 |

| Promotion of the culture of innovation | 5 annual innovation events 2019-2021 |

| Promotion of the digitalisation of assets, customers and our people | €1.283 M invested in the period 2018-2021 |

SUSTAINABLE DEVELOPMENT GOALS

Actual closing figure | NEW New goal | Increase in the goal vs. previous plan | Redefined goal | Compared with 2018

ESP 2019-2021

Involvement and inclusion of local communities

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Courses of action		Goals
Education	⬆	225.000 beneficiaries by 2020
Access to energy	⬆	1.820.000 beneficiaries by 2020
Socio-economic development	⬆	640.000 beneficiaries by 2020
Environmental awareness and promotion of biodiversity	⬆	610.000 beneficiaries by 2020
Extension of shared value creation model in local operations		CSV methodology extension to renewable, thermal and distribution for 2021

The figure considers the period 2015-2020 (accumulated), aligned with the Enel Group's public commitments with the Sustainable Development Goals of the United Nations. ENDESA's activities and its Foundation are also considered, specifically:
Access to energy: Includes projects to minimise economic barriers to energy access, the promotion of technical training and training in the field of energy, promotion of energy efficiency, raising awareness on the use of energy and technological and infrastructural development to facilitate access and access to electricity by vulnerable groups.
Socio-economic development: Includes projects to promote employment and the generation of economic activity in the community, the transfer of knowledge, and training and support to local business activities.
Education: Includes support projects for training activities involving students, families, colleges and universities and the promotion of academic training, generally not associated with energy, via scholarships, professiorial chairs, etc.

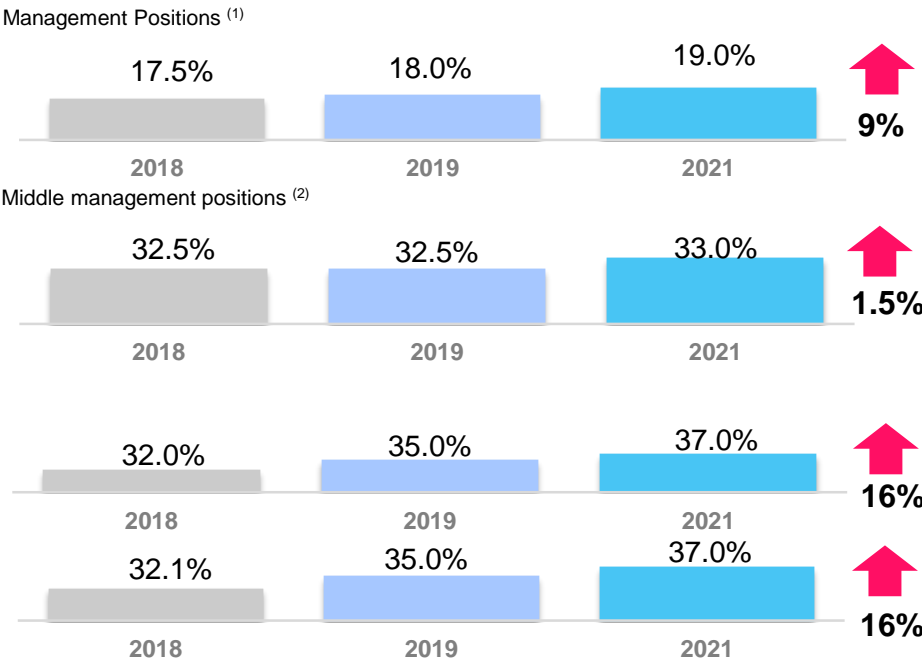|					
▬ Actual closing figure	NEW New goal	⬆ Increase in the goal vs. previous plan	◯ Redefined goal	⬆ Compared with 2018	

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Courses of action

Diversity and inclusion

To increase the presence of women in positions of responsibility (% women)

Promotion of gender diversity in selection processes (% women)

Promotion of gender diversity in the hiring of staff (% overall hiring of women)

Goals

Management Positions [1]

2018	2019	2021
17.5%	18.0%	19.0%

9%

Middle management positions [2]

2018	2019	2021
32.5%	32.5%	33.0%

1.5%

2018	2019	2021
32.0%	35.0%	37.0%

16%

2018	2019	2021
32.1%	35.0%	37.0%

16%

1: Management positions: TOP 200 + managerial level + local managers
2: Middle management positions: CGI + Agreement with staff in charge

Actual closing figure | NEW New goal | Increase in the goal vs. previous plan | Redefined goal | Compared with 2018

Involvement and inclusion of our people (2/3)

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Courses of action	Goals

Satisfaction, Performance and Development

To promote the level of involvement and satisfaction of employees (% employees)

Scope	Participation [1]
100%	>84% in 2020

Performance assessment (% employees)

Scope	Participation	Feedback
100%	99%	93%

Travel safety NEW	100% of Trips in the period 2019 -2021

Disability NEW	Focal Point Nomination

| Actual closing figure | NEW New goal | ⬆ Increase in the goal vs. previous plan | ⭕ Redefined goal | ⬆ Compared with 2018 |

ESP 2019-2021

Involvement and inclusion of our people (3/3)

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Courses of action	Goals

Training

Promotion of employee training (hours/employee) ⬆

■ Presencial ■ Online

2018	2019	2021
6.6	15.0	17.0
37.9	38.0	38.2

Development of digital skills amongst employees

100% of employees by 2021

No. of employees participating in digital transformation training programmes

1.358 employees in the period 2019-2021

Conciliation

Promotion of smartworking (no. of employees)

2018	2019	2021
1,843	1,300	1,500

Improvement of work areas in offices
(no. of benefiting employees)

2,543 in the period 2019-2021

Promotion of services that favour the conciliation of employees[1] (no. of services) ⬆

2018	2019	2021
68	76	80
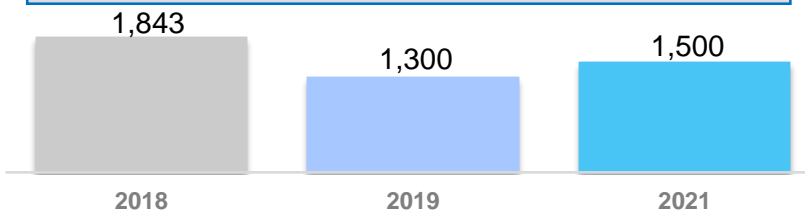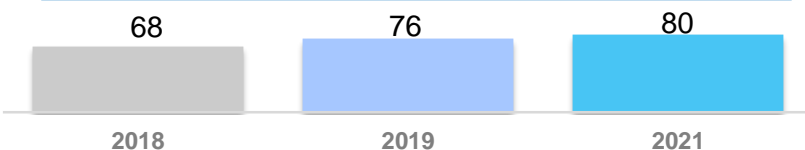
1: The figure refers to the total number of services offered at Endesa's seven sites, such as: financial advice, nutritionist, travel agency, vehicle hiring, vehicle repair and cleaning, dry cleaning, catering services, locker room, breastfeeding room, etc.

▬ Actual closing figure	NEW New goal	⬆ Increase in the goal vs. previous plan	⭘ Redefined goal	⬆ Compared with 2018

Courses of action

Courses of action	Goals
Presence of women on ENDESA's Board of Directors	30% of women on the Board of Directors in 2020
Promotion of Good Governance practices	Monitoring and annual report to the CAC of the Criminal Risk Prevention Model
Promotion of the prevention of criminal risks	Annual verification of the efficiency of the Legal Risk Prevention Model
	To maintain criminal compliance (UNE 19601) and anti-corruption (ISO 37001) certification
Analysis of complaints via the Ethical Channel	100% of complaints analysed in < 90 days in the period 2019-2021
To maintain a high level of excellence in ethical conduct and to be acknowledged by ISR analysts (DJSI score in "Codes of conduct")	DJSI Score > 95/100 in the period 2019-2021

Actual closing figure   NEW New goal   ⬆ Increase in the goal vs. previous plan   ⟲ Redefined goal   ⬆ Compared with 2018

ESP 2019-2021
Good Governance and Ethical Conduct (2/2)

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Courses of action	Goals
Diversity policy and monitoring of the policy NEW	Extension of the diversity policy to the oversight committees.
Assessment of the Board of Directors, with the support of an independent consultant NEW	1 three-year assessment
Monitoring of the Human Rights Due Diligence action plan NEW	Annual monitoring by the CAC
Ethical conduct training in the last 3 years (% employees)[1]	

95%   97.5%   100%

2018   **2019**   **2021**
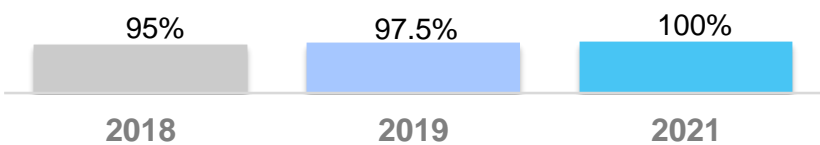
1: accumulated percentage of the current workforce

Actual closing figure | NEW New goal | ⬆ Increase in the goal vs. previous plan | ⭘ Redefined goal | ⬆ Compared with 2018

ESP 2019-2021
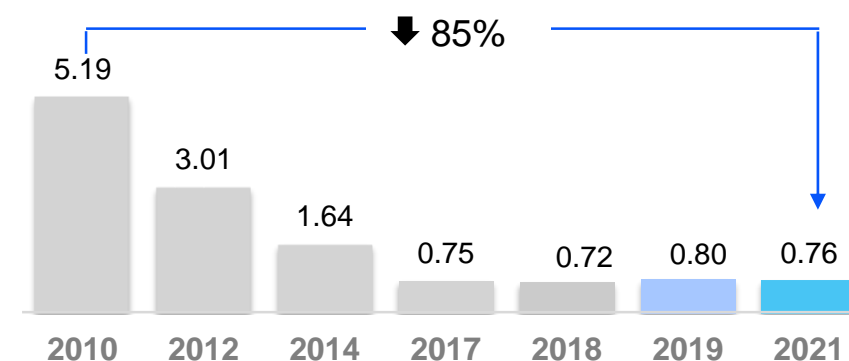
Occupational Health and Safety

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Main courses of action

| To reduce fatal accidents |

| To reduce the combined accident rate index |

| To promote the performance of safety inspection in own and contractors' facilities |

| Promotion of the performance of ECoS (extra checking on site) |

| Promotion of the performance of medical examinations |

Goals

| 0 fatal accidents |

▼ 85%

| 2010 | 2012 | 2014 | 2017 | 2018 | 2019 | 2021 |
| 5.19 | 3.01 | 1.64 | 0.75 | 0.72 | 0.80 | 0.76 |

| 210.000 inspections conducted in 2019-2021 (70.000 per year) |

| 72 ECoS inspections conducted in 2019-2021 (24 per year) |

| ~19.100 examinations performed in 2019-2021 (~ 6.000 per year) |

Actual closing figure | NEW New goal | ↑ Increase in the goal vs. previous plan | ◯ Redefined goal | ↑ Compared with 2018

ESP 2019-2021

Environmental Sustainability (1/5)

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Courses of action

Environmental management

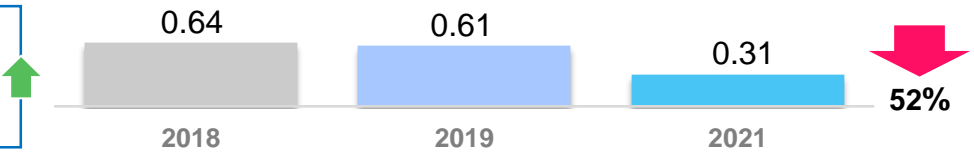To implement environmental management systems certified by ISO 14001

To reduce the environmental footprint
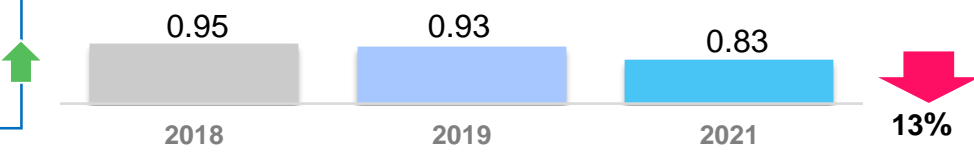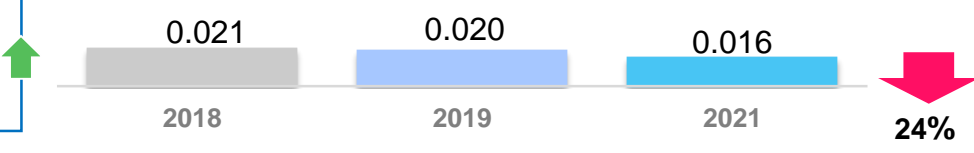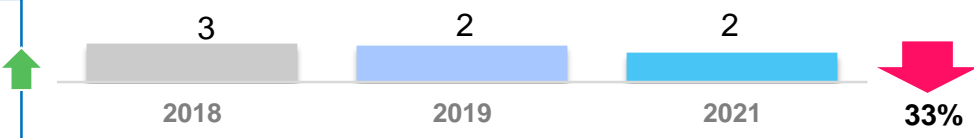
Air quality

To reduce SO$_2$ emissions (g/kWh$_{bc}$)

To reduce NOx emissions (g/kWh$_{bc}$)

To reduce particle emissions (g/kWh)

To reduce mercury emissions (µg / kWh)

Goals

100% generation and distribution facilities certified by ISO 14001 2019-2021

- 32% in 2021 compared with 2018

	2018	2019	2021	
SO$_2$	0.64	0.61	0.31	52%
NOx	0.95	0.93	0.83	13%
particle	0.021	0.020	0.016	24%
mercury	3	2	2	33%

Note: The figures consider the production at the power plant busbars provided for in BIP 2018-2022 for Spain and Portugal (they do not include Morocco)

Actual closing figure   NEW New goal   Increase in the goal vs. previous plan   Redefined goal   Compared with 2018

Environmental Sustainability (2/5)

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Courses of action	Goals

Water

To reduce water consumption during the electricity generation process (m³/MWh)

0.80
0.50
0.44

2018 **2019** **2021**

45%
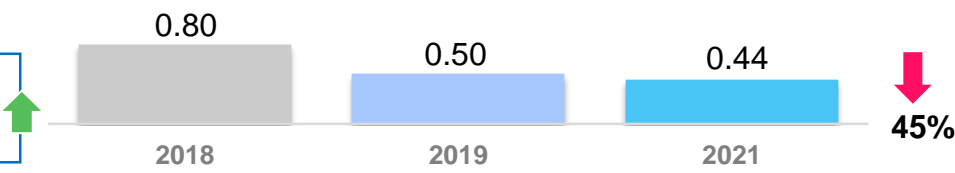
Waste

To promote efficiency in the management of waste generated during the electricity generation process

Waste production[1]
< 37,000 tonnes in 2021

To promote the circular economy through the reuse of the products of combustion from coal plants

35% ash, slag and plaster reused in 2021

Biodiversity

Implementation of the biodiversity preservation programme

> 20 biodiversity actions developed per year in 2019-2021

1: Hazardous and Non-Hazardous Waste

Actual closing figure | NEW New goal | ↑ Increase in the goal vs. previous plan | ⟳ Redefined goal | ↑ Compared with 2018

ESP 2019-2021
Environmental Sustainability (3/5)

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Courses of action

Goals

Building Management

Certification of energy, environmental and internal air quality management in offices	56% of the surface area of offices certified in 2021
Reduction of energy consumption[1] ↻	0.5% annual reduction in the period 2019-2021
Reduction of water consumption[1] ↻	0.5% annual reduction in the period 2019-2021
Reduction in the generation of paper and cardboard waste[1] ↻	20% reduction in 2021[4]
Reduction of space in Endesa's buildings as a whole	+24.567 m^2 less in the period 2019-2021
Reduction of CO_2 emissions in buildings	17% reduction in 2021, vs. 2018[2]
Reduction in plastic waste [NEW]	60% reduction of single-use plastic waste in offices in 2021 (vs. 2018)

Assets

Integration of space in the environment	~ €25 M invested in 2019-2021
Development of socio-environmental actions in assets	+10 actions performed per year during the period 2019-2021

1: Only SIGAEC buildings are included (% reduction in consumption compared with the previous year)
2: Emissions as at 31/12/2018: 13,143 tonnes of CO_2. The reduction of emissions is caused by the reduction of energy consumption and office space
3: Calculation of the goal according to the calculation at the Ribera del Loira headquarters
4: Compared with the previous year

| | Actual closing figure | [NEW] New goal | ⬆ Increase in the goal vs. previous plan | ↻ Redefined goal | ⬆ Compared with 2018 |

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Courses of action

Goals

Sustainable Mobility: Fleets and employees

Sustainable fleet management: electrification and optimisation

20% electric vehicles in the fleet in 2021

~ 30% hybrid vehicles in the fleet in 2021

33% reduction of combustion vehicles in the fleet in 2021 (vs. 2018)

Electrification of the site car parks

625 parking spaces for electric vehicles in 2021[1]

Responsible management of taxi usage

49% employees in shared taxis in 2021[2]

76% km travelled in ecotaxis in 2021[3]

Reduction of CO_2 in Endesa fleet management

17% reduction in 2021, vs. 2018[4]

1: The figure considers the parking spaces that have an electric vehicle charging system installed
2: % of total employees who use taxis for their professional travels.
3: Ecotaxis use one of the following technologies: hybrid, electric, LPG or CNG.
4: Fleet emissions in 2018: 4,468 tonnes of CO_2

Actual closing figure   NEW New goal   ⬆ Increase in the goal vs. previous plan   ◯ Redefined goal   ⬆ Compared with 2018

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Courses of action	Goals
Sharing an e-car **NEW**	150 employees in 2021
Transport card **NEW**	870 employees in 2021
Promotion of the e-carsharing service	370.000 km travelled in 2019-2021
e-mobility programme for employees	10% employees with an electric vehicle in 2020

Circular economy

Power plant second-life projects with termination of activity **NEW**	Launch in 2019 of a tender for 1 project

| | Actual closing figure | **NEW** New goal | ↑ Increase in the goal vs. previous plan | ○ Redefined goal | ↑ Compared with 2018 |

ESP 2019-2021

Sustainable supply chain

endesa

SUSTAINABLE DEVELOPMENT GOALS

Courses of action

Promotion of the qualification system: Volume of purchases made from qualified suppliers (% of the total)

Verification of human rights aspects in the supplier qualification process (% qualifications)

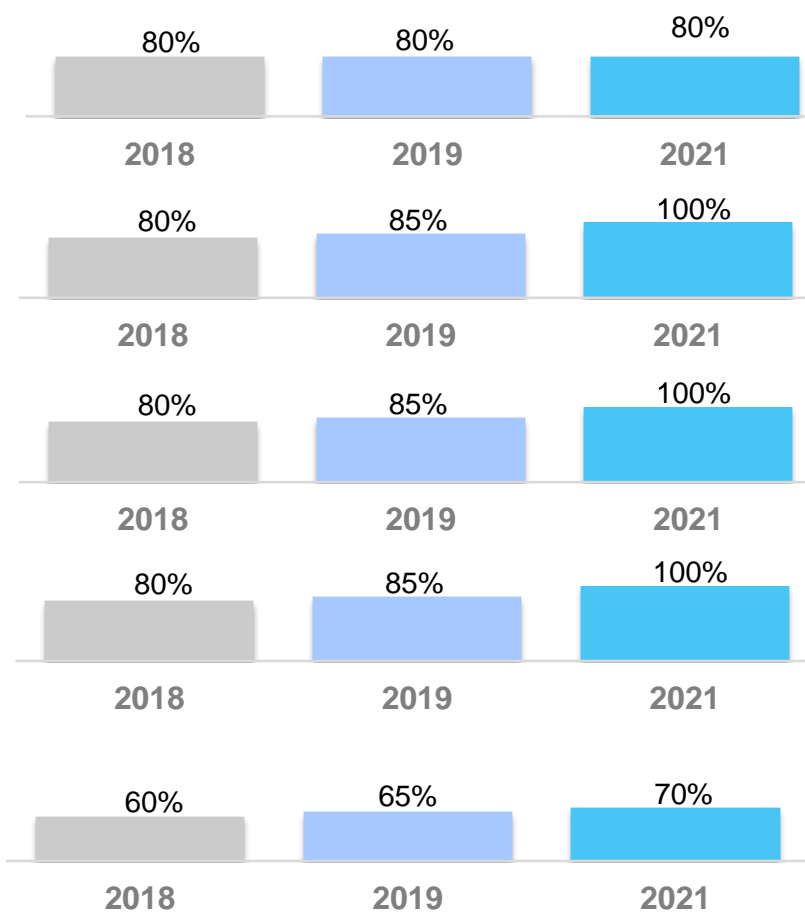| Verification of safety aspects in the supplier qualification process (% qualifications) |
| --- |

Verification of environmental aspects in the supplier qualification process (% qualifications)

Volume of purchases on which performance is assessed (Vendor Rating) (% of the total)

Assessment of contractor companies in social, environmental and ethical matters

Goals

	2018	2019	2021
	80%	80%	80%

	2018	2019	2021
	80%	85%	100%

	2018	2019	2021
	80%	85%	100%

	2018	2019	2021
	80%	85%	100%

	2018	2019	2021
	60%	65%	70%

15% contractor companies
assessed each year during 2019-2021

Actual closing figure	NEW New goal	⬆ Increase in the goal vs. previous plan	⭕ Redefined goal	⬆ Compared with 2018

ESP 2019-2021

Creation of economic and financial value

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Courses of action

Increase in EBITDA (€ thousand M)

Increase in Net Profit (€ thousand M)

Investments
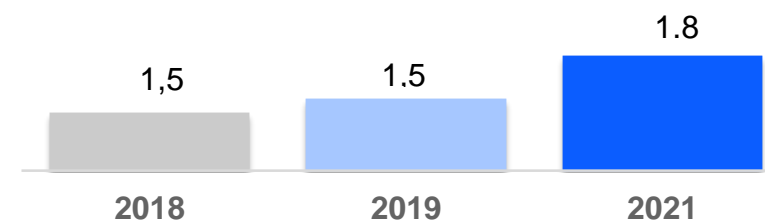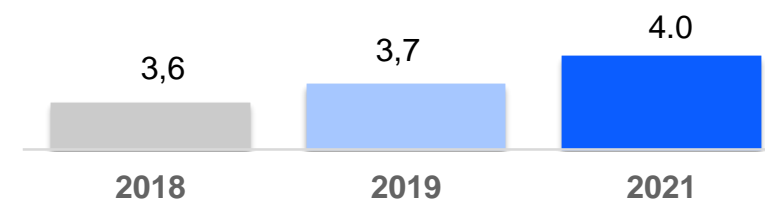
Goals

2018	2019	2021
3,6	3,7	4.0

2018	2019	2021
1,5	1.5	1.8

4.979 M€ in the period
2019-2021

SUSTAINABLE DEVELOPMENT GOALS

Assessment of ENDESA's Sustainability Plan (ESP) 2018-2022

ESP 2018-2020

Main Results for 2018

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2018-2022 ESP Structure

Digitalization	Customer focus

Growth through low carbón technologies and services

Operational efficiency and innovation

Involvement and inclusión of local communities

Involvement and inclusión of our people

Good goverment and ethical conduct	Occupational health and safety	Environmental sustainability	Sustainable supply chain	Creation of economic and financial value

Creating long-term sustainable value

Level of compliance

Growth through low-CO_2 technologies	91%
Operating efficiency and innovation	84%
Involvement of communities	100%
Involvement of our people	85%

Good governance	100%
Occupational health and safety	100%
Environmental Sustainability	91%
Supply chain	100%
Digitalisation	97%
Customer orientation	94%

In 2018, overall compliance of **94%** was achieved via **+100 goals**

ESP 2018-2020

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Growth through low-carbon technologies and services

Compliance 91%

Main courses of action	2018 Goal	2018 Result
Free production of CO_2 (% production without CO_2)	48%	49%
Reduction in total CO_2 emissions (Mtonnes of CO_2 emitted)	33	31
Reduction of specific CO_2 emissions (g/CO_2/kWh)	436	418
Renewable capacity[1] (MW installed)	6.453	6.568
Environmental improvements in thermal power plants (€M)	115	46,38
Installation of storage capacity (MW)	20	20

1: Gross capacity
2: Own SAIDI + programmed
3: OS Criterion

Operating efficiency and innovation (1/3)

Compliance 84%

Efficiency and quality in Generation

Main courses of action	2018 Goal	2018 Result
To maintain high efficiency in renewable power plants (wind and hydroelectric power)	Wind power 94.6% Htdroelectric power 98.2%	Wind power 94.6% Hydroelectric power 98.7%
ISO 9001 quality certification in thermal and renewable generation assets	100%	100%
Efficiency and Quality in Distribution		
Improved continuity of supply (SAIDI[2], min)	57,5	76,3
Reduction in electricity losses[3] (% losses measures at the substation busbar)	9,1%	9,6%
Energy Recovery (GWh)	733	1.203

NEW New goal   ⬆ Increase in the goal vs. previous plan   ⭕ Redefined goal

ESP 2018-2020

Operating efficiency and innovation (2/3)

Main courses of action	2018 Goal	2018 Result
Sustainable Mobility: Fleet and employees		
Sustainable fleet management: • Electric vehicles • Hybrid vehicles • Reduction in combustion vehicles	299 335 1.338	100 529 1.502
Promotion of the e-carsharing service (km)	100.000	87.745
e-mobility programme for employees (No. of employees)	750	659
Electrification of site car parks (No. of parking spaces)	455	461
Responsible management of taxi usage (shared taxi passengers and eco-taxi km)	46% 45%	44% 70%
CO_2 emissions in fleet management	4.062	4.468

Operating efficiency and innovation (3/3)

Main courses of action	2018 Goal	2018 Result
Open Innovation		
Promotion of open innovation (no. of projects)	1	1
Promotion of the partnership with startups for the development of new energy solutions and and the improvement of internal processes (no. of projects)	2	11
Promotion of the culture of innovation (no. of events)	2	5
Development of innovation projects (no. of projects)	3	5

NEW New goal   ⬆ Increase in the goal vs. previous plan   ⭕ Redefined goal

ESP 2018-2020

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Involvement and inclusion of local communities

Compliance — 100%

Main courses of action	2018 Goal	2018 Result
Education (No. of beneficiaries)	32.000	52.526
Access to energy (No. of beneficiaries)	240.000	403.390
Socio-economic development (No. of beneficiaries)	42.000	185.248
Environmental awareness and promotion of biodiversity (No. of beneficiaries)	78.000	149.958
Extension of shared value creation model in local operations	100% support for projects and roll-out of phase 1 of the CSV model in O&M assets in Renewable and Thermal power	

Involvement and inclusion of our people (1/2)

Compliance — 85.16%

Main courses of action	2018 Goal	2018 Result
Diversity and inclusion		
To increase the presence of women in positions of responsibility (% women)	MANAGER 17,5% MIDDLE M. 32,2%	MANAGER 17,5% MIDDLE M. 32,5%
Promotion of gender diversity in selection processes (% women)	35%	32%
Promotion of gender diversity in the hiring of staff (% overall hiring of women)	35%	32%
Satisfaction, Performance and Development		
Participation in the employee satisfaction survey (% of employees)	83%	71%
Performance assessment (% of employees)[1]	99%	37%

1: Considers management and middle management positions. The achievement of the goal was affected by the replacement of the Performance Appraisal with the OFE process

NEW New goal   ⬆ Increase in the goal vs. previous plan   ⭕ Redefined goal

ESP 2018-2020

Involvement and inclusion of our people (2/2)

Main courses of action	2018 Goal	2018 Result
Training	
Promotion of employee training (hours/employee)	Classroom 36 Online 10	Classroom 38 Online 7
Conciliation	
Promotion of services that favour the conciliation of employees (no. of services)	60	68
Promotion of smartworking (no. of employees)	1.200	1.843
Improvement of work areas in offices (no. of employees)	1.800	507

Sustainable supply chain

Compliance   100%

Main courses of action	2018 Goal	2018 Result
Promotion of the qualification system: Volume of purchases made from qualified suppliers (% of the total)	70%	80%
Verification of human rights aspects in the supplier qualification process (% qualifications)	80%	80%
Verification of safety aspects in the supplier qualification process (% qualifications)	80%	80%
Verification of environmental aspects in the supplier qualification process (% qualifications)	80%	80%
Volume of purchases on which performance is assessed (Vendor Rating) (% of the total)	60%	60%
Assessment of contractor companies in social, environmental and ethical matters	15%	17%

NEW New goal   ⬆ Increase in the goal vs. previous plan   ◯ Redefined goal

ESP 2018-2020

Digitalisation (1/3)

Compliance 97%

Main courses of action

Main courses of action	2018 Goal	2018 Result
Promotion of the digitalisation of assets, customers and our people	367.5	341.8
Custom ers Digitalisation of customers (M digital contracts[1]) ⭕	4.0	4.2
Promotion of electronic billing (no. of contracts with e-billing)[2]	2.8	2.8
Promotion of e-care management (%)[3] ⭕	72%	81.8%
Promotion of the online Twenergy channel (M visits to the blog + online store)	5.2	6.0

Digitalisation (2/3)

Main courses of action

Assets: Distribution

Main courses of action	2018 Goal	2018 Result
Roll-out of the remote management plan in the Low Voltage network (M installed remote meters)	11.9	11.8
Great Quality Plan: Installation of remote controls in the Medium Voltage network (accumulated no. of remote controls)	17.315	18.044
Project SIMON: Technological updating of the High Voltage remote control system (no. of remote controls updated)	235	160
People Development of employee digital skills (% employees)	100%	100%

1: Criterion redefined in 2018. Considers customers who are registered on the Endesa website or apps who have taken out a contract via digital channels
2: Criterion redefined in 2018: Currently considers the number of contracts instead of the number of customers. Includes valid energy supply and SVA contracts with active e-billing.
3: Procedures in digital channels in relation to total procedures in telephone service channels (CAT, in-person and digital) are considered. Digital Channels considered: Endesa Clientes website and app, Facebook, Twitter and WhatsApp.

NEW New goal	🔼 Increase in the goal vs. previous plan	⭕ Redefined goal

ESP 2018-2020

Digitalisation (3/3)

Customer focus

Compliance — 94%

Main courses of action	2018 Goal	2018 Result
Cybersecurity		
Promotion of cyber security in web applications exposed to the Internet (% applications)	75%	89%
Response to cybernetic emergencies	Accreditation from CERT to National Spanish CERT	Accreditation achieved and affiliation with international organisations
Raising of awareness on cyber security amongst employees and their families	15	15

Main courses of action	2018 Goal	2018 Result
Investment in the development of e-solutions (€M)	37	39
Sale of e-solutions (margin achieved € thousand M)	0.1	0.1
Installation of NGV service stations open to the public	14	12
Provision of efficient and sustainable products via the online store	1.452	1.076
Improvement in overall customer satisfaction (score out of 10)	7.2	7.4

NEW New goal   ⬆ Increase in the goal vs. previous plan   ⭕ Redefined goal

ESP 2018-2020

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Good Governance and Ethical Conduct

Compliance 100%

Main courses of action	2018 Goal	2018 Result
Presence of women on ENDESA's Board of Directors	18%	18%
Promotion of good governance practices	Execution of the action plan to comply with the CNMV guide on Auditing Committees	100% Completed as at 31/12/2018
Promotion of the prevention of criminal risks	Certification of Criminal Compliance (UNE 19601) and Anti-Bribery (UNE-ISO 37001)	IS
Analysis of complaints via the ethical channel (% time < 90 days)	100%	100%
Maintain a high level of excellence in ethical conduct and thus be acknowledged by ISR analysts (DJSI score)	>95%	96%
Ethical conduct training in the last 3 years (% employees)	95%	100%

Occupational Health and Safety

Compliance 100%

Main courses of action	2018 Goal	2018 Result
Fatal accidents	0	0
Combined accidence rate index	1.04	0.72
Safety inspections in own and contractors' facilities	68.971	84.020
Performance of ECoS (extra checking on site)	12	34
Performance of medical examinations	5.030	6.728

NEW New goal	↑ Increase in the goal vs. previous plan ◯ Redefined goal

ESP 2018-2020

Environmental Sustainability (1/3)

Compliance 91%

Main courses of action

	2018 Goal	2018 Result
Environmental management		
Implementation of environmental management systems certified by ISO 14001 (energy generated and distributed)	100%	100%
Environmental footprint	21.964	18.381
Air quality		
Reduction in SO$_2$ emissions (g/kWh$_{bc}$)	0.76	0.64
Reduction in NOx emissions (g/kWh$_{bc}$)	1.09	0.95
Reduction in particle emissions (g/kWh)	0.028	0.021
Reduction in mercury emissions (µg / kWh)	4	3

Environmental Sustainability (2/3)

Main courses of action

	2018 Goal	2018 Result
Water		
Reduction of water consumption during the electricity generation process (m^3/MWh)	0.88	0.80
Waste		
Promote efficiency in the management of waste generated during the electricity generation process (tonnes produced)	Hazardous 8.449 Non-Hazardous 36.753	Hazardous 7.293 Non-Hazardous 50.203
Promotion of the circular economy through the reuse of the products of combustion from coal plants	16%	27%
Biodiversity		
Biodiversity preservation programme	>20	25

NEW New goal	Increase in the goal vs. previous plan	Redefined goal

ESP 2018-2020

Environmental Sustainability (3/3)

Main courses of action	2018 Goal	2018 Result
Building Management		
Certification of energy, environmental and internal air quality management in offices	54%	55%
Reduction of energy consumption[1] (kWh)	▼ 0.5%	▲ 2%
Reduction of water consumption[1] (m³)	▼ 0.5%	▼ 10%
Reduction in the generation of paper and cardboard waste[1] (Tn)	▼ 10%	▼ 1%

Main courses of action	2018 Goal	2018 Result
Reduction of space in Endesa's buildings as a whole (m² reduced)	18.625	6.240
Reduction of CO_2 emissions in buildings[2]	10.355	13.143
Assets		
Integration of space in the environment (€M)	22.0	11.5
Development of socio-environmental actions in assets (no. of actions)	10	11

1: The goal was redefined due to the fact that the figure did not correspond to the number of buildings in the SIGAEC system
2: Emissions as at 31/12/2017: 11,716 tonnes of CO_2. The reduction of emissions is caused by the reduction of energy consumption and office space

NEW New goal   ⬆ Increase in the goal vs. previous plan   ◯ Redefined goal